



Mid-term evaluation of the Northern Ireland Rural Development Programme (NIRDP) 2007-2013

Final Report

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**'The European Agricultural Fund for
Rural Development: Europe investing in rural areas'**

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Executive Summary

1.1 Introduction

- 1.1.1 The Department of Agriculture and Rural Development (DARD) received European Commission approval for the Northern Ireland Rural Development Programme (NIRDP) 2007-2013 on 24 July 2007. Although European Commission approval for the NIRDP 2007-2013 was given on 24 July 2007, it should be noted that the various measures opened at differing timeframes over the last three years. This has ranged from the Forestry Measures (2.3, 2.4) continuing on from the previous programming period to Supply Chain Development Programme (Measure 1.4) opening in January 2010. The majority of NIRDP Measures opened during 2009, with the exceptions being Measure 1.2: The Agricultural and Forestry Processing and Marketing Grant (PMG) Scheme (December 2007), Measure 2.1: LFACA (March 2007), and Measure 2.2: Agri Environment Scheme (June 2008).
- 1.1.2 The Regulations require that a Mid Term Evaluation (MTE) is undertaken at the mid-point of the programming period. This MTE, therefore, seeks to meet the objectives of MTEs generally, as stated in the European Evaluation Network for Rural Development's Guidelines on the MTE, as well as those Northern Ireland Rural Development Programme specific objectives stipulated by the Department of Agriculture and Rural Development (DARD) in the Terms of Reference (TOR).

1.2 Socio-economic context for the NIRDP 2007-2013

- 1.2.1 Since the start of the NIRDP, the Northern Ireland economy has gone through significant upheaval as a consequence of a housing boom, the economic downturn and the subsequent fragile recovery. Up until the beginning of 2007 the region was experiencing an economic upturn brought about by increased political stability, low interest rates, increased public spending, a strong UK economy and close proximity to the booming Republic of Ireland. The effect of this prosperity was particularly evident in the property market and the construction industry as house prices rose at the highest rates in the UK. This growth slowed down dramatically in late 2007 and then reversed sharply in 2008.
- 1.2.2 In 2008 the collapse of the financial institutions caused a UK and wider recession. The subsequent fall in house prices had a particularly devastating effect on the Northern Ireland economy which was felt across all sectors, and clearly impacted on the rural area the Programme supports.

1.3 Current Challenges for the Programme

- 1.3.1 The primary concern for the future amongst those consulted in the rural community is around the increased difficulty of holding or securing match-funding. This is seen as the main threat that will impact on the ability to commit funding for the remainder of the Programme. It is evident that the Programme is operating in a very different economic climate than existed when it was first developed, with much more restrictive bank lending policies causing difficulties in general in the region. It is noted that there is anecdotal evidence from the research programme that many of the aspirations of the community have subsequently changed, for example sustaining jobs is a greater priority now for some than creating jobs.
- 1.3.2 It is also noted that the National element of funding is not immune to the economic downturn. It is clear that there is a level of uncertainty around Northern Ireland government departments' budgets, which could impact on the National funding element for the remainder of the Programme. Clarification on this issue will not be available until later in 2010 following the outcome of a UK wide Spending Review. It has, therefore, not proved possible to incorporate the impacts of this Spending Review into this evaluation.
- 1.3.3 Through the research conducted it is evident that the economic situation has impacted on the Programme to date, and may impact on the achievement of objectives in the long run. It is expected that the level and speed of economic recovery will have a major influence on the achievement of objectives.

1.4 Summary of on-going rationale for the NIRDP 2007-2013

- 1.4.1 The following points demonstrate the on-going rationale, and indeed need, for the NIRDP 2007-2013.
- 1.4.2 Economic Challenges - The ongoing economic challenges in rural areas mean that many rural businesses require assistance from the NIRDP in order to be successful in the long term. This is particularly so in the current economic climate when the banks have introduced tighter restrictions on lending and there is a reduced level of existing capital available for investment as a result of the recession.

- 1.4.3 Diversification / Move to Services and Tourism sectors - With a reduced dependence on agriculture in Northern Ireland, due to factors such as a heavier reliance on imported goods, NIRDP support is required for a proportion of rural agricultural businesses to diversify into new areas in order for the rural economy to be sustainable. Being able to maximise the potential of rural assets in this way is an essential aspect of life today for many rural families. It is noted that concerns have been raised by key informants and stakeholders regarding anecdotal evidence of possible saturation levels and a dropping-off in demand in this area. The economic downturn and reduced availability of match-funding are likely to impact in this area, as in other activities across the Programme.
- 1.4.4 Meeting EU Regulations - European regulations which have been introduced in recent years are essential to maintain the natural rural environment, ensure the welfare and humane treatment of animals and prevent the introduction and spread of diseases. However many farms require expensive modernisation in order to comply with the regulations. Without NIRDP support many farmers could not afford to make these improvements and would risk going out of business.
- 1.4.5 Promotion of Greener Farming Practices - The promotion of greener farming methods and good environmental practice is an issue of growing importance in which NIRDP funding plays a vital role. The initial cost of conversion to such practices is often prohibitively expensive and would not be possible for most farmers in Northern Ireland without financial assistance from the NIRDP.
- 1.4.6 The Sense of Community in Rural Areas - Due to the growth in the number of urban dwellers and new migrants moving into rural areas in recent years there are increasing challenges with regards to the sense of community and place in rural areas. Therefore NIRDP funded schemes that improve communities are a very important contribution to the sense of inclusion in rural society.
- 1.4.7 It is evident, in the opinion of the evaluators, that the NIRDP 2007-2013 has a key role to play alongside the other programmes and strategies currently being delivered in Northern Ireland. The need for the Programme established at the outset of the programming period is very much evident at this mid term stage, with the added challenge of the current economic climate. It is clear in the evaluator's opinion that the ongoing rationale for the NIRDP is strong.

1.5 Performance of NIRDP 2007-2013

- 1.5.1 This section of the MTE assesses the achievements, to date, of the NIRDP 2007 to 2013, and addresses the following specific issues.
- Application Processes
 - Financial performance (including commitment, expenditure and N+2)

- Participation levels by target groups
- The spatial spread of the Programme across Northern Ireland
- Axis-specific achievements to date
- Programme objectives and priorities
- Programme impacts achieved to date and the likely achievement of overall objectives
- The contribution of the Programme to the economic and social revitalisation of rural areas

1.5.2 **Application Processes** – The processes for applying to the NIRD 2007-2013 have, generally, been commented on positively by those involved at all levels of the Programme, including measure leaders and Programme participants. There is the wide spread view among the Programme participants surveyed that application forms are clear and concise, with all of those surveyed also being satisfied with the support afforded to them. Whilst much of this support was provided formally within the Programme, by, for example, the relevant delivery agent, it is worth noting that many applicants referred to informal support received within their own communities. The table below provides a summary of the application processes on an Axis specific basis.

Table 1.1 Axis specific application processes - findings from the research programme

Axis	Main Findings
1	There is evidence that the 'Partnership' approach has worked well to date, and should be seen as a future way forward subject to assessment of its continued overall effectiveness. There were some well-publicised difficulties around the application process for tranche 1 of FMP. Additional criteria are being incorporated for future tranches.
2	There is evidence that Legacy schemes have improved their systems and processes in recent years and are commended for improving customer service levels.
3	It is evident that the current LEADER 'structure' applied within the NIRD is not functioning as is desired, with an apparent impact on application processing times.

1.5.3 **Financial Performance** - It is evident when looking at the available data for the Programme as a whole that it has performed well in relation to N+2 targets. In fact by June 2010 the Programme was ahead of the N+2 target by a considerable degree. It is clear that the spend around Axis 2, specifically Measures 2.1 and 2.2, have significantly propped up other underperforming areas of the Programme.

- 1.5.4 The main area of concern, in the opinion of the evaluators, is notably around Axes 3 and 4, with declared expenditure accounting for only three per cent of total allocation at the point of the MTE assessment.
- 1.5.5 Throughout discussions with key informants it is evident that there is currently a level of uncertainty around the National funding element of the NIRDP, with the current financial climate showing signs of impacting on this funding for the remainder of the Programme. Severe cuts have been announced to all Departmental budgets, but clarification on the detail of these will not be forthcoming until after the Comprehensive Spending Review (CSR) in autumn 2010. It may be necessary for the remainder of the Programming period for the Department to re-visit co-financing rates associated with the Programme, with a view to enabling the NIRDP to continue in its current form. It is recommended the Department clarify this situation post CSR.

1.6 Review of Participation by target groups

- 1.6.1 The NIRDP 2007-2013 should have the potential to impact on the following target individuals and groups (as described in the NIRDP): landowners; farmers and farm families; food processors; and rural dwellers¹. In practice this includes virtually all those who live or work in rural areas, and indeed some who do not. Following on from the previous programming period, it was also agreed that the NIRDP would continue to proactively target women and young people who have historically had low representation in related activities.
- 1.6.2 There is little evidence to date, from the research undertaken, of active targeting of women and young people in the current Programme. However, the existing evidence on actual participation is quite positive.
- 1.6.3 To ensure the Programme remains inclusive it is recommended the Department should:
- Make contact again with Youth Groups,
 - Re-engage actively with the Northern Ireland Rural Women's Network,
 - and utilise the Rural Network and Implementing Bodies to use their expertise and reach within the target groups to promote the Programme. It is also recommended the Department give particular focus to younger farmers for the remainder of the current Programme, and consider a 'new entrant scheme' for future Programming periods.

¹ Northern Ireland Rural Development Programme 2007-2013 p.52

1.7 Spatial Impacts

- 1.7.1 From the project data provided it is clear that projects supported to date are dispersed widely across Northern Ireland, including amongst disadvantaged rural areas, as described by the Northern Ireland Multiple Deprivation Measure (NIMDM).

1.8 Axis specific observations and outputs arising to date (Common Questions)

- 1.8.1 Throughout the evaluation process it was evident that each measure associated with the Programme is at a differing level of rollout, and as such has a differing level of data available, including several with no available data. As such the common questions (from the Common Monitoring and Evaluation Framework CMEF) have been answered with the available data alongside the outputs obtained as part of the MTE research programme. A summary of outputs and findings from the research programme is in table 1.2:

Table 1.2 Measure Specific Summary of Outputs / Main Findings

Measure	Summary of Outputs / Main Findings
1.1 - Vocational Training and Information Actions	The measure has made good progress to date. There is a clear need to push the Farm Family Options Mentoring.
1.2 - Adding Value to Agricultural and Forestry Products and Improving Marketing Capability	The measure has made good early progress. Uncertainty remains regarding the measure's future at present, which may be impacted by future National funding pressures.
1.3 - Modernisation of Agricultural Holdings	The measure has made good progress to date and should attain the targets set. Demand is extremely strong for the FMP side of the measure.
1.4 - Supply Chain Development Programme	The measure has made a lack of progress to date. There is a clear need to move the measure along in the near future.
2.1 - Less Favoured Areas Compensatory Allowances Scheme	The measure has made good progress to date and remains on target to attain the targets set. It is recommended to re-focus the scheme for the next Programming period (2014-2020) to address the needs highlighted in the review of Less Favoured Areas, such as the continuing fall in cattle and sheep numbers in the LFA, particularly the SDA, and the increasing evidence of the environmental impact of that in terms of under grazing, scrub encroachment and rush infestation. There are also possible changes in the EU legislation governing the Measure which may need addressed.

2.2 - Agri-Environment Programme	The measure made good early progress. Concern exists that National funding pressures may impact in the future. There may also be a need to re-focus the scheme in the future due to changing priorities.
2.3 - First Afforestation (forest expansion)	The measure made slow progress initially: however has shown some recent movement, due to a strong PR campaign. It is recommended the measure further promotes the benefits of forestry schemes.
2.4 - Forest Environments	The measure has had very low uptake to date, and may need to be addressed within the remainder of this programming period.
3.1 - Diversification into non-agricultural activities	Limited data exists due to the early stage in the rollout of the measure. There is some concern in relation to attaining the targets set. There is also a perception that saturation levels may be occurring in relation to diversification. There is a need to actively progress the measure.
3.2 - Business creation and development	Limited data exists due to the early stage in the rollout of the measure. There is some concern in relation to attaining the targets set. There is a need to actively progress the measure.
3.3 - Encouragement of tourism activities	Limited data exists due to the early stage in the rollout of the measure. There is some concern in relation to attaining the targets set. There is a need to actively progress the measure.
3.4 - Basic Services for the economy and rural population	Lack of data exists due to the early stage in the rollout of the measure. Uncertainty exists among the LAGs regarding what the measure will deliver. There is a need to progress the measure.
3.5 - Village renewal and development	No data exists yet. There is a need to progress the measure.
3.6 - Conservation and upgrading of the rural heritage	No data exists yet. There is a need to progress the measure.

- 1.8.2 Throughout discussions with key informants and participants it is evident that financial issues are impacting on the progress of certain measures. Axis 3 remains the main area of concern, and clearly needs to be progressed as a matter of urgency. It is noted that match funding remains problematic in Axis 3 and may be a hindrance to moving forward.
- 1.8.3 As mentioned it is likely that in the future national funding could be an issue in relation to the Programme and associated targets. Thus it may be necessary to revisit targets as and when the situation is clearer.

1.9 Programme objectives and priorities (Horizontal Questions)

- 1.9.1 From the various strands of the research programme there is evidence that the Programme as it stands fits into the wider European strategies, and there is some evidence, albeit anecdotal, that objectives will be met. It is however widely accepted that it is still early, due to the late opening of certain measures, to ascertain if all objectives will be met. In this regard it is recommended that the Managing Authority commission a MTE update in 2012, to ascertain if objectives are likely to be met. This in turn should also provide a sound basis, and influence, the future programming period.

1.10 Analysis of Impacts to date and likely achievement of objectives

- 1.10.1 It is evident from the available data that, to date in Northern Ireland, there is limited indication as to whether impact targets will be met, due to the early stages of some measures, and long term nature of impacts. Thus at this mid term stage it is not possible to put figures against the targets set. There is also real concern among those individuals associated with the NIRDP as to whether the impacts will fully show the effects of the Programme. The impacts are set at a very strategic level and do not, in all cases, capture the full detail and range of activities within the NIRDP.
- 1.10.2 It is the opinion of the evaluators that there is a clear need to find a NIRDP solution that adds value to the remainder of the Programme, and enables a complete evaluation of the actions supported and their impact in the region. In this regard it is recommended that the Managing Authority, as part of their system of ongoing monitoring and evaluation activities, review impact indicators following clarification of the Spending Review.
- 1.10.3 For future programming periods it is also recommended that issues around monitoring and evaluation impact indicators are simplified, enabling a focus on outcomes, and ensuring all indicators and (associated data collection) are meaningful and justified, and incorporate qualitative as well as quantitative data in the evaluation of programmes.

1.11 Summary of the contribution of the NIRDP 2007-2013 to the economic and social revitalisation of rural NI

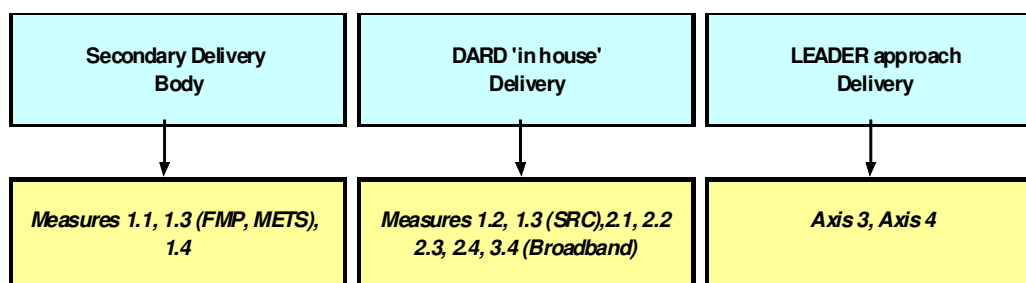
- 1.11.1 It is the evaluator's opinion that the total contribution of the NIRDP to the economic and social revitalisation of rural Northern Ireland will not be measurable until the end of the Programme. At this stage many of the projects are still in the early stages of implementation and the outputs could be at best described as 'emerging'.

1.11.2 That said it is evident from the available data that the Programme has to date contributed strongly to the environmental, economic and social revitalisation of rural Northern Ireland, through the investment of over £192 million of expenditure in the programming area as at the end of June 2010. This equates to 34 per cent of allocated funding for the programming period.

1.12 Delivery Structures & Processes

1.12.1 The NIRDP has a series of relatively complex delivery structures. This is, to a large degree, reflective of the diverse range of measures and schemes that make up the Programme.

1.12.2 In the current Programme the delivery structures can be organised into three groups, namely secondary (outside) Delivery Body; DARD in house systems; and the Leader structure (Axis 3/4).



1.12.3 Through the discussions conducted as part of the MTE it is evident that to date the Partnership model (secondary delivery body) structure has proved successful and should have a future in forthcoming Programmes subject to assessment of its continued overall effectiveness. The Leader delivery structure adopted for this Programme has proved problematic to date, with evidence from all involved that the system in place is not operating as desired.

1.12.4 The majority of Axis 3 is delivered through the LEADER approach, however for the current Programme LEADER is delivered through a more complex structure than in previous programmes. The current structure incorporates the seven council model proposed in the early RPA model of Local Government reform. The establishment of this structure for the current Programme was clearly affected by external difficulties surrounding the implementation of the Review of Public Administration (RPA).

1.12.5 At the outset of the Rural Development Programme the local government councils sought to fully involve their professional staff in areas such as financial control and selection, recruitment and management of staff. It is noted that throughout the research conducted it was evident that strong support exists for the *LEADER approach*; however the difficulties highlighted to date clearly centre on the current *LEADER structure*.

- 1.12.6 From the discussions around Axis 3, and the associated delivery structure, there is no widespread support to radically change this side of the Programme for the remainder of the Programming period, as this is seen as counter productive. To address some of the challenges highlighted with Axis 3 delivery, and with a view to progressing this side of the Programme, recommendations made in this MTE include reviewing strategies, re-visiting animation roles, improving communication, enhanced networking, and improving the timeliness of processing.
- 1.12.7 In the long term it is the recommendation of the evaluators that the Managing Authority undertake a full review of the current delivery structure and general LEADER approach. This is with a clear view to what works in a Northern Ireland context, and should include all key players (Practitioners, DARD, Audit etc) in shaping the future structure / delivery model from the lessons learnt.

1.13 Support Mechanisms

- 1.13.1 It is evident throughout discussions and the research programme that the Rural Network Northern Ireland (RNNI) has clearly helped to contribute to establishing good rural development practice in Northern Ireland through the European Rural Network for Rural Development. Through the UK network it is evident that these linkages, communications and sharing are aiding this support mechanism associated with the Programme. It is recommended that RNNI use these linkages to continue to aid Axis 3, and branch out to support the other areas of the Programme.
- 1.13.2 Another important aspect of support afforded to the Programme, and those who implement the schemes, is the system for managing information, and facilitating Programme monitoring. To this end DARD engaged with DETI, DEL, SEUPB, and DFP to develop Systems 2007, which was to meet the needs of the Northern Ireland Authorities for the 2007-2013 European Union (EU) programmes.
- 1.13.3 To date there is strong evidence from end users that Systems 2007 is not meeting the needs of the NIRD. Areas such as reporting, letter of offer creation, and data management remain problematic, which has resulted in duplicate systems being run alongside. It is recommended the Managing Authority rectify this situation as soon as possible.

1.14 Programme Management

- 1.14.1 It is clear from the previous RDP ex-ante evaluation that the Managing Authority has learnt lessons from the previous programming period, and has implemented these in the current Programme. However, it is also clear from discussions with informants and stakeholders that there is a desire for the Managing Authority to focus on linking up the Axes and Measures more in the future, and to apply a more strategic role in the implementation of the Programme.
- 1.14.2 Throughout discussions with informants and stakeholders it is evident there is a need for the Programme Monitoring Committee to show clear vision and leadership to all involved in the NIRDP. However a number of concerns exist in relation to the Committee. In this regard recommendations made in this MTE include areas such as resolving issues around training, re-examining group composition, and reminding members of their duties and responsibilities.

1.15 Review of impact of publicity and awareness raising activities of the NIRDP 2007-2013 in rural areas

- 1.15.1 It is evident from the research programme that the Managing Authority has implemented lessons learned from previous Programmes. The Communications Strategy for NIRDP 2007-2013 aims to deliver the PR strategy on a less 'ad-hoc' basis than for previous programmes, although, the diversity and scale of the Programme has hindered the achievement of this to some degree. However, the available data indicates that the Programme was presented to the public with a clear over-arching identity, as a result of the advertising campaign. Discussions with key informants indicate that this identity has also been rolled out beyond the initial advertising campaign to wider Programme communications.
- 1.15.2 In the short time frame involved, the Programme wide campaign generated a good level of interest, as shown by the available data, thus its impact cannot be doubted in that regard. However, there is a lack of information available in relation to whether the campaign met its objectives, as there was no campaign follow-up research. From the research conducted as part of the MTE, recommendations made include areas such as 'having a continuous PR and Publicity stream; continued use of successful media; maximising use of delivery agents / bodies; the accuracy of information presented ; and a greater joined up approach in future in relation to Programme wide and measure specific PR and Publicity.

1.16 The role of Equality and Good Relations in the NIRDP

- 1.16.1 It is generally acknowledged that the basis of inclusion and equality of opportunity should be cornerstones of any Programme.
- 1.16.2 From the research conducted at the various levels of the Programme there is limited evidence to date that the potential inequalities highlighted in the Programme Equality Impact Assessment (EQIA) have been actively addressed. As such, in the opinion of the evaluators, it is important that the Managing Authority and Monitoring Committee endeavour to focus on these potential inequalities in the future.
- 1.16.3 Discussions with key informants and stakeholders raised questions as to whether there is a need for a separate Equality and Good relations sub group for the NIRDP. In this regard it is recommended that this issue is addressed as part of the previously proposed review of the current Monitoring Committee. If it is felt prudent to continue with a separate sub group the evidence gathered suggests that there is a clear need to address issues such as sub-group composition, the Good Relations aspect of the Programme, and for the group to develop its strategic role.

1.17 The NIRDP 2007-2013 and the impact on the Environment

- 1.17.1 It is acknowledged at all levels that the environment is a key aspect of the current Programme, and will continue to be so in the future. Thus it is imperative that, from a Programme management perspective, it continues to be seen as a key driver to current and future successes. This must be implemented from a Programme perspective, without over-focussing on specific Axes.
- 1.17.2 Discussions with key individuals highlighted that there is a strong belief that future Rural Development Programmes will focus on greenhouse gases and climate change, with a clear focus on emissions. These issues should be looked at by the Managing Authority in the interim period, with a clear view to the next programming period, and with a view to taking a strategic overview of future funding in a Northern Ireland context.
- 1.17.3 Discussions with key informants and stakeholders also raised questions as to whether there is a need for a separate Environment sub group for the NIRDP. In this regard it is recommended that this issue is addressed as part of the review of the current Monitoring Committee already highlighted. If it is felt prudent to continue with a separate sub group the evidence gathered suggests that there is a clear need to address issues such as group composition, and driving forward the implementation of Development Path Analysis in the Programme.

1.18 Recommendations (for the remainder of the 2007-2013 Programming Period)

- 1.18.1 It is the evaluator's opinion that, generally speaking, the NIRDP 2007-2013 has made progress towards achieving the aims and objectives as set out in the Programme strategy document. Throughout the consultation with informants and stakeholders, as part of this evaluation, it is evident that there is no widespread support for the deconstruction of the Programme as it currently sits.
- 1.18.2 It is widely accepted, from those involved at all levels, that it is too early in the implementation of many measures to propose any sweeping changes to the Programme, and the corresponding National Strategy Plan. In this regard the National Strategy Plan remains valid as the Programme stands.
- 1.18.3 The ongoing challenge around the economic situation in Northern Ireland is evidently a barrier to achieving the objectives set, with the National element of funding also being affected by the economic downturn. Clarification on the level of public sector budget cuts will be available after the Comprehensive Spending Review (CSR) in autumn 2010.
- 1.18.4 In the context of the above points, most of the issues/recommendations set out below should be viewed as 'fine tuning' points for consideration.

Table 1.3 Recommendations MTE for remainder of NIRDP 2007-2013

NIRDP 07-13	Recommendations MTE for remainder of NIRDP 2007-2013
Application Processes	1) It is recommended that delivery bodies seek to maintain and improve on the current customer service levels, and continually review procedures to ensure the highest levels of satisfaction in the client base. This may include enhancing the initial application form, stating clearer rules of eligibility and providing more information about what will be required from successful applicants in the future implementation of their projects.
Target Groups	2) It is recommended that contact should be made again with Youth Groups, such as the Young Farmers Club of Ulster (YFCU), with a view to making the Programme more inclusive for this target group. Views should be sought on what issues / barriers affect them. This should also help shape how future Programmes can address these issues.

	<p>3) It is recommended that the Managing Authority should consider how the Rural Network and various implementing bodies can utilise their expertise and reach within target groups to promote the Programme more effectively.</p> <p>4) It is recommended that the Managing Authority should give consideration to giving particular focus to younger farmers for the remainder of the current Programme through Axis 1, as a way of encouraging younger people into the farming side of the Programme.</p> <p>5) It is recommended that the Managing Authority and Implementing Bodies re-engage with the Northern Ireland Rural Women’s Network (NIRWN) with a view to exploring how the Programme can be more inclusive for females.</p>
<p>Axis / Measure Specific – Axis 1</p>	<p>6) Measure 1.1 Vocational Training and Information Actions – It is recommended that in the future the Farm Family Options – Mentoring scheme is actively pushed forward, with the measure leaders working closely with the delivery agent in this regard.</p> <p>7) Measure 1.2 Adding Value to Agricultural and Forestry Products and Improving Marketing Capability – It is recommended that the future of the schemes are clarified by the Department as soon as possible. It is recommended that every avenue is explored in ways in which the schemes can carry forward for the remainder of the programme, including whether the delivery partner, Invest NI, can possibly move forward alone.</p> <p>8) Measure 1.4 Supply Chain Development Programme - There is a clear need for the management associated with the Programme to ensure that the measure is making the necessary progress in the near future. It is recommended that the measure is further marketed and progressed.</p>
<p>Axis / Measure Specific – Axis 2</p>	<p>9) Measure 2.3 First Afforestation (forest expansion) – It is recommended that the measure should endeavour to further promote the benefits of forestry schemes, especially the benefits of agroforestry, with a view to achieving the targets set.</p> <p>10) Measure 2.4 Forest Environments – It is recommended the measure should further promote the benefits, with a view to achieving the targets set. However it is noted it may be prudent in the future to re-assess the level of support, and corresponding targets, should the low uptake persist.</p>

<p>Axis / Measure Specific – Axis 3 / 4</p>	<p>11) Measure 3.1 Diversification into non-agricultural activities – It is recommended the Department monitor closely the perception that saturation levels may be occurring in relation to diversification in this Programme.</p> <p>12) Axis 3 - It is evident that all of Axis 3 will need to be progressed in the immediate future, to ensure that the rural area gains from the multiplier effects the measures can bring.</p> <p>13) Axis 4 (Cooperation) - It is recommended that the Department fully utilise the Rural Network Northern Ireland (RNNI), with their relationships at a UK and cross border level to drive the trans-national aspect of the Programme forward.</p>
<p>Axis specific Targeting</p>	<p>14) It is recommended that targets are re-visited in autumn 2010, once the Comprehensive Spending Review (CSR) has been published, and when more data are available for Axis 3 measures. It is recommended that the Department take this forward as part of their ongoing monitoring and evaluation activities associated with the Programme.</p>
<p>Programme Objectives and Priorities</p>	<p>15) It is recommended the Managing Authority commission or undertake an MTE update in 2012, to ascertain if objectives are likely to be met.</p>
<p>NIRDP Impacts</p>	<p>16) There is a clear need to find a NIRDP solution that adds value to the remainder of the Programme in relation to impacts, that are meaningful for Northern Ireland. This will facilitate a proper evaluation of the actions supported and their impact in the region. In this regard it is recommended that the Managing Authority, as part of their system of ongoing monitoring and evaluation activities, address this issue once the current uncertainties have been clarified.</p>
<p>Implementation and delivery structures</p>	<p>17) It is recommended that the following areas are addressed for the remainder of the current Programme in respect of Axis 3.</p> <ul style="list-style-type: none"> - DARD, JCCs, and LAGs should come together to identify difficulties for all parties and seek to make procedures for drawdown, open calls and auditing more flexible and streamlined, where possible, in the context of the existing EU regulations.

	<ul style="list-style-type: none"> - Strategies should be reviewed straight away with a view to moving forward. This is especially in relation to the quality of life measures (i.e. basic services) due to guidelines changing since the strategies were devised. Areas such as 'renewable energy' clearly also require guidance in the short term. - DARD should revisit animation / facilitator roles within LAGs / JCCs. There is strong evidence that this is currently required to aid Programme Implementation. - Communication should be addressed. Due to the complex structure that exists it is necessary that communication is timely and user friendly. All parties to seek to move this aspect of the delivery structure forward. - Active networking should be encouraged between LAGs / JCCs. It is widely regarded that not enough networking is taking place between LAGs, compared with previous Programmes. This could possibly be facilitated further by the Rural Network. - Ensure that Systems 2007 is fit for purpose. This is a necessary aspect of the ability of LAGs and JCCs to manage their projects effectively and efficiently and as such should be rectified straight away. - Increase timeliness of processing of projects. There is evidence that by LAGs and JCCs sitting on the same day to assess projects that the timeframes are considerably improved, with queries minimised.
<p>Support Mechanisms Programme Management /</p>	<p>18) The lack of monitoring information is clearly impacting on the ability of the Monitoring Committee to take a more strategic approach to assessing the implementation of the Programme. Issues around Systems 2007 are also clearly impacting on the ability of bodies responsible for implementing the Programme. It is recommended that issues around Systems 2007 are addressed as soon as possible.</p> <p>19) It is recommended the Managing Authority, and delivery bodies, maximise the use of the RNNI. This should continue to facilitate Axis 3 and cooperation projects, and the recommendations made, and also extend to support the other areas of the Programme.</p> <p>20) It is recommended the Managing Authority reviews the Monitoring Committee composition, with a view to obtaining a more representative sectoral balance. This may include exploring the</p>

	<p>possibility of experienced independent representatives, who in turn may provide a different viewpoint. It is recommended, as part of the review of committee composition, that groups with an attendance of less than 70 per cent (member or deputy) are contacted regarding their ongoing participation in the Programme.</p> <p>21) It is recommended that the Managing Authority contact Monitoring Committee members with a view to ascertaining if refresher training is necessary to enable members to fully fulfil their position in the Programme. It may be that members would also benefit from project presentations or study visits to gain more insight into the Programme at grass roots level.</p> <p>22) It is recommended that the Managing Authority remind Monitoring Committee members of their duties and responsibilities, and how they should abide by the core principles and values agreed at the outset of the Programme.</p>
<p>Publicity and awareness raising activities</p>	<p>23) It is recommended that the Department roll out a continuous PR and Publicity Campaign for the remainder of the Programme. This is with a view to maximising the awareness and final impact of the Programme.</p> <p>24) The local press has been the most successful medium for reaching individuals about opportunities around the Programme to date. There is a benefit in continually drip feeding stories and case studies about the Programme to ensure a steady interest in the Programme. It is recommended the local press is utilised fully for the remainder of the Programme.</p> <p>25) There is a clear need to ensure that what works for certain measures is maintained. Axis 3 is clearly reaching out to individuals through the web, while events such as road shows and feeder events are successful in Axis 1. It is recommended that Measure leaders ensure that Axis specific successes are maintained, and seek ways to enhance these mediums – such as the use of digital media (twitter, facebook etc) to target prospective applicants.</p> <p>26) There is clear evidence that delivery agents and implementing divisions know a great deal about their customer base. It is recommended that the use of delivery agents / implementing divisions is maximised in promoting the Programme.</p> <p>27) All information made available to prospective applicants should be as accurate and accessible as possible. This is especially true</p>

	<p>around eligibility, with all information clear to those wishing to avail of funding. In this regard it is recommended that all information presented to the wider community is as accurate and available as possible.</p>
<p>Equality and Good Relations</p>	<p>28) Questions remain as to whether there is a need for a separate Equality and Good Relations sub group for the NIRDP. One avenue, that may enable a re-focusing of equality and good relations, could be for NIRDP Monitoring Committee members to sit on the Structural Funds equality sub group. Moving to an EU Programmes-wide group may enable a greater focus on equality and good relations issues themselves, and may enable a greater degree of complementarity across the NI Programmes. Thus it is recommended that the Managing Authority re-assess the need for the EGRSG.</p> <p>If the NIRDP is merged with the wider group it is expected that recommendations 29 – 31 below would be addressed by this approach.</p> <p>If it is felt prudent to continue with a separate NIRDP sub group there is a clear need for recommendations 29 – 31 to be implemented for the remainder of the Programme.</p> <p>29) It is recommended that the composition of the EGRSG should be addressed and aim to attract a more diverse membership. (It is noted that attempts have been made in this regard before).</p> <p>30) There is wide spread agreement that the Good Relations aspect of Section 75 has not been addressed to date. It is recommended that this is a standing agenda item on future EGRSG meetings.</p> <p>31) It is recommended that the EGRSG becomes more strategic, with the associated development of a high level work programme. It is recommended that the group focuses on the potential inequalities highlighted in the EQIA, and sets about ensuring that these groups are engaged with, with a view to including them in the remainder of the Programme.</p>
<p>The Environment</p>	<p>32) Questions remain as to whether there is a need for a separate sub group for the NIRDP. It is recommended that the Managing Authority re-examine the need for the ESG. In line with recommendation 28, the Managing Authority should explore the feasibility and potential benefit, of NIRDP Monitoring Committee members sitting on the current Structural Funds environment sub</p>

	<p>group.</p> <p>If it is felt prudent to continue with a separate sub group for the NIRDP there is a clear need for recommendations 33 & 34 to be implemented for the remainder of the Programme.</p> <p>33) It is recommended that the composition of the ESG should be examined with the aim of encouraging new members from outside the environment sector.</p> <p>34) There is a clear need to address the Environment from a Programme wide perspective. In this regard it is recommended that the ESG drives forward the implementation of DPA in the Programme, embracing the recent paper ² developed for the Structural Funds working group.</p>
<p>NIRDP wide</p>	<p>35) The need to maximise synergies between the Axes is recognised by the Managing Authority. It is recommended that this across-Axes working should be investigated and progressed for the remainder of the Programme, with a clear view to future programming periods.</p> <p>36) It is recognised that future budgets will require clarifying post-CSR, and the future make up of the NIRDP made clear. It is recommended that the Department do all in their power to ensure the Programme can continue in its current form. This could include discussions with the Commission aimed at re-visiting the co-financing rates currently applied to activities in the Programme.</p> <p>37) Future National Strategy Plan - It should be noted that should recommendations arising from the evaluation be taken on board it may be necessary to re-visit the Strategy in the future. It is likely that post CSR decisions will have to be made, which could impact on the future look of the Programme for the remainder of the period. Any changes arising post-CSR would also require the National Strategy Plan to be revisited. It is recommended that this situation is monitored closely and actioned as a matter of urgency once the situation becomes clearer.</p>

² Advice and Guidance on Development Path Analysis (DPA) (McBurney Consultancy)

1.19 Future directions for the RDP in the 2014-2020 programming period

- 1.19.1 This insight into the NIRDP 2007-2013, albeit at an early stage for some Measures, provides evidence, both in terms of what works well and what has worked less well, that should shape the next programming period in addition to the recommendations made above with respect to the remainder of this programming period. It is widely acknowledged among the groups and individuals associated with the NIRDP that **simplification** must be at the core of the next programming period.

Table 1.4 Recommendations MTE for 2014-2020 Programming Period

Area	Recommendations MTE for 2014-2020 Programming Period
Axis / Measure Specific	<p>Tailoring Training in the Future - There is possibly a need to look at tailoring the training available in future Programmes to include ‘<i>Master classes</i>’ for the best performing farmers in Northern Ireland, with a view to raising the bar further.</p> <p>Less Favoured Areas Compensatory Allowances Scheme - There is a need to attend to the future of the Measure to address the needs highlighted in the review of Less Favoured Areas, such as the continuing fall in cattle and sheep numbers in the LFA, particularly the SDA, and the increasing evidence of the environmental impact of that in terms of under grazing, scrub encroachment and rush infestation. There are also possible changes in the EU legislation governing the Measure which may need addressed. The option to re-focus the scheme and ensure that farming continues in the most disadvantaged areas is evidently the most suitable approach to adopt. It is recommended that the Department implement the changes, in re-focussing the scheme, for the future programming period.</p>
Target Groups	<p>‘New Entrant Scheme’ - Future new entrants to the farming industry could have a dedicated scheme that delivers a range of aspects of the current Axis 1 measures, from skills training, to modernisation, through to supply chain. This approach would guide young entrants through a clear career path in the industry.</p>
Delivery Structures	<p>Partnership Model - The Partnership model has proved successful to date in Axis 1. It is a seemingly cost effective way of utilising an umbrella of organisations, with the necessary skills and an excellent</p>

	<p>understanding of their customer base. It is recommended that the partnership model be further utilised in the future subject to assessment of its continued effectiveness.</p> <p>Future of LEADER - A full review of the current delivery structure and general LEADER approach should be undertaken, with a view to the next programming period. This is with a clear view to what works in a Northern Ireland context. This review should include all key players (Practitioners, DARD, Audit etc) in shaping the future structure / delivery model on the basis of the lessons learnt. The review should look at, amongst other aspects, how successful partnerships in the rural community can be utilised to supplement the LEADER approach – and how various activities can best be delivered, either at a local level or via a regional approach. The review should also incorporate the costs associated with each of these models in relation to VFM, with a view to making an evidence based informed decision.</p>
<p>Programme Management</p>	<p>Data system – There is an obvious need to have a suitable data capture system in place at the start of the programming period, that is fit for purpose and complements the Programme. The system should not only facilitate delivery bodies in implementation, but also enable the ongoing monitoring and evaluation associated with the Programme.</p> <p>Managing Authority to move focus to ‘Outcomes’ in the future - A clear evidence base of the needs of Northern Ireland’s rural communities should be developed, from which the Department can draw its strategic objectives for future EU Programmes. The Department should look to how the Rural White paper can help to shape any future Programme.</p>
<p>Publicity and awareness raising activities</p>	<p>A greater joined up approach in future in relation to Programme wide and measure specific PR and Publicity - There is a clear need for a joined up approach in relation to the Programme wide publicity and measure specific PR, clearly linking to when measures open for applications. A joined up approach will ensure that the maximum awareness and interest is raised with a view to delivering for the wider rural communities.</p>
<p>Environment</p>	<p>Continuation of Axis 2 Schemes - It is evident these schemes provide a clear benefit to the environment and the wider rural community. They are a key component of the environmental impact the Programme can deliver.</p>

	<p>It is recommended the Managing Authority look at areas such as greenhouse gases and climate change, with a clear focus on emissions in the interim period, with a view to the next programming period. However it is recognised that future funding constraints may be problematic. Thus it is imperative that all stakeholders work closely together to ensure these schemes continue in some form.</p>
<p>Programme Wide</p> <p><i>Note: it is recognised that some of these depend on actions at the Commission level</i></p>	<p>The following areas should form the design basis for the future programming period:</p> <p>Need to focus on outcomes not outputs - The current rigid structure of measures tied to specific Axes is inflexible and limits the ability to focus on achieving outcomes, and to deliver multi-objective projects.</p> <p>Axis / Measure Structure - There is clearly a need to look at the Axis / measure structure, which should include a smaller set of measures with broader definitions that allow flexibility in implementation, and reduce the need to notify the Commission of minor alterations to schemes which do not impact on the outcome intended.</p> <p>Simplification of eligibility criteria where appropriate – This will ensure parity between beneficiaries, and to simplify Programme delivery, but balanced with a focus on outcomes, which may require the need to target measures using different criteria, where there is an obvious rationale.</p> <p>Monitoring & Evaluation simplification measures - This should include the reduction in the total number and refining of indicators, and a focus on outcomes. It should ensure all indicators and (associated data collection) are meaningful and justified, and incorporate qualitative explanations in the evaluation of programmes (especially in relation to Impacts). Indicators should be developed with clearly defined data sources at the outset.</p> <p>Reporting Requirements – These should be established early, so that application / claim forms and delivery systems can be properly designed, and simplify the processes with the end user in mind.</p> <p>Proportionate and Risk-based System of Audit – Although there is risk based sampling in the current programme there is a general perception that it is not proportionate. A future proportionate and risk-based system of audit should remove the need to follow up minor infringements, and enable penalties applied which are based on the</p>

	<p>actual risk to EU funds.</p> <p>Legislation and accompanying guidance – This should be clearly agreed by all concerned prior to implementation, with a more transparent mechanism for clarifying interpretations where confusion does occur.</p> <p>Control rules and regulations – These need to be in place at the outset of the new Programme.</p>
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Overview of the Programme

2.1 Introduction

History of Rural Development

- 2.1.1 The first Rural Development Programme (RDP) began in Northern Ireland in 1991, following work by the Rural Action Project between 1985 and 1989. A key component in the development of the first RDP was the European Community report ‘The Future of Rural Society’, published in 1988. An interdepartmental committee on rural development was established in Northern Ireland in 1990 on the initiative of the then Secretary of State to advise on “*the best way of carrying forward action to tackle the social and economic problems in the most deprived rural areas in Northern Ireland.*” The findings and recommendations of this body of work laid the foundations from which the RDP was formed.
- 2.1.2 Since the first Programme there has been considerable change in rural development policy and practice, as well as the rural landscape. However the basic foundations of the Rural Development Programme have remained constant. The Department of Agriculture and Rural Development (DARD) state the basic foundations as:
- The approach to rural development in Northern Ireland should be “bottom-up” so that the rural community is directly involved;
 - There should be an integrated approach treating rural development as a process rather than a series of individual projects and programmes;
 - Rural development should be addressed in partnership, involving central government, local authorities, rural communities, voluntary bodies and the private sector;
 - There should be a focus on disadvantaged rural areas;
 - There should be specific funding set aside to support rural development strategies and projects.

- 2.1.3 The Rural Development Programme was established to help rural communities meet the needs of a changing economic environment. Successive programmes have aimed to improve the economic, environmental and social opportunities available to people in rural areas. In Northern Ireland the Department of Agriculture and Rural Development (DARD) fills the role of developing and co-coordinating rural development policy, managing the implementation of rural development strategies, programmes and projects, and acts as an interface between the Rural Development Programme and other public sector bodies.
- 2.1.4 During the funding period, 2000-2006, DARD offered support to the agriculture, food, forestry and broader rural economic sectors under a range of European Union funded programmes such as the Rural Development Regulation Plan, the Programme for Building Sustainable Prosperity, the LEADER+ programme, the EU Programme for Peace and Reconciliation and Interreg III programme.
- 2.1.5 The Rural Development Programme 2000-2006 focused on support for community-led projects that aimed to stimulate the economic and social regeneration of the most disadvantaged rural areas in Northern Ireland and the Southern border counties (through the EU Programme for Peace and Reconciliation and Interreg III programme). The 2000 - 2006 Programme was administered in Northern Ireland, by the Department of Agriculture and Rural Development and the Rural Development Council and in the Republic of Ireland by the Department of Community, Rural and Gaeltacht Affairs.
- 2.1.6 The LEADER-type approach to delivery has been supported by the Department since the early 1990's, which essentially involves a bottom-up method of delivery. The LEADER approach was fully adopted via the LEADER Community Initiative (CI) in the previous (2000 to 2006) programming period. In that period, local rural development was supported through a number of EU co-financed programmes and was delivered through a range of different mechanisms. These included
- Under the *Programme for Building Sustainable Prosperity*, the Department supported Area-based Programmes and projects to address both the needs and the opportunities of specific geographical areas.
 - Under the *EU Programme for Peace and Reconciliation*, the Department established five Natural Resource Rural Tourism Partnerships to help Northern Ireland's disadvantaged rural areas take advantage of particular opportunities presented by their natural resources
 - Under the Northern Ireland LEADER+ Community Initiative, 12 Local Action Groups, covering 94 per cent of the total eligible area and 43 per cent of the Northern Ireland population, developed and implemented local

development strategies that addressed the needs and potential for micro-businesses in their areas

The Current Funding Period – 2007-2013

- 2.1.7 The Northern Ireland Rural Development Programme (NIRDP) 2007-2013 resulted from the reforms of the Common Agricultural Policy (CAP) in June 2003 and April 2004. These reforms focused on rural development by introducing a new financial instrument and a single programme: the European Agricultural Fund for Rural Development (EAFRD). This instrument, which was established by Council Regulation (EC) 1290/2005, was aimed at strengthening the EU's rural development policy and simplifying its implementation. In particular, it was established to improve the management and control of rural development policy for the period 2007-2013.
- 2.1.8 Council Regulation (EC) No 1698/2005 of 20 September 2005 stipulated the general rules for governing Community support for rural development, financed by the EAFRD. Council regulation (EC) No 1698/2005 also defined the aims of rural development and the framework governing it. The Fund was to contribute to improving:
- *the competitiveness of agriculture and forestry;*
 - *the environment and the countryside;*
 - *the quality of life and the management of economic activity in rural areas.*
- 2.1.9 The Fund was established to complement national, regional and local actions, which contribute to Community priorities. The Commission and the Member States were also to ensure that the Fund was consistent and compatible with other Community support measures.
- 2.1.10 To facilitate a strategic approach across the EU the Commission provided a range of priorities at the outset, from which each member state identified the path they would take. Although the United Kingdom is the member state, the Commission agreed that England, Scotland, Wales and Northern Ireland could each design and implement their own Rural Development Programmes.
- 2.1.11 As part of the strategic approach each Member State was required to draw up a national strategy plan, in line with the strategic guidelines adopted by the Community, of which Northern Ireland fed into the UK Plan. The national strategy plan covered the period from 1 January 2007 to 31 December 2013 and includes:
- an assessment of the social, economic and environmental situation and the potential for development;

- the strategy chosen for joint action by the Community and the Member State, in line with the Community strategic guidelines;
- the thematic and territorial priorities;
- a list of the rural development programmes implementing the national strategy plan and an indicative EAFRD allocation for each programme;
- the means to ensure coordination with the other common agricultural policy instruments, the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Fisheries Fund and the European Investment Bank;
- if appropriate, the budget for achieving the Convergence Objective.
- a description of the arrangements and an indication of the amount earmarked for establishing the national rural network which brings together organisations and administrations working in the field of rural development.

2.1.12 The national strategic plans are implemented, in each member state, through Rural Development Programmes. The programmes contain a package of measures grouped around 4 Axes.

Figure 2.1 Axes of the Rural Development Programme

Axis 1: Improving the competitiveness of the agricultural and forestry sector

Axis 2: Improving the environment and the countryside

Axis 3: Quality of life in rural areas and diversification of the rural economy

Axis 4: Delivery of the LEADER approach

2.1.13 Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) was subsequently amended in 2009. This was in response to the Common Agricultural Policy "Health Check". This check identified a number of "new challenges" in relation to rural development and agriculture, including climate change, renewable energies, water management, biodiversity, and measures accompanying the restructuring of the dairy sector. Council Regulation (EC) No 74/2009 subsequently amended Council Regulation (EC) No 1698/2005 in order to make specific provisions for these challenges.

- 2.1.14 Commission Regulation (EC) No 1974/2006 of 15 December 2006 established detailed rules for the application of Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD). Included in Regulation (EC) No 1974/2006 were guidelines on monitoring and evaluation of Rural Development Programmes, namely the Common Monitoring and Evaluation Framework (CMEF). The CMEF was envisaged to provide a single framework for monitoring and evaluation of all rural development interventions for the programming period 2007-2013. This framework provides the basis for this mid term evaluation.
- 2.1.15 The Department of Agriculture and Rural Development (DARD) received European Commission approval for the Northern Ireland Rural Development Programme (NIRDP) 2007-2013 on 24 July 2007. The NIRDP 2007-2013 is the single successor to the Rural Development Programme 2001-2006 and Rural Development Regulation Plan 2001-2006. The Programme is funded through a single Rural Fund, which is separate from Structural Funds, as stipulated in Council Regulation (EC) No 1698/2005 of 20 September 2005.
- 2.1.16 It was noted in the NIRDP that most of the measures contained in the 2007-2013 programme already existed under the 2000-2006 Programme. This was considered to offer the benefit of implementing established schemes and processes. However, the continued relevance of these measures in their existing format could have been questioned in the context of changing environmental regulations, radical reform of the CAP and rapidly changing demographics in rural areas. In the Programme it was stated that DARD was *'following a principle of evolution rather than revolution'*. The ex-ante assessment noted this would be administratively less disruptive, but believed the impact of the Programme was likely to be reduced.
- 2.1.17 The NIRDP is aimed at improving the economic, social and environmental conditions in rural areas throughout Northern Ireland. It is designed to bring together a wide range of support schemes and programmes for the farming, forestry and primary processing sectors; rural enterprise and business development; diversification; and rural tourism. It includes measures with objectives to support and encourage rural communities and deliver the LEADER initiative for local innovation in rural areas.
- 2.1.18 The Department's vision for the Northern Ireland Rural Development Programme 2007-2013 *'is of a programme that protects and enhances our rural environment and contributes to the development of competitive and sustainable rural businesses, and thriving rural communities'*.

2.1.19 The ex ante report, prepared by Baring Point, found that the overall policy objective for the NIRDP was not clearly defined. This has obvious implications for the reporting on the impact of the Programme, as there needs to be a clear link between objectives and outcomes. However on a more positive note, the ex-ante found that the Programme:

- *is designed to complement and work in synergy with other support programmes to provide rural areas and rural populations with a broad and integrated support mechanism;*
- *will contribute to each of the three objectives detailed in Article 4 of the Council Regulation (EC) No 1698/2005, relating to competitiveness of agriculture and forestry, improving the environment and the countryside and improving the quality of life in rural areas;*
- *contribute to wider international obligations such as WTO and Kyoto;*
- *aims to build on the previous 2000-2006 funding period.*

2.1.20 The NIRDP in its current form is worth approximately £500 million and contains the following measures and schemes, under the four Axes, as stipulated in Council Regulation (EC) No 1698/2005.

Axis 1

Measure 1.1: Vocational Training and Information Actions

Measure 1.1 (Vocational Training and Information Actions) is aimed at improving the competitiveness of farm and horticulture businesses in Northern Ireland. It aims to achieve this through the provision of a range of innovative and focussed training and information actions.

The Measure is comprised of three schemes delivering training and information actions:

(a) The Benchmarking scheme provides assistance and support to innovative benchmark learning programmes.

(b) The Focus Farms scheme assists in the development of selected farm businesses to communicate to visiting farmers a range of new and emerging technologies.

(c) Farm Family Options assists farmers and farm family members to analyse their present position and determine their options for the future. There are two elements to Farm Family Options:

1) *Agricultural Business Mentoring*

Through the support of an agricultural business mentor, the farm family will review their current position, identify opportunities and options that meet their future needs, and draw up a plan of action.

2) *Skills Training*

Financial Assistance is available to support on-farm and off-farm work-related skills training.

Measure 1.2 - Adding Value to Agricultural and Forestry Products and Improving Marketing Capability

Measure 1.2 (Adding Value to Agricultural and Forestry Products and Improving Marketing Capability) aims to improve the economic performance and international competitiveness of the agri-food and forestry sectors.

The Measure comprises of two schemes providing support for the agri-food and forestry sectors:

(a) **The Agricultural and Forestry Processing and Marketing Grant (PMG) Scheme** provides support towards capital expenditure on buildings and new equipment, the cost of a business plan/feasibility study for the project, and directly related general costs such as architects', engineers' and consultants' fees.

(b) **The Agricultural and Forestry Marketing Development Grant (MDG) Scheme** provides support for businesses engaged in the marketing of the produce of agriculture (including horticulture) and forestry or of agricultural products derived from such produce.

Measure 1.3: Modernisation of Agricultural Holdings

Measure 1.3 (Modernisation of Agricultural Holdings) aims to contribute to improving the competitiveness and economic performance of agricultural and horticultural businesses in Northern Ireland. There are 3 schemes under Measure 1.3, namely:

Farm modernisation programme (FMP):

The FMP aims to provide financial support to existing farmers to improve their overall performance through

- Introducing new technologies and innovation;
- Improving animal health and welfare;
- Increasing hygiene control and product storage;
- Enhancing occupational safety and business efficiency;
- Enhancing the environmental status of farms; and
- Increasing energy efficiency

Short Rotation Coppice Programme (SRC):

- Enhancing the environmental status of farms
- Increasing energy efficiency
- Enhancing security and diversity of supply of electricity generation
- Supporting the Sustainable Development Strategy for Northern Ireland

Manure Efficiency Technology Scheme (METS)

Support of £3.25 million, out of the overall FMP budget, is also available through the Manure Efficiency Technology Scheme (METS) which aims to encourage uptake of specific advanced slurry spreading distribution systems.

Measure 1.4: Supply Chain Development Programme

Measure 1.4 (**Supply Chain Development Programme**) aims to improve co-operation and collaboration in the agri-food and forestry sectors leading to more effective and sustainable supply chains.

The Measure facilitates collaboration in the supply chain and promotes the development of new supply chain partnerships.

The Measure covers the following input sectors: red meat, pig meat, poultry meat, eggs, milk and milk products, potatoes, cereals, horticulture (including flowers, fruit and vegetables), renewable energy and forestry (including short rotation coppice).

Axis 2**Measure 2.1: Less Favoured Areas Compensatory Allowances Scheme**

Measure 2.1: (Less Favoured Areas Compensatory Allowances Scheme (LFACAS)) is aimed at supporting those who farm in naturally less favoured areas in Northern Ireland. It is a continuation of the scheme co-financed under Council Regulation (EC) No 1257/1999 through the Rural Development Regulation Plan for Northern Ireland 2000-2006.

The Scheme provides support for farmers in Less Favoured Areas (LFAs) to compensate for additional costs and income foregone related to maintaining agricultural production in such areas.

Measure 2.2: Agri-Environment Programme

Measure 2.2 (Agri-Environment Programme) provides financial support to farmers and landowners for adopting farming practices that enhance our countryside.

Measure 2.2 comprises of two schemes:

(a) **Northern Ireland Countryside Management Scheme (NICMS)** operates on a 'whole farm' basis. Participants who enter into voluntary seven year commitments will receive financial support for the environmentally sensitive management of all their land as well as the management or creation of habitats or features on the farm.

(b) **The Organic Farming Scheme (OFS)** provides financial support during conversion of land from conventional to organic management. It does not offer support in relation to land already fully converted to organic management. It is a requirement of the scheme that any grassland should be grazed primarily by organic livestock or animals undergoing conversion to organic status. Participants are required to adhere to environmental and animal welfare conditions that are more rigorous than those applying to non-organic farmers.

Measure 2.3: First Afforestation (forest expansion)

Measure 2.3 (First Afforestation (forest expansion)) provides financial support for the first afforestation of agricultural land (including agricultural land owned by public authorities) and non-agricultural land.

The measure is delivered through the following schemes:

- a) **The Woodland Grant Scheme (WGS)** supports the establishment costs of first afforestation on agricultural land.
- b) **The Farm Woodland Premium Scheme (FWPS)** provides annual payments for up to a maximum of 15 years for agricultural income foregone as a result of first afforestation on agricultural land under the WGS.

Measure 2.4: Forest Environments

Measure 2.4 (Forest Environments) provides payments that are predominantly aimed at semi-mature and mature woodland areas, although premature woodlands may, in some cases, be eligible for payments. Financial assistance is aimed at supporting the additional costs and income foregone resulting from the commitment.

Support for forest environment actions is available under the Sustainable Forestry Operations Grant Scheme. Support is provided for participants who make a voluntary commitment to undertake agreed forest-environment actions to improve the ecosystems within private forests and woodlands and prevent damage by domestic and wild animals.

Axis 3

Measure 3.1: Diversification into non-agricultural activities

Measure 3.1 (Diversification into non-agricultural activities) aims to assist farm households to diversify into non-agricultural activities and, as a consequence, maintain or increase the income of the farm households and create employment opportunities.

Measure 3.2: Business creation and development

Measure 3.2 (Business creation and development) aims to create employment opportunities through promoting entrepreneurship and developing the economic infrastructure in rural areas.

Measure 3.3: Encouragement of tourism activities

Measure 3.3 (Encouragement of tourism activities) aims to use the natural resources in Northern Ireland's rural areas to attract visitors and create new employment opportunities through the sustainable development of the rural economy.

Measure 3.4: Basic Services for the economy and rural population

Measure 3.4 (Basic Services for the economy and rural population) is aimed at improving or maintaining the living conditions and welfare of those living in rural areas and to increase the attractiveness of such areas through the provision of more and better basic services. The measure also aims to encourage and secure the provision of next generation broadband services to rural businesses in areas of Northern Ireland in which these services are not available or are unlikely to be available in the foreseeable future.

Measure 3.5: Village renewal and development

Measure 3.5 (Village renewal and development) aims to enable and encourage residents of villages and surrounding areas to create a vision and an integrated action plan to ensure the full potential of such areas is achieved. The Measure also aims to support integrated village initiatives which promote cross-community development and regeneration.

Measure 3.6: Conservation and upgrading of the rural heritage

Measure 3.6 (Conservation and upgrading of the rural heritage) aims to create opportunities to preserve and upgrade Northern Ireland's rural heritage and to use the natural and built environment as the basis for sustainable economic growth in rural areas.

Axis 4

Measure 4.1: Implementation of Local Development Strategies

Measure 4.1: Implementation of Local Development Strategies aims to promote an area-based strategic approach to improving the quality of life in rural areas and the diversification of the rural economy.

All Axis 3 Measures, with the exception of the next generation broadband scheme in Measure 3.4, are delivered using this LEADER-type approach.

Measure 4.2: Inter-territorial and Transnational Co-operation

Measure 4.2 (Inter-territorial and Transnational Co-operation) aims to promote cooperation both within the UK (Inter-territorial) and with other member states (Transnational).

Measure 4.3: Running costs, Acquisition of skills and Animation

Measure 4.3 (Running Costs, Acquisition of Skills and Animation) aims to ensure that Local Action Groups are resourced adequately to fulfil their roles and responsibilities.

Terms of Reference and Methodology

3.1 Terms of Reference

- 3.1.1 The main requirements as stipulated in the terms of reference for the mid-term evaluation of the NIRDP 2007 – 2013 are shown in Figure 3.1.

Figure 3.1 Main requirements from terms of reference

- a) *The continued relevance of the programme strategy and the need for changes, if any, in the delivery of the programme*
- b) *The effectiveness of the policy delivery instruments, critical factors affecting implementation and effectiveness and any new insights into policy evaluation and monitoring.*
- c) *An assessment of the continuing validity of the National Strategic Plan and the ex-ante evaluation's analysis of the needs of rural Northern Ireland to determine whether, and to what extent, the stated objectives continue to be relevant to the needs identified. It should also update any baseline data and incorporate any new factors that favour aspects of the economy, the environment and equal opportunities.*
- d) *The extent to which the agreed cross-cutting themes: equal opportunities and environmental sustainability have been successfully mainstreamed into projects and Programme processes.*
- e) *An analysis of the NIRDP's progress toward achieving the quantified targets for expenditure, gross outputs and results, explaining any differences between agreed targets and actual attainment, commenting on the realism of the targets and making recommendations for any improvements or refinements to the quantification of objectives and the reliability and timeliness of procedures of data collection. This should include a consideration of any difficulties or barriers to progress encountered (for example the impact of any outbreak during the programme period) and the identification of good practice.*
- f) *An analysis of progress towards the programme impacts. This will require an informed and fully justified judgement to be made*
- g) *An analysis of the quality of the implementation and monitoring arrangements which should consider the effectiveness of the processes used to deliver the programme. This should include (where applicable), the systems in place to develop, select, appraise and approve projects; process claims; manage projects and the Programme; monitor and evaluate the Programme; and the process of financial control (audit). Recommendations for improvements in the processes used to manage the programme should be included along with recommendations for future ongoing evaluation work.*

- 3.1.2 Many of these reflect the core objectives of mid-term evaluation as specified by the European Evaluation Network for Rural Development. These core objectives are reproduced below.

Figure 3.2 core objectives of mid-term evaluation

- *Establish the progress which the programme is making toward achieving its objectives.*
- *Assess the degree of utilisation of resources, the effectiveness and efficiency of the programming of the EAFRD.*
- *Establish whether and to what extent the strategy as set out in the RDP was relevant to the socio-economic circumstances of the area.*
- *Establish the quality and effectiveness of the Programme's implementation and management.*
- *Establish the effectiveness of the implementation of the strategies for the cross cutting issues of Equal Opportunities, the Information Society and Environmental Sustainability which are mainstreamed across the entire Programme.*
- *Establish the impact of the NIRDP on Northern Ireland to date.*
- *Review the goals of the programme and aim to draw lessons concerning rural development policy.*
- *Identify the factors that contributed to the success or failure of the programmes' implementation, including as regards sustainability, and the identification of best practice.*
- *Propose measures to improve the quality of the programme and its implementation*
- *Establish values against the impact indicators targets for the Northern Ireland Rural Development programme.*

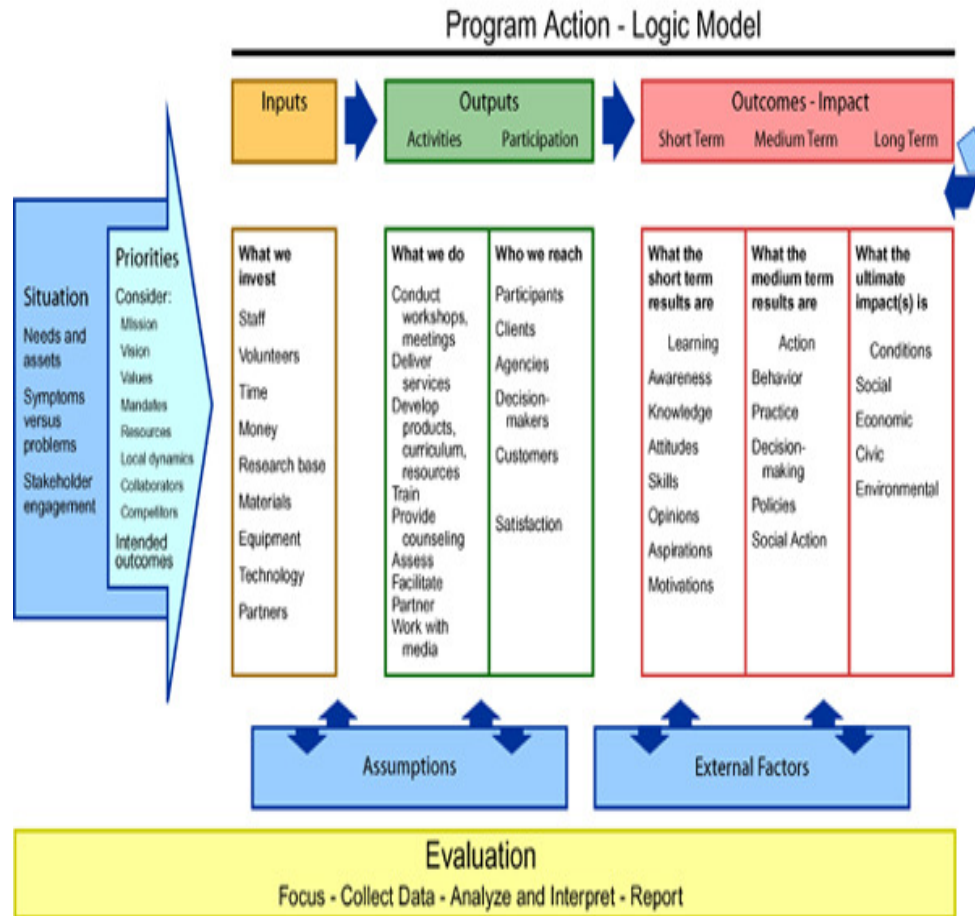
3.2 Overview of approach to Mid Term Evaluation of NIRDP 2007-2013

- 3.2.1 The Evaluation process can be thought of as the periodic mapping of a policy, programme or organisation against its objectives. Mid Term Evaluation (MTE) is normally one of a cycle of evaluations to ensure that a Programme is on target to achieve its stated aims and objectives. The NIRDP 2007-2013 is subject to ongoing monitoring and evaluation, within which the MTE is embedded.
- 3.2.2 The NIRDP 2007-2013 follows a 'logic' model of programme development and evaluation. This model aims for the intervention (the programme) to be clearly articulated, understood and intended to produce specific results. In very simplistic terms, the 'logic model' can be summarised as:

INPUTS *lead to* → **ACTIVITIES or PROCESSES**
which lead to → **OUTPUTS** *which lead to* → **OUTCOMES**

- 3.2.3 One of the key insights of the logic model is the importance of measuring final outcomes or impacts. It is these outcomes (impacts, long-term results) that are the ultimate justification for the activities and, place the focus on the successful achievement of the programme goals.
- 3.2.4 The logic model of programme development and evaluation is shown in Figure 3.3.

Figure 3.3 the logic model of programme development and evaluation



- 3.2.5 This MTE incorporates the three main types of programme evaluation, namely *goal-based*, *process-based* and *outcome based* evaluations. Below is a brief outline of each of these.

- ▶ **Goal-based evaluation**
 - ▶ *the extent to which a programme meets the predetermined goals or objectives.*
- ▶ **Process-based evaluation**
 - ▶ *understand how the programme works - how it produces the results that it does.*
- ▶ **Outcome-based evaluation**
 - ▶ *is the programme really doing the right activities to bring about the desired outcomes.*

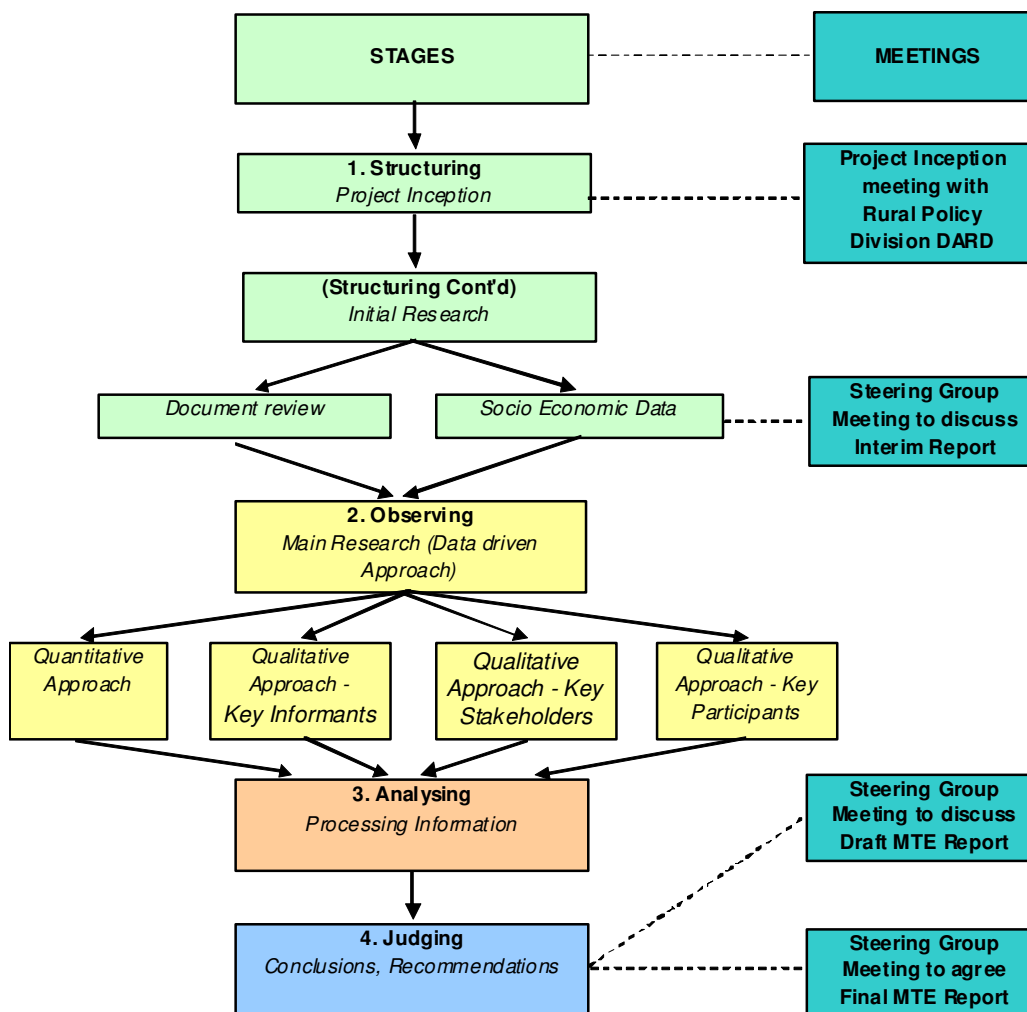
- 3.2.6 The MTE methodology consists of a mix of desk based research and fieldwork. The European Evaluation Network for Rural Development's Guidelines on the MTE have been followed, as stipulated in the terms of reference, with evaluation therefore consisting of four key stages: *Structuring*, *Observing*, *Analysing*, and *Judging*.
- 3.2.7 The *Structuring* phase establishes a clear understanding of the Programme, its measures and their intervention logic, the evaluation questions and the evaluation tasks. It focuses on assessing the continuing relevance and validity of the strategy and linkages to other National strategies. It also evaluates the intervention logic as established in the *ex ante* and, on the basis of this, appraises the targets set, validating or revising them as appropriate.
- 3.2.8 The *Observing* phase identifies and collects the available and relevant data and other information about the operation of the Programme. During this phase first hand information is gathered from data sources (both indicator and financial information), key informants, stakeholders, and programme participants. This involves primary research approaches including surveys and interviews due to the relatively short period in which the programmes have been operational. Relevant case studies are also undertaken, where possible. These case studies enhance the primary data collection by providing a greater insight and depth of information into a range of aspects of Programme delivery, implementation and impact.

- 3.2.9 The *Analysis* phase involves processing and synthesising all the available information. The previous observing phase and this stage of the evaluation includes analysis of Programme management, implementation and delivery. Any Programme impacts achieved to date are examined, and where impacts are not yet realised the evaluation assesses the available evidence and gives a view as to whether impact achievement is likely. The analysis phase also ascertains the extent to which the agreed cross-cutting themes: equal opportunities and environmental sustainability have been successfully mainstreamed into projects and the Programme processes.
- 3.2.10 The *Judging* phase develops answers to the common and specific evaluation questions using the information gained from the previous stages. This phase of the MTE draws conclusions and develops recommendations including as necessary any potential adjustments to the Strategy and the Programme. It addresses, in so far as possible at this relatively early stage, the effectiveness and efficiency of the Programme, the balance of the measures within the Programme and the factors contributing to the success or failure of the Programme to date.
- 3.2.11 The following section provides greater detail on the research and evaluation methods used, the sources of data, and the data collection exercises.

3.3 Details of key stages of approach

- 3.3.1 As stated the overall approach consists of four main stages, namely structuring (project inception), observing (initial / main research programme), analysing (analysis of information) and judging (reporting and recommendations). Figure 3.4 highlights each stage of the methodology. The specifics of each phase, report outputs and meetings with the Evaluation Steering Group are also illustrated. Each of these stages is described in the subsequent paragraphs.

Figure 3.4: Methodology and reporting for MTE of NIRDP 2007-13



3.3.2 **Structuring Stage 1: Project Inception Meeting** - The aim of the Project Inception meeting was to discuss in detail the key tasks, the timetable and reporting arrangements as had been agreed in the terms of reference. In addition, it provided an opportunity to review the methodology in detail and clarify the documents to be reviewed as part of the desk based research. It also established a list of key informants, including contact details.

3.3.3 **Structuring Stage 2: Initial Research** - This stage involved the key tasks of reviewing documentation, and gauging the current socio economic climate, within which the programme sits.

3.3.4 *Document Review* - This involved a review of the reports, many of which are outlined in the Terms of Reference and relate specifically to elements of the NIRDP (2007-2013). Relevant reports that were examined include the following:

- Northern Ireland Rural Development Programme 2007-2013
- Department of Agriculture and Rural Development Rural Strategy 2007-2013
- Northern Ireland Strategy Plan for Implementation of the EU Rural Development Regulation in 2007-2013
- Ex Ante Evaluation of Rural Development Programme 2007-2013
- Department of Agriculture and Rural Development Strategic Environmental Assessment
- Mid Term Evaluation of the Rural Development Plan 2000 –2006
- Ex Post Evaluation of the Rural Development Plan 2000– 2006 & Appendices
- Strategic Environmental Assessment of the NIRDP 2007-2013
- Commission Regulation (EC) No 1698/2005
- Commission Regulation (EC) No 74/2009
- Commission Regulation (EC) No 1974/2006
- Commission Regulation (EC) No 363/2009

3.3.5 In addition, and in light of the extent of policy development occurring in Northern Ireland, and specifically in the area of rural development and cross cutting themes, the following key policy documents were also reviewed:

- NIRDP Equality Impact Assessment
- The Rural Challenge Programme 2009
- Statistical Review of Northern Ireland Agriculture 2009
- Northern Ireland Multiple Deprivation Measure 2010
- Review of support arrangements for Less Favoured Areas in Northern Ireland (2009)
- Advice and Guidance on Development Path Analysis (DPA) (McBurney Consultancy)
- European Directive 2000/60/EC
- European Directive 2001/42/EC.

3.3.6 An overview of social and economic conditions prevailing in Northern Ireland, was also conducted, looking particularly at recent changes in the conditions since the Programme was approved in 2007.

- 3.3.7 **Observing Stage 1: Quantitative Approach** - This stage involved the tasks of identifying the available and relevant data and information to be utilised in the MTE. Due to issues around the EU database (Systems 2007) it was necessary to gather the majority of this information from the Managing Authority. The data collected included application data, participation data, financial data and CMEF monitoring information.
- 3.3.8 **Observing Stage 2: Qualitative Approach (Key Informants)** – Measure and Programme specific information was gathered from members of the Managing Authority and Key Informants through structured interviews. The key informants included the Managing Authority, all Measure Leaders, and key Programme Partners, namely the Rural Network and Countryside Agri Rural Partnership. Information was provided on the areas to be discussed prior to the scheduled interview, which reduced the requirement for follow up queries and requests.
- 3.3.9 **Observing Stage 3: Qualitative Approach (Key Stakeholders)** – These key stakeholders, as part of the research programme, included all 27 Monitoring Committee members, representatives from each LAG, and representatives from each Joint Council Cluster. Also included were other interested parties outside of the Programme, provided to the evaluators by the Managing Authority, as well as the administrative units associated with the LEADER approach. Measure and Programme specific information was gathered from Key Stakeholders through means initially of written survey by correspondence. The process was further supplemented by structured interviews and focus groups with the key groups involved in the Programme.
- 3.3.10 **Observing Stage 4: Qualitative Approach (Key Participants)** – A key aspect of the research programme was gathering the views of Key Participants through means of a telephone survey. This survey included both successful and unsuccessful applicants, and enabled views to be taken from end users across the full spectrum of issues associated with the Programme. In total 106 individuals (of 160 initially contacted with a view to obtaining a sample of 121) were surveyed with their views taken across the majority of measures associated with the Programme. The inability to achieve the desired sample size of 121 is not considered to have introduced any bias in relation to the results achieved. Individuals were selected by the evaluators by means of a random sample within each measure.
- 3.3.11 This process was followed up with a case study approach to further supplement the survey results. This approach enabled the evaluators to gain a detailed oversight of the projects selected, with a view to assessing the early impacts of the support afforded. In total 15 case studies were completed across the majority of measures associated with the Programme. The case studies were randomly selected by the evaluators by means of a random sample within each measure.

- 3.3.12 In total the main research programme associated with the MTE included over 100 telephone surveys (including successful and unsuccessful applicants), over 30 hours of structured interviews, 5 focus groups, and 15 case studies. Also separate consultation exercises have been completed with Monitoring Committee members, delivery agents, and other interested stakeholders.
- 3.3.13 **Analysing Stage 1** – The *Analysis* phase involved processing and synthesising all the available information gathered as part of the main research programme. This stage of the evaluation included an analysis of performance of the Programme and included areas such as the application processes, target groups, and financial outcomes.
- 3.3.14 Issues such as Programme impacts achieved to date and the common and horizontal questions, were also addressed in this stage. This phase included a detailed analysis of Programme Management and Implementation. The analysis phase also ascertained the extent to which the agreed cross-cutting themes: equal opportunities and environmental sustainability have been successfully mainstreamed into projects and the Programme processes.
- 3.3.15 **Judging Stage 1** – This phase of the MTE developed the answers to the common and specific evaluation questions using the information gained from the previous stages. In this regard conclusions were drawn and recommendations developed, both for the remainder of the Programme and the future programming period.
- 3.3.16 The figure below gives a summary of the key phases, their key tasks, and the specific issues to be addressed:

Figure 3.5 key phases, their key tasks, and the specific issues to be addressed

MTE Phase	Key Tasks	Areas to be Addressed / Reported
Structuring	<ul style="list-style-type: none"> - Project Inception - Document Review - Socio economic Review 	<ul style="list-style-type: none"> → Socio-economic context in Programme area → Review of current National Policies and past lessons → Social issues prevailing in rural areas → Summary of on-going rationale for the NIRDP 2007-2013
Observing	<ul style="list-style-type: none"> - Quantitative Data Approach - Qualitative Data Approach Key Informants - Qualitative Data Approach Key Stakeholders - Qualitative Data Approach Key 	<ul style="list-style-type: none"> → Application and approval rates → Financial Performance → Participation by target groups → Programme Objectives and

	<i>Participants</i>	<p><i>priorities (Horizontal Questions)</i></p> <ul style="list-style-type: none"> ➔ <i>Axis specific observation with outputs arising to date (Common Questions)</i> ➔ <i>Axis specific targeting</i> ➔ <i>Analysis of Impacts achieved to date and likely achievement of objectives</i> ➔ <i>Contribution of the NIRDP 2007-2013 to the economic and social revitalisation of rural NI</i>
Analysing	<ul style="list-style-type: none"> - <i>Processing and synthesising information from Observation phase</i> - <i>Cross-cutting analysis</i> 	<ul style="list-style-type: none"> ➔ <i>Programme Management</i> ➔ <i>Review of impact of publicity and awareness raising activities of the NIRDP 2007-2013 in rural areas</i> ➔ <i>Summary of Programme Management, Implementation and Delivery Structures</i> ➔ <i>The role of Equality and Good Relations in the NIRDP</i> ➔ <i>NIRDP 2007-2013 and the impact on the Environment</i>
Judging	<ul style="list-style-type: none"> - <i>Conclusions</i> - <i>Recommendations</i> 	<ul style="list-style-type: none"> ➔ <i>Recommendations (for the remainder of the 2007-2013 Programming Period)</i> ➔ <i>Future Directions (for the 2014-2021 Programming Period)</i>

3.3.17 As described in the NISRA proposal, there are certain limitations with an evaluation at this relatively early stage of the Programme. Whilst the evaluation is taking place at the mid-point of the programming period, it is at an earlier stage in terms of the Programme's spending period. Specific limitations include:

- certain Measures are at a very early stage, having just opened over the past year,
- for a number of reasons, there is a general lack of monitoring data. Thus a great deal of the evaluation is dependant upon observation and human interpretations
- the issue of impacts of the Programme will be difficult to quantify / assess at this early stage.

- 3.3.18 The MTE therefore has a strong focus on the process aspect of programme evaluation, whilst addressing goal and outcome based evaluation questions as far as possible. For instance, the assessment of the socio economic context and the examination of the ongoing rationale for the NIRDP clearly feed into the outcome and goal based aspects of the evaluation.

Context, including changes in the general conditions

4.1 Introduction

- 4.1.1 Northern Ireland is one of four regions of the United Kingdom. It is bounded by the Atlantic Ocean in the North, the North Channel and Irish Sea in the East and has a land border with the Republic of Ireland in the South and West. In 2008 the total population was estimated at 1,775,000³ (equating to 2.8 per cent of the UK total for the same year). This gives a population density of approximately 128 persons per square kilometre. Around a third of the population live in the Belfast Metropolitan area while most of the remainder can be found in small towns, villages and more remote rural areas.
- 4.1.2 Northern Ireland has a land area of 13,542 km², 33 per cent of which is in the upland region. The Mourne Mountains, Sperrin Mountains and the Antrim Plateau are the three most significant upland regions in Northern Ireland with smaller mountain ranges in Armagh and along the Fermanagh-Tyrone Border. Much of the low lying land in Fermanagh, Armagh, Antrim and particularly Down is covered with drumlins. 70 per cent of the Utilisable Agricultural Area is designated as Less Favoured Area⁴ (compared to an EU average of 57 per cent, and a UK average of 47 per cent).
- 4.1.3 Lough Neagh, which lies on the border between counties Antrim, Armagh, Down, Londonderry and Tyrone, is the largest fresh water lake in the British Isles covering 391 km². Lough Erne in County Fermanagh is the only other extensive fresh water lake in the region. At 150 km², Strangford Lough in County Down is the largest inlet in the British Isles and is an important habitat to many species of native wildlife.
- 4.1.4 The climate in Northern Ireland differs from many other cities in the same latitude in that it has higher rainfall, its winters are much milder and its summers are generally cooler. It does not experience extreme weather conditions, with tornadoes and similar weather features being rare. The amount of sunshine is greater in the east of Northern Ireland, which is sheltered from the Atlantic frontal system.
- 4.1.5 Agriculture and forestry account for 82 per cent of land use in Northern Ireland⁵. Most of the industrial development that has occurred is concentrated in the East of the region, particularly in the Belfast Metropolitan area.

³ Northern Ireland Statistics and Research Agency, Mid Term Population Estimates

⁴ Department of Agriculture and Rural Development, Less Favoured area Consultation

⁵ Statistical Review of Northern Ireland Agriculture 2009

- 4.1.6 **System of Government** - As a region within the United Kingdom, Northern Ireland is subject to the authority of the UK Parliament, which has legislative power over constitutional and security matters and relations with the European Union. The Good Friday Agreement in 1998 saw the creation of the Northern Ireland Assembly and the devolution of certain powers to the Northern Ireland Government. The Assembly has 108 members elected by proportional representation and has full legislative and executive authority for all devolved matters.
- 4.1.7 The Executive Committee is the executive authority of the Northern Ireland Assembly and is made up of the First Minister, Deputy First Minister and the eleven ministers responsible for each of the government departments. The Committee members are elected by the Assembly and are drawn from all the main political parties in Northern Ireland.
- 4.1.8 When the 2007-13 NIRD P programme began, the Northern Ireland Assembly was suspended and as a result the region was again under the direct rule of the UK government. In 2007 the suspension was lifted and devolved government was restored following the St Andrews Agreement. In April 2010 legislative powers on policing and justice were transferred to the Assembly with the creation of the Northern Ireland Department of Justice.
- 4.1.9 **Local government** - The current system of local government consists of a single tier of 26 district councils that vary considerably in area, resources and population. The councils in Northern Ireland have a limited range of functions in comparison with those in the rest of the UK. Their functions include waste and recycling services, leisure and community services, building control and local economic and cultural development but they are not responsible for education, road building or housing. Councillors are elected for four year terms of office.
- 4.1.10 **Impacts of the Review of Public Administration** - In 2002 a review of public administration was launched to modernise the delivery of public services in Northern Ireland. As a result of the review the number of Health Trusts was reduced from 18 to 5 in 2007, and in 2009 the four Social Services Boards were also replaced by a single Health and Social Care Board.
- 4.1.11 The five Education and Library Boards were amalgamated into two new bodies. In April 2009 the library services were taken over by the Northern Ireland Library Authority and in April 2010 the education and skills functions were taken over by the Education and Skills Authority. Three further organisations established in 2009 were: a Public Health Agency, which builds on the work of the Health Promotion Agency; a Business Services Organisation, which provides support functions for the health and social care system; and a Patient and Client Council which replaces the Health and Social services Councils.

4.1.12 Other planned outcomes of the Review were the reduction in the number of councils from 26 to 7, and the transfer of a range of functions to local government including: aspects of planning, rural development, the public realm aspects of local roads functions, urban regeneration and community development, a range of housing related functions and local economic development and tourism. This was subsequently reviewed to reduce the 26 council model to 11 councils, and was planned for implementation in May 2011. In June 2010 the proposed reforms stalled when the Northern Ireland Executive was unable to reach agreement on the way forward. Thus, the 26 council model remains in operation at this time.

4.2 Review of current National Policies and past lessons

4.2.1 This section looks in detail at existing policies in the field of rural development and affairs and how they sit in the current climate.

4.2.2 The rural communities within Northern Ireland face many issues which are specific to rural areas. These include economic, community and social, environmental and cultural resources. The available resources must be stewarded wisely to provide the greatest benefit possible to the communities both in the short term and in the long term. The benefits will not only be received by the rural communities but will also impact further on to the wider society.⁶

4.2.3 Although there are challenges there are also opportunities which are waiting to be utilised, in particular the tourism and food processing industries. This section of the MTE will consider the policies which are provided for the rural areas.

4.2.4 The features of rural areas within Northern Ireland make it distinct from other rural areas within the UK. Inherent to this are a number of strengths and weaknesses. One of the problems includes a high reliance on the agriculture and manufacturing sectors which are relatively low value added sectors. However, benefits include the potential to develop the tourism and services sectors.

4.2.5 Many of the objectives established by the Rural Strategy will be correspondingly implemented by the NIRDP 2007-2013. As already stated the three main objectives are:

- Improving the competitiveness of the agricultural and forestry sector
- Improving the environment and the countryside

⁶ Rural Strategy 2007-2013, page 14

- Improving the quality of life in rural areas and diversification of the rural economy.⁷

4.2.6 **The Rural Strategy Aims and Objectives** - The Rural Strategy focuses on diversifying the rural economy whilst preserving the rural environment and ensuring the sustainability of rural communities.⁸ The Rural Strategy does not exist as an unconnected plan and there are several strategies and policies which have directly impacted the Rural Strategy. These are listed in Table 4.1.

4.2.7 **The Northern Ireland Strategy Plan Aims and Objectives** - The Northern Ireland Strategy Plan focuses on several themes in an attempt to improve the competitiveness of the agricultural sector and improve the quality of life in rural areas and increase diversification of the rural economy:

- Support of accessibility
- Protecting and enhancing the environment
- Promotion of biodiversity
- Protect and conserve the natural built environment
- Creation of micro-enterprises
- Encouraging rural tourism
- Business development
- Renewable energy

4.2.8 A review of the National Strategy Plan, with a view to the remainder of the programming period, is included in Chapter 9.

4.2.9 The Rural Challenge Programme was developed as an additional programme under DARD's Rural Anti-Poverty and Social Inclusion Framework which links into DARD's strategic goal of *strengthening the social and economic infrastructure of rural areas*. The first aim was to implement practical actions and projects which were determined by rural people and rural groups themselves, meeting the needs of the local area. The second aim was to inform future policy, which is to be achieved through assessing the projects and their impacts on the beneficiaries. Rural Challenge Programme desires to:

- assist in tackling poverty and social exclusion within rural communities, and
- provide project based evidence to inform future policy on rural anti poverty and social inclusion.

⁷ Ibid, page 15

⁸ Rural Strategy 2007-2013, page 15

The eight target groups were as follows:

- Carers
- Children & Young People
- Disabled
- Elderly
- Ethnic Minorities
- Lone Parents
- Low Paid Workers
- Unemployed

Table 4.1 Summary of Current Policies, Beneficiaries, and Complementarity

Programme	Beneficiaries	Complementarity
NIRDP 2007-2013	<ul style="list-style-type: none"> • Owners of and managers of agricultural land • Owners of non-agricultural land • Owners of private woodland • Farmers and farm families • Farmers in Less Favoured Areas • Livestock farmers • SME food businesses (new and existing) and producer groups • New or existing micro non agricultural businesses • Rural dwellers • Village or group of villages in rural areas 	<ul style="list-style-type: none"> • designed to complement and work in synergy with other support programmes • Article 4 of the Council Regulation (EC) No 1698/2005 • WTO and Kyoto⁹ • previous work established during the 2000-2006 funding period.¹⁰
Rural Strategy 2007-2013	<ul style="list-style-type: none"> • Rural communities • Wider Society 	<ul style="list-style-type: none"> • DARD Strategic Plan 2006-2011 • Regional Development Strategy • Sustainable Development Strategy • Northern Ireland Biodiversity Strategy
Northern Ireland Strategy Plan	<ul style="list-style-type: none"> • Rural communities • Micro-enterprises • Wider society 	<ul style="list-style-type: none"> • NIRDP 2007-2013
Rural Challenge Programme	<ul style="list-style-type: none"> • Children and Young People 	<ul style="list-style-type: none"> • NIRDP 2007-2013 Rural Anti-Poverty and

⁹ Ex Ante Evaluation of Rural Development Programme 2007-2013, page 24

¹⁰ Department of Agriculture and Rural Development, Public Consultation, Environmental Report for the NIRDP 2007-2013, page 23

	<ul style="list-style-type: none"> • Lone Parents • Unemployed • Disabled • Carers • Elderly • Ethnic Minorities • Low Paid Workers 	Social inclusion group
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4.2.10 These policies are evidently all inter-linked, focusing on providing benefits for those living in rural communities, in an attempt to ensure that they are not disadvantaged due to their rural location. Some of the policies focus on supplying funding towards maintaining the land, such as parts of the Northern Ireland Rural Development Programme 2007 – 2013, and others focus on people, for example the Rural Challenge Programme.

4.2.11 It is evident that more attention needs to be placed on developing areas such as the tourism and services sector. This would respond to the demand for rural tourism however, with this opportunity there are issues which need to be addressed before it can reach its full potential. The MTE has noted that there is a gap in the provision of access to amenities for local people and tourists to farmland. The potential reluctance of farmers in this area needs to be addressed in order to fully reach the potential opportunity of the tourism and services sector.

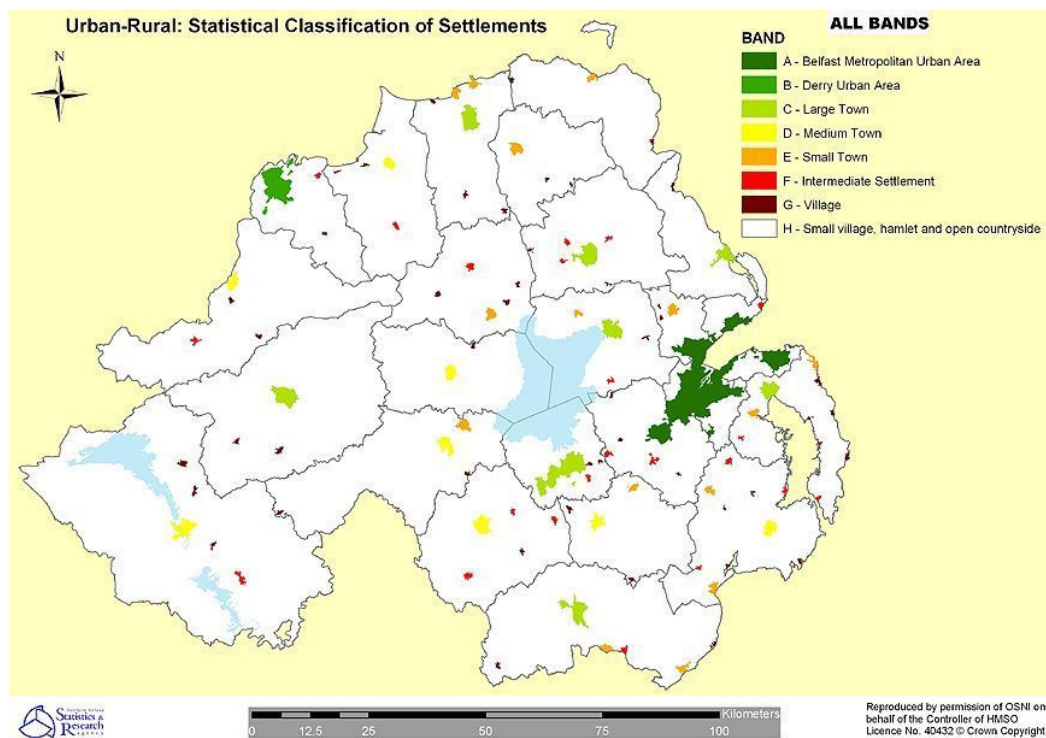
4.3 Changes in the socio-economic context in the NIRDP area since Programme inception

4.3.1 **The Rural Area** - There is no single definition in Northern Ireland of what is meant by the term “rural”. In an attempt to address this issue, the Northern Ireland Statistics and Research Agency (NISRA) published a Report by the Inter-Departmental Urban-Rural Definition Group in February 2005 which considered this question in depth. The report recommended that Government Departments and other users should consider defining urban and rural areas in ways that are appropriate for the specific programmes and projects under consideration. In the absence of a programme-specific definition, it proposes that settlements with a population of 4,500 or less should be defined as rural. On the basis of this definition, approximately 65 per cent of Northern Ireland’s 1.7 million inhabitants live in urban areas and 35 per cent in rural areas. However, the report stresses that this definition should not be used in a prescriptive way and that policy makers need to consider the appropriateness of settlement and urban/rural classifications to individual policies.

4.3.2 An alternative method of defining “rural” is to designate Local Government Districts (LGDs) as being either rural or urban. Using this method, Belfast, Carrickfergus, Castlereagh, Newtownabbey, North Down and Derry are considered urban. While this approach is less refined than the settlements-based system, much geographical data are only available at the LGD level.

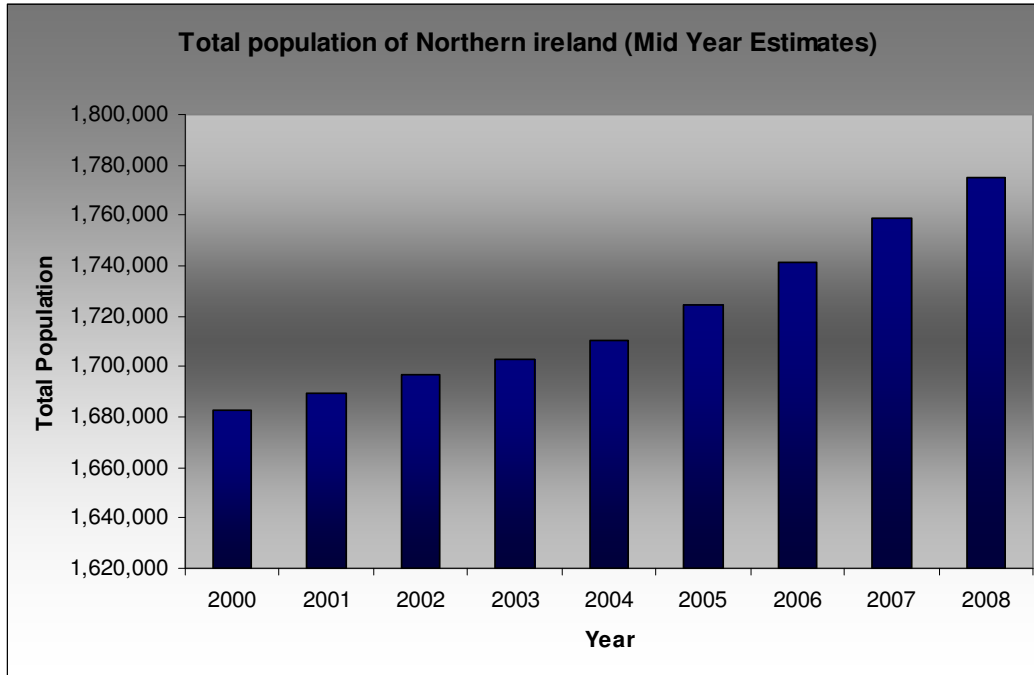
- 4.3.3 In relation to the NIRDP 2007 to 2103, unless stated otherwise, the settlements-based definition outlined above is used. However, drawing on previous experience, the Department recognises that those in rural areas on the periphery of larger settlements could be excluded by such a definition. Therefore, the Programme also supports those outside the development limits of settlements with a population greater than 4,500. An additional classification of rural areas – “accessible” and “less accessible” can also be applied. There are clear differences between the more accessible east and the less accessible west of Northern Ireland. Under the settlements-based definition of rural areas, “accessible rural areas” are settlements with a population of 4,500 or less in the following District Council areas: Antrim, Ballymena, Banbridge, Carrickfergus, Castlereagh, Craigavon, Down, Larne, Lisburn, Newtownabbey, Newtownards and North Down.

Figure 4.2 Urban-Rural: Statistical Classification of Settlements



- 4.3.4 **Rural Population** - The 2001 Census revealed that 588,651 or 35 per cent of the total population of Northern Ireland live in the rural area, with 15.5 per cent living in accessible rural areas and 19.5 per cent living in less accessible rural areas. The gender breakdown of people living in rural areas show that 51 per cent are male and 49 per cent are female compared to 49 per cent male and 51 per cent female for Northern Ireland as a whole.

- 4.3.5 **Northern Ireland Population** - Mid-year population estimates for 2008 show that the population of Northern Ireland stood at 1,775,000. The ratio of males to females in Northern Ireland is roughly equal with 49 per cent male and 51 per cent female³. Overall the number of working age adults in Northern Ireland is 1,098,112, which equates to 62 per cent of the total population³.



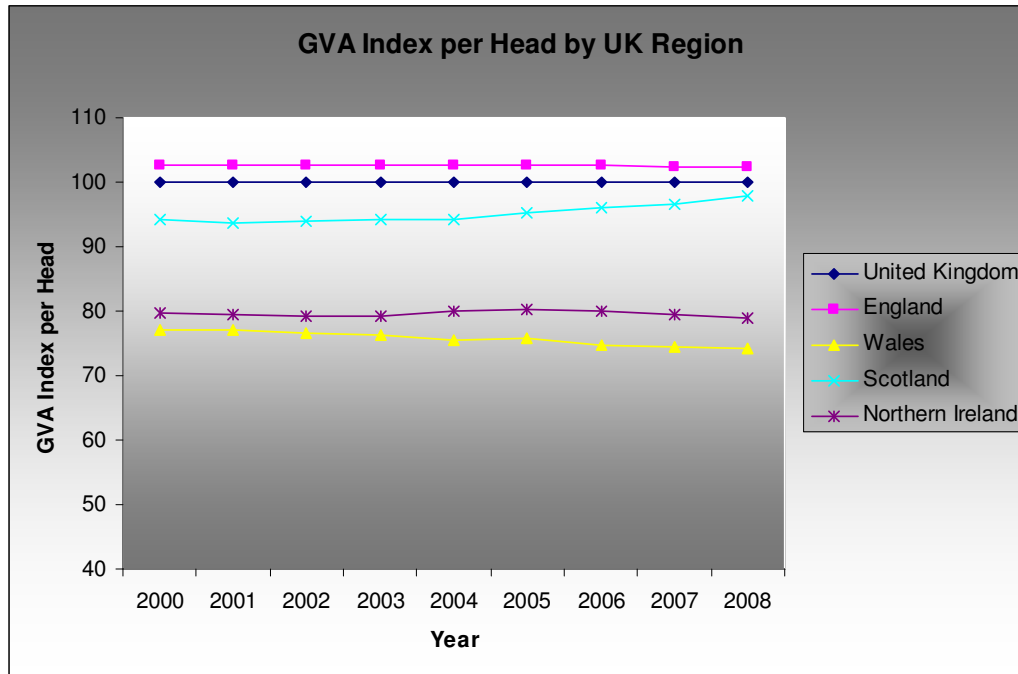
- 4.3.6 **Economic Situation** - Since the start of the RDP, the Northern Ireland economy has gone through significant upheaval as a consequence of a housing boom, the economic downturn and the subsequent fragile recovery.
- 4.3.7 Up until the beginning of 2007 the region was experiencing an economic upturn brought about by increased political stability, low interest rates, increased public spending, a strong UK economy and close proximity to the booming Republic of Ireland. The effect of this prosperity was particularly evident in the property market and the construction industry as house prices rose at the highest rates in the UK. This growth slowed down dramatically in late 2007 and then reversed sharply in 2008.

- 4.3.8 In 2008 the collapse of the financial institutions caused a UK and wider recession. The subsequent fall in house prices had a particularly devastating effect on the Northern Ireland economy which was felt across all sectors. In the final Quarter of 2009 the index of production and services showed signs of recovery with increases of 0.2 per cent and 0.6 per cent respectively^{11 12}. However the index of construction decreased by one per cent, which is the seventh consecutive decrease since the second quarter of 2008¹³.
- 4.3.9 Looking at the quarter from December 2008 to February 2009, employment in Northern Ireland peaked at 760,000 before dipping to 733,000 as a result of the economic downturn. This figure rose to 775,000 in 2010 suggesting the beginnings of an economic recovery. Unemployment, which was at its lowest level in recent years at 4.1 per cent in 2008, subsequently increased to 5.9 per cent in 2009 and 6.4 per cent in 2010.
- 4.3.10 In 2008, Northern Ireland's Gross Value Added (GVA) per head was 78.9 per cent of the UK average. This was the third lowest of the UK regions, ahead of Wales (74.3) and the North East (77.4). Analysis of Northern Ireland's GVA by industry group shows that the largest components of GVA in 2007 came from real estate, renting and business activities (£4,956m), manufacturing (£4,129m), wholesale and retail (£3,499m) and construction (£2,352m). Agriculture was the thirteenth most significant component with a value of £590m. Agriculture constitutes a larger component of the total GVA in Northern Ireland than it does in the other three UK regions. In 2007 it accounted for 2.1 per cent of the total, compared to 0.7 per cent in England, 0.5 per cent in Wales and 1.5 per cent in Scotland.

¹¹ The Northern Ireland Index of Production

¹² The Northern Ireland Index of Services, Quarter 4 2009

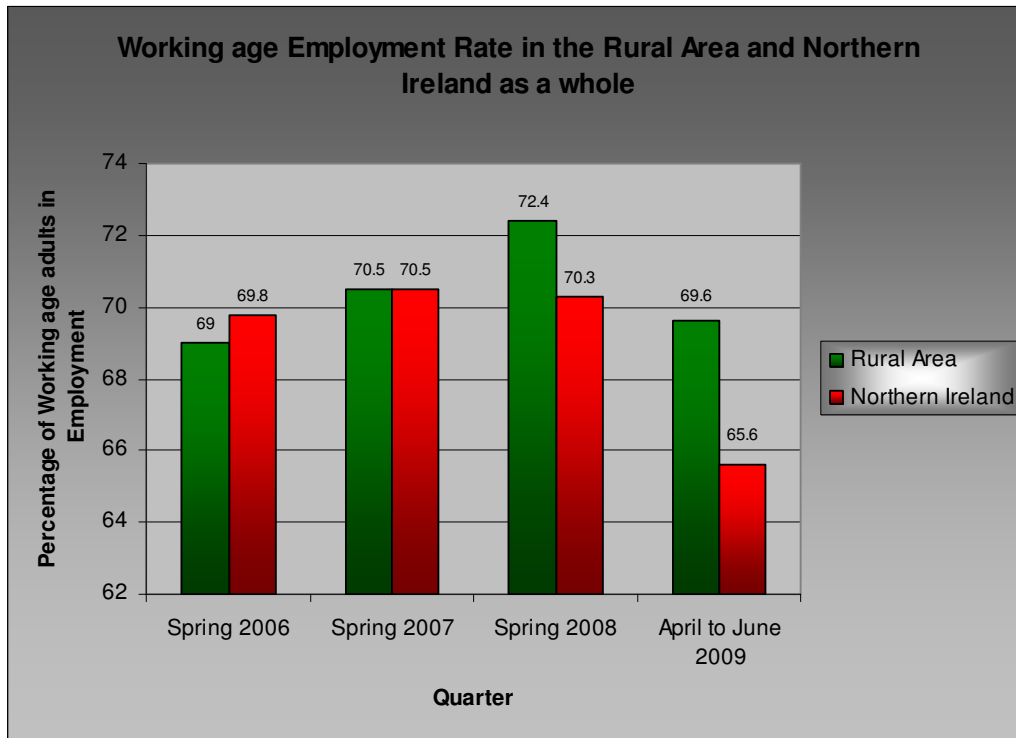
¹³ The Northern Ireland Construction Bulletin 1st October – 31st December 2009



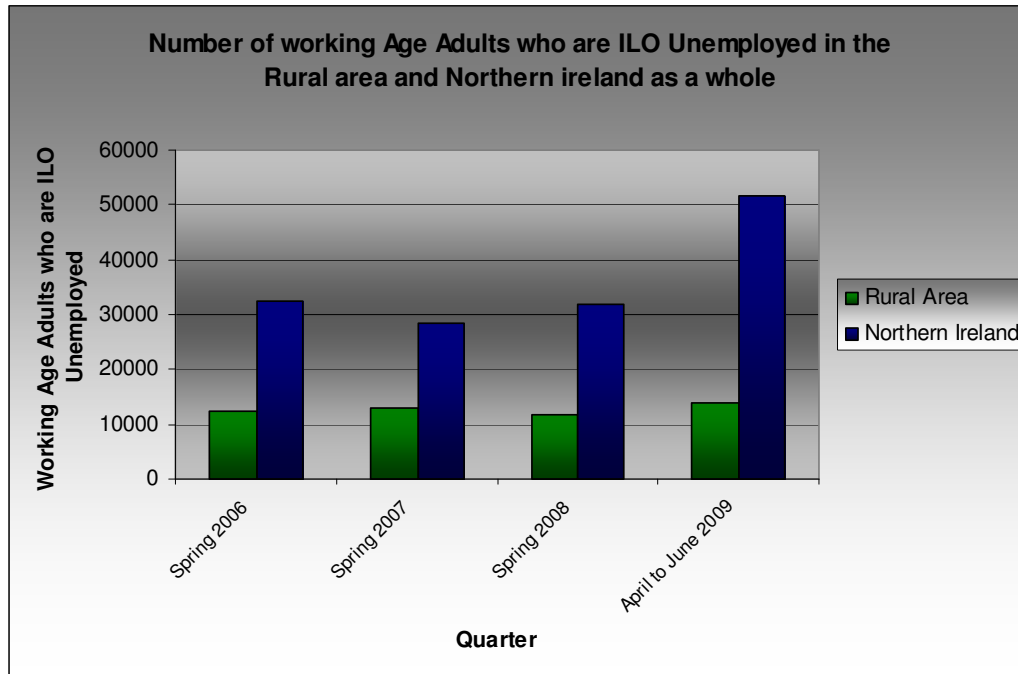
- 4.3.11 **Economic Situation in the Rural Area** - Since the program began in 2007, the economic activity rate in the rural area has been similar to the figure for Northern Ireland as a whole. Looking at the quarter from April to June 2009¹⁴, the estimates were 73.2 per cent and 70.3 per cent respectively¹⁵.
- 4.3.12 The employment rate¹⁵ in the rural area has fluctuated since the beginning of the Programme. In 2007 it stood at 70.5 per cent and then increased by 1.9 percentage points to 72.4 per cent in 2008. This was in contrast to the rest of Northern Ireland which saw the employment rate falling very slightly over the same period. Correspondingly in 2008 the rural unemployment rate fell to a low of 2.6 per cent¹⁵. The increase in the rural employment rate was largely due to the boom in the construction industry which triggered the creation and expansion of many such businesses in the rural area.

¹⁴ The quarter April to June 2009 is compared to the period March to May for previous years

¹⁵ Central survey Unit, Labour Force Survey



4.3.13 In 2009 the economic downturn saw unemployment in the rural area rise to 3.5 per cent and employment fall to 69.6 per cent. However the employment rate remained higher than in Northern Ireland overall (65.6 per cent). Throughout the period of the Programme levels of self employment in the rural areas have remained at around 20 per cent compared with 14 per cent for Northern Ireland. Full time jobs accounted for approximately 80 per cent of all employment in the rural area with part time jobs accounting for the remaining 20 per cent. This is similar to the pattern for the whole of Northern Ireland, however average earnings tend to be lower in rural areas.



- 4.3.14 The Rural Economy - Northern Ireland has a high reliance on the public sector and the lowest economic activity rate among the UK regions¹⁶. In addition, the income generated from farm businesses is low¹⁷ and there is a trend of a low level of formal qualifications in the agri-food industry and in rural areas as a whole. This problem is augmented by the fact that approximately 80 per cent of the total Northern Ireland land area is in agricultural use.
- 4.3.15 Due to the large proportion of rural economy focussing on agriculture and the increased globalisation of the sector, it is essential for agriculture to become more competitive. It is not foreseeable that competing under this global climate and increased levels of regulation will become easier. Some of the challenges facing the agriculture sector therefore include, modernisation of their activities and an improvement of their skills, which in turn will provide increased opportunities. In an attempt to address these issues, a number of policies and strategies have been developed such as the Rural Strategy 2007-2013 and the current NIRDP. The funding and guidance which they supply attempts to sustain and improve the rural economy by providing help where it is needed most.

¹⁶ Ex Ante Evaluation of Rural Development Programme 2007-2013, page 10

¹⁷ Income per head is below the UK average due to the lower rates of economic activity and employment and higher dependency rates. Northern Ireland Strategy Plan, page 14

- 4.3.16 One attempt to address issues, such as decreasing farmer numbers, is through the provision of retraining within the agriculture sector but focussing on restructuring for example diversification into complementary industries such as the untapped potential within tourism and food processing.
- 4.3.17 The internal EU trade and competition will face changes in the coming years in response to the impact of EU Enlargement. The distribution of EU structural funds will face a general shift towards Eastern Europe to take into account the enlargement.¹⁸ Future threats surrounding this expansion may appear within Northern Ireland's meat and dairy processing industries as they come under increased EU competition. To combat this, attention is being directed to ensuring that products are more distinctive and cater for niche markets. However, there will also be opportunities which will emerge such as an increased number of potential employees for employers, which can address labour shortages in sectors such as food processing. There is also the ability to develop the sector and produce high quality and value added products but it is recognised that changes need to be made in order for this to occur.¹⁹
- 4.3.18 **The Social Issues** – As already mentioned, based on figures supplied in the 2001 Census approximately 35 per cent of the population (588,651) dwell in rural areas. Further, it is expected that the rural population will grow at a significantly faster rate than the urban population, 9.8 per cent for rural in comparison to 1.3 per cent for urban. This is estimated to occur during the 2002 – 2017 time period.²⁰
- 4.3.19 The services within rural areas are less accessible than urban areas, with rural dwellers being required to travel further for essential services such as health and education.²¹
- 4.3.20 Difficulties around access to essential services are often cited in relation to rural dwellers. Looking at the seven measures of deprivation detailed within the Northern Ireland Multiple Deprivation Measure 2010²², the less accessible rural areas ranked lower on six out of the seven measures in comparison to urban and accessible rural areas. The only exception was crime, which was lower in less accessible rural areas.

¹⁸ Rural Strategy 2007-2013, page 5

¹⁹ Northern Ireland Strategy Plan 2007-2013, page 23

²⁰ Ibid, page 13

²¹ Northern Ireland Strategy Plan 2007-2013, page 14

²² The seven measures of deprivation encompass income deprivation, employment deprivation, health deprivation and disability, education skills and training deprivation, proximity to services, living environment and crime and disorder. Accessed from http://www.nisra.gov.uk/deprivation/archive/Updateof2005Measures/NIMDM_2010_Report.pdf, page 5

- 4.3.21 The size of the population living in less accessible and accessible rural areas has been steadily increasing in recent years. It is recognised that issues such as employment and accessibility could become more difficult in the context of the rising numbers.
- 4.3.22 In light of the many challenges that lie ahead, it is essential that there is a consistent supply of competent people entering the agricultural industry enabling a greater ability to adapt.
- 4.3.23 It is noted that village renewal attempts to enhance the sense of community and ownership amongst rural dwellers can make them more desirable places to live.²³ In addition to village renewal, the process of enabling rural people to determine practical solutions to problems which they face in their local areas can lead to an enhanced sense of community.²⁴
- 4.3.24 **The Agricultural Sector** - With approximately 80 per cent of the total Northern Ireland land area being used for agriculture and forestry, the agricultural sector plays a more significant role in the economy of Northern Ireland than it does in the rest of the UK. Since the programme began the total income from farming in Northern Ireland rose from £237.7m in 2007 to £243m in 2009 after allowing for inflation (which was negative overall in 2009). The Average farm business income (which is the return on all unpaid labour and on the capital invested in the farm business including land and buildings) rose from £19,385 in 2006/07 to £31,822 in 2007/08, but subsequently fell to £27,195 in 2009. It should be noted that the base year of 2006/07 should be seen in the context of being very low. In 2005/06 the Average farm business income was £29,340.
- 4.3.25 In recent years the overall number of farms in Northern Ireland has been in decline and currently stands at 25,264, compared with 27,614 in 2004 and 29,891 in 2000. However the number of large farms was actually increasing, until it fell back slightly in 2009. The increase was mostly attributable to small and medium size farm businesses becoming unprofitable and their owners using the land for other applications or selling/renting it for use on larger farms.
- 4.3.26 The dominant farm business types²⁵ in the region are cattle, sheep and dairy farms with the number of these farms falling since the beginning of the programme. Conversely there was an increase in the number of cereal and general cropping farms between 2006 and 2009. In 2009 there was a reduction in the number of farm businesses across all types. This is a symptom of the recent economic downturn.

²³ Northern Ireland Strategy Plan 2007-2013, page 28

²⁴ The Rural Challenge Programme 2009, page 1

²⁵ Department of Agriculture and Rural Development

- 4.3.27 **Environmental Situation in the Rural Area** - The three main sources of green house gasses in Northern Ireland are transport, power generation and agriculture (due to the methane gas produced by cattle). Although emission levels of greenhouse gasses have fallen slightly since 1990, they are not currently on target to meet the Northern Ireland Sustainable Development Strategy which requires that green house gasses will be reduced to 25 per cent below 1990 levels by 2025.
- 4.3.28 In recent years the level of chemical pollution in the rivers of Northern Ireland has reduced and the quality of waters in bathing areas has improved. One of the main threats to waterways in Northern Ireland is eutrophication which occurs when excessive levels of algae use up too much oxygen at the expense of other plants and animals. A major cause of this problem is fertilisers and animal waste from farmland seeping into the waterways. Sewage from towns and cities are another contributing factor. Measures taken to address the problem include controls on the use of fertilisers and regulations regarding the storage of animal waste and crop effluent.
- 4.3.29 Although only a small proportion of Northern Ireland is covered by woodland, it has been increasing over the last decade and recently more native broadleaved trees have been planted. Approximately a fifth of the region is designated as Areas of Outstanding Natural Beauty with special protection. Around two thirds of the land is used for farming, more than a third of which is registered in the agri-environment scheme where farmers take steps to protect wildlife in their everyday work.
- 4.3.30 The proportion of land taken up by buildings and roads has increased in the last decade, which means a reduction in the space available for natural habitats of wildlife. In Northern Ireland many habitats such as lowland meadows, hedgerows and coastal dunes are declining putting the species that depend on these habitats at risk. The Northern Ireland Biodiversity Strategy has set goals aimed at halting the loss of biodiversity by 2016.
- 4.3.31 Another factor which effects bio-diversity is the impact of non-native species which can expand in numbers to threaten the local indigenous wildlife. Two examples of introduced species effecting bio-diversity in Northern Ireland are the impact of the grey squirrel on the red squirrel population and the effect of the Zebra mussel on native mussel populations.

- 4.3.32 The intensification of farming techniques and a growing population has produced dramatic changes to the rural landscape of Northern Ireland and has put considerable pressure on Northern Ireland's built heritage. In 2008/09 there were 8,350 listed buildings in Northern Ireland which was an increase of 166 over the 2003 figure²⁶. The Sustainable Development Strategy is targeted at improving the condition of the 200 most important listed buildings over the next decade.
- 4.3.33 In 2007 a major reform programme for the planning system in Northern Ireland was announced. The final proposals for the reform were announced in February 2010 and are designed to enable appropriate and sustainable development of the region.
- 4.3.34 Most of the household waste in Northern Ireland is disposed of using landfill sites where it decomposes very slowly and can cause pollution. The Northern Ireland Waste Management Strategy is designed to ensure the move away from using landfill sites towards reducing, reusing and recycling much of the waste. It sets a target of reducing landfill to one third of 1995 levels by 2010, with larger cuts planned by 2020.
- 4.3.35 **The Environmental Issues** - As mentioned, approximately 80 per cent of Northern Ireland is in agricultural use, therefore the agricultural sector has a responsibility for its land management. The significance of protecting and sustaining biodiversity and habitats is becoming increasingly more important. There are certain environmental issues which are of particular importance. These include the loss of habitat and species, the loss of landscape features and water pollution through nutrient diffusion. There is the need for the provision of training surrounding these matters. This is especially pertinent when considering the increased regulations and guidance which require adherence. These include the Nitrates Directive (Council Directive 91/676/EEC) and the Water Framework Directive (Directive 2000/60/EC). Appropriate measures must be taken to ensure that there is compliance. This may require adjustments to be made in relation to production and processing practices.²⁷

²⁶ Northern Ireland Environmental Statistics Report

²⁷ Rural Strategy 2007-2013, page 6

- 4.3.36 The Environmental Report published by DARD²⁸ observed that the overall impact on the environment from the implementation of the strategy should be positive.²⁹ There will be certain aspects which will have negative impacts, for example an increase in localised traffic flows. However, it was assessed that the potential positive impacts outweigh the negative impacts and should, therefore, lead to environmental improvements such as rural diversification and a strengthening of the socio-economic aspects of rural communities.³⁰

Other changes since the start of the Programme affecting the Rural Community in Northern Ireland.

- 4.3.37 The expansion of the European Union and the prosperous economic situation in Northern Ireland before the recession led to a large influx of migrant workers into the region. This made a significant contribution to the rural economy providing a skilled labour force and new customers for local businesses as well as a pool of new tenants/buyers for rural housing. However as a consequence of the recent recession anecdotal evidence suggests that a large proportion of the migrant workers subsequently left.
- 4.3.38 Changes in the Economic Situation - The collapse of the financial institutions in 2008 and resultant recession had a major effect on the rural area beyond what is apparent from the headline data discussed earlier in this chapter. The significant drop in house prices had a particularly negative affect on the construction sector. Agriculture also suffered due to increases in the cost of working capital, the strength of the euro and an increased reluctance of banks to provide loans. Most of these issues affected businesses from all sectors in the rural community, not just agricultural based.
- 4.3.39 Animal/Plant Diseases and Scares - Bio-security is an on-going issue in Northern Ireland and is necessary to ensure producer and consumer confidence in local produce. Recent diseases of high importance in Northern Ireland are bovine tuberculosis, bovine brucellosis and Bovine Spongiform Encephalopathy (BSE). DARD has on-going programmes of disease management and eradication, and also undertakes animal welfare surveillance activity to minimise the threat from such diseases.
- 4.3.40 Since BSE was first reported in Northern Ireland during 1988, there have been a total of 2,186 cases²⁵. The number of BSE cases in Northern Ireland has declined significantly since the peak in 1993. There were only 3 cases of BSE in 2009²⁵.

²⁸ Department of Agriculture and Rural Development, Public Consultation, Environmental Report for the NIRDP 2007-2013

²⁹ Ibid, page 7

³⁰ Ibid, page 8

- 4.3.41 During 2007, 1,264 herds in Northern Ireland were affected by bovine tuberculosis, while 151 were newly infected with brucellosis²⁵. Bovine tuberculosis and brucellosis were at peak levels in 2002 and since that time the herd incidence for both diseases has reduced by almost 50 per cent.
- 4.3.42 In January 2009 there was a contamination scare resulting from dioxins found in animal feedstuffs leading to the recall of all Irish pork products in the Republic of Ireland. This had a damaging effect on Northern Ireland's pork processors who import live pigs and pork from the Republic. The scare affected the whole food chain, from feed operators and suppliers, to farmers, processors, retailers and consumers. The impact spread into several sectors of the agri-food industry and into the natural environment. The ramifications of the incident were wide and complex.
- 4.3.43 Unexpected Weather Conditions - Poor weather in the summer of 2009 made it difficult for farmers to graze cattle and conserve grass. Some cattle were housed on several occasions and some were housed early resulting in problems with poor silage quality and low farm stocks. In November 2009 there was flash flooding in Fermanagh causing traffic disruption and making many roads impassable. Some of the worst floods were around Boho, where children had to be ferried to school, and near Lisnaskea where farms became stranded and milk had to be poured away.
- 4.3.44 **MTE Views on the Socio-economic situation** - It is evident that the economic downturn has impacted on the socio economic situation in the programming area since the start of the Programme. It is felt by a large majority of stakeholders, contacted as part of the MTE, that the economic downturn has had an adverse impact on the Programme. There is anecdotal evidence that the exchange rate fluctuations have not impacted to the same degree on the Programme.
- 4.3.45 The future availability of match funding (both public and private) is of primary concern and is currently seen as the main threat impacting on the ability to commit funding for the remainder of the Programme. In this regard there is anecdotal evidence coming through of smaller grants being applied for, especially in respect of Axis 3.
- 4.3.46 It is evident that the Programme is operating in a different climate, with bank lending policies problematic to the rural community. It is noted that many of the aspirations of the community have subsequently changed, for example 'sustaining jobs' has become the new priority rather than creating jobs.
- 4.3.47 There is some evidence to date that the general economic situation has also restricted individual's thoughts on expansion, diversifying and new business start ups, resulting in a more cautious approach in the wider rural and farming communities.

- 4.3.48 However on a more positive note, among those already involved with the NIRDP, less than one quarter (24 per cent) of successful applicants surveyed thought that the economic downturn had a negative affect on their project. Only 16 per cent indicated that the exchange rate fluctuations had a negative affect.

4.4 Summary of on-going rationale for the NIRDP 2007-2013

- 4.4.1 The perceptions of the various groups and individuals associated with the Programme are that 'helping farmers'; 'maintaining or enhancing the environment' and 'creating jobs' and 'helping local businesses' should be the primary focus of the NIRDP. Table 4.3 highlights the important issues in the mind of the Programme beneficiaries.

Table 4.3 Programme Beneficiaries thoughts on issues the RDP should be addressing

Most important issues the RDP should be addressing	Percentage
Environment	18
Jobs	18
Local businesses	13
Helping farmers	20
Diversification	6
Tourism	6
Access to childcare	8
Preserving rural skills and culture	5
Training	6
Total	100 (Base=79)

- 4.4.2 From the discussions and research conducted as part of the MTE it is clear in the opinion of the evaluators that the following areas show the on-going rationale, and indeed need, for the NIRDP 2007-2013.
- 4.4.3 **Economic Challenges** - The ongoing economic challenges in rural areas mean that many rural businesses require short term support from the NIRDP in order to be successful in the long term. This is particularly so in the current economic climate in which the banks have imposed tighter restrictions on lending combined with a reduced level of investment capital more generally.

- 4.4.4 **Diversification / Move to Services and Tourism sectors** – Recent years have seen an increase in the use of imported goods in comparison with indigenous agriculture outputs. NIRDP support has been a fundamental contributor to this re-structuring within the rural economy. It has enabled many rural agricultural businesses to diversify into new areas in order for the rural economy to be sustainable. However it is noted that concerns have been raised regarding possible saturation levels and lower demand for such activities. This will, most likely be further impacted by the reduced availability of match-funding as a consequence of the general economic downturn. This will be discussed further in later chapters.
- 4.4.5 **Meeting EU Regulations** - European regulations which have been introduced in recent years are essential to maintain the natural rural environment, ensure the welfare and humane treatment of animals and prevent the introduction and spread of diseases. However many farms require expensive modernisation in order to comply with the regulations. Without NIRDP support many farmers could not afford to make these improvements and would risk going out of business.
- 4.4.6 **Promotion of Greener Farming Practices** - The promotion of greener farming methods and good environmental practice is an issue of growing importance in which NIRDP funding plays a vital role. However the initial cost of conversion to such practices is often prohibitively expensive and would not be possible for most farmers in Northern Ireland without financial assistance from the NIRDP.
- 4.4.7 **The Sense of Community in Rural Areas** - Due to the growing numbers of urban dwellers and new migrants settling in rural areas in recent years there are increasing challenges with regards to the sense of community and place in rural areas. Therefore NIRDP funded schemes focused on the community are a very important contribution to the sense of cohesion in rural society.
- 4.4.8 **Continued Relevance** - The current Programme has built on the progress from the past but as it has been noted there are still many areas which need to be continually improved upon. Agriculture plays a key role within Northern Ireland, accounting for 30 per cent and 44 per cent of VAT registered businesses in accessible and less accessible areas, in contrast to the UK which has on average just nine per cent.³¹ However, it is a relatively low value sector which needs to become more competitive.

³¹ Northern Ireland Strategy Plan 2007-2013, page 5

- 4.4.9 The downward trend in numbers of full-time farmers provides evidence that help is needed within agriculture to ensure that this sector is sustainable. There is a general view that agriculture, farmers and farm families have more to offer than simply the direct outputs of that sector. They are often held up as key custodians of the countryside and the rural way of living. With the help provided in terms of training and technology should enable rural farms and enterprises to be self-sustainable in the future.
- 4.4.10 The lack of value placed on education and training by rural dwellers needs to be addressed so that the potential for increased entrepreneurship can be realised and opportunities seized. Areas for potential, such as tourism and services, need to be developed to enable these benefits to be gathered in the future.
- 4.4.11 The Agricultural sector also faces increased regulations from the EU. Compliance is essential and the funding and help provided through the NIRD P schemes aids the transition.
- 4.4.12 It is evident, in the opinion of the evaluators, that the NIRD P 2007-2013 has a key role to play alongside the other programmes and strategies currently being delivered in Northern Ireland. The need for the Programme established at the outset of the programming period is very much evident at this mid term stage, with the added challenge of the current economic climate. It is clear in the evaluator's opinion that the ongoing rationale for the Programme is strong. However, as detailed in the forthcoming chapters, the Programme is facing some particular challenges at present and there is limited evidence at this stage of the Programme of any major impacts having yet been achieved.

Performance of NIRDP 2007-2013

5.1 Introduction

5.1.1 This chapter of the MTE assesses the achievements, to date, of the NIRDP 2007 to 2013. It examines the performance of the Programme, mostly through an assessment of its component Measures, against the initial targets and against the Common Monitoring and Evaluation Framework (CMEF) questions.

5.1.2 The section addresses the following specific issues.

- Application and approval rates
- Financial performance (including commitment, expenditure and N+2)
- Participation levels by target groups
- The spatial spread of the Programme across Northern Ireland
- Axis-specific achievements to date
- Proposed amendments to Axis-specific targets
- Programme objectives and priorities
- Programme impacts achieved to date and the likely achievement of overall objectives
- The contribution of the Programme to the economic and social revitalisation of rural areas

5.1.3 As mentioned previously, each of the components of the Programme are at varying stages of implementation. Consequently there are differences in the levels of achievement to date and in the extent of data available. Alongside this, there have been a number of difficulties with the collation of application and monitoring data. A global database was developed for the EU Programmes operating in Northern Ireland in the 2007 to 2013 funding period. This database is known as Systems 2007 and is intended to collect detailed application and monitoring information on an end to end basis. However, there have been a number of problems with the incorporation of NIRDP data to Systems 2007. Whilst these difficulties are detailed in Chapter 6 of this report, it is worth noting here that this aspect of the mid-term evaluation has been restricted by the consequent lack of centralised and verified data. Specific project level examples and comments from case studies and interviews are thus used here to supplement the limited quantitative data.

5.2 Application and approval rates within the NIRDP 2007 to 2013

- 5.2.1 Across the Programme, successful and unsuccessful applicants surveyed for the MTE were generally positive about the application process. Of all those surveyed, 90 per cent found the application form clear and straightforward. 60 per cent of respondents felt that the time taken between submitting an application to finding out if they were successful was about right. However, 2 in 5 (40 per cent) felt that the time taken was too long.
- 5.2.2 Almost 50 per cent of the applicants surveyed required some level of help in completing the application process. Very positively, **all** of those who required help stated that they found the help useful. Table 5.1 details the source of that support.

Table 5.1 Source of support with application

Help provided by	%
DARD	44
LAG	2
Friend	44
Private consultant	8
Invest NI	2
Total	100 (Base=52)

- 5.2.3 It is clear from the data that DARD is one of the key sources of support for applicants. This is to be expected, as many of the RDP measures and schemes are administered internally by DARD. However it is also clear that help from friends is, perhaps, a less formal but no less important component of the support mechanism in the Programme. This is one of a number of indications of the level of co-operation, goodwill and partnership within the rural community in Northern Ireland, and of the importance of these factors to the successful implementation of the Programme.

Applications to Axis 1

- 5.2.4 Tables 5.2 and 5.3 below provide a snapshot of application and approval rates within Axis 1 of the Programme. These figures are based on information provided by measure leaders as at 30 April 2010.

Table 5.2 Axis 1 Status of applications by Measure/Scheme (at April 2010)

Measure / Scheme	Approved	Under Consideration	Rejected	Other	Total Applications
1.1 Benchmarking (Training)	n/a	n/a	n/a	n/a	n/a
1.1 Focus Farms	52	3 ³²	n/a	n/a	n/a
1.1 Farm Family Options (Skills)	575	433	39	3 ³³	1,050
1.1 Farm Family Options (Mentoring)	22	1	0	3 ³⁴	26
1.1 Supply Chain Development (Training)	7	2	0	0	9
1.2 Processing & Marketing Grant	18	2	7	56	83
1.2 Marketing Development Scheme	1	3	3	0	7
1.3 Farm Modernisation Programme (FMP) & Manure Efficiency Technology Scheme (METS)	1,268	0	8,003	0	9,271
1.3 Short Rotation Coppice (SRC)	27	2	3	4 ^a	36
1.4 Benchmarking (Non Training)	n/a	n/a	n/a	n/a	n/a

5.2.5 Due to the aforementioned difficulties with Systems 2007, some measures have used alternative electronic systems for recording application and project details, whilst others have relied on paper-based systems. It has not, therefore, been possible for all measure leaders to provide the information for Table 5.2. For example, whilst no data were available for Measures 1.1 Benchmarking and 1.4 Benchmarking, there *have* been applications and approvals to these schemes. The outputs of these schemes are included in the discussion on Axis 1 specific observations later in this chapter.

³² Refers to 3 Letters of Offer yet to be issued:

³³ This refers to 3 applications which were withdrawn by applicants prior to Letter of Offer being issued.

³⁴ This refers to 3 applications which were 'approved' but were then withdrawn by applicants.

a. OTHER refers to applications which were submitted and subsequently withdrawn by the applicant, or which were incomplete and returned and never re-submitted

- 5.2.6 Notwithstanding the difficulties surrounding incomplete data, it is clear from Table 5.2 that there is considerable variation in the numbers of projects involved in the component parts of Axis 1.
- 5.2.7 Whilst the individual measures and schemes share the overarching aims of Axis 1, it should be noted that they are each very different in the detail of objectives, size and scope. For this reason Table 5.2 should not be seen as a *comparison* table across the measures but rather is intended as a summary table for Axis 1. For example, the component schemes of Measure 1.2 generally involve a smaller number of large grants than, for example, the schemes in Measure 1.3 which, conversely, provide smaller grants to a larger number of beneficiaries.
- 5.2.8 The high number of rejections within Measure 1.3 (Farm Modernisation and Manure Efficiency Technology) is of particular note. Most of these can be attributed to the Farm Modernisation Programme which was very heavily over-subscribed in its first tranche. Further tranches of this scheme are forthcoming and it is hoped that demand will continue to be high.
- 5.2.9 Another area of note includes the large volume of applications under the Processing and Marketing Grant (Measure 1.2) in the 'other' category. These cases refer to a great number of applications that were subsequently withdrawn, or were not followed through to panel. This is evidence from the MTE discussions of a considerable drop off, possibly due to the complexity of these larger scale projects.
- 5.2.10 It is also worth noting that the large volume of applications 'under consideration' in Farm Family Options Skills (Measure 1.1), is now likely to be out of date, due to the progress that has since occurred. This will be discussed further later in the chapter.
- 5.2.11 It is also interesting to examine the average time taken to process (turnaround) a successful application, and, where appropriate, analyse these for comparable measures / schemes.

Table 5.3 Axis 1 Average ‘turnaround’ time for successful applications (days) by Measure/Scheme (April 2010)

Measure	Average ‘Turnaround’ Time for Successful Applications (Days)
1.1 Benchmarking (Training)	n/a
1.1 Focus Farms	377 ³⁵
1.1 Farm Family Options (Skills)	18
1.1 Farm Family Options (Mentoring)	19
1.1 Supply Chain Development (Training)	19 ³⁶
1.2 Processing & Marketing Grant scheme	263
1.2 Marketing Development Scheme	124
1.3 FMP & METS	130
1.3 SRC	40
1.4 Benchmarking (Non Training)	n/a

- 5.2.12 Table 5.3 shows considerable variation in turnaround times between these schemes but this, in part, reflects real differences in the details of the schemes, as noted above. For example, the Processing & Marketing Grant scheme has a relatively long turnaround but this is partly related to the larger scale of these projects and the time involved in the completion of a full economic appraisal for each project. Farm Family Options and Supply Chain Development schemes have commendable turnaround times, with successful applications being identified in less than three weeks, on average.
- 5.2.13 The turnaround for the Focus Farms scheme appears very high at just over one year. This is partly due to the way in which the scheme was opened. DARD opened the scheme prior to the formal establishment of the Countryside Agri-Rural Partnership (CARP) as the delivery agent for the scheme. DARD provided an early open call to recruit ‘focus farmers’, undertook the initial screening process and then handed the cases over to the CARP once it was established.
- 5.2.14 One major issue to date with Axis 1 was in relation to the first tranche of the FMP, which was rolled out on a first come first served basis. Although this system received very negative publicity and widespread condemnation, it must be noted that all stakeholders agreed on this prior to its opening. It has since been agreed that tranche two will have a new process in place with all applications scored against additional pre-determined criteria.

³⁵ Note information refers to 50 Letters of Offer issued. 3 Letters of Offer yet to be issued:

³⁶ Applications for Supply Chain Development are presented to the SCD Panel in batches. Therefore the “turnaround” time is not determined to a particular application. It is expected that all applications will be taken to the Panel within 28 calendar days of receipt of application.

- 5.2.15 Among those surveyed for the MTE, over three quarters of successful applicants to Axis 1 (78 per cent, base=23) stated that they found the application form clear and straightforward. However, whilst almost all (98 per cent) of successful applicants to Measures 1.1, 1.3 and 1.4 found the form to be clear and straightforward, only 20 per cent of Measure 1.2 successful applicants felt the form was clear and straightforward.
- 5.2.16 For Axis 1 as a whole, 52 per cent (base=24) of respondents felt that the time taken between submitting an application to finding out if they were successful was too long. Again there was some variation across the measures, with around 60 per cent of Measure 1.2 applicants believing the time taken was 'too long'. Some of the comments returned included:
 Measure 1.1 – *'Process could have been speeded up and done more efficiently'*
 Measure 1.2 – *'Application process too complicated'*
 Measure 1.3 – *'First come first serve system is a poor system for allocating grants'*
 Measure 1.4 – *'Website went online too late'*
- 5.2.17 Measure 1.2 is the only measure in Axis 1 to use its own in-house system for processing applications and monitoring funded projects. The Measure is similar to previous schemes and it is noted that attempts have been made to learn from those schemes. For example, changes were made to the application process with the aim of 'streamlining' it for the applicant. However, these changes along with staff moves may be impacting on the ability of Measure leaders to turn these applications round more quickly. It is not clear that the changes have had their desired benefits and there would seem to be some degree of offsetting between simplifying for the user and speeding up the processing. The major challenges for this Measure are the detailed nature of the applications, and the requirements for a full business plan and a full economic appraisal. If there is no scope for amending these requirements it will be difficult for Measure leaders to make marked improvements in processing times. Effort should be concentrated in ensuring that all procedures are detailed as fully and as clearly as possible to potential applicants at a very early stage.
- 5.2.18 It is noted that Measure 1.2 schemes are currently closed. Prior to any re-opening, consideration should be given to the less positive responses amongst applicants in relation to Measure 1.2 with a view to improving clarity where possible. However, it is also important to remember the clear and important differences between the measures in Axis 1 and to recognise that some schemes will always have a greater degree of complexity than others.

- 5.2.19 One of the key messages from the above assessment is that great care must be taken in the interpretation of any reporting at an Axis or Programme level. The component measures and schemes are so different that important messages could get lost in higher level reporting.
- 5.2.20 The degree of interaction between measure leaders and applicants, together with the level of support offered to applicants are important aspects of the application process. Measures 1.1, 1.3, and 1.4 have benefited from the partnership approach taken to delivery. These measures have been delivered by the Countryside Agri-Rural Partnership (CARP). This partnership is led by Countryside Services Ltd (CSL) and includes two primary subcontractors, AI Services and the Rural Development Council (RDC). It is clear through discussions with all involved that this innovative partnership has proved beneficial in the delivery of these measures. Some of the key benefits of the Partnership include close links with the customers, an ability to provide quite a high level of support to the customer and the simplification of application procedures.
- 5.2.21 Through the structured interviews it was evident that Measure 1.2 has also offered a high level of support to applicants throughout the process. This has been further enhanced through the direct engagement with their partner in the measure, Invest NI, which has a good and established relationship with the companies involved.

Applications to Axis 2

- 5.2.22 Tables 5.4 and 5.5 below provide a snapshot of application and approval rates within Axis 2 of the Programme. Again, this is based on information provided by measure leaders as at 30 April 2010.

Table 5.4 Axis 2 Status of applications by Measure/Scheme (at April 2010)

Measure	Approved	Under Consideration	Rejected	Other	Total Applications
2.1 Less Favoured Areas	12,775	682	1,170	n/a	14,627
2.2 Agri-Environment Programme	1,029	4,848	70	0	5,947
2.3 First Afforestation	563	54	8	21	646
2.4 Forest Environments	10	6	0	0	16

- 5.2.23 Axis 2 measures are commonly referred to as 'legacy measures'. They are effectively continuations of measures and schemes that have been delivered in previous EU funding periods. These measures are delivered by DARD directly and use the Department's established procedures and monitoring systems. These measures have not therefore encountered the problems associated with Systems 2007.

- 5.2.24 Table 5.4 shows considerable demand for Measures 2.1 and 2.2. Measure 2.1 (LFACA) has had a steady level of applications over recent years, while Measure 2.2 (Agri-environment) is currently oversubscribed. The forestry measures, 2.3 and 2.4, are, however, under-performing with 2.4 having particularly low uptake. These Measures will be assessed in further detail in later sections of this chapter.
- 5.2.25 It can be noted from the available data that there are, generally, high approval rates for Axis 2 measures. This can be largely attributed to the fact that they are well established schemes that are also very well known in the rural community.
- 5.2.26 Table 5.5 details the average time taken to process a successful application in each of the Axis 2 measures.

Table 5.5 Axis 2 Average ‘turnaround’ time for successful applications (days) by Measure/Scheme (April 2010)

Measure	Average ‘Turnaround’ Time for Successful Applications (Days)
2.1 Less Favoured Areas	288
2.2 Agri-Environment Programme	275
2.3 First Afforestation	40
2.4 Forest Environments	40

- 5.2.27 The turnaround times for the Axis 2 measures show steady improvements year on year since the beginning of the NIRDP 2007-2013. This is in some way aided by the fact that the applicants to these measures have an excellent working knowledge of the schemes and rules involved.
- 5.2.28 Evidence is clear through the research conducted that application systems across all the measures in Axis 2 have been streamlined in recent years. Measure 2.1 has linked into the DARD Single Application Form (SAF) which was introduced in January 2005 as a replacement for the annual Area Aid Declaration. The SAF is designed to capture information as part of the Integrated Administration and Control System (IACS) required by the European Commission. This applies to all those who claim or who express an interest in claiming Area Aid under any of the following schemes: Single Farm Payment (DFP); Aid for Energy Crops (ECS); Protein Crop Premium (PCP); and the Less Favoured Area Compensatory Allowances (LFACA). The implementation of the SAF in Measure 2.1 (LFACA) has improved the processing speed and reduced the burden on applicants.

- 5.2.29 An end to end computer based application system has recently been implemented for Measure 2.2 to replace the old paper based system. Those involved in the Measure have indicated a noticeable improvement in processing times as it is now possible to provide an instant 'eligibility' decision by telephone. The system has already received very favourable feedback from customers and has been commended by DARD Internal Audit and the European Commission.
- 5.2.30 Forest Service has also developed the application processes for Measures 2.3 and 2.4, building on the previous system used. Through discussions with measure leaders it is evident that these amendments have also received positive feedback from applicants.
- 5.2.31 The findings from the survey of successful applicants to Axis 2 support the positive comments reflected above. Of those surveyed 89 per cent stated that they found the application form clear and straightforward. Furthermore, a relatively low 12 per cent felt that the time taken between submitting an application to finding out if they were successful was 'too long'.
- 5.2.32 Support for applicants to Axis 2 measures was provided by a mix of 'Friends', DARD Direct offices and through the online help facilities. As noted previously, all those who required support, stated that they found the help useful.

Applications to Axis 3

- 5.2.33 Table 5.6 provides a snapshot of application and approval rates within Axis 3 of the NIRDP 2007-2013, and is based on information provided by LAGs as at 30 April 2010.

Table 5.6 Applications by Measure and LAG (April 2010)

Measure	Total (% approved)	Number of applications by LAG (% approved)						
		Down Rural Area Partnership (DRAP)	ARC North West (ARC)	Generating Rural Opportunities Within (GROW) South Antrim	Lagan Rural Partnership (LRP)	North East Cluster (NE)	Southern Organisation for Action in Rural Areas (SOAR)	South West Action for Rural Development (SWARD)
		3.1 Diversification	565 (31%)	64 (17%)	148 (39%)	37 (38%)	64 (11%)	76 (32%)
3.2 Business	801 (25%)	66 (20%)	174 (24%)	43 (33%)	62 (11%)	144 (22%)	88 (28%)	224 (30%)
3.3 Tourism	401 (10%)	69 (17%)	60 (n/a)	26 (31%)	19 (21%)	64 (16%)	66 (n/a)	97 (5%)
3.4 Basic Services	352 (8%)	27 (n/a)	77 (n/a)	20 (10%)	33 (6%)	32 (13%)	72 (n/a)	91 (22%)
3.5 Village Renewal	40 (10%)	19 (n/a)	0 (n/a)	4 (75%)	0 (n/a)	1 (100%)	16 (n/a)	0 (n/a)
3.6 Conservation	144 (4%)	11 (n/a)	37 (n/a)	1 (n/a)	14 (n/a)	14 (21%)	25 (n/a)	42 (7%)
Total	2,303 (20%)	256 (14%)	496 (20%)	131 (31%)	192 (10%)	331 (22%)	318 (10%)	579 (26%)

5.2.34 The Axis 3 core principle is that the communities which most closely experience problems, should be involved in the design and delivery of projects and programmes to tackle such problems, and in doing so improve their quality of life.

Under this Axis, Measures are designed to:

- Strengthen the social and economic infrastructure of rural areas.
- Build on the successes of the Northern Ireland Rural Development Programme 2000-2006
- Create employment opportunities and conditions for the creation and development of rural micro businesses.
- Optimise the use of Northern Ireland's natural, human and historic assets through sustainable economic and social development.

5.2.35 The bodies responsible for delivering Axis 3 measures have been changed for this Programme in comparison with the implementation of Leader+ in Northern Ireland during 2000-2006. The structure is now more complex, incorporating an extra layer to which each LAG reports. This extra layer is known as the Joint Council Committee (JCC) and was established in the expectation of an amended local government structure within Northern Ireland. The issues surrounding this and the direct implications for the implementation of this Axis are discussed in chapter 6 of this report.

- 5.2.36 Due to these set-up issues, Measures in this Axis have in general only opened over the past year. Whilst a number of LAGs / JCCs opened measure-by-measure, such as North East over a six month period (May-September 2009), others opened calls to all measures at once, such as SWARD in January / February 2009.
- 5.2.37 It is clear from the number of applications generated within a relatively short time period from the data supplied, that there is a certain level of latent demand for support for these types of rural development activities. Within this, it is interesting to note the variation in interest across Measures and activities. Most of the LAGs have a concentration of applications to Measures 3.1, 3.2 and 3.3 with Measures 3.4, 3.5 and 3.6 being generally less popular as far as applications. It is the opinion of the evaluators that the variation in the total number of applications to each LAG is a function of a range of factors, including:
- the size of the area and population covered by the LAG; and
 - the method of opening (i.e. measure-by-measure versus all measures together).
- 5.2.38 Table 5.7 details the average turnaround time for successful applicants by Measure and LAG.

Table 5.7 Average ‘turnaround’ time for successful applications (days) by Measure and LAG (April 2010)

Measure	DRAP	ARC	GROW	LRP	NE	SOAR	SWARD
3.1 Diversification	130	155	172	140	69	132	232
3.2 Business	130	180	140	140	69	132	259
3.3 Tourism	140	n/a	123	112	88	n/a	n/a
3.4 Basic Services	n/a	n/a	275	168	150	n/a	n/a
3.5 Village Renewal	n/a	n/a	71	n/a	103	n/a	n/a
3.6 Conservation & Heritage	n/a	n/a	n/a	n/a	121	n/a	n/a

- 5.2.39 Looking at data available for each Measure in turn, there is considerable variation in the processing times across the LAGs. For example average processing for a successful application within Measure 3.1 ranges from 69 days in the North East LAG to 232 days in the South West (SWARD). This variation may be explained in the different approaches adopted in opening the measures by these two LAGs. In this regard North East opened Measures 3.1 and 3.2 in May 2009, followed by the other Axis 3 measures in September 2009 (5 month period in between), whilst SWARD opened all measures over the months January to February 2009.

- 5.2.40 Interestingly DRAP LAG also opened its measures over a 5 month period (June to October 2009), however it did not achieve the same turnaround time as North East LAG. It may be the case that the timing of opening of the measures in North East LAG afforded them the summer months in which to process the applications. This forward planning may have positively impacted on their processing time.
- 5.2.41 However it is noted that as well as opening all measures over a two month period, SWARD LAG also covers a large rural area which may have also impacted on its turnaround time.
- 5.2.42 Prior to the opening of Axis 3 it was agreed that measure leaders would endeavour to make the application process as straightforward as possible. This was borne out of criticisms of previous application forms for similar measures and schemes in the 2000 to 2006 funding period. A simplified application form was thus developed. There is anecdotal evidence from the research conducted, however, that this simplified form may have made it ‘too easy’ to apply to the Axis. From the research it is felt that the form may have produced a relatively high level of ‘speculative’ applications. These combined with relatively widespread uncertainty over the details of eligible activities, and the apparent increase in bureaucracy with the added management layer, would appear to have had a negative impact on application processing times. There is also a general belief among the implementing bodies, contacted as part of the MTE, that the Programme has, to date, provided limited animation type support in guiding applicants through the early stages of the application process.
- 5.2.43 The survey responses from successful applicants to Axis 3 support these other findings. Almost all, 89 per cent of, applicants surveyed stated that they found the application form clear and straightforward. However, two thirds (64 per cent) felt that the time taken between submitting an application to finding out if they were successful was ‘too long’.
- 5.2.44 Some of the concerns returned around the application process included:
- ‘It wasn’t clear enough what was eligible from the outset’*
‘There were issues with the online application form’
‘The paperwork post-application was excessive’
- 5.2.45 Through the quantitative and qualitative research programme it is clear that there is intrinsic demand for the Measures in Axis 3. It should also be acknowledged that the Axis is at a relatively early stage of implementation. However, the MTE research also highlights a number of issues to be addressed if the Axis is to be implemented sufficiently well to catch-up with the late start and achieve its overall objectives.

5.2.46 The detailed process issues surrounding this Axis are discussed in later sections of this chapter and in chapter 6. However, quantitative and qualitative application data point to a number of areas for potential review.

- The balance between Measures 3.1 to 3.3 and Measures 3.4 to 3.6 should be examined.
- It may be prudent to operate a measure-by-measure call for the remainder of the Programme. This may help staff to cope with the demand, focus the assessments of applications and ensure that applicants are informed of the outcome in a timely manner.
- Whilst a simple application form is welcome, it may be necessary to expand the initial form. This could include clearer rules on eligibility and future requirements for applicants, if successful.

5.3 Financial Performance

NIRDP Funding - Background

5.3.1 The NIRDP Financial package is a combination of funding from the EU and Government, with the EU element of funding in the NIRDP comprising EAFRD and funds raised through a process referred to as 'Modulation'.

5.3.2 Modulation was introduced by the European Commission as a means of redirecting a proportion of farmers' Single Farm Payments to rural development activities. Compulsory Modulation was introduced by the European Commission in 2001 and applies to all Member States. The European Commission sets the rates applied on an annual basis, withholding a proportion of Single Farm Payments funding and using the funds to supplement its allocation of EAFRD funding for rural development programmes. The contributions from EAFRD and Compulsory Modulation are treated as one budget, there is no differentiation between the two funding lines. Following the CAP Health Check review in 2008/2009, the European Commission increased the rates of Compulsory Modulation. The new rates will result in a total NIRDP allocation of €122m.

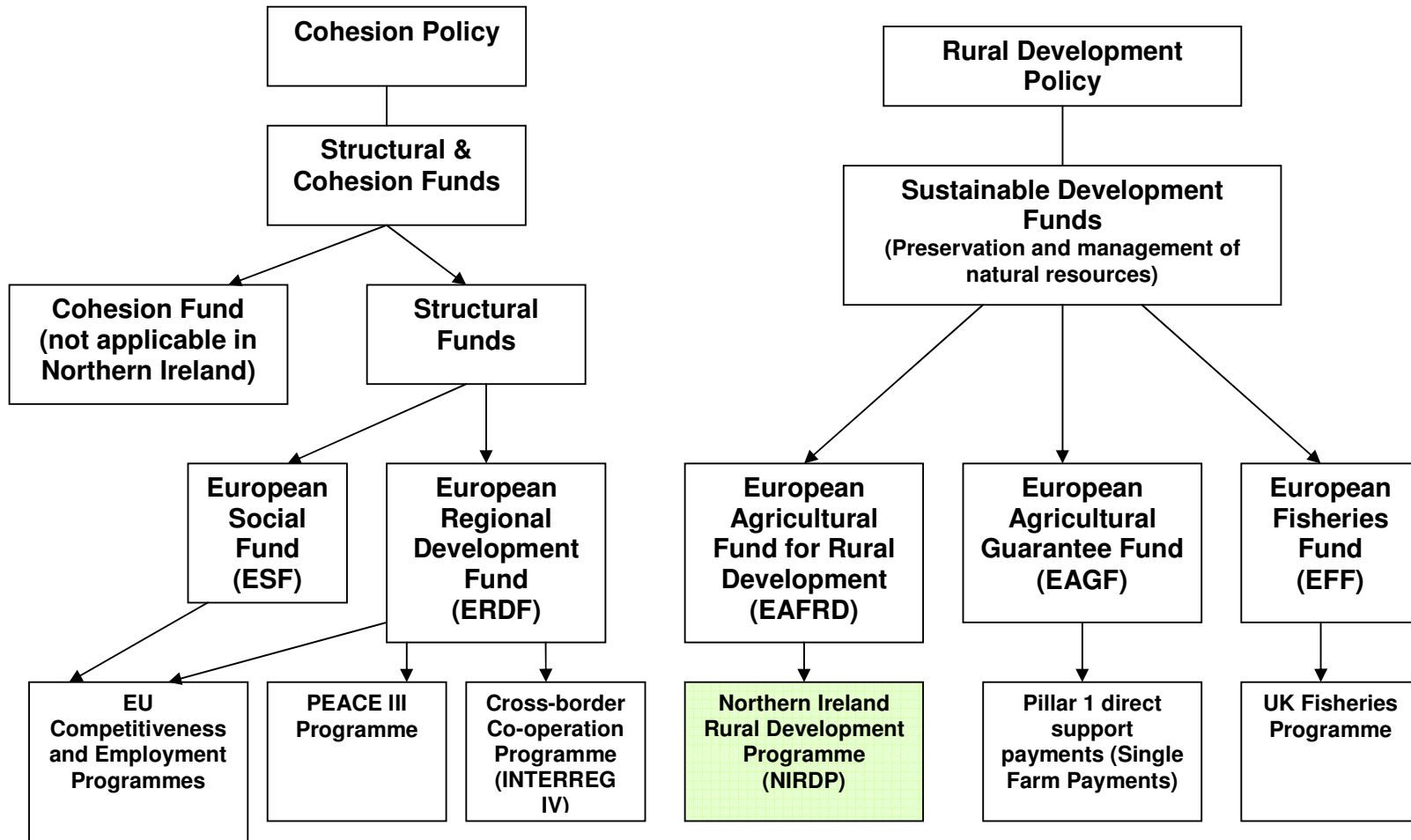
- 5.3.3 The Commission also permits Member States to use Voluntary Modulation to further supplement the funding going towards their Rural Development Programme. In such a scenario, Member States (or regions within Member States) set the rates to be applied. The UK chose to use Voluntary Modulation for the 2007-2013 period and DARD set the rates to be applied to 2012. The rates as announced then would have raised an additional €157m for the NIRDP. However, following the CAP Health Check, the United Kingdom agreed with the Commission that Voluntary Modulation would be reduced by the same amount that Compulsory Modulation had been increased by. Northern Ireland Voluntary Modulation was, therefore, reduced to €119m, balancing out the increase in funding under Compulsory Modulation, and meaning that the overall funding package for the NIRDP remains unchanged.
- 5.3.4 Voluntary Modulation that was raised during the period of the 2000-2006 Rural Development Regulation Plan (“Old” Voluntary Modulation) but unspent during that period is also available to spend in the NIRDP 2007-2013. This funding is managed separately from the main NIRDP funding and can only be used on legacy schemes carried over from the 2000-2006 Programme (agri-environment and forestry schemes). Some £16m is available to spend from this source in total and the expenditure must be incurred by December 2011.
- 5.3.5 The Northern Ireland government’s contribution to the NIRDP is estimated to be in the region of £271m over the lifetime of the Programme.

Allocation of funding within the NIRDP

- 5.3.6 The rules governing the use of EU funding, and allocation of funding within the NIRDP, are set down in EU Regulations. They are complex but, in summary:
- EU funding (EAFRD, Compulsory Modulation) must be split across Axes 1, 2 and 3. It cannot be concentrated in one or two Axes and the EC sets down minimum percentage allocations per Axis
 - Some EU funding (EAFRD, Compulsory Modulation) must be delivered using the LEADER approach (Axis 4). Again, the EC sets down a minimum percentage allocation
 - EU funding (EAFRD, Compulsory Modulation) must be co-financed with government funds. Measures cannot be funded by EAFRD only. The EC sets down minimum and maximum co-financing rates
 - Voluntary Modulation must be split across Axes 1, 2 and 3. It cannot be concentrated in one or two Axes. The EC sets down minimum percentage allocations per Axis
 - Voluntary Modulation does not have to be co-financed with Government funds. Measures can, therefore, be funded by Voluntary Modulation only

- Funding must be spent within pre-set deadlines (the so-called N+2 rule applies to all EU funding with the exception of “Old” Voluntary Modulation which is subject to a N+4 rule)

The various EU funding streams are shown in more detail on the following page.



- 5.3.7 The funding available through the EU Programmes can be defined in a number of different ways. Sometimes funding will refer to the EU element only, at other times all match funding will be included and at other times, only public sector match funding may be included. The figures are also complicated by the effects of the exchange rates on conversion from €s to £s. However, by way of a general overview, the NIRDP 2007-2013 can be seen to be worth approximately £500million over the funding period.
- 5.3.8 As noted above, expenditure on the EU Programmes is subject to something known as the N+2 rule. This specifies that, at a Programme level, the annual allocation for year N must be spent by the year N+2. Table 5.8 shows the current position of the NIRDP in respect of the N+2 targets, presented in Euros.

Table 5.8 NIRDP 2007-2013 N+2 progress as at 30 June 2010

	NIRDP Budget Year	2007	2008	2009	2010	
EU allocation (€)		24,015,363	41,618,873	47,005,984	50,572,500	329,517,994
N+2 targets (cumulative) (€)				24,015,363	65,634,236	
Spend declared (cumulative)(€)		29,076,969	54,123,905	74,814,955	99,426,805	

- 5.3.9 It is evident when looking at the Programme as a whole that it has performed well in relation to N+2 targets. In fact by June 2010 the Programme was ahead of the N+2 target by a considerable degree. However, it is known from previous experience that meeting N+2 targets gets progressively more difficult with each passing year of the programming period. Further, this overview at Programme level masks somewhat the situation on a measure by measure basis. Table 5.9 shows the situation to date in relation to NIRDP eligible expenditure declared to the European Commission, by Axis and Measure.

Table 5.9 - NIRDP ELIGIBLE EXPENDITURE (TOTAL PUBLIC = EU + NATIONAL) DECLARED TO EUROPEAN COMMISSION (£)

AXIS 1	Axis/Measure NIRDP coding	Allocation (£)	Total Public Expenditure declared				
			2007 (£)	2008 (£)	2009 (£)	Jan-Jun 2010 (£)	Cumulative (£)
Expenditure	1.1	6,380,000	-	-	397,000	606,298	1,003,298
of which transitional ¹							
Expenditure	1.2	23,600,000	-	-	1,332,929	989,303	2,322,232
of which transitional ¹							
Expenditure	1.3	16,200,000	-	-	1,087,921	3,670,144	4,758,065
of which transitional ¹							
Expenditure	1.4	2,760,000	-	-	33,632	93,029	126,661
of which transitional ¹							
AXIS 1 TOTAL		48,940,000	-	-	2,851,482	5,358,774	8,210,256
Expenditure							
of which transitional ¹							

Transitional expenditure ¹

expenditure incurred between 16 Oct 2006 and 31 Dec 2006 - taken from NIRDP 2007-2013 budget

AXIS 2	Axis/Measure	Allocation	Total Public Expenditure declared				
	NIRDP coding		2007	2008	2009	Jan-Jun 2010	Cumulative
		(£)	(£)	(£)	(£)	(£)	(£)
Expenditure	2.1	129,500,000	17,238,221	17,499,205	19,118,640	20,699,116	74,555,182
of which transitional ¹			-			-	
Expenditure	2.2	219,000,000	16,815,381	17,030,513	14,570,488	12,189,166	60,605,548
of which transitional ¹			1,315,953				
Expenditure	2.3	14,400,000	1,354,655	569,531	1,705,193	354,897	3,984,276
of which transitional ¹			519,239				
Expenditure	2.4	900,000	-	-	-	4,438	4,438
of which transitional ¹			-				
AXIS 2 TOTAL		363,800,000	35,408,257	35,099,249	35,394,321	33,247,616	139,149,443
Expenditure							
of which transitional ¹			1,835,192				

AXIS 3	Axis/Measure	Allocation	Total Public Expenditure declared				
	NIRDP coding		2007	2008	2009	Jan-Jun 2010	Cumulative
		(£)	(£)	(£)	(£)	(£)	(£)
Expenditure	3.4	1,500,000	-	-	-	-	-
of which transitional ¹			-				

Transitional expenditure ¹ expenditure incurred between 16 Oct 2006 and 31 Dec 2006 - taken from NIRDP 2007-2013 budget

AXIS 4	Axis/Measure	Allocation	Total Public Expenditure declared				
	NIRDP coding		2007	2008	2009	Jan-Jun 2010	Cumulative
		(£)	(£)	(£)	(£)	(£)	(£)
Expenditure	4.1	80,000,000	-	-	3,975	1,002,671	1,006,646
of which transitional ¹			-				
Expenditure	4.2	4,000,000	-	-	-	-	-
of which transitional ¹			-				
Expenditure	4.3	16,000,000	-	161,040	1,023,064	1,260,231	2,444,335
of which transitional ¹			-				
AXIS 4 TOTAL							
Expenditure		100,000,000	-	161,040	1,027,039	2,262,901	3,450,980
of which transitional ¹			-				

Transitional expenditure ¹ expenditure incurred between 16 Oct 2006 and 31 Dec 2006 - taken from NIRDP 2007-2013 budget

STATE AIDS	Axis/Measure	Allocation	Total Public Expenditure declared				
	NIRDP coding		2007	2008	2009	Jan-Jun 2010	Cumulative
		(£)	(£)	(£)	(£)	(£)	(£)
Expenditure (Cattle Bonus)	2.1	24,500,000	3,477,702	3,565,185	3,809,426	4,130,367	14,982,680

Table 5.10 - NIRDP EXPENDITURE (TOTAL PUBLIC = EU + NATIONAL) FROM VOLUNTARY MODULATION RAISED DURING 2000-2006 PERIOD (£)

	NIRDP Measure	Budget available	Spend 2007	Spend 2008	Spend 2009	2010 - June 2010	Cumulative
		(£)	(£)	(£)	(£)	(£)	(£)
Agri-environment programme	2.2	28,984,480	8,005,867	7,547,478	6,290,559	3,727,285	25,571,189
Forestry schemes	2.3		736,270	366,290	328,141	17,190	1,447,891
TOTAL "OLD VM"		28,984,480	8,742,137	7,913,768	6,618,700	3,744,475	27,019,080

5.3.10 It is evident from the tables above that spend in Axis 2, particularly within Measure 2.1 and 2.2, has significantly propped up other underperforming areas of the Programme.

- 5.3.11 From the data available the LFA scheme should achieve full spend, assuming that it continues on its current path. This Scheme has already spent 58 per cent of its total allocation. This is very positive given that this is the mid-point of the programming period but is not yet the mid-point of the period for eligible expenditure.
- 5.3.12 The Agri-Environment schemes (Measure 2.2) and First Afforestation (Measure 2.3) have achieved 39 per cent and 36 per cent spend respectively. These rates sit well in comparison with other Measures in the Programme and allowing for the fact that there is a further four years for eligible expenditure to be incurred. However, around two thirds of the total NIRDP funding has been allocated to the Agri-Environment Programme (Measure 2.2, £200million). It is therefore imperative that spend is proactively driven within this scheme. It is noted from the ex-post evaluation of the 2000-2006 schemes that final expenditure on these activities fell short by some 24 per cent. However, it is also recognised that “old Voluntary Modulation spend” on these schemes is coming to an end in December 2011 with almost full expenditure already achieved (Table 5.10). From the data there is, therefore, clearly a demand for these schemes that should be maximised.
- 5.3.13 Having made a slow start, Measure 2.3 (First Afforestation) has gathered pace more recently and should be on track for achieving good expenditure levels if this pace continues. Measure 2.4 (Forest Environments) represents a relatively small proportion of the Programme in financial terms, with an allocation of just under £1million. However, the Measure has important aims and objectives for Northern Ireland which has historically low levels of forest cover. Declared spend to date in this Measure has been very disappointing at less than £5,000. This is assessed in further detail in later sections of this chapter.
- 5.3.14 Axis 1 has, on the whole, made steady progress, especially in respect of Measures 1.1 and 1.3. However, Measure 1.2 is currently closed to applications with no confirmed re-opening plans. Measure 1.4, whilst relatively small at just under £3million, has received limited interest to date and has declared expenditure amounting to just 5 per cent of its allocation as at end June 2010.
- 5.3.15 From the tables it is evident that Axis 3 (detailed separately as Axis 3 and Axis 4 for the purposes of reporting to the Commission) has had a disappointing level of spend to date. The expenditure declared accounts for just over 3 per cent of total allocation for these activities. This is evidently an area of the Programme that will need carefully monitored and progressed in the near future if targets are to be met.

- 5.3.16 The ongoing challenge presented by the current economic situation in Northern Ireland is, in the evaluator's opinion, evidently a barrier to achieving financial targets. Applicants have less scope for generating their own match funding and are facing much more restrictive bank-lending practices. There is also a considerable level of uncertainty around the National funding element of the Programme. The recently elected UK government has already announced significant reductions in public sector budgets, including those available for Northern Ireland departments. However, the details of these cuts and their implications for schemes within the NIRDP will not be known until late October 2010 with the outcome of an internal process known as the Comprehensive Spending Review (CSR). These financial issues are serious and have the potential to curtail the Programme overall. It is entirely probable in the evaluator's opinion that uncertainty over recent months has, at least, delayed financial activity in the Programme.
- 5.3.17 It is clear that post-CSR some unpopular decisions will be required. There may be scope for the Department to engage with the Commission about amending the co-financing rates associated with the Programme, as the NIRDP has not applied the maximum rates available. This may in some way mitigate the likely future pressure on the National funding element.

Recommendation

1. Future Budgets clarified post CSR

Once the CSR is published it will be necessary for the Department to clarify the future detail of the NIRDP. It is recommended that the Department examine all options for ensuring that the Programme can continue in its current form and with the maximum funding available. This may mean the Department re-visiting co-financing rates, which in some way may counteract the expected pressure on the National funding element.

5.4 Participation by target groups

Overview

- 5.4.1 The NIRDP 2007-2013 should have the potential to impact on the following target individuals and groups (as described in the NIRDP): landowners; farmers and farm families; food processors; and rural dwellers. In practice this includes virtually all those who live or work in rural areas, and indeed some who do not. Following on from the previous programming period, it was also agreed that the NIRDP would continue to proactively target women and young people who have historically had low representation in related activities.

- 5.4.2 In delivering services in Northern Ireland, public sector bodies have a statutory duty to promote equality and good relations across a range of specified categories such as gender and religion. This requirement is often referred to as the Section 75 obligations, the name derives from Section 75 of the Northern Ireland Act 1998. The role of Section 75 within the NIRDP is described in more detail in chapter 7 of this report.
- 5.4.3 This current section focuses on the participation of women and young people in the NIRDP to date.
- 5.4.4 The rationale for the inclusion of these target groups goes back to the ex-post evaluation of the RDP 1994-1999. That evaluation highlighted the difficulties in assessing the true extent to which women and young people participated in the Programme. Furthermore, it was emphasised in that evaluation that there was an opportunity for pro-active targeting of women in the RDP 2001-2006, and this was continued into the current Programme. Engaging young people in the rural development process has also been a challenge in previous phases of the RDP.
- 5.4.5 The Equality Impact Assessment (EQIA)³⁷ carried out as part of the development of the current Programme clearly highlighted a number of relevant issues, stating:

‘Attention needs to be paid to finding new ways to directly inform children and young people about the RDP and ensuring their own views can influence the type of projects that then come forward’.

‘Assessments of previous programmes showed that women have previously been under-represented in the rural community development Process’.

Evidence of participation

- 5.4.6 Many of the detailed monitoring indicators and targets associated with the Programme’s measures are broken down by gender. However, because of the aforementioned difficulties with Systems 2007, there is currently very limited data available for assessing the benefit to these groups.
- 5.4.7 The application of Section 75 of the Northern Ireland Act in the NIRDP is discussed in greater detail in chapter 7 of this report. However, it is worth considering in part in this current section as a source of evidence of participation.

³⁷ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.11

- 5.4.8 Forms are issued, by Measure leaders, to successful applicants to the NIRDP for the purposes of obtaining background Section 75 information on, amongst other things, the applicant's age, gender, marital status, and religion. These forms are anonymous and are returned directly to the Northern Ireland Statistics and Research Agency (NISRA) where they are collated and analysed on behalf of the Managing Authority. However, the completion of these forms is voluntary and the information requested can be particularly sensitive and private. The proportions of issued forms that are completed and returned are, therefore, generally low at around 20 to 25 per cent. It is very difficult to assess whether the profile of the applicants who returned forms is similar or dissimilar to applicants overall. There is no evidence to suggest that some individuals or groups would be more or less likely to return these forms than their counterparts. However, care should be taken in the interpretation of the resulting data as the 'sample' generated is essentially self-selecting.

Table 5.11 provides an overview of the numbers from the specified target groups, women and young people, from a range of sources.

Table 5.11 NIRDP S75 Target Groups at 28 March 2010

	NIRDP (Section 75 Monitoring)	Farming Context (EU farm survey 2007)	NI Context (DFP Mid Year Population Estimates)
Female	10%	5%	52%
Young people (aged under 25)	2%	1%	No appropriate comparator

See caveat above regarding NIRDP data interpretation

- 5.4.9 A comparison of NIRDP data with NI data suggests that the target groups of women and young people may be under-represented among applicants to the Programme. However, in the *farming* context it is known that women and young people have historically been under-represented in the industry. For instance, analysis shows that the average farmer is male, aged 57. Whilst the NIRDP is about rural development in the round, many of the Measures which have been available to date are focused on farmers and farm families. Many of the Section 75 returns summarised in table 5.11, therefore, pertain to farmer and farm family focused activities such as the LFA and FMP schemes. In this context, the suggested proportions of women and young people as applicants to the Programme are clearly well above the proportions in the farming context and can be viewed as positive progress.

Targeting and engaging

- 5.4.10 Although the data above suggest a positive message in relation to engagement with women and young people, the MTE has found little evidence from the research conducted across the measures that active *targeting* of these groups has taken place.
- 5.4.11 Few of the stakeholders consulted believed that the Programme has been successful in targeting women and young people effectively. Anecdotal evidence suggests that women and young people are often seen as end-users with limited engagement in other aspects of the Programme.
- 5.4.12 In the MTE survey of successful applicants it was found that only 12 per cent and 16 per cent of projects felt that they would impact on young people and women respectively. Some of the responses as to how these groups would be engaged or benefitted are:
- ‘Women and young people are clients / visitors to focus farms’*
‘We have female employees’
‘Women and Young People are involved with the businesses’
‘Facilities are targeted at young people’
- 5.4.13 It is recognised that, for the farming specific measures, there are inherent problems due to the current demographics of the farming community. It is a long term goal for the Department, as well as the farming unions to get more young people, both male and female, involved in the farming industry.
- 5.4.14 Future tranches of the Farm Modernisation Programme (Measure 1.3) aim to actively target young people by including them in the proposed scoring criteria. This is a positive proactive step.
- 5.4.15 Measure 1.1 leaders have also noted a considerable imbalance in the gender split in relation to the Skills training element. They have indicated that they hope to engage actively with women in the future to provide a more inclusive scheme.
- 5.4.16 Whilst Axis 3 measures have only been open for a relatively short period, it has been recognised that young people typically do not have access to the level of match funding required. It is the evaluator’s opinion that this is a specific issue which should be addressed in the remainder of this programming period.

- 5.4.17 A recent paper submitted to the Agriculture and Rural Development (ARD) Committee of the Northern Ireland Assembly brought forward ideas on support arrangements for new entrants / young farmers. The paper highlighted that future thinking on young farmers and their under-representation might help address the development needs of the industry. The report also highlighted a lack of additional support to young farmers through any of the current measures in Axis 1. It suggested that one alternative approach, other than re-introducing a 'New entrants scheme', would be to give particular focus to younger farmers for the remainder of the current Programme through Axis 1 measures. The Managing Authority should consider the feasibility of this proposal as a way of encouraging younger people into the farming side of the Programme.
- 5.4.18 The idea of a 'new entrant scheme' should be explored for future Programming periods. New entrants could have a dedicated scheme that delivers a range of aspects of the current Axis 1 measures, from skills training, to modernisation, through to supply chain. This approach would help to show and guide young entrants through a clear career path in this industry.
- 5.4.19 Returning to the current Programme, it is recognised that the Managing Authority has involved the Young Farmers Club of Ulster (YFCU) and the Northern Ireland Rural Women's Network (NIRWN) in the Programme Monitoring Committee. The evaluators believe there is scope for engaging more progressively with these groups at a ground level. The Rural Women's Network, for example, is part funded by DARD so there may be scope for reassessing performance targets with NIRWN in respect of activities such as sign-posting or recruiting rural women to the NIRDP; or bringing forward the practical needs of rural women that could be addressed within the current Programme.
- 5.4.20 The Managing Authority should also encourage the Rural Network and various Implementing Bodies to utilise their expertise and reach within target groups to promote the Programme.

Summary of Key Recommendations

Recommendation
<p>1. Contact should be made again with Youth Groups</p> <p>Groups, such as the Young Farmers, should be contacted with a view to making the Programme more inclusive for this target group. Views should be sought on what issues / barriers affect them. This should also help shape how future Programmes can address these issues and in turn involve this group.</p>
<p>2. Enhanced use of the Rural Network and Implementing Bodies</p> <p>Managing Authority should consider how the Rural Network and various implementing bodies can utilise their expertise and reach within target groups to promote the programme.</p>
<p>3. Give particular focus to younger farmers for the remainder of the current Programme through Axis 1</p> <p>Managing Authority should give consideration to such a proposal as way of encouraging younger people into the farming side of the Programme.</p>
<p>4. Consider a 'new entrant scheme' for future Programming periods</p> <p>Future new entrants to the farming industry could have a dedicated scheme that delivers a range of aspects of the current Axis 1 measures, from skills training, to modernisation, through to supply chain. This approach would clearly guide young entrants with a clear path in the industry.</p>
<p>5. Managing Authority and Implementing Bodies to engage with NIRWN</p> <p>Managing Authority and Implementing Bodies to re-engage with NIRWN with a view to exploring how the Programme can be more inclusive for females. This is clearly with a view to including, and benefitting, more women in the Rural Development process.</p>

5.5 Spatial spread of the NIRDP across Northern Ireland

Definition of target areas

- 5.5.1 For the purposes of this Programme, settlements in Northern Ireland with a population of 4,500 or less are defined as rural. Whilst people living in these areas would be the primary focus of the Programme, the NIRDP is also available to support those who are outside the development limits of settlements with a population greater than 4,500.

- 5.5.2 This section of the MTE looks at the spatial impacts of the Programme, to date, across Northern Ireland. The location of projects in particular Axes and Measures is charted on a map of Northern Ireland, differentiating between 'urban' and 'rural' areas.
- 5.5.3 Areas in Northern Ireland can be classified as either urban or rural according to the '*Statistical Classification and Delineation of Settlements*' report produced by the Inter- Departmental Urban-Rural Definition Group in February 2005. This report proposed an eight-band categorization of settlements, which runs from Band A (Belfast Metropolitan Urban Area) to Band H (small village, hamlet and open countryside). Areas classed in bands A to E, Belfast Metropolitan Urban Area to small town, are defined as urban while those classed in bands F to H, intermediate settlement to small village, hamlet and open countryside, are classed as rural.
- 5.5.4 Using this classification the 890 Super Output Areas in Northern Ireland can be defined as either urban or rural. Approximately one third of SOAs (286) are thus classed as rural and two-thirds (604) as urban.

Northern Ireland Multiple Deprivation Measure 2010

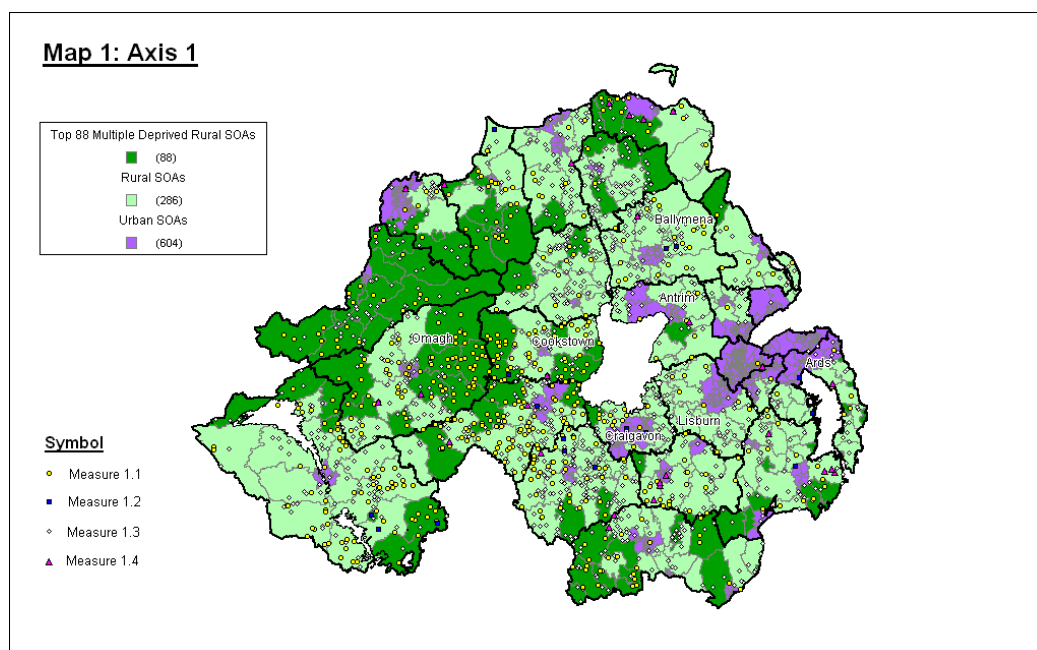
- 5.5.5 DARD describes one of the basic foundations of Rural Development as "*focusing on disadvantaged rural areas*". Spatial measures of deprivation have been used to inform policy and target areas of need in Northern Ireland since the 1970s. Over these years a variety of measures have been developed to identify areas of specific and general deprivation. The most recent of these is the Northern Ireland Multiple Deprivation Measure (NIMDM) 2010. The NIMDM report provides information on seven types or 'domains' of deprivation as well as an overall multiple deprivation measure comprising a weighted combination of the seven domains. This MD Measure identifies concentrations of multiple deprivation at the relatively small Super Output Areas.
- 5.5.6 From an urban / rural deprivation perspective, it should be noted that SOAs were designed to have similar population sizes to aid comparisons across Northern Ireland. However, due to the smaller geographical size and the relatively homogenous populations of urban areas compared with rural areas, small area concentrations of deprivation are more readily identified in urban areas than rural areas.
- 5.5.7 In addition to an urban / rural split, the following maps feature the 88 rural areas with the highest MDM score – i.e. the 'most deprived' rural areas. These areas have been identified for a range of other, non-RDP, schemes and programmes

5.5.8 Caveat for interpretation of maps

These ‘most deprived’ rural areas are included in the maps in this chapter purely for illustrative purposes. It must be noted that the NIMDM is an ‘area-based’ measure, identifying concentrations of deprived people and so is best used as part of a spatial policy. Whilst there may be some overlap, the reader should not, therefore, expect a one-to-one relationship between the location of NIRDP funding and deprived rural areas.

Axis 1

- 5.5.9 Map 1 shows the successful applicants to date in respect of all the measures in Axis 1. The map details the spread of projects across Northern Ireland, based on information supplied by measure leaders as at the end of May 2010.

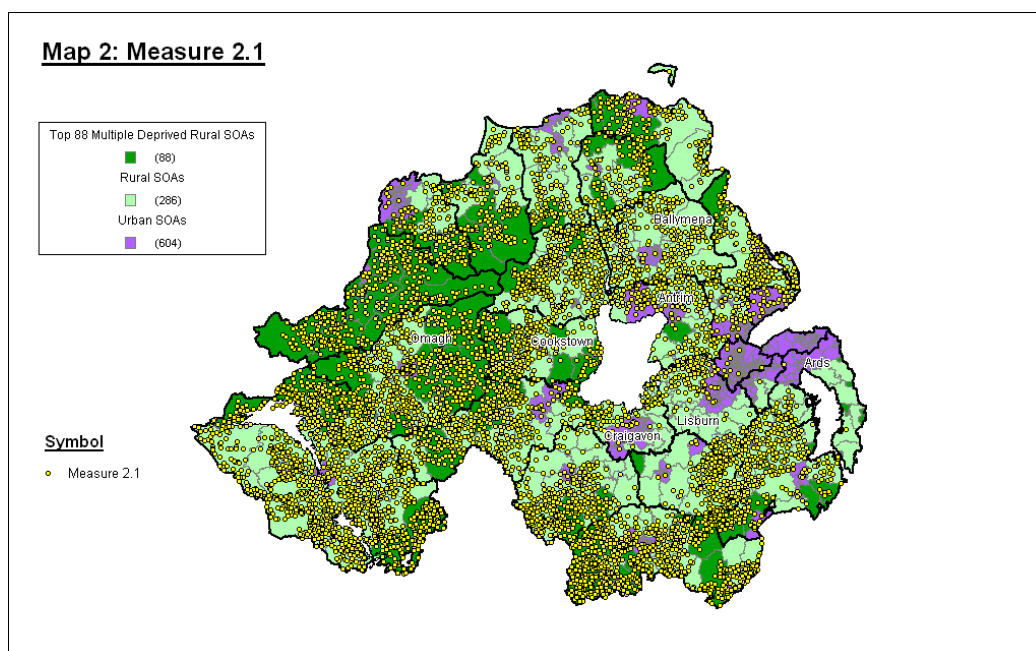


See previous caveat around the interpretation of these maps

- 5.5.10 It is clear that to date the spread of projects in Axis 1 is wide reaching across Northern Ireland with expected concentrations in rural areas.

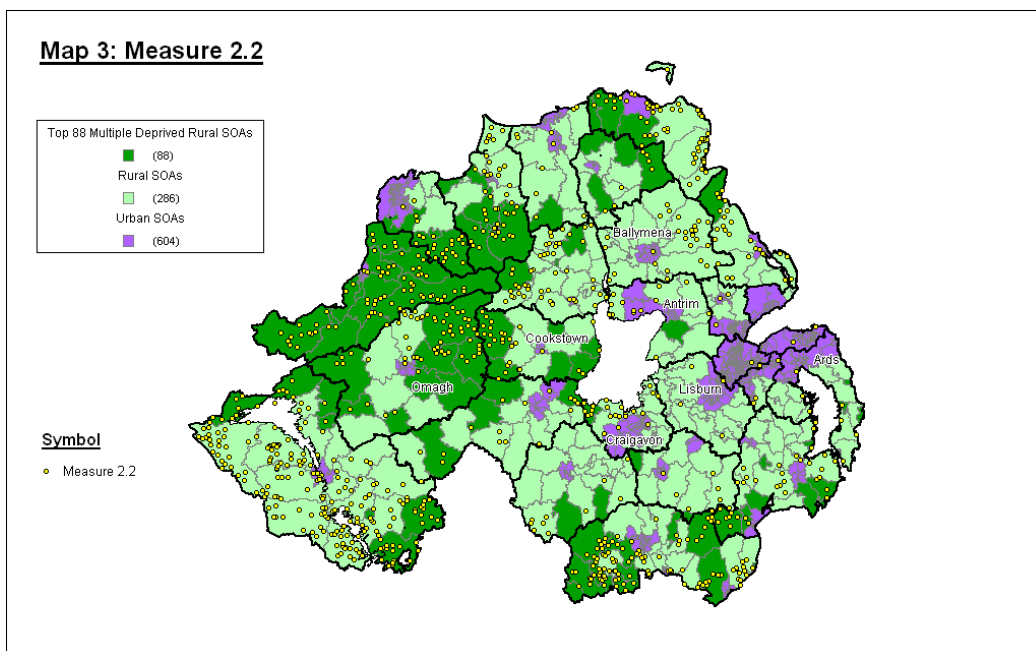
Axis 2

- 5.5.11 The spread of Axis 2 measures and respective beneficiaries are clearly linked to area based definitions of agriculturally disadvantaged land; environmental designated sites; and existing forested areas. Map 2 shows the situation with respect to beneficiaries at May 2010 to the LFACA Scheme (Measure 2.1).



See previous caveat around the interpretation of these maps

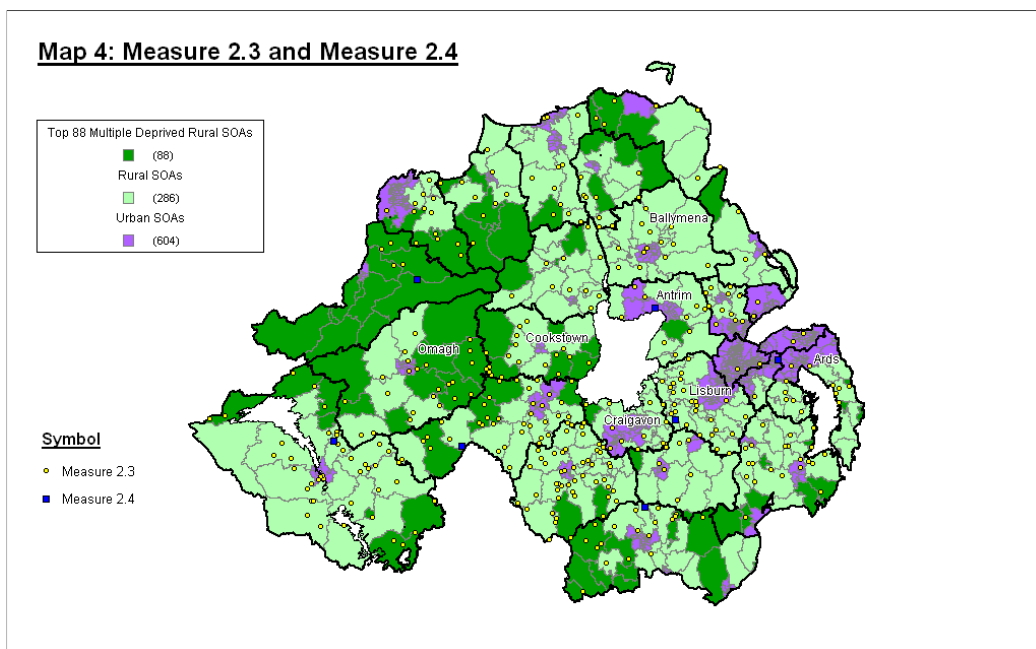
- 5.5.12 As would be expected the spread mirrors that of the designated disadvantaged, and severely disadvantaged land areas.
- 5.5.13 Map 3 details the location of new entrants to the Agri-Environment scheme in the 2007 to 2013 period. A considerable number of individuals are already on contracts in this scheme from the previous programming period – they are not included in this map.



See previous caveat around the interpretation of these maps

5.5.14 It is evident that to date the spread of new entrants is concentrated in the west and south of Northern Ireland.

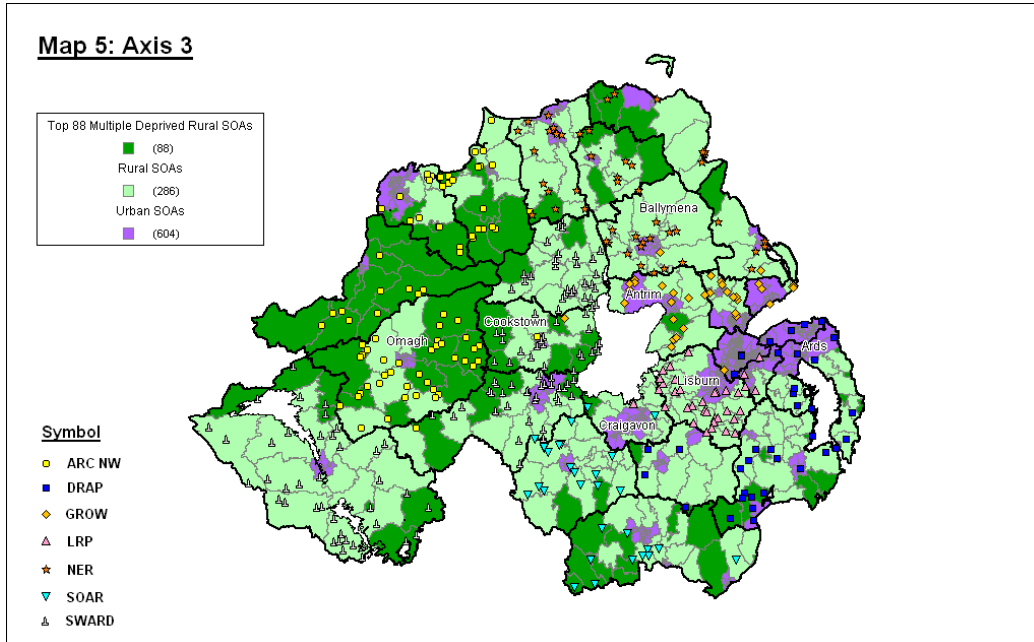
5.5.15 Successful applicants to the Forestry Schemes in Measures 2.3 and 2.4 are presented in Map 4. Again these projects, though much fewer in number, are quite widely dispersed across Northern Ireland.



See previous caveat around the interpretation of these maps

Axis 3

- 5.5.16 Axis 3, as already noted, is at a relatively early stage in its rollout. However, the Measures in this Axis are more area-based than in the other Axes and so are of particular interest from a mapping perspective.
- 5.5.17 Map 5 plots the successful applicants at May 2010, according to the LAG to which they applied.



See previous caveat around the interpretation of these maps

- 5.5.18 Even at this relatively early stage for Axis 3 it is positive that projects are clearly occurring in deprived rural SOAs. It is also positive to see the spread of projects to date, especially to the more western and peripheral areas of Northern Ireland. Whilst this may simply reflect the early stage of the Axis, it is interesting to note the apparent lack of projects in the peripheral North East region.

5.6 Axis specific observations and outputs arising to date (Common Questions)

- 5.6.1 This section of the report examines the Axis / measure specific outputs and assesses the progress towards achieving the set targets. The relevant EU-wide Common Monitoring and Evaluation Framework (CMEF) questions are detailed and answered as fully as possible for each measure. As the various measures are at different stages of delivery there are differing levels of CMEF data available.
- 5.6.2 The following assessments are based on: CMEF data provided by measure leaders; and the outputs obtained as part of the MTE research programme.

Axis 1

Measure 1.1: Vocational Training and Information Actions

- 5.6.3 Measure 1.1 (Vocational Training and Information Actions) is aimed at improving the competitiveness of farm and horticulture businesses in Northern Ireland. It aims to achieve this through the provision of a range of innovative and focussed training and information actions.
- 5.6.4 The Measure is comprised of three schemes delivering training and information actions:

(a) The Benchmarking scheme provides assistance and support to innovative benchmark learning programmes. The learning programmes contribute to the accurate collection and collation of farm business data (supported under Measure 1.4), which will enable effective benchmarking of Northern Ireland's agricultural and horticultural businesses. This is with a view to improving business competitiveness and sustainability in the long term.

(b) The Focus Farms scheme assists in the development of selected farm businesses to communicate, to visiting farmers, a range of new and emerging technologies. This Focus Farms scheme also provides a coaching / mentoring facility.

(c) Farm Family Options assists farmers and farm family members to analyse their present position and determine their options for the future. The assistance on offer covers economic, technical and social issues and supports farm families to effectively adapt to change. There are two elements to Farm Family Options:

1) *Agricultural Business Mentoring*

Through the support of an agricultural business mentor, the farm family will review their current position, identify opportunities and options that meet their future needs, and draw up a plan of action.

2) Skills Training

Financial Assistance is available to support on-farm and off-farm work-related skills training.

5.6.5 Measure 1.1 - Quantified Targets for EU Common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of people participating in training	4,871	16,100
	Number of days training received	3,253	6,600
Result	Number of participants that successfully ended a training activity related to agriculture and/or forestry	2,751	8,000

Measure 1.1 - Additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Outputs	Number of farm businesses participating in data collection training	1,267	8,100
Results	Number of farm businesses that successfully completed benchmarking training	1,267	8,000
	Number of individuals that successfully completed a Focus Farm visit	2,950	6,000
	Number of participants that successfully produced a farm family strategy plan	16	1,000

5.6.6 To date Measure 1.1 has made excellent progress towards attaining the targets set, which is positive considering the late opening of the schemes. It is evident from discussions with Programme informants that the economic downturn has not impacted extensively on the Measure, although the Focus Farms scheme to date has had fewer commercial companies than had been expected.

- 5.6.7 To date the research has shown that the training actions have provided a depth that should impact on the rural community, not only facilitating the key farming industry, but also farm families through the skills training and mentoring elements. It is positive to see that a wide range of approaches have been utilised in the measure, from generic training courses under the skills element, to one-on-one mentoring.
- 5.6.8 The Focus Farms scheme is well established and is generally performing well, with visits and visitors ahead of targets. There are plans to improve and tailor the scheme further with certain sectors performing better than others to date.
- 5.6.9 The Benchmarking scheme continues to prove useful, with key informants confirming it clearly provides a valuable baseline for a great deal of DARD's services.
- 5.6.10 The Farm Family Options Mentoring has, however, proved to be a challenge. Through discussions with informants it is evident that selling the scheme has proved challenging due to the time involved, and the scheme being less tangible than other measures in the Programme. Added to this is the obvious barrier of businesses opening up to a stranger about issues affecting them. This support mechanism has clearly been slow to grow. However, measure leaders have confirmed there are plans for a strong marketing campaign in autumn 2010. The evaluators believe the scheme has good potential to add value and enhance linkages with other NIRDP areas such as diversification.

Measure 1.1 Common Evaluation Questions

To what extent have the actions related to training, information and diffusion of knowledge and innovative practises improved the labour productivity and/or other elements related to competitiveness in the agricultural, food and forestry sector?

- 5.6.11 Due to the early stage of the measure there is little hard data available to answer this question. This lack of data was also evident in the structured interviews that formed a key part of the MTE. It is evident that it can take a significant time lag for reliable data to be available in relation to labour productivity and competitiveness in the business and individuals supported.
- 5.6.12 There is, however, a belief among the stakeholders and programme participants that the Focus Farms scheme and Mentoring scheme should impact on the key areas of labour productivity and competitiveness.
- 5.6.13 Stakeholders believe that the skills elements have not sufficiently addressed these key areas. The Measure leaders hope to address this in the near future with a view to providing more 'GNVQ type' qualifications.

5.6.14 However, the surveyed participants in the training actions reported very positively in relation to labour productivity and competitiveness issues. All of the surveyed participants believed that the training had improved their business, while 50 per cent introduced new technologies or innovation as a result of the training. 22 per cent indicated that the training resulted in more output for their business, and a further 22 per cent believed the training was 'likely to result in more output'. Overall, 63 per cent of those surveyed indicated that the training enabled them to increase or improve their competitiveness and 88 per cent believed the training had resulted in improved employment prospects.

5.6.15 Some of the responses in this regard included:

'...it has allowed me to focus more on performance...'

'...it has enabled diversification...'

'...it has widened the scope for my business...'

5.6.16 Although extensive data in relation to labour productivity and competitiveness is not available at present, there is indicative and anecdotal evidence through the research programme that the measure should deliver in this regard.

To what extent have training activities contributed to improving sustainable land management, including sustainable management of natural resources?

5.6.17 The focus farms scheme includes at present 17 farms with a clear environmental aspect, with all having been checked for sustainable land management practices at the outset. It is evident from discussions that this sharing of knowledge will contribute a positive affect in the lifetime of the scheme. It is also evident from the research that the mentoring scheme picks up on sustainable land management through its close links with the Countryside Management Scheme in Axis 2.

5.6.18 Measure leaders have confirmed that it is hoped in the future that the supply chain scheme (Measure 1.4), will include areas such as biomass and wind power. It is envisaged that the training actions under the Measure would support applicants in developing and implementing these sustainable activities.

5.6.19 Of those individuals who took part in the MTE research programme there was some evidence that the training actions have enabled individuals to look at areas such as sustainable land management, and maximising natural resources usage. Although it must be noted this is merely anecdotal evidence, an example of a response in this regard was:

'...the training has given me confidence to look at new methods in my business...'

- 5.6.20 Around one third of those surveyed (38 per cent) believed that participation in the training had resulted in increased environmental awareness.
- 5.6.21 To date there is limited evidence from the available data that training activities have contributed to improving sustainable land management, including sustainable management of natural resources. Anecdotal evidence suggests there is capacity in the measure for this in the future, however to date the evidence is limited. This is clearly an area for the Measure to pursue.

To what extent are the assisted training courses in accordance with needs and coherent with other measures of the programme?

- 5.6.22 It is evident through engagements with informants that the Measure was developed with a clear view to meeting the needs of the agri-food and forestry sectors. The choice of delivery agent clearly facilitated this approach, with the Countryside Agri-Rural Partnership having very close links to the farming and rural communities. In this regard there is strong evidence, through the structured interviews undertaken, that the Measure is open and willing to be tailored further to meet the needs of the Programme.
- 5.6.23 The mentoring, focus farms, and benchmarking schemes all service the Agri industry, with the skills element very much seen by informants and stakeholders as a spring board to other measures associated with the Programme, such as diversification. Measure leaders have confirmed there are plans also to promote the forestry element of the Programme in the future, which is to be welcomed due to the initial low interest in these measures. Through the engagement as part of the MTE it is clear that a high level of signposting, to other measures in the Programme is taking place, which is to be commended.
- 5.6.24 Further evidence that the Measure is meeting needs and is coherent with other measures of the Programme was provided by participants consulted as part of the MTE. These individuals included participants who were looking to diversify and saw the training element as the first step in this process.

Case Study Measure 1.1**Background**

This case study focussed on a training course attended through funding available from the NIRDP. It involved completing an OCR Book-keeping Course Level 1 and 2. The main reason for participating in the course was that it would be beneficial for the running of the farm.

Application Process

The whole process was quite quick, the only delay was waiting for the certificate to come through after the course was completed – 6 weeks. The application form itself was straightforward to complete.

External Influences

No impacts.

Outcomes

The course provided more insight into book-keeping on the computer and helped with the running of the farm business and calculating VAT. It also ensured they were complying with the regulations.

Future

Without the funding the project would not have occurred. The project is now complete and has achieved its objectives and it is hoped that future benefits will come from the use of the skills acquired.

Additional Comments

The participant was very pleased with the whole process and project and had no specific problems to report. The training has given the individual confidence to look at other aspects of the Programme.

- 5.6.25 The case study for Measure 1.1 shows clear evidence of the indirect benefits also associated with the training available. The training activity was to support the farm business, however as a result of completing the training the individual has gained confidence and is encouraged to look at other elements of the Programme.

Summary Measure 1.1

- 5.6.26 Of those surveyed a diverse range of activities have been undertaken to date – diversifying a farm business, setting up a yoga business, computer /accounts, and photography. It is pleasing to see that the response to the training on offer has been very positive.

Quality of the training provided	Percentage
- Excellent	38%
- Good	50%
- Average	12%

(base=8)

- 5.6.27 It is evident through the research that Measure 1.1 has made excellent progress towards attaining the targets set, which is positive considering the late opening of the schemes. Of those individuals who took part in the MTE research programme there was considerable evidence also that the training actions have and will impact on productivity and competitiveness.
- 5.6.28 To date there is limited evidence that training activities have contributed to improving sustainable land management, including sustainable management of natural resources.
- 5.6.29 It is the evaluator's opinion that in the future there is clearly a need to push the Farm family options Mentoring scheme. This is an area in which the Measure leader and delivery agent could work together in the future. The provision of 'Master classes' for top farmers in Northern Ireland could be explored, with a view to raising the bar further.

Measure 1.2 - Adding Value to Agricultural and Forestry Products and Improving Marketing Capability

- 5.6.30 Measure 1.2 (Adding Value to Agricultural and Forestry Products and Improving Marketing Capability) aims to improve the economic performance and international competitiveness of the agri-food and forestry sectors. It aims to do this by:
- adding value to agricultural products through the application of appropriate technology together with sound manufacturing and environmental management practices;
 - encouraging greater integration and collaboration between producers, processors and others in the food chain, improving the application of technology within the supply chain and improving the marketing capability of businesses; and
 - improving the application of technology in the forestry sector, encouraging greater integration and collaboration between producers, processors and others in the wood supply and renewable energy chains and improving the marketing capability of businesses.
- 5.6.31 The Measure comprises of two schemes providing support for the agri-food and forestry sectors:

(a) **The Agricultural and Forestry Processing and Marketing Grant (PMG) Scheme** provides support towards capital expenditure on buildings and new equipment, the cost of a business plan/feasibility study for the project, and directly related general costs such as architects', engineers' and consultants' fees.

(b) **The Agricultural and Forestry Marketing Development Grant (MDG) Scheme** provides support for businesses engaged in the marketing of the produce of agriculture (including horticulture) and forestry or of agricultural products derived from such produce.

5.6.32 Measure 1.2 - Quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of enterprises supported	18 PMG 1 MDG	125
Result	Total volume of investment	€18.4m	€75.8m
	Number of enterprises introducing new products and/or techniques:	18 – PMG	120
	Gross value added in supported holdings	NA	29082

Measure 1.2 - Programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Results	Level of exports from supported holdings	NA	2% increase

5.6.33 Through the research and data available it is evident that Measure 1.2 made promising early progress towards attaining the targets set, specifically for the Processing and Marketing Grant (PMG) Scheme. The Marketing Development Grant (MDG) Scheme has had very little uptake to date. This has been clearly impacted by the low level of interest in Measure 1.4 (supply chain) which was to feed the MDG scheme. To date MDG has had a very small number of applications, 7 in total, with only 1 successful. There is evidence from the research conducted that the economic downturn has impacted on the Measure to date, in terms of constraints to both private co-finance and departmental finance.

5.6.34 At present both these schemes are closed to applications, with no firm dates for reopening. This is clearly an area that needs to be addressed by the Department, although it is acknowledged that the Department will be restricted from doing this until the outcome of the Comprehensive Spending Review (CSR) in autumn 2010.

- 5.6.35 Due to the uncertainty around the measure, and specifically the future of the schemes, it is not possible to make a firm conclusion as to whether targets will be attained in the Programming Period. When a decision is made as to the future of the Measure it may be prudent to look in detail once again at the targets in the current, and future forecasted economic climate.
- 5.6.36 It should be noted that the PMG scheme, in its time open, had a strong level of interest. The resulting level of investment clearly contributed to the wider Northern Ireland economy at a challenging time. The projects supported to date equates to approx £16m of investment, with anecdotal evidence from the research of safeguarding of jobs. The tangible aspects of these investments (factories etc) are clearly of benefit to the economy, supporting primary producers, processors, and sustaining rural areas.

Measure 1.2 Common Evaluation Questions

To what extent have supported investments contributed to introducing new technologies and innovation?

- 5.6.37 To date it is evident from the research and interviews conducted that, of those supported investments, the majority have introduced new technologies, mainly in the form of machinery and packing technologies. This is evidence that the Measure while open, in respect of the PMG scheme was clearly meeting this objective. Of those surveyed, 80 per cent stated that the project was focussed on developing new technologies or innovation generally.
- 5.6.38 Of all those surveyed again 80 per cent stated that the funding had a positive effect on their business. There is strong evidence that the PMG scheme, in its time open, supported the introduction of new technologies and innovation.

To what extent have supported investments contributed to improving the quality of agricultural and forestry products?

- 5.6.39 This objective is clearly linked to the introduction of new technologies and innovation. Through the investment there is clear evidence in the research of the quality of products improving, such as increasing the shelf life of products through innovative packaging procedures. A positive result of the Measure is that businesses supported have been able to liaise with the larger retailers to deliver a higher standard of product. This is clearly a driver of quality in the industry and should be commended.
- 5.6.40 In the Measure to date there is no evidence of forestry products benefiting from the PMG scheme. This is an area the Measure should look to redress if and when it opens in the future. This could have the added benefit of improving synergies between the Axes.

- 5.6.41 Of those businesses surveyed as part of the MTE 100 per cent believed they had improved products as a result of the funding. A common response being '*...end product was improved no end...*'.

To what extent have supported investments contributed to improving the efficiency in the processing and marketing of agricultural and forestry products?

- 5.6.42 As with the previous question, the issue of improving efficiency is clearly linked to end products, new technologies and innovation. To date there is clear evidence of improving the processing through, for example, better packaging.
- 5.6.43 Of those surveyed for this Measure, 100 per cent indicated that the funding had improved efficiency in processing and marketing of products.

Case Study Measure 1.2**Background**

The participant owned a farm with a farm shop which was open to the public. They provide beef, lamb, pork and chicken along with ready made foods such as pies. The customer base was growing and the company needed to extend buildings and obtain additional machinery in order to keep up with the increasing demand. New machinery would also provide greater production.

Application Process

This involved two processes both for same type of funding – for machinery. One took a lot longer than the other but may have been due to the type of equipment. DARD provided some guidance at the start but it was not required during the completion of the form itself.

External Influences

The company has been affected by the economic downturn – had planned to expand into the South of Ireland but this is now impossible.

Outcomes

Buildings have been put up and new machinery is in place. This has increased production and improved the efficiency of the business and the marketing of the product. The business is also much more competitive. There has also been an increase in the number of employees.

Future

Without the funding the project may have gone ahead but it would have took a lot longer and been on a much smaller scale and the company would not have been able to create the employment.

Additional Comments

It is understandable that the process can be long since it is public money but I believe there is too much auditing.

The programme has been invaluable to the business. The process has been very flexible to the needs of the company – allowed to change certain things as long as a good rationale was given. The funding has made a difference and the business would not be where it is today without it.

- 5.6.44 The case study for Measure 1.2 shows clear evidence of increased processing and marketing of products with the additional benefit of a growth in employee numbers.

To what extent have supported investments contributed to enhancing market access and market share of agricultural and forest holdings, including sectors such as the sector of renewable energy?

- 5.6.45 To date there is limited hard data in relation to businesses enhancing market access and market share of agricultural and forest holdings. This is to be expected as to obtain reliable information in this regard will often take two years or longer after the project has been completed. There is anecdotal evidence from the research programme that the supported businesses have received new orders which can be linked to the investment afforded to them by the Measure.
- 5.6.46 This anecdotal evidence is further supplemented by very positive feedback from the businesses. Of those surveyed 100 per cent indicated that they believed the funding has, or in time would, improve their market access and share. 40 per cent stated that this was their primary focus in applying for the funding.
- 5.6.47 To date there has only been one sector impacted as a result of the Measure, namely the food processing sector. Sectors such as renewable energy have not yet been impacted to date, although there is some evidence from the research of interest in this sector in the future.

To what extent have supported investments contributed to improving the competitiveness of the agricultural and forestry sector?

- 5.6.48 As with the previous question, there is little in the way of hard data in relation to supported investments improving their competitiveness as a result of the funding. In the consultations conducted during the MTE, measure leaders indicated that they felt that improvements have been made in competitiveness. These beliefs were based on the Measure leaders' direct dealings with the businesses supported.
- 5.6.49 Once again there is anecdotal evidence of the measure, and specifically the PMG scheme, delivering in respect of improving competitiveness. The case study has shown how valuable this scheme can be in this aspect of the business. However, it is noted that 'hard' data will not be available for some time, to fully validate these outcomes.

Summary Measure 1.2

- 5.6.50 To date there is evidence, albeit anecdotal in part, that the PMG scheme has delivered in the areas of: introducing new technologies and innovation; improving the quality of products; improving efficiency; enhancing market access and market share; and improving competitiveness. This has all been in respect of the food processing sector in the businesses supported to date.

- 5.6.51 The MDG scheme had very little interest while it was opened. This has clearly been impacted by the slow uptake of Measure 1.4 – Supply Chain, which was very much seen as a feeder to the MDG scheme. These areas should be addressed jointly by the Department if these schemes are to continue.
- 5.6.52 In the short time the PMG scheme was opened there is some evidence of positive impacts for the businesses involved. This scheme was delivered jointly by DARD and Invest NI. Whilst Invest NI is likely to be facing the same scale of budget cuts as DARD there should be ongoing discussion between the two bodies about possible ways of re-opening the scheme.
- 5.6.53 As stated there is an uncertain future at present, with both these schemes closed to applications, with no firm dates of when they are reopening. Due to this uncertainty, it is not possible to make a firm conclusion as to whether targets will be attained.

Measure 1.3: Modernisation of Agricultural Holdings

- 5.6.54 Measure 1.3 (Modernisation of Agricultural Holdings) aims to contribute to improving the competitiveness and economic performance of agricultural and horticultural businesses in Northern Ireland. There are 3 schemes under Measure 1.3, namely:

Farm modernisation programme (FMP):

The FMP aims to provide financial support to existing farmers to improve their overall performance through:

- Introducing new technologies and innovation;
- Improving animal health and welfare;
- Increasing hygiene control and product storage;
- Enhancing occupational safety and business efficiency;
- Enhancing the environmental status of farms; and
- Increasing energy efficiency

Short Rotation Coppice Programme (SRC):

- Enhancing the environmental status of farms
- Increasing energy efficiency
- Enhancing security and diversity of supply of electricity generation
- Supporting the Sustainable Development Strategy for Northern Ireland

Manure Efficiency Technology Scheme (METS)

Support of £3.25 million is available through the Manure Efficiency Technology Scheme (METS) which aims to encourage uptake of specific advanced slurry spreading distribution systems. These technologies will help farmers to achieve greater nutrient efficiency from manures and slurry and reduce environmental impact.

5.6.55 Measure 1.3 - Quantified targets for EU Indicators

Farm modernisation programme:

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of farm holdings that received investment support	1,268 LOOs issued	2,746
	Total volume of investment	€7.53m	€21.5m
Result	*Number of holdings introducing new products and/or techniques	Not applicable	Not applicable
	Increase in gross value added in supported enterprises	NI	29082

Measure 1.3 - Additional programme-specific indicators and quantified targets

Farm modernisation programme

	Indicator	Position Reported June 2010	Target 2007-2013
Result	Number of farm businesses adopting new plant, machinery and equipment to introduce new IT systems; improved animal welfare investments; increased hygiene control or product storage standards; systems to enhance business efficiency; enhanced environmental systems; or improved energy efficiency systems	1,013 (based on claims approved)	2160

Short Rotation Coppice programme:

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of beneficiaries receiving investment support	35	45
	Total volume of investment	€360k	€1.3m
Result	Areas under successful management contributing to Northern Ireland Renewable Energy Obligations	100%	100%

- 5.6.56 To date Measure 1.3, and specifically the FMP, has made excellent progress towards attaining the targets set, which is positive considering the economic climate it has operated in. Although demand was very high, it was noted from the research that match funding was difficult to raise for some potential applicants to the first tranche. It is welcomed by the evaluators that the minimum spend has been brought down for the second tranche, to counteract the current climate, and to let more people avail of the Measure.
- 5.6.57 Although the FMP has operated in a challenging climate it is clear from the application data that the level of demand for this scheme is extraordinary. The first tranche generated in excess of 9,000 applications with an estimated value of £40m. The desire to modernise is clearly strong in the farming industry in Northern Ireland. It is expected that the targets will be attained in the Programming Period for the FMP.
- 5.6.58 The other schemes that make up the measure, namely METS and SRC, have also made good progress to date and should be confident of obtaining the targets set.
- 5.6.59 To date the Measure has demonstrated that the delivery agent's close connections with the farming community, and experience of working with farmers on a regular basis has clearly helped in the delivery of these schemes. It is also evident from the research that the main farming unions are very much behind the Measure and its high level objectives, such as improving economic competitiveness.
- 5.6.60 The Measure to date has generated £10m spend.

Measure 1.3 Common Evaluation Questions

To what extent have supported investments contributed to a better use of production factors on agricultural holdings? In particular, to what extent have supported investments facilitated the introduction of new technologies and innovation?

- 5.6.61 To date the majority of supported investments have introduced new technologies, mainly in the form of machinery. New technology, innovation, animal welfare and business initiatives have all improved from tranche one of the FMP. From the CMEF data 1,013 farm businesses have adopted new plant, machinery and equipment to introduce new IT systems; improved animal welfare investments; increased hygiene control or product storage standards; systems to enhance business efficiency; enhanced environmental systems; or improved energy efficiency systems. A clear example of this is the introduction of automated calf feeders as part of the FMP.
- 5.6.62 Of those surveyed, as part of the research programme, it is clear that a positive effect has been made on the businesses involved. Responses such as '*...New technology has enabled me to farm the land more effectively...*' and '*...New machinery used to improve farmland...*' show the effect the FMP has had on the supported investments.
- 5.6.63 43 per cent of successful applicants surveyed in this Measure indicated that they are now using modern equipment, while 86 per cent stated that the primary focus was on introducing new technologies or innovation generally. The further affects of the support is shown in responses such as '*...the new equipment has facilitated better production...*' and '*...Animal welfare has been improved...*'.
- 5.6.64 All those surveyed stated that the project is helping modernise their farming activities.

Case Studies Measure 1.3 (2 projects)**Background**

Both projects were involved in animal welfare and the introduction of new products/ machinery to enhance their well being. These included cubicle mats, meal bins and tankers. This in turn had the potential to increase productivity.

Application Process

In general the application form was straightforward to complete with one of the project managers requiring a professional to look over the figures. The only issue that arose was in relation to the fact that it was on a first come first serve basis which involved queuing long hours.

External Influences

Those involved in the Continental market have been affected by the economic downturn. Also the price of buying items such as animal feed has increased. One of the participants suggested an issue which needs to be addressed – that the current low price of the end products such as beef and lamb are not sustainable.

Outcomes

The funding has enhanced and facilitated current practices and increased animal welfare. Increasing quality rather than quantity however quantity may be increased as a knock-on effect.

Future

Without the funding neither of the projects would have been able to go ahead as they would not have been viable. Both projects will be self-sustainable once the funding is complete but both aim to seek further funding if possible.

Additional Comments

The age of applicants was brought forward as an issue – one project was concerned that the age limit rules out a lot of older people. In contrast the other project believed this was beneficial because it encouraged younger people to remain in farming.

There was also the issue of queuing for funding and that perhaps a fairer process could be implemented.

- 5.6.65 From the case studies for Measure 1.3 it is evident that both projects have introduced new products / machinery to enhance animal welfare. These products included cubicle mats, meal bins and tankers, which the beneficiaries believed had the potential to increase productivity in the future. It is positive to note that the issue of quality of produce is clearly the driver in these projects.
- 5.6.66 It is evident from the research conducted that the first tranche of the FMP has delivered improved productivity in the supported businesses through the introduction of new technologies and innovation. There is no reason to suspect this will not continue in subsequent tranches.

To what extent have supported investments enhanced market access and market share of agricultural holdings?

- 5.6.67 To date there is limited hard data in relation to supported investments enhancing market access and market share of agricultural holdings. This is to be expected as to obtain reliable information in this regard will often take two years or longer after the project has been completed.
- 5.6.68 There is anecdotal evidence from the research that the supported businesses have increased sales which can be linked to the investment afforded to them by the FMP. Additionally, 43 per cent of those surveyed in this Measure indicated that the project has focussed on increasing sales. This in turn should impact on increasing market share and access in the future.

To what extent have supported investments contributed to an enduring and sustainable activity of agricultural holdings?

- 5.6.69 To date there is some anecdotal evidence from the research and discussions that supported investments have contributed to an enduring and sustainable activity of agricultural holdings. Measure leaders have indicated that there is anecdotal evidence stating that there is an obvious need to keep up to date in the industry, and the FMP has done this in an affordable way in respect of sustainability.
- 5.6.70 It is clear from key informants and stakeholders that the METS scheme has reduced the use of fertiliser in supported holdings. This positively impacts on the environment, and indirectly the sustainability of the industry.
- 5.6.71 It would appear from the research that this aspect of farm modernisation has not been a primary objective of the farm businesses involved in the Measure. Any positive outcomes have tended to come about as by-products. It is the evaluators opinion that the link with sustainability could be actively promoted in the future.

To what extent have supported investments contributed to improving the competitiveness of the agricultural sector?

- 5.6.72 As with improving market access and market share there is limited hard data in relation to supported investments contributing to improving the competitiveness of the agricultural sector. This is to be expected, as to obtain reliable information in this regard will often take two years or longer after the project has been completed.

- 5.6.73 Once again there is anecdotal evidence from the research that the supported businesses believe the support from the FMP will make them more competitive. All of those surveyed believed that the competitiveness of their business improved as a result of the investment. This is a positive response which points towards this objective being met when fuller data become available.
- 5.6.74 To date the evidence that competitiveness has been improved as a result of the funding is originating solely from the beneficiaries. It is noted that substantial 'hard' data in this regard will not be available for some time, however the positive response amongst the sample is to be welcomed.

Summary Measure 1.3

- 5.6.75 To date Measure 1.3, specifically the FMP, has made excellent progress towards attaining the targets set. It is also evident that the METS and SRC schemes are making good progress against set targets. This is positive due to the economic climate that has existed in these early stages of these schemes.
- 5.6.76 Although the FMP has operated in a challenging climate it is clear from the data available that the level of demand for this scheme is strong. Of those surveyed, as part of the research programme, it is clear that a positive effect has been made on the businesses involved.
- 5.6.77 It is evident to date, from the research conducted, that supported investments have facilitated the introduction of new technologies and innovation, and limited evidence that the funding has contributed to an enduring and sustainable activity of agricultural holdings. The sustainable angle of future funding is one that may be worthwhile exploring in the future.
- 5.6.78 As with improving market access and market share there is limited hard data in relation to supported investments contributing to improving the competitiveness of the agricultural sector. However early indications from those to benefit to date indicate that they expect these elements of their businesses to be positively impacted in the future.

Measure 1.4: Supply Chain Development Programme

- 5.6.79 Measure 1.4 (Supply Chain Development Programme) aims to improve co-operation and collaboration in the agri-food and forestry sectors leading to more effective and sustainable supply chains.
- 5.6.80 The Measure facilitates collaboration in the supply chain and promotes the development of new supply chain partnerships. Support is also given to producers in order to benchmark their businesses within their sector.

5.6.81 The Measure covers the following input sectors: red meat, pig meat, poultry meat, eggs, milk and milk products, potatoes, cereals, horticulture (including flowers, fruit and vegetables), renewable energy and forestry (including short rotation coppice).

5.6.82 **Measure 1.4 - Quantified target for indicators**

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of cooperation initiatives supported	0	60
Result	Number of enterprises introducing new products and/or techniques	0	20 (techniques)
	Increase in gross value added in supported enterprises	0	600,470

*Technique in this instance refers to changes in the supply chain process i.e. expecting 20 new functional supply chain initiatives to emerge.

Measure 1.4 - Additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of businesses participating in data collection	1,267	1,800
Result	Number of groups producing an action plan	0	45
	Number of groups submitting applications to NIRDP Measure 1.2 following support under this measure	0	25
	Number of farm businesses that successfully completed benchmarking	1,267	1,500

5.6.83 Through discussions with key individuals it is clear that the Supply Chain Development Programme is at present a challenge, with the task of initially getting groups together seemingly problematic. There is some evidence from the research to date that the general economic situation has possibly restricted individual's thoughts on expansion, and has meant a more cautious approach has been adopted in the farming community.

5.6.84 The challenge to Supply Chain has been further hindered by the relatively late start, which has also impacted on the ability to get groups together. To date there have been 26 expressions of interest in the Measure, with nine groups facilitated and 7 letters of offer issued.

- 5.6.85 It is clear through discussions with measure leaders that the approach adopted this time around has built on lessons learned from previous Programmes. The previous 'Peace' Programme measure taught that there was no need to be formally constituted in the initial stages. This has been adopted for the initial facilitation phase. There is also some anecdotal evidence from measure leaders that groups coming forward are more innovative, with sectors such as renewable energy and biomass included.
- 5.6.86 Another challenge that has been mentioned is that the MDG scheme under Measure 1.2 is currently closed, which is seen as the next step post Supply Chain. As mentioned in Measure 1.2, it is seen also that the lack of uptake of MDG, prior to its closing, was due to low uptake within the Supply Chain scheme. Clearly these two measures see each other as important to their respective successes.
- 5.6.87 To date there is no CMEF data to report, thus it is not possible to conclude whether targets will be met. Even at this early stage of the Measure it is a concern as to the lack of progress to date. There is a clear need for the Department to closely monitor this Measure in the future, with respect to its CMEF targets.

Measure 1.4 Common Evaluation Questions

To what extent has the support enhanced market access and market share for agriculture and forestry primary products through the development of new products, processes and technologies by means of cooperation of product line actors?

To what extent has the support contributed to improving the competitiveness of the agricultural, forestry and food sector?

- 5.6.88 As stated there is very little data to go on in relation to the Supply Chain Programme. It is, therefore, difficult to answer the common questions associated with the Measure.
- 5.6.89 Of those groups surveyed, albeit at a very early stage of the Programme, most indicated a very positive outlook in relation to how they saw the Measure impacting on their business. 100 per cent believed the Measure would have a positive affect on their business or organisation, while some believed that the funding would enable them to '*...produce products with niche markets in mind...*'.
- 5.6.90 The case study below is of a group facilitated by the Measure at the early stages of the Supply Chain Programme.

Case Study Measure 1.4 (1 project)**Background**

This project involves the growing of specific trees which would then be sold once they had reached suitable maturity levels. It focussed on supply chain development. The funding will also provide vital and useful help through a facilitator.

Application Process

The processing time was quite lengthy, which impacted on the project – would have been more suitable to start sooner due to the nature of the project – growing trees. The paperwork was straightforward.

External Influences

In the short term the economic downturn has had an effect but the overall aim of this project is for the long term.

Outcomes

Main benefit has been the knowledge of the facilitator which has opened more avenues for further funding and help. Making contacts for the future is important for the business.

Future

Useful contacts have been made which will be beneficial for the future. Without the funding the project would have possibly not been able to go ahead in the way that it is hoped. The most important aspects are the help of the facilitator and the expertise which is available. Further funding would be sought if possible.

Additional Comments

Good programme and important that investment is being made to develop home grown expertise rather than encouraging overseas investment.

- 5.6.91 The case study highlights some of the key aspects of the Measure, namely the facilitator to guide the group through the process. It is evident from the case study that even at this early stage making contacts is paramount to the future success of the group. There is also a clear inference between the making of contacts and increasing market access and share, and in turn competitiveness, which can clearly link to the common questions.

Summary Measure 1.4

- 5.6.92 The Supply Chain Development Programme is at a very early stage in its life cycle and as such there is little hard evidence on which to base an evaluation. There is also some evidence to date, from the research undertaken as part of the MTE, that the general economic situation has possibly restricted individuals from availing of the Measure.

5.6.93 Of those groups loosely constituted at this stage, it is clear that the research shows they are positive about the outcomes the Measure may bring. This is clearly a positive that should be taken forward. This anecdotal evidence also shows that areas such as market share and access and developing new products could be achieved in the future by the groups in question.

5.6.94 However, even at this early stage of the Measure, the lack of progress to date is of concern.

Axis 2

Measure 2.1: Less Favoured Areas Compensatory Allowances Scheme

5.6.95 Measure 2.1: (Less Favoured Areas Compensatory Allowances Scheme (LFACAS)) is aimed at supporting those who farm in naturally Less Favoured Areas in Northern Ireland. It is a continuation of the scheme co-financed under Council Regulation (EC) No 1257/1999 through the Rural Development Regulation Plan (Accompanying Measures) for Northern Ireland 2000-2006.

5.6.96 It is envisaged that support under this scheme will contribute to:

- Maintaining the countryside
- Ensuring continued agricultural land use and, thereby, contributing to the maintenance of a viable rural society.
- Maintaining and promoting sustainable farming systems which in particular take account of environmental protection requirements.

5.6.97 The Scheme provides support for farmers in Less Favoured Areas (LFAs) to compensate for additional costs and income foregone related to maintaining agricultural production in such areas. LFACAS operates on an annual basis.

5.6.98 Measure 2.1 - Quantified targets for EU Indicators

Indicator		Position Reported June 2010	Target 2007-2013
Output	Number of supported holdings in areas with handicaps	13,270	13,800 per annum
	Agricultural land supported	519,720.16	510,000 ha per annum
Results	Area under successful agricultural land management	519,720.16	459,000 ha per annum (avoidance of marginalisation and land abandonment)

- 5.6.99 Measure 2.1, LFACAS, has a series of annual targets relating to both the number of holdings supported and the area of land supported. The Measure has achieved the annual targets relating to the area of land supported in each year to date and it is likely that these targets will continue to be met in each of the remaining years of the Programme. However, farmers continue to leave the industry in Northern Ireland. Analysis suggests that these farmers tend to be those with relatively small holdings. The impact of these ‘leavers’ is not therefore as significant on the ‘area of land’ indicators as it is on the indicator relating to the ‘number’ of supported holdings. This target has not been met in the current year and if the trend of farmers leaving the industry continues it is likely that this target may not be met in subsequent years.
- 5.6.100 From the research conducted LFACAS is evidently a well run scheme, which has endeavoured to simplify the processes involved for the farmer. There is evidence from those surveyed that the Measure has impacted to date on social issues prevailing in the rural area, in particular in reducing land abandonment.
- 5.6.101 In 2009 DARD conducted a widespread review of support arrangements for Less Favoured Areas in Northern Ireland. The review brought together a broad range of evidence to examine:
- (i) the particular characteristics and problems of LFAs that set them apart from other areas;
 - (ii) whether these problems require government intervention and; if so,
 - (iii) the form that that intervention might take.
- 5.6.102 The review was a good example of good governance in re-examining policies and Measures to see if they still meet a continuing need. The review also facilitated the then expected change in the EU legislation governing the Scheme (at the time of publishing it is not clear regarding the future EU legislation governing the Measure). As a result of these expected changes, social and economic considerations, which feature in the current approach, would no longer form part of the Scheme’s objectives. The new legislation was also expected to require future LFA support payments to be linked more clearly to compensating for the additional costs incurred and income foregone for those farming in the LFAs. The level of support was also expected to decrease in value above a threshold area of land per holding.

- 5.6.103 The review concluded that there was evidence for future support for LFAs based on the positive effects of sustainable agricultural activity. It is argued that this activity creates and maintains highly valued habitats and landscapes (that is, environmental public goods) in an effective and efficient manner. The current legislative basis for LFA support - Council Regulation (EC) 1698/2005 – makes it clear that the purpose of any future LFA support must be to contribute to maintaining the countryside through the continued use of agricultural land and also to maintain and promote sustainable farming systems.
- 5.6.104 The review looked in detail at how farming in Northern Ireland had changed significantly over recent decades. There are now fewer farms and farmers, larger farms and more part-time farming linked with off-farm employment. It is evident that LFAs have not been isolated from these effects, but the evidence shows that structural adjustment has been slowest in the Severely Disadvantaged Area (SDA), and the gap between the average farm business size in the SDA and other areas (Disadvantaged Area and lowland) has been growing.
- 5.6.105 The economic modelling that formed part of the review showed, among other things, that the influence of LFACAS on farming incomes and activity is more marked in the SDA. The key messages from stakeholders in the review included:
- LFA support is vital for continued agricultural activity in disadvantaged areas;
 - Without that support, land abandonment is a real risk;
 - Farming activity delivers significant environmental benefits, this is a key issue;
 - The challenges, and the risks of land abandonment, are greater in the SDA; and
 - Support needs to be targeted at active land managers.
- 5.6.106 In the report³⁸ it was envisaged that from 2010, LFA support, which is an optional element of the Rural Development Programme, would (subject to a further act of Council) be governed by Council Regulation (EC) 1698/2005. This would have imposed three major changes compared with the current regime:
- (i) LFA support will no longer pursue socio-economic objectives. The LFA Measure will form part of the environmental Axis of Pillar II of the CAP and its specific role is to contribute to *maintaining the countryside* through the *continued use of agricultural land* and also to maintain and promote

³⁸ Review of Support Arrangements for Less Favoured Areas in Northern Ireland - March 2010 p.21-22

sustainable farming systems. Eligibility must be based only on natural disadvantage.

(ii) LFA support will no longer be fixed at a level which makes a contribution to compensating for the handicaps incurred. Instead, payments should compensate for additional costs incurred and income foregone related to the natural handicap for agricultural production in the area concerned.

(iii) Payments under any future LFA support regime must be degressive above a threshold level of area per holding (in other words, the rate of payment per hectare should be lower above a certain farm size).

5.6.107 At the time of publishing it is not clear of the timings associated with the implementation of these proposed changes.

5.6.108 The review³⁹ concluded that the future of LFA support was at a crossroads. In moving forward the review provided four options for future support. These were:

Option 1

Withdrawal of the Scheme meaning that LFA support would stop sometime in the future.

Option 2

The moving of LFA funding within NIRDP 2007-2013 to target competitiveness/quality of rural life in socially and economically disadvantaged areas. This would mean that the money would be used to invest in the competitiveness of farms and other businesses, to improve the quality of life for farmers and other people living and working in the countryside and to help develop their skills.

Option 3

Move LFA funding to agri-environment measures within NIRDP 2007-2013. Under this option the money would be used to expand the Countryside Management Scheme and support farmers in managing the countryside in a way which is helpful for maintaining plant and animal life.

Option 4

Focus LFA support on the most naturally disadvantaged areas. This option would provide for a replacement LFA support scheme. The purpose of a new scheme would be to ensure that farming continues in the most disadvantaged areas and in that way, protects the habitats and landscapes that depend on farming activity. The Scheme would have to abide by the conditions of the

³⁹ Review of Support Arrangements for Less Favoured Areas in Northern Ireland - March 2010 p.22

forthcoming EU legislation, including a changed basis for setting the level of payment.

- 5.6.109 From the consultation that followed the review, the majority of support was for Option 4. From the consultation and body of evidence to date it would seem the preferred option would be to re-focus the scheme - designed in a way to ensure that farming continues in the most disadvantaged areas. This, in turn, will be with the aim of protecting the habitats and landscapes that depend on farming activity in these areas.

Measure 2.1 Common Evaluation Questions

To what extent have compensatory allowances helped in ensuring continued agricultural land use in areas with handicaps, other than mountain areas?

- 5.6.110 To date it is widely recognised from all involved in the scheme that LFACAS has the clear affect of reducing land abandonment. The research has shown the support afforded by the Measure enables controlled grazing of animals in LFA areas, which in turn ensures continued land use.
- 5.6.111 In the review of LFA areas the option was looked at regarding complete withdrawal of the scheme. The research clearly indicated that without the scheme there would be a significant reduction in farming activity and output in the areas in question.

Case Studies Measure 2.1 (2 projects)**Background**

The LFA scheme is designed to compensate for the increased costs of farming in disadvantaged areas. Farmers are not required to use the support for any specific purpose, however these projects chose to use the funding to maintain land on farms. This included fencing and renovating hedges and leaving certain areas ungrazed, another involved continuing farm diversification into the manufacturing of conveyor drums and component parts and maintaining hedges.

Application Process

One of the projects found the stages were quick but there was a gap in between each stage. Forms were straightforward enough to complete but some help was required from the inspector for certain parts. Some areas, such as projected figures were difficult.

External Influences

Economic downturn has impacted the businesses, difficult to compete with some foreign markets. It is also more difficult locally as there are less buyers and items are more expensive to purchase.

Outcomes

The funding enabled the maintaining of hedges, repairing fences and allowing certain areas to remain ungrazed. This has enabled work to be carried out work that would not have gone ahead otherwise or perhaps took a lot longer to begin.

For the project which was involved in farm diversification the funding has made the business more competitive and able to employ workers and production time has been halved. The funding has enabled farming to continue alongside the business, therefore making it more sustainable.

Future

The money was available to help which encouraged participation in good practice. Without the funding the business would not have been as competitive and it would have been much more difficult but with the funding the project is self-sustainable.

Additional Comments

Reasonably good scheme but at times it felt that those making the rules did not understand the practice. The funding has been very beneficial and helped to create jobs for the present which will be sustainable for the future.

5.6.112 The case studies conducted as part of the MTE also highlighted how the scheme helped to ensure continued agricultural land use in these areas. The case study in question clearly highlighted that the payments have enabled the farm to remain sustainable by maintaining the land on the farms. It should also be noted that the scheme created jobs which clearly feeds into the next common question of maintaining a viable rural community in these areas.

To what extent have compensatory allowances contributed to the maintenance of a viable rural community in areas with handicaps, other than mountain areas?

- 5.6.113 Maintaining viable rural communities in areas of disadvantage is a key priority for the Department. There is evidence from the research conducted that the support afforded by LFACAS has kept farmers in affected areas with less productive land. With it generally accepted that farm numbers are decreasing, measure leaders believe LFACAS support has helped to stabilise the situation to a degree. Indeed there is anecdotal evidence from the research that LFACAS payments are keeping young people in the areas in question. This is clearly positive for the future viability of those areas and communities.
- 5.6.114 The LFA review also stated that without the support there would be a negative socioeconomic impact on farm households, which could lead to abandonment of areas. In the evaluators' opinion it is evident that the surrounding community would be affected as a result of this abandonment, and the removal of the multiplier effects that agricultural land use brings.

To what extent has the scheme contributed to maintaining or promoting sustainable farming systems?

- 5.6.115 The issue of maintaining and promoting sustainable farming systems is another key aspect of the LFACAS. It is evident from the MTE discussions that active agricultural land management in a sustainable manner is crucial to the future environmental health and character of LFA areas. This is a view that is also portrayed in the review of support arrangements for Less Favoured Areas in Northern Ireland.
- 5.6.116 It is evident from the research phase of the MTE that the support arrangements provide land that increases and supports bio diversity, while enabling active farming to be carried out. The balance struck in relation to the management of stocking densities, while not permitting over-grazing shows that the scheme is enabling these holdings to operate in a sustainable fashion. The scheme, in the opinion of the evaluators, is evidently lessening the land lost for agricultural production and maintaining bio diversity.

To what extent has the scheme contributed to maintaining the countryside and improving the environment?

- 5.6.117 It is evident from the recent review of LFA areas⁴⁰ that maintaining the countryside and improving the environment are key objectives of LFACAS. Conclusions drawn from the review include:

⁴⁰ Review of Support Arrangements for Less Favoured Areas in Northern Ireland - March 2010 p.171

- Areas designated as LFA are, in the main, of high environmental value. Areas designated AONB, Natura 2000, SAC, Ramsar sites, ASSIs and SPA are located primarily within the SDA. The SDA, therefore, is a major environmental asset for Northern Ireland. Much of the landscape and biodiversity has been shaped and sustained by agricultural activity.
- Some agricultural activities in the LFAs are likely to have exerted a positive force on the environment leading to, for example, improved water quality, reduced greenhouse gas emissions and the maintenance of biodiversity and landscapes.

5.6.118 While the review does note that the actual impact of agriculture on the environment is difficult to value, it is clear that LFA areas impact on the environment and contribute to maintaining the countryside in a positive manner.

5.6.119 Among those surveyed for the MTE 71 per cent stated that the support had a positive impact on the environment, with 63 per cent having noticed an increase in wildlife in the last 3-4 years. It is also worth noting that individuals contacted indicated they believed the support had improved areas such as soil quality and water quality on their holdings. In the case studies there is also evidence of actions such as *renovating hedges* and *repairing fences*, all key aspects in maintaining the countryside. Although these are not core activities associated with LFACA, it is noted that the support has indirectly had a positive affect on the environment.

Summary Measure 2.1

5.6.120 LFACAS remains an integral aspect of the support afforded to the farming community under the NIRDP. To date the data available has shown the Measure has made considerable progress towards attaining the targets set.

5.6.121 Aspects detailed in the common questions, such as sustainable farming and maintaining the countryside and improving the environment, are showing evidence from the research of having been impacted as a result of the support. It is also clear that the indirect benefits associated with the payments enable farmers to continue to operate in these areas.

- 5.6.122 As detailed in this section there is a need to attend to the future of the Measure to address the needs highlighted in the review of Less Favoured Areas, such as the continuing fall in cattle and sheep numbers in the LFA, particularly the SDA, and the increasing evidence of the environmental impact of that in terms of under grazing, scrub encroachment and rush infestation. There are also possible changes in the EU legislation governing the Measure which may need addressed.
- 5.6.123 The option to re-focus the scheme and ensure that farming continues in the most disadvantaged areas would appear to be the most suitable and popular approach to adopt in the future.
- 5.6.124 It is recommended that the Department implement the changes, in re-focussing the scheme, for the next programming period.

Measure 2.2: Agri-Environment Programme

- 5.6.125 Measure 2.2 (Agri-Environment Programme) provides financial support to farmers and landowners for adopting farming practices that enhance the countryside.
- 5.6.126 The main objectives of the Measure are:
- To support sustainable development of rural areas and to respond to society's increasing demand for environmental services;
 - To introduce or to continue to apply agricultural production methods compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity; and
 - To encourage and support agricultural production methods which protect and improve the quality of rivers and lakes, and contribute to the mitigation of and adaptation to the impact of climate change.
- 5.6.127 Measure 2.2 comprises of two schemes:

(a) Northern Ireland Countryside Management Scheme (NICMS). This operates on a 'whole farm' basis. Participants who enter into voluntary seven year commitments will receive financial support for the environmentally sensitive management of all their land as well as the management or creation of habitats or features on the farm.

(b) The Organic Farming Scheme (OFS) provides financial support during conversion of land from conventional to organic management. It does not offer support in relation to land already fully converted to organic management. It is a requirement of the scheme that any grassland should be grazed primarily by organic livestock or animals undergoing conversion to organic status.

Participants are required to adhere to environmental and animal welfare conditions that are more rigorous than those applying to non-organic farmers.

5.6.128 Measure 2.2 - Quantified targets for EU common indicators

Indicator		Position Reported June 2010	Target 2007-2013
Output	Number of farm holdings and holdings of other land managers receiving support	12,600	18,170 holdings
	Total area under agri-environmental support	468,000	559,000 ha
	Total number of contracts	12,600	18,170
	Physical area under agri-environmental support	461,000	550,000 ha
Results	Areas under successful land management	461,000 ha under agri environment agreements (improvement of biodiversity) 7,000 ha under organic management (improvement of biodiversity)	545,000 ha under agri environment agreements (improvement of biodiversity); 14,000 ha under organic management (improvement of biodiversity)

Measure 2.2 - Additional programme-specific indicators and quantified targets

Indicator		Position Reported June 2010	Target 2007-2013
Results	Biodiversity: population of farmland birds	Indicators have been reviewed. Monitoring Programme has been commissioned	No decline in selected indicator species; Increase of 5% of targeted habitat under agreement
	Biodiversity: trends in Irish hare population and density	Indicators have been reviewed. Monitoring Programme has been commissioned	No decline in trends in Irish hare population and density; Increase of 5% in targeted habitat under agreement

	Biodiversity: European otter population estimates and distribution	Indicators have been reviewed. Monitoring Programme has been commissioned	No decline in estimates of population; Increase of 5% in no. of agreements in designated river SACs
	Biodiversity: high nature value farmland and forestry: area and condition of HNV land under agreement	Indicators have been reviewed. Monitoring Programme has been commissioned	Increase in area of HNV farmland under agreement by 5% Increase by 5% of area of HNV farmland under agreement in 'good' and 'fair' condition
	Biodiversity: population & diversity of appropriate invertebrate species	Indicators have been reviewed. Monitoring Programme has been commissioned	No decrease in estimates for priority grassland and moorland habitats under agreement
	Biodiversity: population & diversity of appropriate plant species	Indicators have been reviewed. Monitoring Programme has been commissioned	No decrease in estimates for priority woodland, grassland and moorland habitats under agreement
	Biodiversity: tree species composition: area under agri-environment woodland and scrub options	Indicators have been reviewed. Monitoring Programme has been commissioned	No decrease in area of broadleaf woodland under agreement; 5% Increase in area of new planting under appropriate agri-environment options
	The area (ha) and condition of NI BAP Priority Habitat under agri-environment management	Indicators have been reviewed. Monitoring Programme has been commissioned	Increase in area of NI BAP Priority Habitat under agreement; Increase of 5% of area of HNV farmland under agreement in 'good' and 'fair' condition
	The area (ha) under organic management	Indicators have been reviewed. Monitoring Programme has been commissioned	5% Increase in total area under organic management; 5% Increase in organic

			land under agreement
	Length and condition of hedgerow under agri-environment management	Indicators have been reviewed. Monitoring Programme has been commissioned	No decrease in the length of hedgerow under agreement; 5% Increase of existing hedgerow under agreement in 'good' or 'fair' condition
	Area and condition of moorland and peatland under agri-environment management	Indicators have been reviewed. Monitoring Programme has been commissioned	No decrease in the area of moorland and peatland under agreement; Increase of 5% of existing moorland and peatland under agreement in 'good' or 'fair' condition

- 5.6.129 The data available has shown that Measure 2.2 has made steady progress in relation to the attainment of targets set, especially in respect of CMEF output and result indicators. The research conducted has shown the economic downturn has had a limited effect in much of the customer base associated with the measure. However, there is some evidence from discussions with measure leaders that capital management works have been impacted to a degree. The current financial climate is showing signs of impacting on the National element of funding for the Measure, however at the time of writing this area remained uncertain. This will require close monitoring in the coming year, especially post Comprehensive Spending Review (CSR) in the autumn.
- 5.6.130 By the nature of the indicators, and additional Programme specific indicators, there is a considerable time lag that exists in relation to the availability of 'hard' data. Countryside Management Unit has commissioned a comprehensive monitoring programme to measure the impacts of the scheme. Whilst this monitoring is underway, it is expected to be a further two years before the data are available.
- 5.6.131 Discussions with the measure leaders suggest that the scheme is running slightly behind target for the current year, due to the aforementioned financial pressures. It is noted however that since 2008 the Countryside Management Scheme has added 943 applicants, and 33 organic farmers to the existing 12,000 members. The ambitious target for the measure is to have 50 per cent of land 'under agreement' in Northern Ireland: the current situation stands at 42 per cent of land.

Measure 2.2 Common Evaluation Questions

To what extent have agri-environmental measures contributed to maintaining or promoting sustainable farming systems?

- 5.6.132 As mentioned it is too early for hard evidence in the form of data in respect of answering the common questions associated with Measure 2.2.
- 5.6.133 However it is noted that anecdotal evidence from inspections, where 5 per cent of projects are inspected under EU rules, shows clear levels of compliance to date among the members of the scheme. The scheme is widely regarded by measure leaders to promote sustainable farming systems, in that the members are committed to farming in a manner that works closely with and complements the environment. In this regard the research programme has shown there is clear evidence of improved habitats for wildlife within the commitments, as evaluated under the compliance checks.

To what extent have agri-environmental measures contributed to maintaining or improving habitats and biodiversity?

- 5.6.134 Once again due to the lack of hard data the evidence in this aspect of the Measure is very much anecdotal, from the checks that are required by EU legislation. From the checks there is high evidence of actions such as the renewal of hedges, planting of trees, and improvement of habitats, which are clearly linked to maintaining and improving bio diversity.
- 5.6.135 Of those surveyed for the MTE 83 per cent felt that the support afforded to them through the Measure enabled a focus on the areas of wildlife preservation and biodiversity. Indeed half of those surveyed stated that wildlife preservation and biodiversity was the main impact of the funding.
- 5.6.136 All individuals surveyed stated that the funding was having a positive affect on the environment, and 83 per cent stated that they had seen an increase in wildlife in recent years.

Case Studies Measure 2.2 (2 projects)**Background**

Beneficial to the countryside and involved fencing, reseeding, certain areas restricted from grazing for certain months.

Application Process

At times it was a bit slow, some help was needed from DARD and family members in completing parts of the form. It can be slow to receive the funding and at times there is too much duplication.

External Influences

Due to the economic downturn – getting less than before for products.

Outcomes

The environment has benefitted from more environmentally friendly practices – maintaining and improving habitats and biodiversity. Without the funding the activities would not have been able to be carried out.

Future

Without the funding the projects would have either been abandoned or perhaps only some of the targets would have been carried out.

Additional Comments

The buzzword now is ‘diversification’ but planning permission can prevent this – I want to diversify but cannot. One project believed that the threat of the removal of the Single Farm Payment for non-compliance is excessive. Also believes that there is too much checking ‘which is a waste of money that could be given to the farmers’.

5.6.137 The area of maintaining and improving habitats is again highlighted in the case studies undertaken in relation to the Measure. It is positive to note that in one of the case studies the beneficiary stated that the outcome was ‘...*The environment has benefitted from more environmentally friendly practices – maintaining and improving habitats and biodiversity.....*’. The importance of the funding is also evident in that the individual states that without the funding the activities would not have been carried out.

To what extent have agri-environmental measures contributed to maintaining or improving water quality?

5.6.138 There is little evidence to date that the measure has contributed to maintaining or improving water quality. At most there is anecdotal evidence that compliance monitoring ensures adequate farm waste management systems on the holdings supported.

5.6.139 It is hoped that the monitoring programme currently underway within the Measure will provide more evidence in the future in relation to impacts on water quality.

To what extent have agri-environmental measures contributed to maintaining or improving soil quality?

- 5.6.140 Again there is little evidence to date that the Measure has contributed to maintaining or improving soil quality. At most there is anecdotal evidence that compliance in relation to habitat management, and controlled grazing is impacting on soil quality. These are activities that have been linked to an improvement in soil quality in the past. The checks to date have also shown evidence of improvement in grass margins, which again has been linked to improved soil quality.
- 5.6.141 Once again it is hoped that the monitoring programme currently underway within the Measure will provide more evidence in the future in relation to soil quality.

To what extent have agri-environmental measures contributed to mitigating climate change?

- 5.6.142 To date from the research programme there is little evidence that climate change is a driver in the eyes of applicants to the Measure. It is noted however that a great many of the actions supported under the Measure are widely regarded as positive in relation to climate change.
- 5.6.143 During the development of the scheme in 2005/06, views were sought on the relationship with climate change but this did not appear to result in an active focus on this issue in the implementation of the scheme. It is likely that the importance attached to climate change will change in the future programming period, when it is likely to be placed as one of the over-arching objectives.

To what extent have agri-environmental measures contributed to maintaining and improving landscapes and its features?

- 5.6.144 It is evident from the research that the scheme has impacted on the area of maintaining and improving landscapes and features. There has been a general upgrading of hedgerows and boundaries in the holdings supported and small areas of species-rich trees have also been introduced.
- 5.6.145 Of those surveyed it is positive to note that all say the support has led to improvement of the landscape, while one third state that this was the main focus of the scheme in their holding. This was also highlighted within the case studies of this Measure.

To what extent have agri-environmental measures contributed to improving the environment? Distinguish between the contribution of agri-environmental measures implemented as demanding, site-specific measures and less demanding measures which are widely applied.

- 5.6.146 As already stated 100 per cent of those surveyed stated that they believed the support had brought a positive impact to the environment.
- 5.6.147 This scheme was initially developed to aid in the management of Natura 2000 sites which have established links with maintaining and improving the environment. To date a range of activities have been undertaken that protect habitats, species and the wider environment. For example, activities such as delaying the cutting of grass have improved the habitats of the Irish hare: while the increased availability of pollen and nectar mixture is impacting positively on insects. These activities are clearly impacting on local eco-systems as well as the wider environment.
- 5.6.148 In addition to the ‘whole farm’ approach, the scheme can be tailored to enable site specific measures. That is, sites can have habitat specific management plans implemented if the generic Countryside Management Scheme is not sufficient. This results in the holding being referred to the Northern Ireland Environment Agency (NIEA) which in turn develops a site specific plan. All Natura 2000 sites are also referred to the NIEA. Sites referred to NIEA receive an extremely detailed tailored approach, with strong evidence from measure leaders of an immediate impact. This is particularly the case where encroachment or invasive species are involved.
- 5.6.149 There is evidence from measure leaders that the Scheme is also suitably flexible, in that it has options, such as supporting habitats according to ‘prescriptions’. The impacts of this less demanding approach are evident in compliance inspections, which show clear evidence of improvements in wild bird cover and grass margins. The general perception of positive environmental impacts resulting from this Measure is expected to be confirmed in the future when specific monitoring information becomes available.

Summary Measure 2.2

- 5.6.150 The Measure has made steady progress in relation to the attainment of targets set from the data available at this stage of the Programme. The Agri environment model is generally well thought of by all those interviewed as part of the MTE. It is evident, however, that the current financial climate is showing signs of impacting on the National element of funding for the Measure.

5.6.151 The majority of stakeholders see a role for agri environment in the future of rural development in Northern Ireland. However, it is also widely accepted that future funding pressures could impact on the type of scheme to be implemented in the future. It may, for example, be necessary to explore the potential for shorter agreements.

5.6.152 It is also evident through the MTE discussions that a shift in focus in the future, to areas such as climate change, may result in a change of direction for the scheme. There is a general perception that future Programmes should be more *outcomes* focused, not *output* focussed. It is the evaluators' opinion that a future Agri-Environment scheme may benefit from a widespread re-focusing, with a review similar to that recently carried out in relation to LFACA. This re-focussing will enable the future scheme to be clearly linked to future EU priorities.

Measure 2.3: First Afforestation (forest expansion)

5.6.153 Measure 2.3 (First Afforestation (forest expansion)) provides financial support for the first afforestation of agricultural land (including agricultural land owned by public authorities).

5.6.154 The Measure is delivered through the following schemes:

a) The Woodland Grant Scheme (WGS) supports the establishment costs of first afforestation on agricultural land. If applications exceed the resource allocated, a scoring mechanism is introduced to prioritise the applications made, giving preference to those applications that meet the strategic objectives of the Forest Service.

b) The Farm Woodland Premium Scheme (FWPS) provides annual payments for up to a maximum of 15 years for agricultural income foregone as a result of first afforestation on agricultural land under the WGS.

5.6.155 **Measure 2.3 - Quantified targets for EU common indicators**

Indicator		Position Reported June 2010	Target 2007-2013
Output	Number of beneficiaries receiving afforestation aid	356	1500
	Number of hectares of afforested land	758.96ha	4,000 ha
	Number of hectares under new agroforestry systems	nil	50 ha
Results	Area under successful land management	758.96ha	4,000 ha

Measure 2.3 - Additional programme-specific indicators and quantified targets

Indicator		Position Reported June 2010	Target 2007-2013
Output	Number of forest holdings supported classified by ownership categories and size classes	356	1,500
Results	Biodiversity of forest ecosystems – naturalness – area of forest or other wooded land classified by forest type and level of naturalness	758.96 ha	4,000 ha

- 5.6.156 Measure 2.3 initially made slow progress in relation to the attainment of targets set, especially in respect of CMEF output and result indicators. However, it is noted by measure leaders that the level of interest in the schemes has grown over the past six months. This increase in uptake is just beginning to filter through in respect of the CMEF indicators.
- 5.6.157 Measure leaders believe the economic downturn to have impacted on the Measure. There is a strong belief from measure leaders that individuals are cautious in the current climate in relation to any major changes in land usage. Furthermore, the long term nature of the commitment that is required reduces farmers' willingness to move away from conventional farming. The specifics of the WGS are also challenging in the current climate, as it requires applicants to carry out work prior to the outlay of capital.
- 5.6.158 Further difficulties have surrounded the application of the definition of a 'farmer' that is used in the Measure. This issue is ongoing with a large number of small farmers not being eligible to receive the higher rate of support. This potential ineligibility is believed by measure leaders to have contributed to the generally low level of demand for the scheme.
- 5.6.159 Measure leaders have taken proactive steps to try to counteract the issues faced. This has included a more sustained PR campaign, and a change in the forestry grant rates, which came about as a result of a review carried out in the summer of 2009.
- 5.6.160 There is a belief from those involved that the Forestry measures are unlikely to fully utilise their budgets. However, because of the recent improvements in uptake the situation should be monitored for the remainder of the year, before a decision is made with regards to future targets.

Measure 2.3 Common Evaluation Questions

To what extent has the measure contributed to create significantly forestry areas?

- 5.6.161 Northern Ireland has historically low levels of forested areas. While the Measure has increased the first afforestation in the region somewhat, this is clearly not by a significant amount. While the impact of the Measure is not yet significant, it is recognised to have been operating in a challenging climate. It is evident from the MTE discussions that convincing land owners to move away from conventional land usage has been extremely difficult.
- 5.6.162 Of those surveyed it is positive to note that the Measure is critical to the planting of new woodlands, with three quarters of applicants stating that the project would have been abandoned without support.

Case Study Measure 2.3

Background

This project was involved in the growing of trees. The land was there but no-one really wanting to use it for agriculture in the area – no longer as popular to farm. Fields are becoming too small for some of the modern farm machinery.

Application Process

Whole process was quite quick, some parts of the form required assistance but it was mostly straightforward.

External Influences

No impact.

Outcomes

The project allowed trees to be planted on the land, allowing a better rate to be received than if it was being used to graze cattle or sheep. Also maintaining and improving the countryside.

Future

Without the funding the trees would not have been planted and it would have been used for cattle.

Additional Comments

Everything is going well so far and happy with the process. The staff involved are also very helpful.

- 5.6.163 It is clear in the evaluators' opinion that proactive work will be needed if this Measure is to have the full affect it hopes to achieve in the Programming period.

To what extent has the measure contributed to create significantly forestry areas in line with the protection of the environment?

5.6.164 The Measure has established over 750 hectares of woodland, including the introduction of broadleaf new native woodland.

5.6.165 The creation of forestry areas sits well alongside the more over-arching aim of protecting the environment. It is widely agreed by all those contacted, due to the historical low levels of NI forestry, that any increase is a major contribution to the environment in Northern Ireland.

5.6.166 Stakeholders have a keen interest in the development of more woodland through the NIRDP. This is positive given the clear link between new native woodland (oak / ash) and the associated benefits of increasing biodiversity and alleviating floods.

5.6.167 All of those surveyed stated that the funding has had a positive affect on the environment to date.

To what extent has the measure contributed to creating sustainable managed forestry areas which contribute to maintaining the ecological functions of forests and the prevention of natural hazards and fires?

5.6.168 It is widely agreed by those involved in the NIRDP that forests and woodland increase the ecology of the landscape, and that the conversion of grassland to woodland results in a major increase in biodiversity. In drawing up the management prescriptions, the Measure complies with UK forestry standards, which in turn ensure that sustainably managed forestry areas that clearly contribute to the desired ecological functions are developed.

5.6.169 Northern Ireland has experienced a number of wildfires involving, mainly, gorse and scrub during the late Spring and early Summer months over the past few years. However, these hazards are not addressed as major priorities within the NIRDP.

To what extent has the measure contributed to maintaining the countryside and improving the environment?

5.6.170 As mentioned it is widely agreed that there is a lack of woodland in NI, with most contacted as part of the MTE agreeing that any increase is to be welcomed. Although the measure has had limited success to date, it is clear that those supported report a positive affect on the environment to date.

To what extent have agroforestry systems contributed to increase the production of forestry products of high quality/ value?

5.6.171 Provision for agroforestry was included in the Measure, but there has been no uptake of these activities to date. It is unclear whether this is due to a genuine lack of demand for such activities or to a lack of knowledge about the availability of the funding.

To what extent have agroforestry systems contributed to creating sustainable managed areas which ameliorate the ecological systems of the areas affected?

5.6.172 As above, there has been no uptake in relation to agroforestry activities, thus there is no evidence on which to draw any conclusions.

To what extent have agroforestry systems contributed to maintaining the countryside and improving the environment?

5.6.173 As above there has been no uptake in relation to agroforestry, thus there is no evidence on which to draw any conclusions on these questions.

Summary Measure 2.3

5.6.174 Based on the available data, Measure 2.3 has made slow progress to date in relation to the attainment of targets set, however it is noted that in the last six months the level of interest has grown and has started to filter through in respect of the CMEF indicators. The economic downturn is believed to have impacted on the measure to date, which has clearly impacted on the uptake. However, there appears to be widespread support in the wider NIRDP community for increased forested areas in Northern Ireland in the coming years.

5.6.175 It is also recommended that future Programmes should address issues around the definition of farmers that have been encountered in these schemes. It is evident that Northern Ireland has a relatively high proportion of small farms, which suggests that the percentage of income from farming that designates a ‘farmer’ as such, should be lowered.

Measure 2.4: Forest Environments

5.6.176 Measure 2.4 (Forest Environments) provides payments that are predominantly aimed at semi-mature and mature woodland areas, although premature woodlands may, in some cases, be eligible for payments. Financial assistance is aimed at supporting the additional costs and income foregone resulting from the commitment.

5.6.177 The main objectives of the Measure are:

- To secure significant environmental benefits through the enhancement of biodiversity.
- To improve the public amenity of woodlands while preserving high value forest ecosystems, by reinforcing the protective value of forests in respect of soil, water and natural hazards.
- To assist in achieving the expansion, maintenance, enhancement or restoration targets set out in the native woodland Habitat Action Plans, or benefits to the habitats of those woodland species covered by the Species Action Plan.

5.6.178 Support for forest environment actions is available under the Sustainable Forestry Operations Grant Scheme. Support is provided for participants who make a voluntary commitment to undertake agreed forest-environment actions to improve the ecosystems within private forests and woodlands and prevent damage by domestic and wild animals.

5.6.179 **Measure 2.4 - Quantified targets for EU common indicators**

Indicator		Position Reported June 2010	Target 2007-2013
Output	Number of forest holdings receiving support	3	50
	Number of hectares under forest environment support	9.5ha	500 ha
	Number of contracts	3	10
	Physical forest area under forest environment support	9.5ha	500 ha
	Total volume of investment:	€ 11,000	€100,000
Results	Areas under successful land management	9.5 ha	500 ha

Measure 2.4 - Additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Outputs	Number of forest holdings supported classified by ownership categories and size classes	3	50
Results	Biodiversity of forest ecosystems – naturalness – area of forest or other wooded land classified by forest type and level of naturalness	9.5 ha	500 ha

5.6.180 From the available data Measure 2.4 has had little uptake to date, amongst an already relatively small population of forest owners from which to draw applicants. As Measure 2.3 grows so too will the base for potential activity in Measure 2.4. However, this will not be sufficient on its own to significantly enhance 2.4's performance within the timescales available.

Measure 2.4 Common Evaluation Questions

To what extent have high value forest eco-systems been maintained or enhanced by forest-environment payments?

5.6.181 There is little evidence on which to base any conclusions in respect of this common question.

To what extent have forest-environment payments contributed to maintaining or improving biodiversity?

5.6.182 There is some evidence from measure leaders that the payments made to date have controlled the invasive species, rhododendron, which is a genuine threat to local forests. The controlling of invasive species encourages the natural regeneration of existing woodland, which has been linked to an increase in biodiversity.

To what extent have forest-environment payments contributed to maintaining or improving water quality?

5.6.183 There is little evidence on which to base any conclusions in respect of this common question.

To what extent have forest-environment payments contributed to preventing soil erosion?

5.6.184 There is little evidence on which to base any conclusions in respect of this common question. There is not a widespread concern about soil erosion within Northern Ireland.

To what extent have forest-environment payments contributed to combating climate change?

5.6.185 There is little evidence on which to base any conclusions in respect of this common question.

To what extent have forest-environment payments contributed to maintaining and improving landscape and its features?

5.6.186 This is a fundamental aim of the Measure and there is general support among stakeholders for enhancing and preserving existing woodland. The small numbers of projects supported to date through the Measure, in its few cases to date, have involved mainly broadleaf woodland, which is generally believed to provide a clear improvement to the overall landscape.

5.6.187 However, as with the other common questions associated with the Measure, there is little data on which to base firm conclusions.

To what extent have forest-environment payments contributed to improving the environment?

5.6.188 As with the other common questions there is little evidence on which to base any conclusions in respect of this question, due to the limited number of participants. Historical evidence points to a strong link between supporting woodland and increasing biodiversity.

To what extent have supported investments contributed to maintaining or promoting sustainable forestry systems?

5.6.189 There is little evidence on which to base any conclusions in respect of this common question.

To what extent have supported investments contributed to enhancing the public amenity value of forest areas?

5.6.190 While the Measure is available in respect of existing woodland public amenities, there has been no uptake of this aspect to date. Measure leaders believe this is due to ongoing concerns around public liability issues for participants in the Measure.

To what extent have the supported actions contributed to improving the environment and maintaining the countryside?

5.6.191 As with the other common questions there is little evidence on which to base any conclusions in respect of this question.

Summary Measure 2.4

5.6.192 Measure 2.4 to date has made slow progress in relation to the attainment of targets set, and there are valid concerns from those involved around the potential for the Measure to meet its objectives.

5.6.193 It is the evaluator's opinion that Measure leaders should engage actively with forest owners over a relatively short period of around six months. This engagement should aim to establish the likelihood of generating sufficient applications to keep Measure 2.4 viable.

NIRDP-specific Evaluation questions - Axis 2

How will the evaluation define 'successful' land management?

5.6.194 It is noted that for this evaluation, and for the purposes of the Programme, that 'successful' land management is defined as all land that is currently supported in respect of Axis 2. It is noted from the CMEF, under which the Axis 2 measures operate, that successful land management is defined as the successful completion of land management actions contributing to amongst other aspects:

- improvement of biodiversity
- improvement of water quality
- mitigating climate change
- improvement of soil quality
- avoidance of marginalisation and land abandonment

5.6.195 To ensure that supported land satisfies this definition, the Measures have strict compliance requirements. The LFACAS (Measure 2.1) ensures a set of cross compliance standards are met by applicants, with corresponding environmental standards also required.

5.6.196 Measure 2.2 (Agri environment) also has legislation in place to ensure individuals are in compliance with the scheme, while the forestry measures require the sustainable management of all forest environments. Thus all land supported by Axis 2 can be defined as successfully managed land.

To what extent is measure 2.1 supporting the costs of managing Natura 2000 sites (SACs and SPAs) and to what extent is this measure delivering on maintaining favourable vegetation condition on these sites?

5.6.197 It is evident from the Axis 2 discussions that there is some overlap between Natura 2000 and LFA areas. Areas designated as LFA are, in the main, seen as being of high environmental value. As mentioned in the 2009 review of the LFA, areas designated as Natura 2000 are located primarily within the Severely Disadvantaged Area (SDA). The SDA, therefore, is a major environmental asset for Northern Ireland, and as such the continued support it receives from the LFACAS is clearly helping manage a significant proportion of Natura 2000 sites.

5.6.198 The section of this chapter that assessed Measure 2.1 (LFACAS) clearly shows the impact the support has afforded in maintaining favourable vegetation condition on the LFA areas. Given the link between the SDA and Natura 2000, it can be assumed that vegetation on these sites is maintained accordingly.

How will the evaluation process define HNV land in a Northern Ireland context?

5.6.199 It is widely accepted from those involved in the Programme that the majority of actions that are supported under Axis 2 are in some way applicable to High Nature Value (HNV) land. This can be true of actions such as converting grassland to new native woodland, and land that has a use whilst fulfilling its environmental obligations.

5.6.200 Countryside Management Unit (DARD) has been developing the definition of HNV land in a Northern Ireland context for the current Programme. It is envisaged that the final definition will be determined as part of the AFBI monitoring programme of the Agri-environment scheme, and will be based around the following 3 options of land type;

Type 1: dominated by semi-natural vegetation;

Type 2: dominated by low intensity farming or a mosaic of semi-natural and cultivated land and small scale features;

Type 3: supporting rare or threatened species

5.6.201 It is envisaged that the final working definition may include elements of all three options as they are clearly not mutually exclusive.

To what extent is measure 2.2 supporting the costs of managing Natura 2000 sites (SACs and SPAs)?

5.6.202 It is evident from the MTE interviews that Measure 2.2 considerably supports the costs of managing Natura 2000 sites. In the current agri environment scheme Natura 2000 sites are prioritised, and are funded under the measure as part of the ‘whole farm’ scheme.

Are additional activities needed which are not supported under agri-environment measures and which require funding from NIEA?

5.6.203 At present the research has shown there are a considerable number of activities carried out in the Agri-environment programme. At a practical level, there is clear co-operation and interaction between Agri-environment Measure leaders and other organisations including the NIEA and the Rivers Agency.

5.6.204 Through the consultation and research conducted as part of the MTE there was little evidence that additional activities are needed that are not currently being supported under the Measure. However with considerable uncertainty around Departmental finances it is the evaluator’s opinion that this may be an area that may need to be re-visited in the future.

Axis 3

Measure 3.1: Diversification into non-agricultural activities

5.6.205 Measure 3.1 (Diversification into non-agricultural activities) aims to assist farm households to diversify into non-agricultural activities and, as a consequence, maintain or increase the income of the farm households and create employment opportunities.

5.6.206 Under the Measure support is provided through:

- Grant aid towards the costs of capital and resource investment
- Marketing support
- Bespoke training intrinsic to individual project applications under this measure which is not on offer from any other provider
- Technical support to help new businesses become established and to help existing businesses to consolidate and expand

5.6.207 This Measure is similar to activity co-financed under Council Regulation (EC) No 1257/1999 through the Northern Ireland LEADER+ Programme and the EU Programme for Peace and Reconciliation 2000-2004.

5.6.208 **Measure 3.1 - Indicative quantified targets for EU common indicators**

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of beneficiaries:	155 *	600
	Total volume of investment:	£946,412.80 **	€62.9m
Result	Increase in non-agricultural GVA in supported businesses	Nil	12357
	Gross number of jobs created:	Nil	600

Measure 3.1 - Indicative additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Result	Number of new businesses created	Nil	400
	Potential volume of energy generated from RDP funded renewable energy projects expressed as kilowatt hours per annum	Nil	750,000 kilowatt hours

* based on letters of offer issued at 30 June 2010 - Total value of grant offered £4.141 million

** based on total project costs incurred by farm diversification projects in receipt grant payments up to 30 June 2010.

5.6.209 The diversification into non-agricultural activities (Measure 3.1) is at present, along with all Axis 3 measures, at a very early stage. Thus it is difficult to draw too many inferences from the available data. The Measure was late to open and has encountered challenges to date, with the research pointing to areas such as the general economic climate and initial confusion around eligibility.

5.6.210 There is evidence to date from the research programme that the general economic situation has possibly restricted individual's thoughts on diversifying, and ongoing issues around match funding have clearly proved problematic. The rules and requirements of the Measure have also caused considerable concern in the community, with the need for full planning permission and accounting rules highlighted by beneficiaries as off-putting issues.

- 5.6.211 The Measure, along with Measures 3.2 and 3.3, have seen the highest levels of interest to date, due to their economic aspect and the current need in the region. Measure leaders have confirmed that early interest centred around sizeable grants being requested. However, anecdotal evidence from delivery bodies in recent months suggests that applications for smaller grants are now coming through. This illustrates some of the challenges faced at present by applicants with match funding.
- 5.6.212 Although very early in the rollout of the measure there is some concern from measure leaders in relation to attaining the targets set. There is a perception that diversification activity may be nearing saturation levels in Northern Ireland from individuals associated with the Measure.

Measure 3.1 Common Evaluation Questions

To what extent have supported investments promoted the diversification of farm households' activities towards non agricultural activities? Focus the analysis on the most important activities in this respect.

- 5.6.213 As mentioned, the Measure is one of the most popular to date in Axis 3, with the application data showing individuals clearly interested in what the Measure has to offer. Concerns about saturation levels are not immediately obvious from these data. However, it is acknowledged that diversification activities have been supported by DARD and the EU Programmes for some time now and saturation is likely to be an issue at some point.
- 5.6.214 To date Measure leaders have confirmed a wide range of activities have been undertaken in relation to the measure, including recycling plastic; engineering; and on-farm tourism.

Case Study Measure 3.1**Background**

Stopped farming and decided to diversify into photography to provide income from another source. This involved the setting up a studio in the home, which will be moved into a small office next to the house as a result of the funding.

Application Process

There was a large amount of paperwork but it is understandable as the funders need to ensure they eliminate unnecessary claims. Help was required in certain parts and it is understandable that the forms would be difficult for those without a strong educational background.

External Influences

The economic downturn has caused business to slow down, compared to the previous year.

Outcomes

Funding enabled diversification in a completely new direction, away from farming. The funding provided the equipment and costs towards extending the premises to construct an office space and showroom completely separate from the applicant's house.

Future

Without funding project would have been postponed until in a better financial position. The business will be greatly enhanced through the funding.

Additional Comments

Required to use cheques for payment of items and many retailers do not accept cheques.

Bit of an obstacle that you have to spend your own money then claim back – reason you apply for funding is because you do not have the money. Timescales were also a bit confusing– initially believed I had until 2013 to complete the work but it must be finished by the end of the year, therefore may not be able to carry out all planned objectives due to cost issues. Otherwise it is a very good programme.

- 5.6.215 The support afforded by the Measure has clearly enabled the case study farmer to diversify in a completely new direction, away from farming. It is positive to note that without this support this new direction for the farm would not have been possible, with the business greatly enhanced through the funding.

To what extent have supported investments promoted additional employment opportunities for farm households outside the agricultural sector?

- 5.6.216 Due to the early nature of the measure, and the limited data available, there is no strong evidence to date that supported investments have promoted additional employment opportunities. It is clear from the research that the economic climate has also considerably impacted on this aspect of the measure.
- 5.6.217 Of those surveyed only one respondent stated that they had created employment as a result of the funding, although 83 per cent believed that they would create employment in the future. It is noted however that the majority of these future jobs were expected to be part time in nature.
- 5.6.218 While the Measure was developed with job creation in mind, it is evident from the research that sustaining and safeguarding jobs has now become much more of a priority for applicants and potential applicants. If this continues it is the evaluator's opinion that the Measure's targets may need to be amended to reflect the new focus.

To what extent have supported investments contributed to improving the diversification and development of the rural economy?

- 5.6.219 As with the other common questions there is very little data on which to base any conclusive outcome. Historical research has shown that diversification can help to supplement income levels which, in turn, help to develop the rural economy.
- 5.6.220 Of those surveyed 67 per cent believe that the funding will help the wider rural economy. However, it is recognised that more evidence, directly attributable to the supported actions, will only be available in the future as the Measure progresses.

To what extent have supported investments contributed to improving the quality of life in rural areas?

- 5.6.221 As with the previous common question there is very little data on which to base any conclusive outcome. It is generally accepted by those consulted that by encouraging other economic activities, the Measure should deliver more money to be spent locally, with communities also availing of the increased leisure and employment opportunities that are often presented by the outputs of the diversification activity.

Summary Measure 3.1

- 5.6.222 The Measure is at present, along with all Axis 3 measures, at a very early stage. Thus it is difficult to draw much inference from the available data.
- 5.6.223 At this early stage there is little evidence, other than the perceptions of the individuals involved in the Measure, that areas such as employment and quality of life have been positively impacted upon.
- 5.6.224 Although it is very early in the rollout of the Measure there is concern that the targets may not be met. This is a combined effect from the delayed opening of the Measure and the perception of approaching saturation levels.

Measure 3.2: Business creation and development

- 5.6.225 Measure 3.2 (Business creation and development) aims to create employment opportunities through promoting entrepreneurship and developing the economic infrastructure in rural areas.
- 5.6.226 The Measure aims to provide support to existing micro enterprises or to persons wishing to set up a new micro-enterprise in a non-agricultural sector.

Under the Measure support is provided through:

- Grant aid towards the costs of capital and resource investment
 - Marketing support
 - Bespoke training intrinsic to individual project applications under this measure which is not on offer from any other provider
 - Technical support to help new businesses become established and to help existing businesses to consolidate and expand
- 5.6.227 This Measure is similar to activity co-financed under Council Regulation (EC) No 1257/1999 through the Northern Ireland LEADER+ Programme.

5.6.228 **Measure 3.2 - Indicative quantified targets for EU common indicators**

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of micro enterprises supported:	157 *	1,200
	Total volume of investment	£1,171,058.84 **	€40.5m
Result	Increase in non-agricultural GVA in supported businesses	Nil	12357
	Gross number of jobs created		500

Measure 3.2 - Indicative additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Result	Potential volume of energy generated from RDP funded renewable energy projects expressed as kilowatt hours per annum	Nil	300,000 kilowatt hours

* based on letters of offer issued at 30 June 2010 - Total value of grant offered £3.887 million

** based on total project costs incurred by micro-business projects in receipt grant payments up to 30 June 2010.

5.6.229 As with Measure 3.1 Diversification into non-agricultural activities, Measure 3.2 (Business creation and development) is also at a very early stage. The Measure was once again late in opening and has encountered challenges in relation to the general economic climate. This, as in other measures, the research has shown this evidently impacting on applicants' capability for raising the necessary match funding.

5.6.230 It is noted however that early indications, from the available application data, point to a high level of interest in the Measure. This is clearly to be welcomed as the creation of local successful rural businesses is critical to the development of the areas in question.

Measure 3.2 Common Evaluation Questions

To what extent has the support contributed to promote diversification and entrepreneurship? Focus the analysis on the most important activities.

5.6.231 To date the Measure has seen high levels of applications, with individuals clearly interested in what the Measure has to offer. There are, however, concerns from MTE discussions that many applicants are taking the form of 'repeat business', and there is a consequent need to attract new individuals to the Programme.

5.6.232 Of those surveyed it is positive to note the impact that has been felt by those who have received funding. Some of the comments included:

'...have created employment...'

'...I now have confidence to invest...'

'...has improved the service no end...'

'...clear improvement in efficiency...'

5.6.233 These snapshots of responses show the impact the Measure can bring, and illustrates that the Measure can make a difference in relation to diversifying and entrepreneurship.

Case Study Measure 3.2**Background**

The business provides economic and environmental solutions for agriculture and industry. They wanted to expand and improve facilities to increase their market share and potential.

Application Process

Happy with the process but parts of the application form were difficult such as the projections and the justifications. Took some time to complete the forms – it would be difficult for someone who was not used to this type of work.

External Influences

The Euro rate impacted on the business in the southern market but has seen a slight increase lately.

Outcomes

Expanded offices and created a showroom/sales area which is more professional and also leads to an increase in local over the counter business. It will help to create a better image of the business. There is also the potential to increase the number of employees and local trainees.

Future

Without the funding the project would have possibly gone ahead, depending on the economic situation, but it would have taken a lot longer to complete and may not have been on the same scale. Once the funding is complete the project will be self-sustainable.

Additional Comments

Everyone they were in contact with was very helpful and professional and any queries were answered quickly. All went pretty well.

5.6.234 The case study for Measure 3.2 demonstrates the value this scheme can have, and the potential it has to grow local businesses.

To what extent has the support promoted additional employment opportunities in rural areas?

5.6.235 Due to the early nature of the Measure, and the limited data available, there is no strong evidence to date that supported investments have promoted additional employment opportunities. It is clear from the MTE discussions that the economic climate has also considerably impacted on this aspect of the Measure.

5.6.236 The case study, however, does show the potential to impact on employment opportunities. The individual in question states there is clear potential to increase employees and trainees in the future, which is a positive development.

5.6.237 As with Measure 3.1 Diversification, of those surveyed only one respondent stated that they had created employment as a result of the funding, although 83 per cent believed they would create employment in the future. Unlike Measure 3.1, there was no evidence to date from the research of safeguarding jobs. This is to be expected given the ‘start up’ nature of many of these projects.

To what extent has the support contributed to improving the diversification and development of the rural economy?

5.6.238 As already stated there is very little data on which to base any conclusive answers. Historically business activity in an area has been shown to generally impact positively on its wider economy. However, to date there is little evidence of the extent of this in the current Programme.

5.6.239 All of those surveyed in this Measure believe the funding will help the wider rural economy in the future.

To what extent has the support contributed to improving the quality of life in rural areas?

5.6.240 As with the previous common question there is very little data on which to base any conclusive response. It is widely accepted by those involved in Axis 3 that by encouraging these activities, the Measure should deliver more money to be spent locally, with communities benefiting from the multiplier effects the support can bring.

5.6.241 All of those surveyed believe the funding will contribute to improving the quality of life in their rural area. This is further illustrated by the following survey responses in relation to how the individuals feel quality of life will be improved:

‘...will benefit the local community as they will be customers of business...’

‘...increased profits...’

‘...will create employment...’

‘...money will filter back into community...’

Summary Measure 3.2

5.6.242 The Measure is at present at a very early stage, which presents difficulties in drawing inferences from the limited data available.

5.6.243 At this early stage there is little evidence, other than the perceptions of the individuals involved in the Measure, that areas such as employment and quality of life have been impacted upon. It is widely accepted that conclusive evidence, attributed to the actions, will only be available in the coming months.

5.6.244 Due to the current early stage of the Measure it is not possible to conclude whether or not it will attain the targets set. It is likely in the evaluator's opinion that the challenges in relation to the general economic environment will continue to affect the Measure and if this continues for a prolonged period it will not be possible for the Measure leaders to achieve the original targets.

Measure 3.3: Encouragement of tourism activities

5.6.245 Measure 3.3 (Encouragement of tourism activities) aims to use the natural resources in Northern Ireland's rural areas to attract visitors and create new employment opportunities through the sustainable development of the rural economy.

5.6.246 The Measure aims to provide support to existing rural tourism enterprises or to persons wishing to set up a new sustainable rural tourism enterprise.

Under the Measure support is provided through:

- Grant aid towards the costs of capital and resource investment
- Marketing support
- Bespoke training intrinsic to individual project applications under this measure which is not on offer from any other provider
- Technical support to help new businesses become established and to help existing businesses to consolidate and expand

5.6.247 This Measure is similar to activity co-financed under Council Regulation (EC) No 1257/1999 through the EU Programme for Peace and Reconciliation, with projects contributing to the tourism infrastructure of the area, and both new and existing tourism products supported.

5.6.248 **Measure 3.3 - Indicative quantified targets for EU common indicators**

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of tourism actions supported	18 *	300
	Total volume of investment	£100,960	€24.3m
Result	Additional number of tourist visits	Nil	10% increase
	Gross number of jobs created	Nil	50
	Increase in non-agricultural gross value added in supported businesses	Nil	3,600

Measure 3.3 - Indicative additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Result	Number of new tourism businesses created	Nil	60
	Potential volume of energy generated from RDP funded renewable energy projects expressed as kilowatt hours per annum	Nil	200,000 kilowatt hours Per annum

* based on letters of offer issued at 30 June 2010 - Total value of grant offered almost £534k

** based on total project costs incurred by tourism initiatives in receipt grant payments up to 30 June 2010.

5.6.249 As with the previous measures, the Encouragement of tourism activities Measure is in its early stages. This obviously presents difficulties in relation to the availability of data. Although the Measure has not been open for long, the research shows it has clearly been impacted by the economic downturn, which, as with the other measures, is evidently impacting on applicants' ability to raise the necessary match funding.

5.6.250 It is noted however that early indications, from the available data, have pointed to a reasonable level of interest in the Measure.

5.6.251 Due the current early stage of the measure it is not possible to conclude whether it will attain the targets set. There is a perception from those interviewed that the challenges in relation to the economic outlook will continue to affect the Measure. This situation, in the opinion of the evaluators, should be revisited within the next 12 months and the Measure amended accordingly if required.

Measure 3.3 Common Evaluation Questions

To what extent has the measure contributed to increasing tourism activities? Distinguish between activities taking place on agricultural holdings and other activities.

5.6.252 As mentioned, the Measure has had a reasonable level of interest to date, with individuals clearly aware of the merits that tourism can bring to their local areas. In relation to agricultural holdings, Measure leaders have decided to fund all on farm applications from Measure 3.1.

5.6.253 To date Measure leaders have confirmed a wide range of activities have been undertaken in relation to the Measure, including self catering development, caravan parks, a wigwam village, activity tourism, and maritime tourism.

5.6.254 One of the major successes of the Measure to date, from the perspective of Measure leaders, has been the involvement of the Northern Ireland Tourist Board (NITB). This is seen as a valuable aid to the Measure, whereby the NITB expertise is particularly useful in relation to assessment panels for the strategies. Measure leaders believe the Measure is starting to show progress. It is hoped that data forthcoming over these next months will provide confirmation of this.

Case Study Measure 3.3**Background**

The project was involved in the running of a B&B. There was an increase in demand on the B&B and the self catering addition would be offered as an alternative for the market.

Application Process

Process was fine, had previously been through the Leader programme and found this slightly easier. You were required to submit your own figures and projections which made you consider the process more seriously. One point was slightly ambiguous was in relation to planning permission. Originally it was not apparent that planning permission needed to be in place but it emerged that it was a pre-requisite.

External Influences

The economic downturn caused issues when applying for the loan from the bank, possibly requiring the funds to be obtained against the mortgage.

Outcomes

Creating an additional facility for customers and consequently additional hours for cleaning staff, but no additional jobs have been created.

Future

Originally planned to sell some properties but the economic situation prevented this from happening. Once the funding is complete the project will be self-sustainable.

Additional Comments

Without the funding the project would not have been able to go ahead. It would be beneficial to have a forum to meet with others in the same situation so that others can benefit from different people's experiences. Also classes and mentors similar to Leader would be helpful.

5.6.255 It is positive to note that the case study funding has improved the facility for customers, and the activity would not have occurred without the support.

5.6.256 Although limited data exists in relation to the Measure, it is positive to note the impact the Measure can and has had to date. It is evident however, in the evaluator's opinion, that monitoring information will need to be closely observed to ensure the Measure progresses in a satisfactory manner, with the ongoing financial challenges that exist.

To what extent has the measure promoted additional employment opportunities in rural areas?

5.6.257 From previous Programmes it is evident that tourism actions have not historically been significant creators of jobs. Income generation tends to be a more common outcome of such activity.

5.6.258 50 per cent of surveyed applicants in this Measure believed that they would create employment in the future. Similar to Measure 3.2 there was no evidence to date of safeguarding of jobs.

To what extent has the measure contributed to improving the diversification and development of the rural economy?

5.6.259 As with previous measures there is very little data on which to base any conclusive response at this stage of the Programme. As with previous Programmes it is evident that increases in local investments have clear knock on impacts for the surrounding area. There is, however, no evidence of this as yet in this Measure.

To what extent has the measure contributed to improving the quality of life in rural areas?

5.6.260 As with the previous common question there is very little data on which to base any conclusive outcome. It is generally believed by those involved that by encouraging these activities, the Measure should provide more local amenities resulting in increased visitor numbers and improved income. These should contribute to improving the quality of life in these areas, although it is noted that such developments can also bring some negative impacts. It is too early to say what the balance of this will be for this Measure.

5.6.261 All of those surveyed believed that the funding will contribute to improving the quality of life in their rural area. Some of the illustrative survey responses point to the envisaged benefits arising from the multiplier effects of such investment:

'...money will filter back into community ...'

'...will attract tourists ...'

'...people who use the facilities will spend money in the local community ...'

'...will create employment ...'

Summary Measure 3.3

5.6.262 The Encouragement of tourism activities Measure is at present at a very early stage. There is little evidence, other than the perceptions of the individuals involved in the measure, and their responses, that areas such as improving the rural economy and quality of life have or will be impacted upon. It is widely accepted that conclusive evidence, attributable to the supported actions, will not be available for some time.

5.6.263 It is, again, not possible to conclude whether or not the targets will be attained, with ongoing economic challenges remaining a concern. This is an area the Measure leaders and Managing Authority should monitor closely in the future.

Measure 3.4: Basic Services for the economy and rural population

5.6.264 Measure 3.4 (Basic Services for the economy and rural population) is aimed at improving or maintaining the living conditions and welfare of those living in rural areas and to increase the attractiveness of such areas through the provision of more and better basic services. The Measure also aims to encourage and secure the provision of next generation broadband services to rural businesses in areas of Northern Ireland in which these services are not available or are unlikely to be available in the foreseeable future.

5.6.265 The Measure aims to support the improvement of basic services in rural areas such as cultural and leisure activities and related small-scale infrastructure. Support is provided towards the costs of identifying needs and providing basic services for rural dwellers.

5.6.266 Support is also provided towards the cost of providing next generation broadband infrastructure to enable improved connectivity for rural businesses. The areas to be supported by the EAFRD Next Generation Broadband Scheme have been selected using an objective criteria, including aspects such as low population (communities with a rural population of at most 4,500), lack of availability of a 2 Mbps minimum download service, and remoteness and rurality.

5.6.267 Measure 3.4 - Indicative quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of supported actions	7 *	60
	Total volume of investments	Nil	€26.2m
Result	Population in rural areas benefiting from improved services	Nil	350,000
	Gross number of jobs created	Nil	10

Measure 3.4 - Indicative additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Result	Potential volume of energy generated from RDP funded renewable energy projects expressed as kilowatt hours per annum	Nil	300,000 kilowatt hours Per annum
	Number of rural businesses with access to improved broadband services	Nil	19,000
	Projects benefiting children and young people in the rural community	Nil	10

* based on letters of offer issued at 30 June 2010 - Total value of grant offered almost £197k. (Not including Broadband funding)

Measure 3.4 Common Evaluation Questions

To what extent have the services provided contributed to improve the quality of life in rural areas? Distinguish between the different sectors concerned (such as commerce, health services, transport, IT ...).

- 5.6.268 To date the research has shown there has been a degree of uncertainty in the rural community, and indeed within LAGs, as to a clear understanding of what the Measure aims to deliver. This has been a major challenge in relation to progressing the Measure to date.
- 5.6.269 Initially there was a considerable response to the Measure in relation to interest in funding for posts related to local services. However the Measure is evidently designed to support 'access to services', not the actual services in question. It is evident from the MTE discussions that this difference has caused widespread confusion to date.
- 5.6.270 To date, two further sets of guidance have been provided, around eligibility. However, consultations suggest that the guidance is too complex.
- 5.6.271 It is noted that the Department have approved 'pilot projects' in the interim to assess the need in the rural area. This should be used in the near future to clarify the future direction of the Measure for all concerned.
- 5.6.272 Due to these ongoing challenges there is little evidence on the impact of the Measure to date. In turn it is not possible to conclude whether the Measure will attain the targets set.

Case Study Measure 3.4**Background**

This project was a local community group looking to increase their potential for what was available to the local community by making Health and Safety adjustments to community hall to enable it to hold workshops and community development activities such as music and social activities.

Application Process

Has been quite a long process and at times seems quite drawn out. The form was straightforward to complete. The only issue was in the provision of 4 quotes for items under £1000. This increases the work load, especially for a voluntary community group project which is not requiring the money to make personal profits.

External Influences

Too early to tell.

Outcomes

Providing a place for everyone to avail of and to knit the community together. It will be open and accessible to anyone and everyone.

Future

Too early to tell.

Additional Comments

Without the funding the project would not have taken place. Once complete it will have achieved its objectives. Only issue is with the amount of quotes needed for small items, adding unnecessary burdens on the voluntary community. All those who the applicant has been in contact with have been very helpful.

5.6.273 From the case study conducted as part of the MTE it is clear that the Measure can have a positive affect on the communities involved. It is evident that the facility mentioned has increased the '*potential for what was available to the local community*'.

5.6.274 This demonstrates the potential of this quality of life measure to impact in a positive manner. The Measure clearly has the potential to maintain and encourage the sense of community that is critical to rural areas.

To what extent have the services provided increased the attractiveness of the areas affected? Distinguish between the different sectors concerned (such as commerce, health services, transport, IT ...).

5.6.275 There is no evidence to date to show the services provided have increased the attractiveness of the areas affected.

To what extent have the services contributed to reversing economic and social decline and depopulation of the countryside?

5.6.276 There is no evidence to date to show the services have contributed to reversing economic and social decline and depopulation of the countryside.

Summary Measure 3.4

5.6.277 The aim of improving or maintaining the living conditions and welfare of those living in rural areas is clearly important in improving quality of life. To date there is little evidence of the measure impacting on this aspect of rural life.

5.6.278 The next generation broadband project funded under the Measure will support the provision of broadband infrastructure to enable improved connectivity for rural businesses. In the long run there is a perception from individuals associated with the Programme that this will improve competitiveness of rural areas, which may positively impact on the attractiveness of those areas as places to live and consequently address issues such as depopulation of the countryside. This intervention is also evidence of the Programme addressing the European cross cutting strategy of an Information Society.

5.6.279 It is noted that to date there is no available information or hard evidence in relation to the impact of the next generation broadband project. It is the evaluator's opinion that this is an area the Managing Authority should keep under review, to ensure the benefits are gained in the areas in question.

5.6.280 Due to the aforementioned and ongoing challenges with the Measure, it is not possible to conclude whether targets will be obtained. There is clearly a need, in the evaluators opinion to clarify the understanding around the future direction of the measure.

Measure 3.5: Village renewal and development

5.6.281 Measure 3.5 (Village renewal and development) aims to enable and encourage residents of villages and surrounding areas to create a vision and an integrated action plan to ensure the full potential of such areas is achieved. The Measure also aims to support integrated village initiatives which promote cross-community development and regeneration.

5.6.282 The Measure aims to support animation and capacity building within and between villages and their surrounding rural areas in the formulation of integrated action plans to define the role of the village and fully develop the potential of villages and their surrounding areas.

Under the Measure support is provided through:

- Grant aid towards the costs of small-scale capital and resource investment
- Marketing support to assist project promoters to create greater awareness and interest of the concept of the respective project under the village renewal Measure.
- Bespoke training intrinsic to implementing projects and programmes under this measure which is not on offer from any other provider
- Technical support to help with the development and implementation of integrated village action plans

5.6.283 Measure 3.5 - Indicative quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of villages where actions took place	4 *	50
	Total volume of investments	£6,667.67	€24.3m
Result	Population in rural areas benefiting from improved services	Nil	300,000
	Gross number of jobs created	Nil	10

Measure 3.5 - Indicative additional programme-specific indicators and quantified targets

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of community groups supported to undertake rural development within their communities	Nil	50
Result	Projects supported to encourage good cross community relations	Nil	20
	Number of funded projects undertaken by RDP supported community groups	Nil	50

* based on letters of offer issued at 30 June 2010 - Total value of grant offered £258k

** based on total project costs incurred by village renewal initiatives in receipt grant payments up to 30 June 2010.

- 5.6.284 Measure 3.5 to date has made little progress in relation to the attainment of targets set, and concerns exist among the individuals associated with the Axis as to whether the Measure will meet its objectives. To date the research has shown a certain degree of misunderstanding in relation to the Measure, with individuals unsure of what village renewal means in the current Programme, as well as misunderstanding of the processes involved in securing funding.
- 5.6.285 With a view to moving the Measure forward the Rural Network Northern Ireland (RNNI) has facilitated a thematic working group for village renewal. This has proved very beneficial in sharing best practice and facilitating study visits. It is clear from Measure leaders that the Measure is now looking towards the ‘bigger picture’ in relation to village renewal. Clear objectives have been established to produce strategic village renewal plans incorporating an integrated cross community element.

Measure 3.5 Common Evaluation Questions

To what extent has the measure contributed to improve the quality of life in rural areas? Distinguish between the different sectors concerned (such as commerce, health services, transport, IT ...).

- 5.6.286 Due to the lack of progress to date there is no evidence to show the Measure has contributed to improving the quality of life in rural areas. The thematic group is expected to hold a final event in autumn 2010, with a view to progressing the Measure. It is hoped that this guide to village renewal, and how need can be assessed will facilitate the subsequent implementation of the Measure.
- 5.6.287 It appears at this stage, in the opinion of evaluators, that the Measure could achieve its objectives if this combined approach is taken to development and implementation. However this is clearly the first stage and it remains to be seen as to how these plans will be taken forward in the future for the villages in question.

To what extent has the measure improved the attractiveness of rural areas? Distinguish between the different sectors concerned (such as commerce, health services, transport, IT ...).

- 5.6.288 Due to the lack of progress to date there is no evidence to show the Measure has improved the attractiveness of rural areas.

To what extent have the measure contributed to reversing economic and social decline and depopulation of the countryside?

5.6.289 Due to the lack of progress to date there is no evidence to show the Measure has contributed to reversing economic and social decline and depopulation of the countryside.

Summary Measure 3.5

5.6.290 The aim to enable and encourage residents of villages and surrounding areas to create a vision to ensure the full potential of such areas is achieved, is clearly important in improving the quality of life.

5.6.291 Ongoing challenges and early misconceptions of what the Measure was aimed at, have hindered implementation. Clarification and progress appears to be taking place very recently which, if continued, will be positive for the advancement of the Measure overall.

Measure 3.6: Conservation and upgrading of the rural heritage

5.6.292 Measure 3.6 (Conservation and upgrading of the rural heritage) aims to create opportunities to preserve and upgrade Northern Ireland's rural heritage and to use the natural and built environment as the basis for sustainable economic growth in rural areas.

5.6.293 The Measure supports the costs of identifying needs and developing plans to support the stewardship of environmental resources.

Under the Measure support is provided through:

- Grant aid towards the costs of capital and resource investment which have been assessed by appropriate heritage services. The appointed Delivery Agent will consult Environment and Heritage Services. In addition, the restoration of important built cultural heritage should only be supported if accompanied by a maintenance programme to make it sustainable.
- Marketing support to raise awareness of cultural and environmental heritage by interpretation and support actions, especially among young people.
- Bespoke training intrinsic to individual project applications under this measure which is not on offer from any other provider

- Technical support to assist business start ups or help new businesses become established and to help existing businesses to consolidate and expand

5.6.294 Measure 3.6 - Indicative quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of rural heritage actions supported	2 *	20
	Total volume of investments	Nil	€8.1m
Result	Population in rural areas benefiting from improved services	Nil	100,000

* based on letters of offer issued at 30 June 2010 - Total value of grant offered £50k

5.6.295 Measure 3.6 to date has had a low level of interest, and as such has made little progress in relation to the attainment of targets set. As with the other quality of life Measures (3.4, 3.5) concerns exist in the Measure leaders as to whether the Measure will meet its objectives.

5.6.296 A positive aspect of this Measure is that it can also be operated across the other Measures, in areas such as village renewal and tourism. However, to date the research has shown a general lack of interest in the Measure from the rural community.

Measure 3.6 Common Evaluation Questions

To what extent has the measure maintained the attractiveness of rural areas?

5.6.297 It is widely accepted from those involved in the Measure that maintaining the attractiveness of rural areas should cross through the Measure when implemented. However due to the lack of progress to date there is no evidence to show that the Measure has impacted on this aspect of rural life.

To what extent has the measure contributed to the sustainable management and development of Natura 2000 sites or other places of high nature value and to environmental awareness of rural population?

5.6.298 The sustainable management and development of Natura 2000 sites is in-built through Programme, however once again there is no evidence to show that the Measure has contributed to this aspect to date.

To what extent has the measure contributed to improve the quality of life in rural areas?

5.6.299 Due to the lack of progress to date there is no evidence to show the Measure has contributed to improving the quality of life in rural areas.

Summary Measure 3.6

5.6.300 The aim to use the natural and built environment as the basis for sustainable economic growth in rural areas is an integral aspect of the Programme in improving quality of life. However, to date there is little evidence of the Measure impacting on the rural area in this regard.

5.6.301 In the opinion of evaluators it is not possible to conclude whether targets will be obtained at this mid term stage. There is clearly an urgent need to progress the Measure in the near future. If interest continues to be low it may be necessary for the Measure leaders to improve the marketing of the Measure and the benefits it can bring.

Summary Axis 3

5.6.302 In the opinion of evaluators there is clearly a need for the Department to ensure that Axis 3 is progressed as a matter of urgency. This is especially true of the quality of life measures, which have yet to show any progress of note. In future programmes it may be prudent for the Managing Authority to hold back some of these Measures, such as the quality of life measures, to be delivered outside of the LEADER approach. The evaluators believe that delivery at this regional level may facilitate a more coordinated approach, and may enable more timely implementation.

Axis 4

Measure 4.1: Implementation of Local Development Strategies

5.6.303 Measure 4.1: Implementation of Local Development Strategies aims to promote an area-based strategic approach to improving the quality of life in rural areas and the diversification of the rural economy.

5.6.304 All Axis 3 Measures, with the exception of the next generation broadband scheme in Measure 3.4, are delivered using this LEADER-type approach.

LAGs provide successful operations with the following support:

- Grant aid towards capital and resource costs
- Marketing support
- Bespoke training

- Technical support

5.6.305 Measure 4.1 - Indicative quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of Local Action Groups (LAGs) supported	7	7
	Total size of LAGs area	13613.85 Km ²	13613.85 Km ²
	Total population in LAG area	1,759,148	1,759,148
	Number of beneficiaries	n/a	6,860
	Number of projects financed by LAGs	343	2,030
Result	Gross number of jobs created	Nil *	1,170
	Number of participants that successfully ended a training activity	Nil	50

* LOOs issued at 31 March 2010 set targets for creation of 67 full-time and 123 part-time jobs

Measure 4.1 Common Evaluation Questions

To what extent has the LEADER approach contributed to improving governance in rural areas?

- 5.6.306 There have been challenges to date highlighted by individuals in relation to the LEADER aspects of the current Programme, such as the structure adopted and the availability and provision of guidelines associated with the Measures. These issues will be covered in greater detail in Chapter 6.
- 5.6.307 It is widely agreed however that the LEADER approach is a crucial aspect of the Programme, and that all the successes to date have been due to the LEADER approach and the individuals involved. From the research conducted these successes included the local governance aspect of Axis 3, and the commitment of local individuals to their specific rural areas.
- 5.6.308 The voluntary contribution that is made by members is widely recognised as an important aspect of the Programme, and clearly provides the 'local' knowledge base that improves governance in rural areas. It is hoped that this local will and knowledge will help move Axis 3 forward in the near future.

To what extent has the LEADER approach contributed to mobilising the endogenous development potential of rural areas?

5.6.309 Due to the slow progress to date of Axis 3, and the lack of clear impact, there is little evidence in respect of this common question.

To what extent has the LEADER approach contributed to introduce multi-sectoral approaches and to promote cooperation for the implementation of rural development programmes?

5.6.310 It is evident to date from the research conducted that the LEADER approach has enabled a multi-sectoral approach and has facilitated good levels of cooperation. The current structure adopted has brought local government involvement directly to the Programme, while the LAG members have a wealth of knowledge from their respective backgrounds.

5.6.311 Clear improvements are evident from the research since Axis 3 opened for applications, such as groups being brought together through the Rural Network. This is clearly an area, in the opinion of evaluators, that should be built upon for the remainder of the Programme, as cooperation and using the knowledge base that exists are integral to the future success of the Programme.

To what extent has the LEADER approach contributed to the priorities of Axis 1, 2 and 3?

5.6.312 In the current Programme the LEADER approach has been solely utilised in relation to Axis 3, with no input to the other Axes. In this regard the LEADER approach, in the opinion of evaluators, is intrinsic with the current and future successes and challenges of Axis 3, thus it will be important to ensure it is as effective and efficient as possible. Some of the issues faced by the current LEADER approach and how the process can be moved forward are addressed in Chapter 6.

Measure 4.2: Inter-territorial and Transnational Co-operation

5.6.313 Measure 4.2 (Inter-territorial and Transnational Co-operation) aims to promote cooperation both within the UK (Inter-territorial) and with other member states (Transnational).

5.6.314 To be eligible for support, co-operation must involve at least one LAG selected under the NIRDP and at least one other LAG or public-private partnership and should involve the implementation of a joint action.

5.6.315 It was envisaged that LAGs would provide successful operations with the following support:

- Grant aid towards capital and resource costs of the joint action
- Running costs for common structures established as part of the joint action
- Costs of initial co-operation project preparation

5.6.316 At the outset of designing this measure it was envisaged that the Rural Network for Northern Ireland (RNNI) would have an important role to play in providing technical assistance for co-operation projects.

5.6.317 **Measure 4.2 - Indicative quantified targets for EU common indicators**

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of Supported cooperation Projects	Nil	7
	Number of Cooperating LAGs	Nil	7
Result	Gross number of jobs created	Nil	14

Measure 4.2 Common Evaluation Questions

To what extent has the support contributed to promoting cooperation and to encouraging transfer of best practices?

5.6.318 To date there has been no progress in relation to cooperation projects, with MTE discussions highlighting some misunderstanding at the outset of what the Measure was intended to offer. This issue will hopefully be fully addressed by the current thematic working group, facilitated by the Rural Network, in relation to cooperation projects.

5.6.319 The Department envisage at this early stage that cooperation will include projects that are cross border, inter-UK, transnational, and across the whole region (all 7 LAGs).

5.6.320 This is another area of the Programme that clearly needs addressed in the immediate future. It is recommended that the Department fully utilise the Rural Network Northern Ireland, with their excellent relationships at a UK and cross border level to drive this aspect of the Programme forward.

To what extent have cooperation projects and/or transfer of best practices based on the LEADER approach contributed to a better achievement of the objectives of one or more of the three other Axes?

5.6.321 Due to the limited progress to date of Axis 3, and the LEADER approach that delivers in this regard, there is little evidence in respect of this common question.

Measure 4.3: Running costs, Acquisition of skills and Animation

5.6.322 Measure 4.3 (Running Costs, Acquisition of Skills and Animation) aims to ensure that Local Action Groups are resourced adequately to fulfil their roles and responsibilities.

5.6.323 At the outset of the Programme it was envisaged that Local Action Groups, in partnership with Councils, would play an important role in the delivery of the NIRDP. The partnership is responsible for administration and financial management during the implementation of the integrated area-based strategies, for publicity and information actions, project selection and management.

5.6.324 Another important element of the partnerships' work is animation activities within their areas – informing, advising, training, capacity building, and overcoming difficulties during project development.

5.6.325 Measure 4.3 - Indicative quantified targets for EU common indicators

	Indicator	Position Reported June 2010	Target 2007-2013
Output	Number of actions supported	n/a	150
Result	Number of Participants that successfully ended a training activity	n/a	500

Measure 4.3 Common Evaluation Questions

To what extent has the support increased the capacities of Local Action Groups and other partners involved for implementing local development strategies?

- 5.6.326 The research has shown that the evidence to date is mixed. There is evidence from MTE interviews that the support has increased the capacities of LAGs, especially in respect of training and support afforded to them by the RNNI. However concerns and issues have been highlighted by individuals around the structure adopted for the current programming period. There is evidence from the research programme that the capacities of LAGs have been hindered somewhat by this structure.
- 5.6.327 Due to the relatively early stages of Axis 3 and 4 (LEADER approach), there is little evidence in respect of this common question. This is an area that will need clarified with future funding periods in mind.

To what extent has the support contributed to increasing the capacity for the implementation of LEADER?

- 5.6.328 It is evident from Measure leaders that in the current Programme that 100 per cent of core activities are delivered through LAGs. This is evidence in the evaluator's opinion that the support has contributed to increasing the capacity for the implementation of LEADER. However as noted there are issues around this LEADER approach in the current Programme, which are impacting on Programme implementation. These issues are discussed in greater detail in Chapter 6.

NIRDP-specific Evaluation questions - Axis 4

To what extent have Local Development Strategies been evaluated and revised to take account of changes to local socio-economic conditions?

- 5.6.329 It is evident from the MTE discussions that changes in the socio-economic conditions in the region have not to date resulted in Local Development Strategies being evaluated and revised accordingly. As part of the MTE it is clear that the conditions in the region have changed considerably since the Programme was agreed.
- 5.6.330 It is the Departments view that as LAGs look at their implementation plan they need to also be reviewing their strategy, clearly evolving as the Programme progresses. However to date there is a perception with the LEADER structure, from the MTE discussions, that this has not happened and that strategies are now out of date.

- 5.6.331 It is evident from the discussions that a greater concern with the LEADER structures is in relation to understanding of Measures and guidelines provided. It is felt that these issues have had a greater impact on the development of the Strategies than the change in socio-economic conditions in the region. It is the evaluators opinion that there is a clear need for strategies to be revisited in the near future.
- 5.6.332 In chapter 6 the issue of Local Development Strategies is addressed with a view to the remainder of the Programming period.

5.7 Axis Specific Targeting

- 5.7.1 In light of the challenges, pressures and performance issues associated with the Measures there is a need to assess the validity of the initial targets for the remainder of the Programme.
- 5.7.2 It is evident that some of the areas of concern are in relation to the uncertainty around Measure 1.2, and the low initial uptake in Measures 1.4 and 2.4. However no firm amendments can be suggested to the relevant targets at this stage. Further information on the likely future of these activities is required from the Department.
- 5.7.3 Axis 3 has also been highlighted as clearly of concern in the Programme. The late opening of these Measures and issues around the level of understanding in the community have, in the evaluators opinion, impacted on the achievements to date. The potential is there for the delivery agents to make up the lost time, although it is noted that that would not be easy. It is recommended that Axis 3 targets should be re-visited early in 2011 when more data should be available to allow a more informed assessment of the likely progress of this Axis.
- 5.7.4 It is clear that certain targets can be updated at this stage. It is recommended that the following targets are updated.

Measure 1.1 - Quantified Targets for EU Common indicators

Indicator		Target 2007-2013	New Target 2007-2013
Output	Number of people participating in training	16,100	19,220
	Number of days training received	6,600	15,960
Result	Number of participants that successfully ended a training activity related to agriculture and/or forestry	8,000	8,500

- 5.7.5 Due to the relative success to date of Measure 1.1 it is felt prudent to increase the targets associated with the measure. The basis for these amendments is the early demand to date for the measure, which has resulted in the existing targets being up-scaled by the current demand. The type of training undertaken to date has also been taken into account in arriving at these new targets.

Measure 1.2 - Quantified Targets for EU Common indicators

Indicator		Target 2007-2013	New Target 2007-2013
Result	Increase in gross value added in supported enterprises	29,082 ('000 euro)	2,213 ('000 euro)

Measure 1.3 - Quantified Targets for EU Common indicators

Indicator		Target 2007-2013	New Target 2007-2013
Result	Increase in gross value added in supported enterprises	29,082 ('000 euro)	2,686 ('000 euro)

Measure 1.4 - Quantified Targets for EU Common indicators

Indicator		Target 2007-2013	New Target 2007-2013
Result	Increase in gross value added in supported enterprises	600,470('000 euro)	294 ('000 euro)

- 5.7.6 These targets in relation to increase in Gross Value Added have been revisited to take account of the shift in the economic situation. It should also be noted that on close inspection of the targets, as part of the MTE, it was evident they were incorrect as they stood. The new targets have also utilised updated published information in relation farm incomes in NI, and profits in the food processing industry.
- 5.7.7 As already mentioned it is likely that in the future national funding could be an issue in relation to the Programme and its associated targets. Thus it may be necessary to revisit some targets when the outcome of the 2010 Spending Review is known later in the year.

Recommendation

1. Re-visit targets in future

It is recommended that targets are re-visited in autumn 2010, once the CSR has been published, and the situation with Axis 3 is clearer. It is recommended the Department take this forward as part of their ongoing monitoring and evaluation activities associated with the Programme.

5.8 Programme Objectives and Priorities (Horizontal questions)

- 5.8.1 This section of the report looks at how the NIRDP to date has impacted on the Programme objectives and priorities, and in doing so will answer the horizontal evaluation questions as stipulated in the TOR. Information will be taken from the common evaluation questions, and will be further supplemented from the research programme associated with the MTE.
- 5.8.2 It should be noted that some of the horizontal questions have been answered elsewhere in the report. In these cases the reader will be re-directed to the area of the report in question.

Horizontal evaluation questions

To what extent has the programme contributed to the realisation of Community priorities in relation to the renewed Lisbon strategy for growth and jobs with respect to:

- *the creation of employment opportunities?*
- *ameliorating the conditions for growth?*

- 5.8.3 The Lisbon Strategy was launched in March 2000 aimed at making the European Union (EU) the most competitive economy in the world and achieving full employment by 2010. The strategy, developed at subsequent meetings of the European Council, rested on three pillars:
- An economic pillar preparing the ground for the transition to a competitive, dynamic, knowledge-based economy.
 - A social pillar designed to modernise the European social model by investing in human resources and combating social exclusion.
 - An environmental pillar, which was added at the Göteborg European Council meeting in June 2001, draws attention to the fact that economic growth must be decoupled from the use of natural resources.
- 5.8.4 Promoting a high level of employment has been one of the Community's objectives since the Treaty of Amsterdam came into force in May 1999.
- 5.8.5 The Union's responsibilities with regard to employment were expected to be complementary to those of the Member States. The main aims being to create an employment strategy, and to coordinate the employment policy priorities supported by the Member States at a European level. The Lisbon European Council (March 2000) considered that the overall aim of these measures was to raise the overall employment rate in the European Union.

- 5.8.6 As well as the clear goal of improving employment opportunities it was evident that competitiveness had also become one of the political priorities of the Union. A competitive economy was seen as an economy with a sustained high rate of productivity growth.
- 5.8.7 Thus the twin key economic indicators, of employment and conditions for growth were seen as crucial to the Lisbon strategy.
- 5.8.8 As noted in the common evaluation questions there is little impact information available in relation to the actions supported by the Programme to date. Where available, the evidence that does exist shows some early positive signs of progress in this regard.
- 5.8.9 Of those individuals in Measure 1.1 who took part in the MTE research programme there was considerable evidence that the training actions have impacted on productivity and competitiveness. In the responses it is evident that the actions to date have had a positive effect on the individuals involved, and indicates that future data should indicate that labour productivity and competitiveness will have been positively impacted. Although not limited to the agricultural, food and forestry sector, 88 per cent of those surveyed believed the training had resulted in improved employment prospects. In the current economic climate this is clearly a positive outcome that is welcomed.
- 5.8.10 Of those surveyed in Measure 1.2 it is also positive to note that 67 per cent say competitiveness has been improved as a result of the funding. The case study also illustrates the competitiveness element *'the business is also much more competitive'*. *'The funding has made a difference and the business would not be where it is today without it'*.
- 5.8.11 It is noted that to date the evidence that competitiveness has been improved as a result of the funding in Measure 1.3 is originating solely from the beneficiaries. It is noted that substantial 'hard' data in this regard will not be available for some time; however the positive response amongst the sample is to be welcomed.
- 5.8.12 Due to the early nature of Measure 3.1, and the limited data available, there is no strong evidence to date that supported investments have promoted additional employment opportunities. It is clear from the research programme that the economic climate has also considerably impacted on this aspect of the Measure.
- 5.8.13 Of those surveyed only one respondent stated they had created employment as a result of the funding, although 83 per cent believed they would create employment in the future. It is noted from the research however that the majority of these future jobs were expected to be part time in nature.

- 5.8.14 It is evident from MTE discussions that tourism actions (Measure 3.3) have not historically created high levels of new jobs, with income generation being a more successful outcome of the support afforded. To date there is no evidence of jobs being created as a result of the funding. However, 50 per cent of surveyed applicants believed that they would create employment in the future.
- 5.8.15 It is evident from the available data and research conducted that to date the programme has had limited successes in contributing to the areas of growth and jobs, with the economic climate clearly hindering these key objectives. The issue of sustaining jobs, rather than creating jobs, dominates some individuals thoughts in the current economic climate.
- 5.8.16 It is noted from the research however that positive overtones are prevalent in the wider community, which indicate that these areas could be impacted on for the remainder of the Programme. However in the opinion of evaluators it is evident that this will be very much linked to any economic recovery that occurs more generally in the region.

To what extent has the programme contributed to promoting sustainable development in rural areas? In particular, to what extent has the programme contributed to the three priority areas for protecting and enhancing natural resources and landscapes in rural areas:

- biodiversity and the preservation and development of high nature value farming and forestry systems and traditional agricultural landscapes?***
- water?***
- climate change?***

- 5.8.17 Sustainable Development is widely regarded as meeting the needs of present generations without jeopardising the ability of future generations to meet their own needs – in other words, a better quality of life for everyone, now and in the future. It offers a vision of progress that integrates objectives, and regards social, economic and environmental issues as inseparable and interdependent components of progress.
- 5.8.18 In recent years the EU has mainstreamed sustainable development into a broad range of its policies. The European Council in December 2009 confirmed that *"Sustainable development remains a fundamental objective of the European Union under the Lisbon Treaty"*. The EU sustainable development strategy builds on the Göteborg strategy of 2001 and is the result of an extensive review process that started in 2004.

- 5.8.19 Of those individuals who took part in the MTE research programme there was some evidence that the training actions, under Measure 1.1, have enabled individuals to look at areas such as sustainable land management, and maximising natural resource usage. Although it must be noted this is merely anecdotal evidence, this is clearly an area that the Measure could actively pursue in the future.
- 5.8.20 It is clear that the area of sustainable development in farm modernisation, under Measure 1.3, is to date not the main objective for the farm businesses involved. It is evident in the opinion of evaluators that this is, and should be, one of the areas that should be promoted in the future. The sustainability of farming activities is clearly of paramount importance to the future of the industry.
- 5.8.21 The issue of maintaining and promoting sustainable farming systems is another key aspect of the LFACAS (measure 2.1). It is evident through MTE discussions that active agricultural land management in a sustainable manner is crucial to the future environmental health and character of LFA areas. This is a view that is also portrayed in the 2009 DARD review of support arrangements for Less Favoured Areas in Northern Ireland.
- 5.8.22 It is evident from the research that the LFACA support maintains land that increases and supports bio diversity, while enabling active farming to be carried out. The balance struck in relation to the management of stocking densities, while not permitting over grazing shows that the scheme is enabling these holdings to operate in a sustainable fashion. The scheme is evidently lessening the land lost for agricultural production and bio diversity.
- 5.8.23 Little hard evidence exists in the form of data in respect of sustainable farming systems associated with Measure 2.2. However it is noted that anecdotal evidence from inspections, where 5 per cent of projects are inspected under EU rules, show clear levels of compliance to date amongst the members to the scheme. By nature the scheme is widely regarded to promote sustainable farming systems, with the members committed to farming in a manner that works closely with and that complements the environment. In this regard there is clear evidence of improved habitats for wildlife within the commitments, evaluated under the compliance checks.
- 5.8.24 It is widely agreed by all involved in the Programme that forests and woodland increase the ecology of the landscape, and that the conversion of grassland to woodland results in a major increase in biodiversity. In drawing up the prescriptions, the forestry measures are carried out in compliance with UK forestry standards, which in turn ensure sustainably managed forestry areas that clearly contribute to the desired ecological functions. As with the other measures there is little hard evidence to date in relation to the sustainability of the holdings.

- 5.8.25 It is evident from the research that the Programme has contributed to promoting sustainable development in rural areas. However, to date there is limited information in relation to how this has impacted on areas such as biodiversity, high nature value farming, and water quality. Anecdotal evidence points to these things occurring, and this will hopefully become apparent through further data availability in the coming years.
- 5.8.26 There is little evidence that climate change is a key focus in the current Programme. However it is widely accepted that this area will be key in future programming periods.

To what extent has the programme integrated environmental objectives and contributed to the realisation of Community priorities in relation to

- the Göteborg commitment to reverse biodiversity decline?***
- the objectives laid down in Directive 2000/60/EC establishing a framework for Community action in the field of water policy?***
- the Kyoto protocol targets for climate change mitigation?***

Background

- 5.8.27 Göteborg
In June 2001, the European Council at Göteborg discussed "A Sustainable Europe for a better world: A European Strategy for Sustainable Development", proposed by the European Commission. Subsequently at Göteborg there was a commitment made to reverse biodiversity decline.
- 5.8.28 Directive 2000/60/EC
Directive 2000/60/EC established a framework for the Community action in the field of water policy or, in short, the EU Water Framework Directive in October 2000. It was established on the back of increasing demand by citizens and environmental organisations for cleaner rivers and lakes, groundwater and coastal beaches. This demand by citizens is seen as one of the key reasons why the Commission has made water protection one of the priorities of its work. The new European Water Policy is envisaged to get polluted waters clean again, and ensure clean waters are kept clean. Addressing the polluting of water as a direct result from agriculture has been addressed in the past by the Nitrates Directive.
- 5.8.29 Kyoto
There is growing scientific consensus that climate change is happening and that its main cause is the emission of greenhouse gases from human activity. Since the beginning of the 1990s, climate change has moved up high on the international and European political agenda. Climate change mitigation may be defined as any attempt to reduce the rate at which greenhouse gasses are accumulating in the atmosphere. The two options that all widely accepted as can be considered are:

- Reducing emissions
 - Confining carbon dioxide (carbon sequestration).
- 5.8.30 In the context of the Kyoto Protocol, the EU is committed to reducing its greenhouse gas emissions to 8% below "base year" 1990 levels before 2012.
- 5.8.31 The Measures under Axis 2 of the Programme are used to integrate these environmental objectives and contribute (a) to the implementation of the agricultural and forestry Natura 2000 network, (b) to the Göteborg commitment to reverse biodiversity decline by 2010, (c) to the Water Framework Directive objectives and (d) to the Kyoto Protocol targets for climate change mitigation.
- 5.8.32 It is noted however that little evidence to date exists in relation to how the Measures have impacted on these key areas and community priorities. For water quality there is at most a little anecdotal evidence that compliance monitoring ensures adequate farm waste management systems, while with climate change mitigation it is noted that a great deal of the actions supported under Measure 2.2 are widely regarded as positive in relation to climate change. The forestry Measures are also seen as crucial to areas such as climate change, due to the key role they play in the carbon cycle.
- 5.8.33 Although limited data exists in relation to the impacts Axis 2 measures have brought, it is evident in the opinion of the evaluators that the Programme has integrated the environmental objectives and contributed to the realisation of Community priorities.

To what extent has the programme contributed to achieving economic and social cohesion policy objectives with respect to:

- ***reducing the disparities among EU citizens?***
- ***reducing territorial imbalances?***

- 5.8.34 There is little evidence, due to the early stages of a great deal of the Programme, as to how the NIRDP has contributed to achieving economic and social cohesion policy objectives.
- 5.8.35 A key method that has been developed to reduce the disparities amongst EU citizens is in relation to the cross cutting theme of an Information Society. The progression and increase in size of the European Information Society (EIS) serves the interests of European integration and those of anyone who stands to gain from an increasingly integrated and unified Europe. By endeavoring to increase access to the internet and other interstate communication channels, the intensity of its usage on the European continent, the project of European integration becomes greater in speed and scope as more and more people are brought into contact together on a pan-European basis.

- 5.8.36 In accordance with the Lisbon Agenda, the EIS also serves as a catalyst of European integration by bringing various parties together to transcend national geographical and ideological boundaries throughout Europe. The Commission has stressed the role that the EIS should play in Europe, particularly the role that telecommunications and other new media technologies will play, as a source of revenue and employment.
- 5.8.37 In this regard it is widely recognised that the challenges of the digital revolution are sometimes best tackled at regional or at European level, with European Union policies and activities for the information society complementing and supporting the actions of national governments.
- 5.8.38 To date the NIRDP has impacted to a degree on this cross cutting theme. Under the skills element of Measure 1.1 it is positive to note that 50 per cent of those surveyed have introduced new technologies or innovation as a result of the training. This element of the Measure is clearly impacting on areas such as IT, and should impact on the wider rural community in years to come. It is also evident that the Programme to date has made excellent use of online capabilities, both through the sharing of information and application processes.
- 5.8.39 The Programme also provides support towards the cost of providing next generation broadband infrastructure to enable improved connectivity for rural businesses under Measure 3.4. The areas to be supported by the EAFRD Next Generation Broadband Scheme have been selected using an objective criteria, including aspects such as low population (communities with a rural population of at most 4,500), lack of availability of a 2 Mbps minimum download service, and remoteness and rurality. It is clear that this is helping reduce disparities; however it is noted that the support will not cover all areas. While it is positive to note this support, under the next generation scheme, will improve this aspect for some, it is evident in the opinion of the evaluators that further work will be required in the future for all rural dwellers.
- 5.8.40 The reduction of territorial imbalances is a key element of the Programme to date under the LFACAS (measure 2.1). The importance of maintaining viable rural communities in areas of disadvantage is clearly of paramount importance. It is evident from MTE discussions that many outside factors will impact on communities, such as prices and attractiveness, however it is important that all can be done to keep communities together. In this regard the LFACAS is clearly impacting on the ability of farmers to remain in these areas.
- 5.8.41 There is evidence from the research programme that the support afforded by LFACAS has kept farmers in affected areas with less productive land. With it generally accepted that farm numbers are decreasing, LFACAS support has helped to stabilise the situation to a degree.

- 5.8.42 As mentioned previously there is a need to address the future of the scheme due to the forthcoming change in the EU legislation governing the Scheme (which is expected to be implemented for the 2014-2020 period). This change will mean social and economic considerations, which feature in the current approach, will no longer form part of the Scheme's objectives.
- 5.8.43 The option to re-focus the scheme and ensure that farming continues in the most disadvantaged areas is evidently, in the opinion of the evaluators, the most suitable approach to adopt in the future. This in turn would be protecting the habitats and landscapes that depend on farming activity.
- 5.8.44 It is evident from the various strands of the research that the Programme to date is impacting on reducing disparities and reducing territorial imbalances, however it is the evaluators opinion that more is needed to ensure the progress to date is better focused in the future and available to more in the rural community.

To what extent has the programme successfully targeted the particularity of the agricultural activities in the programming area with respect to:

- the social structure of the programming area?***
- structural and natural conditions of the programming area?***

- 5.8.45 To date the MTE discussions have shown the Programme has made some progress in relation to targeting the particularity of the agricultural activities in the area. It is evident from the MTE research that environmental issues, economic challenges, promotion of greener practices, and the need to diversify are being targeted. These are the main challenges that exist in relation to the social structure and conditions of the Programme area.
- 5.8.46 It is evident from the research that anecdotal evidence exists that environmental issues are being impacted, and this is widely supported by the stakeholders associated with the Programme. There is a strong desire to further impact on this area for the remainder of the Programme.
- 5.8.47 The Axis 2 measures are, in the opinion of evaluators, clearly impacting on the need to promote greener farming practices, however it is noted that the area of sustainability needs to be promoted further for the other actions supported under the Programme.
- 5.8.48 It is evident, from the research conducted as part of the MTE, that the ongoing economic situation has impacted on the diversification to date with the Programme. Key areas such as the need to improve the quality of life in rural areas have made little progress to date. This is an area of the Programme that needs moved forward in the near future.

To what extent has the programme successfully targeted the particular situation of the programme area e.g. depopulation or pressure from urban centres?

- 5.8.49 A key particular situation in the Programme area is the desire to maintain viable and successful rural areas. This situation has shown some success to date with measures such as LFACAS (measure 2.1), and Axis 3 Measures that can bring employment and support to the areas in question.
- 5.8.50 The sense of community in rural areas is a key aspect that is to be maintained in the Programme area. Due to an increase in urban dwellers moving to some rural areas and the new migrant workers into rural areas in recent years there are increasing challenges with regards to the sense of community and place in rural areas. It is evident from MTE discussions that NIRDP funded schemes that improve community relations will be an important contributor to an inclusive rural society. To date there has been little progress with these measures.
- 5.8.51 To date it is widely recognised by informants and stakeholders that LFACAS has the clear affect of reducing land abandonment. The support afforded by the Measure enables controlled grazing animals in LFA areas, which in turn ensures continued land use. The research carried out as part of the LFA review clearly indicated that without the scheme there would be a significant reduction in farming activity and output in the areas in question. The support afforded in these disadvantaged areas is clearly maintaining the rural population.
- 5.8.52 Although limited data exists, especially in relation to Axis 3, it is evident that most consulted agree that these actions are critical to ensure a successful and viable rural community in the future. It is also evident from discussions to date that further aspects in the Programme area, such as over dependence on low value sectors and over dependence on agriculture and manufacturing are to be targeted for the remainder of the Programme.

To what extent has the programme contributed to restructuring and modernisation of the agricultural sector?

- 5.8.53 The Programme has taken two distinct approaches to contributing to restructuring and modernisation of the agricultural sector.
- 5.8.54 Measure 1.3 (Modernisation of Agricultural Holdings) aims to contribute to improving the competitiveness and economic performance of agricultural and horticultural businesses in Northern Ireland. Measure 3.1 (Diversification into non-agricultural activities) aims to assist farm households to diversify into non-agricultural activities and, as a consequence, maintain or increase the income of the farm households and create employment opportunities.

- 5.8.55 To date Measure 1.3, and specifically the FMP, has made excellent progress towards attaining the targets set. It is also evident from available data that the METS and SRC schemes are making good progress against set targets. This is positive due to the economic climate that has existed in these early stages of these schemes. It is evident from the research to date that supported investments have facilitated the introduction of new technologies and innovation, and limited evidence that the funding has contributed to enduring and sustainable activity of agricultural holdings.
- 5.8.56 As with improving market access and market share there is limited hard data in relation to supported investments contributing to improving the competitiveness of the agricultural sector. However early indications from those to benefit to date indicate that they expect these elements of their businesses to be positively impacted in the future.
- 5.8.57 The diversification Measure (3.1) is at present, along with all Axis 3 measures, at a very early stage. Thus it is difficult to draw too many inferences from the data available. At this early stage there is little evidence, other than the perceptions of the individuals involved in the measure, that areas such as employment and quality of life have been positively impacted upon. Concern exists with informants and stakeholders that the economic situation has impacted on diversification activities, and there is a perception that saturation levels may be occurring in relation to diversification.
- 5.8.58 As the Programme stands it is evident through the MTE that actions are in place to impact on the modernisation and restructuring of the agricultural sector. However there has been limited progress to date, especially in relation to diversification, which is an area, in the opinion of evaluators, that should be promoted further in the future by the Department.

To what extent has the programme contributed to further develop high quality and value added products?

To what extent has the programme contributed to promoting a strong and dynamic European agrifood sector?

To what extent has the programme contributed to promoting innovation in the European agrifood sector?

- 5.8.59 To date there is evidence from the research, albeit anecdotal in part, that the PMG scheme (Measure 1.2) has delivered in the areas of introducing new technologies and innovation, improving the quality of products, improving the efficiency, enhancing market access and market share, and improving the competitiveness. This has all been in respect of the food processing sector in the businesses supported to date. This is evidence of impacting on these horizontal evaluation questions.

- 5.8.60 The MDG scheme had very little interest while it was opened. This has clearly been impacted by the slow uptake of Measure 1.4 – Supply Chain, which was very much seen as a feeder to the MDG scheme. These are also areas that will need addressed by the department if these schemes are to continue.
- 5.8.61 As stated previously there is an uncertain future at present, with both these schemes closed to applications, and no firm dates of when they are reopening. Due to this uncertainty, it is not possible to make a firm conclusion as to whether these key horizontal objectives will continue to be impacted upon in the remainder of the Programme.
- 5.8.62 In the short time the PMG scheme was open there is some evidence from the research of impacting the businesses involved and as such has proved valuable. There is evidently a need, in the opinion of evaluators, for this type of scheme in the current economic climate with the multiplier effects it brings to areas involved. It is recommended that every avenue is explored in examining ways in which the scheme can carry forward for the remainder of the programme, including whether the delivery partner, Invest NI, can possibly move the scheme forward.
- 5.8.63 The Supply Chain Development Programme (measure 1.4) is at a very early stage in its life cycle and as such there is little hard evidence on which to base an evaluation. There is also some evidence to date from discussions that the general economic situation may have restricted individuals from availing of the Measure. Of those groups loosely constituted at this stage of the Measure it is clear from the case study approach that they are positive about the outcomes the Measure may bring. This is clearly a positive that should be taken forward. This anecdotal evidence from the research also shows that areas such as market share and access and developing new products should be achieved in the future by the groups in question.
- 5.8.64 It is evident from the research that Measure 1.2 has impacted to date in relation to developing high quality and value added products, promoting a strong and dynamic European agrifood sector, and promoting innovation. Measure 1.4 has made little impact to date in this regard. It is evident, in the opinion of evaluators, that due to the current closure of Measure 1.2, and the limited progress with Measure 1.4, that uncertainty remains as to whether these horizontal questions will be impacted in the remainder of the Programme.

To what extent has the programme strengthened arrangements for partnerships between the regional, national and European level?

- 5.8.65 The Programme to date, in the opinion of evaluators, has evidently strengthened arrangements for partnerships between the regional, national and European level. The Rural Network for Northern Ireland (RNNI) has to date forged excellent links at a regional level throughout the Programme area, at a National level throughout the UK, and at a European level, including cross border with ROI.
- 5.8.66 There is also strong evidence from the research of the programme management involved with the Programme having made excellent use of partnership arrangements. At a regional level there are strong links and partnerships with LAGs, North / South cooperation, consultation with the Monitoring Committee, and cross departmental working. Nationally the Managing Authority sits on the UK finance working group, and liaises regularly with DEFRA and the other devolved administrations. At a European level it is evident once again of the positive relationships and links that have been forged also, with DG Agri, the European Network, and the European Evaluation network.
- 5.8.67 These linkages and relationships within the programme and its support mechanisms are a clear positive of the programme to date, with the sharing of best practice they bring.

To what extent has the programme contributed to the promotion of equality between women and men?

- 5.8.68 A key cross cutting theme associated with the NIRDP is that of Equality and Good relations. Thus it is assumed that the Programme should clearly be promoting equality between men and women.
- 5.8.69 Equality and Good relations was born out of Section 75 of the Northern Ireland Act, which introduced new duties on public authorities to promote equality of opportunity and good relations on a range of grounds. The act required public authorities to promote equality of opportunity between the nine groups, including men and women generally.

5.8.70 To date there is little evidence across the Measures that any form of active targeting is taking place in relation to getting more women involved at all levels of the Programme. It is clear, in the evaluator's opinion, that there is a need for an enhanced and maintained effort from all involved in the Programme to engage women and any other under-represented section of the rural community. This will undoubtedly take time, effort and a commitment to doing things differently. In the *Review of Participation by target groups* several recommendations are made as to how the Managing Authority can make the Programme more inclusive for the remainder of the programming period.

To what extent has the programme ensured complementarity and coherence between the programme measures and actions financed by the Cohesion Fund, the European Social Fund, the European Fisheries Fund and the EAFRD?

5.8.71 The NIRDP 2007-2013 was developed with demarcation and complementarity to the fore. Demarcation is the setting up of boundaries so that each programme operating in Northern Ireland during the period has clear direction as to the types of activities to fund and, as importantly, those not to fund. This assists in reducing the risk that funding is provided for exactly the same activity from two or more different programmes. Complementarity refers to how the programmes help each other towards a shared goal. Complementarity is very important to the combined success of the various Programmes for Northern Ireland as a beneficiary region in ensuring that impacts are multiplied.

5.8.72 The following Programmes have been assessed in relation to demarcation and complementarity with the NIRDP 2007-2013.

5.8.73 The Sustainable Competitiveness Programme for Northern Ireland (ERDF). This consists of a €306 million EU contribution and has three key Priorities:

- Priority 1 - Sustainable Competitiveness and Innovation;
- Priority 2 - Sustainable Enterprise and Entrepreneurship;
- Priority 3 - Improving accessibility and Protecting and enhancing the Environment.

5.8.74 The Northern Ireland European Social Fund (ESF) Programme. This Programme includes a €165 million EU contribution and also has three key Priorities:

- Priority 1 - Helping people into sustainable employment.
- Priority 2 - Improving workforce skills
- Priority 3 - Technical assistance.

5.8.75 The European Fisheries Fund (EFF) Programme. This has an €18 million EU contribution and is delivered through 4 Priorities:

Priority 1 - Adaptation of the Community fishing fleet.

Priority 2 - Aquaculture, inland fishing, processing and marketing of fisheries and aquaculture products

Priority 3 - Measures of collective benefit.

Priority 4 - Sustainable development of fisheries areas

5.8.76 As funding is provided across these programmes it was crucial at the development stage that duplication did not occur in the implementation of the programmes. In order to prevent this, regulations in relation to demarcation and complementarity were developed. Some of these regulations in relation to the specific funds are shown below:

Table 5.12 Summary of Council Regulations

Fund	Council Regulations	Detail
ERDF / ESF	No. 1083/2006 (P.39)	<p>14 – the funds should take special and complementary action over and above that of the EAFRD (European Agricultural Fund for Rural Development) and of the EFF to promote the economic diversification of rural areas and of areas dependent on fisheries</p> <p>23 – action by the community should be complementary to that carried out by Member States or seek to contribute to it.</p>
EFF	Council Regulations No. 1198/2006 (Handout)	<p>10 – action by the community should be complementary to action carried out by Member States or it should seek to contribute to that action. In order to ensure significant added value partnership should be strengthened.</p>
EAFRD	Council Regulations No. 1698/2005 (Handout)	<p>1 – a rural development policy should accompany and complement the market and income support policies of the CAP and thus contribute to the achievement of that policy's objective as laid down in the Treaty. Rural development policy should also take into account the general objectives for economic and social cohesion policy set out in the Treaty and contribute to their achievements, while integrating other major policy priorities as spelled out in the conclusions of the Lisbon and Gothenburg European Councils for competitiveness and sustainable development.</p> <p>4 – action by the community should be complementary to action carried out by Member States or it should seek to contribute to it.</p>

		<p>10 – The programming of rural development should comply with community and national priorities and complement the other community policies, in particular the agricultural market policy, cohesion policy and common fisheries policy</p> <p>49 – There is a need to clearly define the principles of coherence and complementarity of the Axis for the improvement of the quality of life in rural areas and the diversification of the rural economy with other Community financial instruments, and particularly with those of cohesion policy.</p>
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5.8.77 The regulations in table 5.12 clearly highlight what each of the programmes should be doing, however a necessary aspect of this evaluation is to look at what is actually being implemented. The information below states how the various funds implement their Programmes and define how this duplication will be prevented.

5.8.78 The EU Structural Funds booklet states:

i. The EAFRD will focus on the farming and agri-food sector and rural communities with much of the support at the individual farm, business or village area. The ERDF programme has different objectives with regard to N.Ireland wide sustainable enterprise and innovation. It will focus particularly on SME's (Small to Medium Enterprises)

ii. Priority 1 of the ERDF Programme focuses on support for increased participation in R&D. The EAFRD programme does not support research or provide other support for R&D. As a result there is no chance of overlap.

iii. Priority 2 has the scope for overlap with Axis 1 and 3 of the EAFRD programme in relation to marketing support. In order to avoid any crossover, ERDF marketing support targets non agricultural sectors.

iv. Business creation and support is common to priority 2 and Axis 3. In order to avoid any duplication, ERDF will provide business creation infrastructure ensuring access to services while EAFRD will provide grant aid towards capital and resources costs at individual business level.

v. Axis 3 in the EAFRD programme is delivered by the LEADER method and there will be clear separation of instruments at the local level to ensure no overlap between ERDF and EAFRD funds.

vi. Priority 3 includes actions supporting renewable energy while EAFRD can only support small scale renewable energy projects

5.8.79 The NIRDP Programme document (page 112-118) states:

i. EAFRD funding will be used to provide support for projects to provide next generation broadband to certain targeted communities in rural areas. The areas to be supported by the EAFRD will be selected using certain criteria: Within these areas, support will not be available for similar projects under the ERDF. The existence of clearly defined zones of EAFRD intervention will ensure that EAFRD funding is used to maximum effect and is complementary to other NI telecommunications support co-financed by the ERDF.

ii. Priority 1 will support activities to extend the employment opportunities of unemployed while priority 2 will focus on support for activities to raise skill levels. While clearly these priorities will cover needy populations in rural areas as well as urban areas, there will be no overlap with actions under the EAFRD programme. The only area of commonality in the programmes is that of training. The training supported under EAFRD is aimed at providing sophisticated knowledge transfer schemes to ensure that farm businesses and individuals in a farm household are up-to-date and are able to maximize returns through employing the latest techniques.

iii. Training will be supported at individual business level under EAFRD for the development of a new business. This is in contrast to the training provided under ESF which is aiming to help develop a skilled and adaptable workforce by improving the qualifications and skills of workers without essential (basic) skills and low or no qualifications. The Northern Ireland ESF Programme will not support specific sectoral activities for which other funding instruments are more appropriate.

5.8.80 The European Fisheries Fund (EFF) states:

- i. Demarcation between EFF and EAFRD will be achieved by the concentration of the EFF on the fisheries sector, which will not be supported through the EAFRD.*
- ii. In the event that overlap exists between communities targeted by Axis 3 (The quality of Life in Rural Areas and Diversification of the Rural Economy), as this is delivered by the LEADER method, there will be clear separation of instruments at the local level to ensure no overlap between EFF funds and EAFRD funds.*

5.8.81 Table 5.13 summarises how the ERDF and ESF Competitiveness and Employment Programmes will complement the NIRDP (and specifically EAFRD interventions) and the NI section of the UK's European Fisheries Fund Programme, and avoid duplication:

Table 5.13 Complementarity between European Programmes in Northern Ireland

Complementarity between Competitiveness and Employment Programmes, EAFRD and EFF for 2007-13				
ERDF Sustainable Competitiveness	ESF Employment Programme	NI RDP AXIS	EAFRD interventions	EFF
Priority One				
<p>Assistance given to businesses to allow investment in training and development</p> <p>Support provided for processing and marketing for non agricultural, agri-food (except annex 1 into annex 1 and annex 1 into non annex 1), forestry, fishing and aquaculture enterprises (except micro businesses in rural areas)</p> <p>Support for research into innovative agri-food technologies</p>	<p>Training provided as part of the NI employment strategy to assist people into sustained employment and improve workforce skills</p>	<p>1: improving the competitiveness of the agricultural and forestry sector</p> <p>1: Improving the competitiveness of the agricultural and forestry sector</p> <p>1: Improving the competitiveness of the agricultural and forestry sector</p>	<p>Vocational training targeted at members of the farm household and linked to knowledge transfer in the agriculture, horticulture and agri-food sectors</p> <p>Support provided to processing and marketing of annex 1 products and forestry products into annex 1 or non annex 1 products</p> <p>The only research supported will be Market Research. Support will be provided for the application of new technologies</p>	<p>Training limited to fisheries and aquaculture sectors</p> <p>Support provided only to processing and marketing within the fisheries sector</p>
Priority Two				
<p>Business supply chain expansion will be targeted at new firms other than primary producers of agricultural products</p> <p>Larger scale capital tourism projects will be supported except those in rural areas that meet EAFRD eligibility</p> <p>Provision of business start-up infrastructure. Assistance given to businesses to allow investment in training and development</p> <p>Local councils will take</p>		<p>1: Improving the competitiveness of the agricultural and forestry sector</p> <p>3: The quality of life in rural areas and diversification of the rural economy</p> <p>3: The quality of life in rural areas and diversification of the rural economy</p>	<p>Supply chain development is targeted at primary producers</p> <p>Creation of tourism and service industries and adding value to the tourist product in rural areas with a maximum grant aid of 200,000 euro to private business and £250,000 to public/community sector</p> <p>Business creation and business support for micro businesses (as per Commission Recommendation 2003.361.EC) and support for farm diversification projects on-farm through the provision of grants for capital and resource costs</p> <p>All Axis 3 measure will be delivered using the LEADER methodology.</p>	

forward a locally driven economic and enterprise development component seeking to develop imaginative local solutions to local environment and access issues		4: LEADER	Demarcation criteria will be established between the plans of the local action groups and other actions funded by the community as identified for the measures in Axis 3 above. In order that the LEADER approach is respected, criteria will be established to ensure that ERDF support does not overlap with EAFRD support whilst ensuring that LAGs still have responsibility for innovative actions. All LAGs will work closely with local councils to ensure that rural economic development under the EAFRD and ERDF is complementary.	
Priority Three				
<p>Large scale renewable energy programmes will be supported (except short rotation coppice on farm)</p> <p>Promotion of knowledge of biodiversity of the region, including identification and promotion of protected landscapes.</p> <p>Larger scale renewable energy programmes will be supported outside of the scope of EAFRD.</p>		<p>3: The quality of life in rural areas and diversification of the rural economy.</p> <p>2: Improving the environment and the countryside</p> <p>3: The quality of life in rural areas and diversification of the rural economy</p>	<p>Establishment on farm of short rotation coppice for energy use. (see further energy support under Axis 3).</p> <p>Less favoured areas scheme is targeted on farmers with breeding herds.</p> <p>Agri-environment schemes are targeted on land managers and will include actions to maintain and enhance biodiversity</p> <p>First afforestation and improvement of the forest environment is targeted at landowners</p> <p>Small scale renewable energy projects at the level of the farm or communities of less than 4500 population</p>	<p>Promotion of adoption of fuel efficient methods of fishing.</p> <p>Promoting sustainable fishing practices</p>

5.8.82 As well as ensuring each fund was developed appropriately in relation to demarcation and complementarity, there is evidence that appropriate administrative arrangements are in place for demarcation. To ensure administrative arrangements complement existing strategies each Programme Monitoring Committee has included representatives from the other Monitoring Committees. This has been with the express remit of ensuring that the actions under each programme complement each other and that there is no scope for duplication.

- 5.8.83 The involvement of Local Councils in the delivery of activity across programmes assists with ensuring that duplication is kept to a minimum. For example, the Northern Ireland Councils have been tasked with developing community plans under the enterprise strategy in Northern Ireland's ERDF programme. In delivering Axis 3 measures, which could include similar activities, the NIRDP Local Action Groups (LAGs) work closely with each local council. This aims to achieve appropriate delineation at the project level through the establishment of clear criteria around eligibility for ERDF and EAFRD support, whilst retaining the scope for LAGs to be innovative.
- 5.8.84 An evaluation is currently being undertaken to assess demarcation and complementarity across the European Programmes in Northern Ireland. The preliminary findings suggest that the current arrangements are working well in practice and that there are no significant areas of concern. The evaluation into these issues is expected to be published in late 2010.

To what extent has the programme maximised synergies between the Axes?

- 5.8.85 To date the MTE has found there has been limited read-across the Axes associated with the Programme.
- 5.8.86 It is evident from the Measure leaders that Measure 1.1 was developed with a clear view to meeting the needs of the agri-food and forestry sectors. The choice of delivery agent clearly facilitated this approach, with the Countryside Agri-Rural Partnership having very close links to the farming and rural communities. In this regard there is strong evidence from the MTE discussions that the Measure is open and willing to be tailored further to meet the needs of the Programme and other Axes.
- 5.8.87 The mentoring, focus farms, and benchmarking schemes all service the Agri industry, with the skills element very much seen by the Measure leaders as a spring board to other measures associated with the Programme, such as diversification. There are plans also to promote the forestry element of the Programme in the future, which is to be welcomed due to the initial low interest in these measures. Through the engagement as part of the MTE it is clear that a high level of signposting, to other measures in the Programme is taking place, which is to be commended.
- 5.8.88 It is also evident from the discussions that Axis 2 measures have a great deal of commonality, and shared goals, however to date there is limited evidence this has impacted outside of the Axis.

- 5.8.89 The need to maximise synergies between the Axes is recognised by the Managing Authority, and is clearly an area that should be progressed for the remainder of the Programme, with a clear view to future programming periods.

To what extent has the programme contributed to an integrated approach to rural development?

- 5.8.90 It is evident from the MTE discussions that an integrated approach to rural development has been in place in the current Programme. The various approaches adopted to date in relation to delivery, either through secondary delivery bodies, the use of in house legacy systems, and the LEADER approach have contributed to a great deal of the successes.
- 5.8.91 It is evident from the research that the Partnership model, utilised in Axis 1, has a lot to offer this side of the Programme. It is a seemingly cost effective manner of utilising an umbrella of organisations, with the necessary skills and an excellent understanding of their customer base, with evidence of developing skills to deliver a wide range of rural services.
- 5.8.92 There is also evidence from MTE discussions that the ‘in house’ system for the Axis 2 well established schemes, with considerable experience gained over recent years, has a lot to offer the Programme. It is evident from Measure leaders that measures have sought to streamline and improve systems to improve customer focus, which must be commended. Although the LEADER approach adopted for the current Programme, and specifically the structure in which it operates, is not operating as is desired, there is wide held belief that it has clearly brought a wide range of groups and interested individuals together to obtain a common goal.
- 5.8.93 There is belief amongst the stakeholders that the current Programme delivers a good balance between farming and general rural development, although concerns exist that the farming elements have progressed at a better rate. It is also a widely held view from MTE discussions that an improved integrated approach could be achieved through amendments to the composition of the Monitoring Committee for the remainder of the Programme.

To what extent has the technical support increased the capacities of the managing authorities and other partners involved for implementing, managing, controlling and evaluating rural development programmes?

- 5.8.94 The role of the Managing Authority and its successes and challenges to date is covered in Chapter 6: Programme Management.

- 5.8.95 To date there is evidence from MTE discussions that the technical assistance has increased the capacity of the Managing Authority, through sectoral representation on the Monitoring Committee, and in the programme of ongoing monitoring and evaluation that complements the Programme.
- 5.8.96 The technical assistance has also clearly facilitated the ex post evaluation of the previous Programme that has clearly fed into the current programme. The corporate governance facilitated by the technical assistance continues to positively impact on issues such as LAGs and the RNNI.

To what extent has the European Network for Rural Development contributed to establish good rural development practice?

- 5.8.97 The role of the RNNI and its successes and challenges to date is covered in Chapter 6: Programme Management.
- 5.8.98 It is evident through the consultation as part of the MTE that there are positive feelings in relation to the European Network for Rural Development, and how it has contributed to establish good rural development practice. After suffering a slow start it is clear that those consulted who avail of the service find it of great use, and a great way to share best practice and experience.
- 5.8.99 In the current programme RNNI links through the UK network, which has proved useful in relation to thematic working group 3 – Cooperation. This is clearly an area, in the opinion of evaluators, that should be further developed in the future due to the lack of progress to date in relation to cooperation projects.
- 5.8.100 There is evidence from MTE discussions of a flexible joined up approach to date with split roles between the UK networks, with a great deal of feedback and sharing. It is evident from the structured interviews that the European Network for Rural Development website is seen as more accessible now since its recent revamp. It has been well received as very accessible, with excellent contacts. The new magazine has also been very positively received by those contacted as part of the MTE.
- 5.8.101 In the opinion of the evaluators it is evident that the European Network for Rural Development is seen as an integral support mechanism for the current Programme in Northern Ireland.

To what extent has the programme design been successful in avoiding deadweight and/or displacement?

- 5.8.102 It is widely accepted that issues such as deadweight and displacement are to be avoided in the successful implementation of these types of programmes. Deadweight is where the effects would have occurred anyway without the policy intervention; while displacement is where the outcome obtained in an eligible area was at the expense of another area.
- 5.8.103 As part of the research it is clear that the funding available to applicants was of paramount importance, in that projects would not have gone ahead without it. Table 5.14 shows the responses of successful applicants in relation to the future had funding not been available.

Table 5.14: Future had funding not been available

What do you think would have happened if the project had not been funded?	Percentage
Definitely gone ahead	8%
Probably/possibly gone ahead	20%
Would have been abandoned	67%
Would have been scaled down	5%

(base=61)

- 5.8.104 It is evident that the effects would not be occurring without the support afforded, as only 8 per cent of successful projects would have gone ahead.
- 5.8.105 Table 5.15 and 5.16 show what happened to unsuccessful projects in relation to whether the project subsequently took place with different funding, and whether exclusion has had wider implications on their business.

Table 5.15: Project subsequently took place with different funding

Has the project taken place with different funding?	Percentage
In the same form	20%
In a scaled down form	10%
The project has not taken place	68%
The project may take place in the future	2%

(base=40)

Table 5.16: Whether exclusion has had wider implications on the business

Has exclusion from this round of funding had wider implications on your business?	Percentage
Staff cut backs	3%
Reduction in services offered	13%
Less competitive	18%
Unable to enter new markets	3%
Worse off financially	10%
Unable to meet EU regulations	5%
Less productive	8%
Farm is less environmentally friendly	5%
Business is now behind schedule	5%
Community lost out on new facilities	2%
No effect	28%

(base=39)

5.8.106 Again it is evident from the research that without the funding the vast majority of projects did not take place, and that a considerable number of businesses were affected as a result of not being successful.

5.8.107 It is apparent from the survey results that the funding is critical to projects in the rural area, with little evidence at this stage of significant deadweight or displacement concerns.

To what extent has the programme design been successful in encouraging multiplier effects?

5.8.108 It is widely accepted by those involved in the NIRDP that the measures associated with the Programme have the ability to encourage multiplier effects. As already mentioned the support afforded to disadvantaged areas under LFACAS, ensures continued land use in these regions and can help support the wider economy. It is also noted that Axis 3 measures have the ability to encourage multiplier effects. However to date there is very little data on which to base any conclusive outcome.

5.8.109 It is widely accepted by those consulted that by encouraging the activities associated with Axis 3, the measures should deliver more money to be spent locally, with communities also availing of the increased leisure and employment opportunities. These multiplier effects are widely regarded as key in improving the quality of life in rural areas. In the evaluators opinion it is important the Department make progress in the near future in relation to Axis 3 to gain the benefit of these multiplier effects.

NIRDP-specific Evaluation questions

To what extent has the programme’s communication strategy met its objectives to highlight and promote the role played by the European Union and the EAFRD in supporting the development of rural areas in Northern Ireland and to inform applicants, the general public and potential beneficiaries of the availability of EAFRD funding?

5.8.110 The Programme Communication strategy is covered in Chapter 6: Programme Management.

To what extent has the programme’s Monitoring Committee met its legislative responsibilities and respected the agreed principles and values?

5.8.111 The Programme’s Monitoring Committee is covered in Chapter 6: Programme Management.

To what extent has the economic downturn and exchange rate fluctuations impacted on the programme?

5.8.112 It is evident from the various strands of the research that the economic downturn has impacted on the socio economic situation in the programming area since the start of the Programme. However, it is interesting to note that less than a quarter (24 per cent) of successful applicants thought that the economic downturn has had a negative affect on their project, and only 16 per cent thought the exchange rate fluctuations had a negative affect. However, 83 per cent of stakeholders contacted as part of the MTE believed that the economic downturn has had an adverse impact on the Programme. The exchange rate fluctuations have evidently not impacted to the same degree on the Programme.

5.8.113 Since the downturn it is evident from the discussions and research that certain measures have been impacted more than others. Measures such as 1.1, 2.1 and 2.2 have not on the whole been extensively impacted to date, especially from the beneficiaries’ perspective. There is evidence however that the other measures contained within the Programme have been impacted, with the area of match funding a clear barrier in the wider rural community.

5.8.114 In this regard there is anecdotal evidence coming through the MTE discussions of smaller grants being applied for, especially in respect of Axis 3. It is evident from the MTE research that the Programme is operating in a different climate, with bank lending policies problematic to the rural community. It is noted that many of the aspirations of the community have subsequently changed, such as sustaining jobs taking priority over creating new jobs.

5.8.115 There is some evidence to date from the research that the general economic situation has also restricted individual's thoughts on expansion, diversifying and new business start ups, resulting in a more cautious approach in the wider rural and farming communities.

5.8.116 It is also noted from the MTE discussions that the National element of funding is likely to be affected by swingeing public sector budget cuts. However, the detail of these will not be known until after the Comprehensive Spending Review (CSR) in late 2010. From the MTE perspective this timing is unfortunate as it prevents the outcomes from clarifying many of the issues raised here and for feeding into the MTE recommendations.

To what extent has the Department and its delivery agents met their responsibilities in relation to Section 75 of the Northern Ireland Act 1998?

5.8.117 The aspect of Equality and Good relations and the Programme is covered in Chapter 7.

To what extent do the CMEF and Additional NIRDP-specific indicators capture the extent of support being provided under the programme?

5.8.118 The CMEF and additional NIRDP-specific indicators have been discussed in the measure / Axis specific sections of this chapter. There is a wide held view of those contacted that these indicators put too much focus on outputs and not enough focus on outcomes.

5.8.119 The issue of impacts will be looked at later in this chapter, with a view to improving how the support being provided can be better captured through more tailored and specific indicators.

NIRDP-specific Evaluation questions - Technical Assistance
To what extent has the Rural Network for Northern Ireland contributed to successful implementation of the programme?

5.8.120 The Rural Network for Northern Ireland (RNNI) and its role in the Programme are covered in Chapter 6: Programme Management.

Summary

- 5.8.121 There is evidence, in the opinion of the evaluators, that the Programme as it stands fits into the wider European strategies, and there is some evidence from the research, albeit anecdotal that some objectives will be met. It is however widely accepted that it is still early, due to late opening of certain measures, to ascertain if all objectives will be met. In this regard it is recommended the Managing Authority commission a MTE update in 2012, to ascertain if objectives have been met. This in turn should also provide a sound basis, and influence, the future programming period.

5.9 Analysis of impacts to date and likely achievement of objectives

Impacts of NIRDP 2007-2013

- 5.9.1 For the 2007-2013 programming period, the Common Monitoring and Evaluation Framework (CMEF) requires Member States (MS) to assess the impacts of their Rural Development Programmes during two main evaluation milestones – mid-term (MTE) in 2010 and ex-post evaluation in 2015.
- 5.9.2 It is clear from MTE discussions that Northern Ireland is similar to other Member States in reporting difficulties in identifying the impacts attributable to specific Programme measures particularly where there are multiple intervening factors.
- 5.9.3 The Evaluation Expert Network has developed guidance describing a range of methods and tools for possible use in assessing such impacts, focusing to a large extent on measurement and interpretation of 7 common CMEF impact indicators. It is noted that the Evaluation Expert Network recognise that for environmental impacts there are particular challenges with establishing the intervention logic and conducting quality evaluations, because such impacts are strongly influenced by site-specific circumstances (e.g. soil, temperature, rainfall). Both environmental and socio economic impacts may take a long time to emerge and may depend on other intervening factors (e.g. national/regional policies, implementation).
- 5.9.4 It is evident from the available data that to date in Northern Ireland there is limited indication as to whether impact targets will be met, due to the early stages of some measures, and the long term nature of impacts. Thus at this mid term stage it is not possible to put figures against the targets set. There is also real concern as to whether the impacts will truly show the effect the Programme has had within the programming period.

CMEF Impact Indicators

Socio-economic indicators

- 5.9.5 The three socio-economic indicators have aspects in common, including the methods and tools for measurement.
- 5.9.6 **Economic Growth (Impact Indicator 1)**
According to the CMEF, the impact of an RDP on economic growth is to be measured in terms of the Net Additional Gross Value Added expressed in purchasing power standard: NAGVA-PPS.
- 5.9.7 **Employment Creation (Impact Indicator 2)**
The CMEF describes measuring employment effects in Full Time Equivalent (FTE) jobs created, expressed as the number of additional jobs created directly in supported projects and indirectly in the programme area and lasting for at least 10 years.
- 5.9.8 **Labour Productivity (Impact Indicator 3)**
The CMEF states that the labour productivity indicator should be measured as the change in Gross Value Added per Full Time Equivalent (GVA/FTE). GVA is defined as value of output less the value of intermediate consumption; the definition of FTE is equal to that of impact indicator 2.
- 5.9.9 It is widely acknowledged that the recommended methods can be more easily applied to Axis 1 measures than to Axes 3 and 4 measures, as these latter two Axes are often characterised by low uptake, or project-type (and therefore quite singular) activities, or site or community specific. It is also clear that the economic downturn will have had a greater effect on these high level economic indicators than the potential counter-action from the support afforded to projects under the Programme, which is relatively small.

Environmental indicators

- 5.9.10 The complexity of the environmental indicators requires focusing on various approaches, trends of baseline indicators and place-specific additional indicators. Data availability is crucial in this area. For the purposes of the NIRDP, Countryside Management Unit have begun an extensive monitoring programme that should populate many of these impact measures. However, the first results are not expected to filter through for at least two years.

5.9.11 **Reversing Biodiversity Decline (Impact Indicator 4)**

The impact indicator for biodiversity is defined in the CMEF as change in trend in biodiversity decline as measured by farmland bird species population in the area targeted by the intervention. Farmland bird species population is an indicator of general biodiversity trends for which the best data exists in terms of time series and geographic distribution.

5.9.12 The farmland bird species population trends are measured with the multi-species Farmland Bird Index (FBI), which has been adopted as an EU Structural Indicator and a Sustainable Development Indicator. Aggregated European indices are calculated using population-dependent weighting factors for each country and species sizes.

5.9.13 With regard to their local conditions, Member States and regions may need to use an alternative composition of bird species where this is appropriate.

5.9.14 **Maintenance of HNV Farmland and Forestry (Impact indicator 5)**

The CMEF defines the impact indicator as changes (utilised agricultural area (UAA) in ha) in High Nature Value farmland and forestry. HNV farmland is characterised by the presence of particular land cover types and patterns which indicate that this farmland is valuable for nature conservation. The presence of populations of particular wildlife species may also provide this indication. The denomination refers to both the land cover (farmland or forest) and the way it is managed for production by a particular farming system and practice. As in many Member States the baseline in Northern Ireland (number of HNV hectares) has not yet been sufficiently established.

5.9.15 **Improvement in Water Quality (Impact indicator 6)**

The CMEF defines this impact indicator as changes in gross nutrient balance (GNB) attributable to the intervention. The GNB indicates potential nutrient losses to the water bodies likely to be detrimental for the quality of water. The GNB includes all residual nutrient emissions of environmentally harmful compounds from agriculture.

5.9.16 **Contribution to Combating Climate Change (Impact Indicator 7)**

The CMEF defines this indicator as quantitative and qualitative change in the production of renewable energy, measured in units of ktoe (kilotonnes of oil equivalent). The indicator shows the reduction of net greenhouse gas emissions (i.e. carbon dioxide) attributable to the substitution of fossil fuels by non fossil alternatives such as bio-energy crops, perennial grassland, short rotation coppice on agricultural land, afforestation, residues or bio-waste, wind and hydropower capacity. The data availability is relatively good: FADN provides farm scale data on land under specific crops, and there is also information on installed capacity (biomass, biogas and wind).

- 5.9.17 As mentioned there is considerable concern from the discussions around the issue of impacts selected for the current programming period. It is believed that the quantitative approach is too prescriptive, with outside factors having too much influence on the final value. It is also evident on closer inspection that a great deal of these figures are not readily available at sub national level, thus, in the opinion of evaluators, they are clearly not ideal for a region such as Northern Ireland.
- 5.9.18 To date there is some anecdotal evidence from the research conducted that issues such as bio diversity are being impacted on, however due to the lack of substantive evidence it is not possible to conclude whether targets will be met.
- 5.9.19 It is the view of the evaluators that there is a clear need to find an NIRDP solution that adds value to the remainder of the Programme, and enables a proper evaluation of the actions supported and their impact in the region. In this regard it is recommended that the Managing Authority as part of their system of ongoing monitoring and evaluation activities looks specifically at producing NI-relevant outcome measures in the near future. Unfortunately it has not been possible for this MTE to address this issue more fully, due to the general lack of information and, particularly because of the uncertainty around the future of some of the NIRDP measures.

Recommendation

1. Managing Authority to find NI solution to Impact Indicators for NIRDP

There is a clear need to find a NIRDP solution that adds value to the remainder of the Programme, and enables a proper evaluation of the actions supported and their impact in the region. In this regard it is recommended that the Managing Authority as part of their system of ongoing monitoring and evaluation activities address this issue in the near future.

2. Meaningful Impact Indicators for future programmes

For future programming periods it is recommended that issues around monitoring and evaluation impact indicators are simplified, enabling a focus on outcomes, and ensuring all indicators and (associated data collection) are meaningful and justified, and allow qualitative explanations in the evaluation of programmes.

5.10 Summary of the contribution of the NIRDP 2007-2013 to the economic and social revitalisation of rural NI

- 5.10.1 It is likely that the total contribution of the NIRDP to the economic and social revitalisation of rural NI will not be measurable until the end of the Programme. At this stage many of the projects are still in the early stages of implementation and the outputs could be at best described as 'emerging'.

5.10.2 That said it is evident from the research and available data that the Programme appears to be contributing and has the potential to contribute strongly to the economic and social revitalisation of rural Northern Ireland. This is evidenced through the following:-

- Over £192 million of expenditure has been made in the programming area as at the end of June 2010. This equates to 34 per cent of allocated funding for the programming period.
- There is clear evidence that supported projects across all of the Axes are spread throughout Northern Ireland, including in rural areas of multiple deprivation.
- Almost 5,000 individuals have participated in training under Axis 1 to date.
- Over £16 million has been invested in the food processing sector to date under the Agricultural and Forestry Processing and Marketing Grant (PMG) Scheme.
- Over 1,000 farm businesses have adopted new plant, machinery and equipment to modernise agricultural holdings.
- Over 13,000 holdings have been supported in areas with handicaps, covering almost 520,000 ha.
- 12,600 holdings are currently contracted to the agri-environment schemes, covering 468,000 ha of land.
- There have been 356 new entrants to the forestry schemes supported under the Programme.
- £9 million in value of grants (based on letters of offer at June 2010) has been committed under Axis 3 and the LEADER approach.

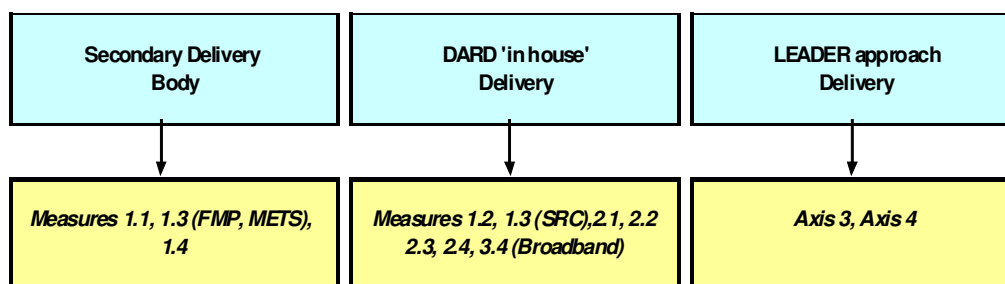
Effectiveness of Programme Management, Implementation and Delivery Structures

6.1 Overview of management and delivery infrastructure of NIRDP

- 6.1.1 As reflected in previous chapters, the NIRDP has a series of relatively complex delivery structures. This is, to a large degree, reflective of the diverse range of measures and schemes that make up the Programme. This section of the report reviews the effectiveness of these structures and addresses the following specific issues:
- 6.1.2 *Delivery structures and processes*; this involves an examination of the effectiveness of the various implementing agents and structures, and the effectiveness of the processes across the Programme. This section also considers the level of supporting mechanisms in the Programme, with recommendations for aspects that could be enhanced for the remainder of the Programme;
- 6.1.3 *Programme management*; this examines the role of DARD as the Managing Authority. It also considers how effective DARD has been in a Programme Management context in actioning the lessons learnt and recommendations from the last phase of the RDP, to benefit this phase of the Programme. This section will also examine the role of the Monitoring Committee, with a particular view of its legislative responsibilities, and the agreed principles and values within which it is to function; and
- 6.1.4 *Review of impact of publicity and awareness raising activities*; this includes a review of the impact of publicity with recommendations for the remainder of the Programme.

6.2 Delivery Structures & Processes

- 6.2.1 The NIRDP delivery structures can be organised into three specific strands, namely secondary (outside) Delivery Bodies; DARD in house systems; and the Leader Approach (Axis 3/4).



Secondary Delivery Body (Measures 1.1, 1.3, 1.4)

- 6.2.2 Measures 1.1, 1.3, and 1.4 are delivered through a Partnership involving Countryside Services Ltd CSL (the commercial subsidiary of the Ulster Farmer's Union) as lead partner, with two key sub-contractors AI Services (AI) and the Rural Development Council (RDC). Together these three organisations have formed the Countryside Agri Rural Partnership (CARP), 'the Partnership'.

Successes

- 6.2.3 It is evident from MTE discussions that the Partnership has a wealth of experience in both the farming and community sectors. To date it has exhibited a clear belief in working in partnership, with a focus on ensuring that the standard of delivery is maintained while finding solutions to problems that arise.
- 6.2.4 A clear example of this is in relation to the Focus Farms Scheme. Evidently this is a well established scheme; however the delivery body is still aware of likely challenges. To date the close relationship with DARD, who retain the task of selecting farmers, is very much evident in the opinion of evaluators. This is also true of the benchmarking scheme where the level of integration between DARD, CAFRE, and the Partnership is strong.
- 6.2.5 The benefits of the Partnership to date have enabled a joined up approach between schemes, with all those focus farms supported through Measure 1.1b also availing of the benchmarking scheme provided through Measure 1.1a. This approach has also facilitated signposting other areas of the Programme to applicants. The Partnership has been active in involving all Axes, LAGs, DARD, and CAFRE in road shows to market the schemes.
- 6.2.6 The MTE research shows the approach adopted by the Partnership is clearly showing innovation, such as in the use of their own system to ensure that the Axis progresses and facilitates a joined up approach with other areas of the Programme. The discussions have shown the Partnership also appears to work efficiently within its established structure.

Challenges

- 6.2.7 The obvious challenge to these schemes was the delay in opening. This presents challenges in terms of carrying over experience and interest between programming periods. It is recognised that, although the process of designing programmes for future programming periods does begin early at a local and EU level, there are almost inevitable delays which do not then facilitate a joined up approach between the programming periods. It is the opinion of the evaluators that this lack of cohesion of schemes over the longer term should be considered in future programming periods.

- 6.2.8 It is evident from the discussions that real time audit has been a strain on administrative resources associated with the Partnership. While the need for audit is recognised and is set in the EU Regulations, there is clearly a desire for a balance to be struck by perhaps auditing according to associated risk rather than what is perceived as universally. Administrative resources have also been impacted by issues around Systems 2007. To date this system has not been fully operational for measures under the Partnership, meaning that duplicate systems have had to be utilised. This is clearly not cost effective or ideal, and the emphasis is on the need for this system to be fully operational in the near future.

Future

- 6.2.9 It is evident from the research that this Partnership model has a lot to offer this side of the Programme. At this stage it looks to be a cost effective manner of utilising an umbrella of organisations, with the necessary skills and an excellent understanding of their customer base. It is evidence of a partnership developing skills to deliver a wide range of rural services.
- 6.2.10 It is recommended that the partnership model be utilised in the future subject to assessment of its continued overall effectiveness. The Department may also consider how this umbrella of organisations can be used to greater effect by feeding into Axis 3 measures such as Farm Diversification.
- 6.2.11 It is the opinion of evaluators that this partnership model could clearly shape and complement any future LEADER approach, if common / unified strands (such as those surrounding the current 'quality of life' measures) were adopted outside of existing LAG structures. This Partnership can evidently deliver in the field of Rural Development, and in theory could sit well alongside the 'bottom up' approach, due to the clear links with the rural and farming communities.

DARD in house systems (Measures 1.2, 2.1, 2.2, 2.3, 2.4)

- 6.2.12 Measure 1.2 and all Axis 2 measures are delivered in house in DARD. Generally these are all well established schemes which are well known in the rural and farming communities. As such considerable experience and knowledge has been built up over the years in relation to the structures and processes involved in the delivery of these measures.

Successes

- 6.2.13 There is an example of partnership also occurring in Measure 1.2, the Agricultural and Forestry Processing and Marketing Grant Scheme, which is delivered jointly with Invest NI. To date this partnership has seemed to function well, with a generally flexible approach being adopted. There is evidence from the MTE discussions that the partnership with Invest NI has proved beneficial to date, with the particular bonus being the ability to fully use each of the partners' differing expertise.
- 6.2.14 The structure and processes adopted under Measure 1.2 incorporate elements from the previous 2000 to 2006 scheme. The use of 'in house' staff and procedures in the current Programme has streamlined the processes to a degree and has clearly benefitted from the level of continuity afforded from past experience.
- 6.2.15 The Axis 2 measures are all administered and implemented 'in house' in DARD. These legacy schemes all have structures and processes that have been well established over preceding years.
- 6.2.16 Several improvements to the processes associated with the measures have been implemented in recent years. The LFACA scheme (Measure 2.1) has used DARD's Single Application Form (SAF) for claims (described in chapter 5). Measure leaders have confirmed that this has considerably simplified the process for the end user and has improved the timeframes involved for end users over recent years. The LFACA scheme has also introduced online capabilities which have growing evidence of increased uptake.
- 6.2.17 Countryside Management Unit is responsible for the development and administration of the Agri-environment Programme (Measure 2.2). In the last year the processes involved have been radically over-hauled. Measure leaders have confirmed that processing has been improved through the utilisation of an end to end computer based application system to replace the old paper based system. This has remarkably improved the process, and now an eligibility decision can be given instantly by telephone. The system has already received very favourable feedback from customers, and as mentioned has been commended by NI Internal Audit and the European Commission.
- 6.2.18 The forestry schemes (Measure 2.3, 2.4) also continue to make use of the continuity afforded from experience gained. The structure and processes in place are generally accepted among those contacted as part of the MTE, as relatively straightforward.

Challenges

- 6.2.19 The main challenges to date in relation to these in house systems are very much attributable to the successes. Through the use of the single application form Measure 2.1 is bound by tight timescales, thus does lack a degree of flexibility. Likewise the improvements made in Measure 2.2 have been resource-expensive. It is unlikely that similar improvements could be made on the same scale in the current budgetary environment.
- 6.2.20 Further challenges faced by the ‘in house’ structures to date have been in relation to managing expectations; ensuring that procedures are as efficient as possible, and gaining the necessary flexibility to deliver.
- 6.2.21 There is clear evidence from the structured interviews that to date these in house delivery structures have proved effective. The key contributory factor to this success, in the opinion of evaluators, has been experience.

Future

- 6.2.22 There is evidence from the discussions and feedback that these ‘in house’ well established schemes, with considerable experience, have a lot to offer the Programme. It is evident that measures have sought to streamline and improve systems to improve customer focus.
- 6.2.23 It is recommended that the Axis 2 schemes should investigate how they can further benefit one another in the future. The obvious example, in the opinion of evaluators, is in relation to mutual sign-posting between the Agri-environment and forestry measures.

Leader Approach (Axis 3)

- 6.2.24 Axis 3 is almost fully delivered by the LEADER approach, i.e. on a ‘bottom-up’ basis (The next generation broadband project, Measure 3.4, is delivered jointly by DARD / DETI). However, in Northern Ireland this has taken on a considerably different structure since the previous programming period. The current structure resulted from a Review of Public Administration (RPA), when the then Secretary of State announced that Rural Development was to be delivered by local councils. At the outset this was warmly received, with Councils keen to be fully involved in the process.
- 6.2.25 The Councils identified a need to fully involve their professional staff to exert greater influence in areas such as financial control and selection, recruitment and management of staff. They believed this approach would strengthen the partnership approach and permit voluntary Directors to focus on determining local needs and processing applications.

- 6.2.26 It was considered that by allowing the Local Action Groups (LAGs) to focus on specific areas a more efficient application process would result in creating opportunities to maximise spend.
- 6.2.27 Based on practical experience of previous rural development programmes the Department identified that the Axis 3 local regeneration Measures could best be delivered using the “LEADER” methodology promoted under Article 61 of EC Regulation 1698/2005.
- 6.2.28 To this end a three tiered structure was adopted for the delivery of Axis 3 with Local Action Groups (LAGs) in partnership with Joint Council Clusters (JCCs) aligned to the 7 Council RPA model, below the Department. (RPA is discussed in more detail in chapter 4 of this report). LAGs were to be responsible for assessing need in their area and assessing applications, while JCCs were to influence areas such as financial control and selection, recruitment and management of staff. At the outset it was felt this approach would be cost effective and implement a regional approach to develop and integrate the Programme with other regeneration strategies.
- 6.2.29 In the intervening years RPA moved towards implementing an 11 council model rather than the proposed 7, and subsequently in June 2010 the proposed reforms stalled when the Northern Ireland Executive was unable to reach agreement on the way forward. The uncertainty over the RPA has caused obvious difficulties in the establishment of the Leader structure for the NIRD.

Successes

- 6.2.30 One of the perceived successes to date of the structure associated with Axis 3 is that LAGs feed into the strategy, enabling a clear ‘bottom up’ approach. This is believed to enable the LAGS to talk to their respective communities and in turn assess the level of need. There is also a strong belief from discussions that the approach adopted has facilitated in bringing people together, with strong agreement that the individuals involved have made the difference to date. In this regard it is clearly important to recognise the voluntary contribution made by members of these communities in assisting the work of the LAGs.
- 6.2.31 Another clear success to date has been the training received by LAG and JCC members by the Rural Network. There is a strong positive view from the research undertaken about the comprehensive training offered by the Network, and around the added benefits arising from the Network’s involvement in other aspects of the Axis. The role of the Rural Network will be discussed later in this chapter.

6.2.32 Throughout the stakeholder engagements, conducted as part of the MTE, there was clear agreement that good scope existed among the Axis 3 measures for making a real difference to the rural communities in Northern Ireland.

Challenges

6.2.33 In conducting this MTE it is clear that the majority of individuals associated with the Programme are not in favour of the current 3 tier structure. Although widespread support was evident for the LEADER approach, there is a perception that the system (structure) in place is not enabling a more efficient application process, but on the contrary is slowing down the process. The system is described by some interviewed as '*ad hoc and inflexible*' with a general belief that the multi tier nature makes it difficult to keep everyone together. There is also a perception in the Programme that the Joint Council tier is perceived to have a lack of capacity, and as such can be delaying projects. However, a number of the LAGs noted improvements by ensuring that LAG and JCC assessment panels met on the same day. This could provide a model for other LAGs to test in their own situation.

6.2.34 Through discussions with informants and stakeholders it is generally agreed that the LAGs have little experience of the quality of life measures (Measures 3.4, 3.5, 3.6) and it is believed that guidance provided to date on these areas has lacked sufficient clarity.

6.2.35 The LAG and JCC tiers themselves highlight the main challenge to Programme Implementation as being a general lack of flexibility at a Departmental level. Some of this criticism seems to surround the guidance provided to the LAGs and JCCs. However, in this context it should be acknowledged that over-arching guidelines have not always come from the Commission on a timely basis. Other concerns among the implementing bodies about flexibility include the following:

- *Generic open calls* – There is a belief that LAGs are unable to be fully effective with this form of calls where all measures were opened at once. Evidence from the data analysis phase of the evaluation suggests this form of open call impacted negatively on processing times.
- *Drawdown procedures* – There is concern that these procedures are holding back the successful implementation of the Programme
- *Operating rules* – There is a perception that operating rules are too complex, and in turn holding back projects
- *Levels of audit* – There is a belief that the level of audit (real time audit) has burdened the implementing bodies, and is holding back the successful implementation of the Programme. (It is noted that the level of Audit required is set in EU Regulations 1975/2006 and 885/2006, which detail

the Department's obligations in the authorisation, execution and control of EU funds).

- *General Bureaucracy* – The general nature of the Programme is seen as overly bureaucratic.

6.2.36 It is clear that several of these concerns around flexibility are due to the rigid regulations and structured nature of the NIRD. However there is also scope, in the opinion of the evaluators, for all parties to work together to gain a common ground and make progress on issues where the Programme can be successfully amended.

6.2.37 Lack of animation in the current Programme is also stated by delivery bodies as a barrier to the successful implementation of the Programme. Given the difficulties around eligibility that have been mentioned, and the operating rules that must be worked within, there is a perception in those individuals consulted that more animation is necessary to guide applicants through the process.

6.2.38 Communication difficulties have also been sighted through the MTE research. This is no doubt related to the complex structure for guidance, assessment and implementation.

6.2.39 Difficulties have also been noted in relation to Systems 2007 which will be covered later in this chapter.

6.2.40 At this early stage of the rollout of Axis 3 it is difficult to assess how much of these issues are 'teething problems' or are due to a more fundamental lack of capacity or experience. However it is clear from the discussions that the structure as implemented has not been as efficient as is desired. There is clearly a need for all involved to work to improve on this.

Future – short term

6.2.41 While there is evidence from the MTE that the system in place is not operating as is desired, there is **not** wide spread support for de-constructing the Programme at this early stage of implementation. The following recommendations are made with a view to moving Axis 3 forward:

1. A specific task-force could be established involving *DARD, JCCs, and LAGs to investigate where more flexibility* and common ground can be found. This is specifically in relation to drawdown procedures, open calls, and the level of audit requirements.

2. *Strategies should be reviewed* as a priority with a view to moving forward. This is especially in relation to the quality of life measures (i.e. basic services) due to guidelines changing since the strategies were devised. Areas such as 'renewable energy' clearly also require guidance in the short term.

3. *DARD should revisit animation / facilitator roles within LAGs / JCCs.* There is strong evidence that this is currently required to aid Programme Implementation.

4. *Communication to be addressed.* Due to the complex structure that exists it is necessary that communication is timely and user friendly. All parties to seek to move this aspect of the delivery structure forward.

5. *Active Networking between LAGs / JCCs.* It is widely regarded that not enough networking is taking place between LAGs, compared with previous Programmes. This could possibly be facilitated further by the Rural Network.

6. *Ensure that Systems 2007 is fit for purpose.* This is a necessary aspect of the ability of LAGs and JCCs to manage their projects effectively and efficiently and as such should be rectified as soon as possible.

7. *Increase timeliness of Processing of Projects.* There is evidence that by LAGs and JCCs sitting on the same day to assess projects that the timeframes are considerably improved, with queries minimised. This could be rolled out to all areas.

Future – Long term

- 6.2.42 In the long term it is the opinion of the evaluators that it will be necessary to undertake a full review of the current delivery structure and general LEADER approach. This is with a clear view to what works in a Northern Ireland context. This review should include all key players (Practitioners, DARD, Audit etc) shaping the future structure / delivery model from lessons learnt. The review should look at, amongst other things, how successful partnerships in the rural community can be utilised to supplement the LEADER approach – and how measures should be allocated between a regional level delivery model and a more local level delivery model. The review should also incorporate the costs associated with each of these models in relation to VFM with a view to making an evidence based informed decision. This may include quantifying the extent of staff time (with associated costs) expended on administration of the Programme, and evaluate the time lost in terms of developmental, and needs based work displaced.
- 6.2.43 A recent Carnegie UK Trust Research paper '*Rural Development and the LEADER Approach in the UK and Ireland*' may be a useful tool in assessing what has worked across the UK and Ireland. However, it is the opinion of the evaluators that the focus of the proposed review of LEADER should centre on what works in a Northern Ireland context.

Support Mechanisms

6.2.44 The level of support that has been afforded to applicants has been touched on in Chapter 5. As has been noted this has been overwhelmingly positive. Another key aspect of the level of support around the Programme is in relation to the Rural Network, both at a European, National, and a local level.

Rural Network

6.2.45 Under the technical assistance associated with the Programme the UK established a National Rural Network in accordance with Article 66(3) of the Council Regulation 1698/2005. The UK Rural Network groups the organisations and administrations involved in rural development, and their activities. It covers four main areas:

- the identification and analysis of good transferable practices and the provision of information about them;
- the organisation of exchanges of experience and know how, including on administrative topics and procedures;
- the preparation of training programmes for local action groups in the building process;
- the provision of technical assistance for inter-territorial and transnational cooperation.

6.2.46 Within the UK, each region established its own regional rural network, however a single point of contact with the European rural development network was established in the UK.

6.2.47 For the UK, the National Rural Network was established within the national Rural Development Programmes and not as a separate programme as provided for in Article 66(3) of 1698/05. The technical assistance measure (5.1) contributes to the costs of establishing and running the UK Rural Network.

Rural Network for Northern Ireland (RNNI)

6.2.48 The Rural Network for Northern Ireland (RNNI) operates on behalf of the organisations and administrations involved in rural development in NI. Its main role is to identify and share best practice, knowledge and practical expertise within those organisations involved in the implementation of the NIRDP.

6.2.49 RNNI services the main organisations and sectors involved in implementation and delivery of the NIRDP, and liaises regularly with the other UK regional rural networks and the European Network for Rural Development. RNNI is managed by the Northern Ireland Rural Development Council (RDC) and is supported by the advisory services of the Agri Rural Forum.

- 6.2.50 It has been evident to date from the discussions and interviews that the RNNI's focus has been around Axis 3, possibly due to where the greatest need occurred. A great deal of the early work was around the training of JCC and LAG members, from which feedback has been overwhelmingly positive. It was noted however that this was a challenge due to the structures of Axis 3, as well as the initial capacities and experience levels of those involved.
- 6.2.51 To date it is evident from discussions that the RNNI operate on a needs-led basis. As well as the initial training of Axis 3 they have been heavily involved in establishing and supporting Thematic Working Groups on key topics within the Programme. Thematic working is seen as an effective method for sharing practice, and exposing members to new ideas and approaches.
- 6.2.52 As part of the UK National Rural Network, RNNI engages with Networks from across the UK, which offers the opportunity to share learning from the thematic activity within each region. This has enabled excellent links to be built up which can clearly only benefit the Programme in its lifetime. It is evident from MTE discussions that the network have also built excellent links with the Republic of Ireland.
- 6.2.53 To date RNNI has established and facilitates the work of the following thematic groupings:

1. Village Renewal & Development Thematic Working Group

- To research and evaluate approaches to village renewal and development
- To identify approaches and good practices capable of delivering benefits to rural Northern Ireland
- To record and report their findings and recommendations for the benefit of both the local and wider networks
- To encourage the adoption of good practices

2. Services Thematic Programme

- To highlight rural access to service needs and priorities;
- To highlight approaches and solutions that can be and have been used to address rural access to services challenges;
- To elaborate on experiences of the Access to Services Measure within the previous Rural Development Programme;
- To identify good practice models within Northern Ireland and beyond;
- To increase networking time amongst those involved in the delivery of the Programme.

3. Co-Operation Working Group

This group was a response to a need identified by Local Action Groups. The Network has facilitated the establishment of a Transnational Co-operation Working Group. This group aims to support LAGs in relation to procedural and developmental issues associated with the implementation of Transnational Co-operation projects.

- 6.2.54 These thematic working groups are each at different stages, however there is wide spread support from those consulted for this approach, and a clear desire to push these themes to alleviate the difficulties that have been encountered in Axis 3.
- 6.2.55 It is widely accepted from the MTE discussions that the RNNI needs to shift focus to the other aspects of the Programme. There is a clear need, in the opinion of the evaluators, for the Network to utilise the skills of rural organisations to assist it with its work. These are views supported by the Network, where they especially see a greater role for the Agri-Rural forum in Axis 1.
- 6.2.56 RNNI see integration across the Axes as their future focus, through training to sign post further opportunities the Programme can bring. They are planning to establish and facilitate future thematic activity in the following year to 18 months in areas such as Farm diversification, Youth, and Environment & Tourism/Forestry.
- 6.2.57 As mentioned in Chapter 5 RNNI has clearly helped to contribute to establishing good rural development practice through the European Rural Network for Rural Development. Through the UK network it is evident from the discussions that these linkages, communications and sharing is aiding this support mechanism associated with the Programme. It is recommended that RNNI use these linkages to continue to aid Axis 3 and branch out to support the other areas of the Programme.

SYSTEMS 2007

- 6.2.58 An important aspect of support afforded to the Programme, and those who implement the schemes, is the necessary system for managing information, and facilitating Programme monitoring.
- 6.2.59 To this end DARD engaged with DETI, DEL, SEUPB, and DFP to develop Systems 2007, which was to meet the needs of the Northern Ireland Authorities for the 2007-2013 European Union (EU) programmes.

6.2.60 The system was to be implemented in time for the launch of these programmes. In total there were 6 programmes in the 2007-13 funding round to be supported by the new application and monitoring system:

- A Competitiveness ERDF programme under the Regional Competitiveness and Employment Objective
- An Employment ESF programme under the Regional Competitiveness and Employment Objective
- A Peace and Reconciliation (ERDF) programme under the Co-operation Objective
- A Cross-Border (ERDF) programme, jointly with Scotland and Ireland, under the Co-operation Objective
- A Rural Development Programme (RDP)
- The Northern Ireland component of the UK Fisheries (EFF) Programme.

6.2.61 The contract was awarded to RMA Systems on 23 August 2007, with the implementation stage commencing in the first week of September 2007. As part of this stage, Stakeholder representatives were invited to participate in requirement analysis meetings to clarify and amplify the contents of the Statement of Requirements, as well as participating in the user acceptance testing of the deliverables as they became available.

6.2.62 To date there is strong evidence from the various strands of the MTE consultation that Systems 2007 is not meeting the needs of the NIRDP. Areas such as reporting, letter of offer creation, and data management remain problematic. Also users have stated they had little or no training in respect of the system, and feel it is not user friendly. As mentioned earlier in this report this has resulted in duplicate systems running alongside Systems 2007, which is clearly not an effective use of resources. These duplicate systems do not have any quality assurance procedures around data, which in the opinion of evaluators, is clearly also a problem.

6.2.63 This is an area that needs to be moved forward in the very near future by the Managing Authority. In respect of this, the Managing Authority should engage with the delivery bodies with a view to moving the system forward, and facilitating the implementation of the Programme.

6.2.64 The main lesson, in the opinion of evaluators, to be learned from the Systems 2007 Project is that the specifications for the system should be based on the known needs but with flexibility built in to allow for adjustments and additions that inevitably come with the negotiation over the detail of these programmes. It is also important that the specifications be primarily focused on aspects of the Programme that are common across the Programme.

- 6.2.65 It is recommended that, for future programmes, the relevant Managing Authority engages with all delivery bodies, at an early stage, to design a system that clearly supports Programme Implementation and Monitoring.

6.3 Programme Management

Managing Authority

- 6.3.1 For the purposes of the NIRDP there are two main players in respect of the role of Managing Authority, namely Rural Development Division (RDD) and Rural Policy Division.
- 6.3.2 RDD in DARD exists to implement EU and Government rural development policies and programmes with the aim of achieving a sustainable rural community. Through management of EU and Government rural funding programmes, the Division contributes to the Department's strategic goals of strengthening the social and economic infrastructure of rural areas, developing a more sustainable environment and improving the performance of farm businesses in the market place.
- 6.3.3 Rural Policy Division develops policy on rural issues to ensure that these are an integral and important part of the Executive's policies and Programmes. Responsibilities include the development of proposals for the key roles of the rural champion, a reinvigorated and enhanced rural proofing process and a Rural White Paper.
- 6.3.4 Rural Policy Branch has assumed the role of Managing Authority for the NIRDP. As such, it has responsibility for oversight of the programme and develops systems and processes to ensure the programme is managed in an efficient, effective and correct manner. In doing so, it is expected to draw on lessons learnt from previous programmes. It has responsibility for collating data to measure progress against targets and for reporting to the NIRDP Monitoring Committee. The Managing Authority is responsible for chairing and providing secretariat functions for the Programme Monitoring Committee. Monitoring of the programme is overseen by the Department, as Managing Authority, and the programme's Monitoring Committee.
- 6.3.5 An important aspect of assessing the Managing Authority is to see if lessons have been learnt from previous Programming periods. Table 6.1 highlights the recommendations arising from the ex-post evaluation of the RDP 2000-2006.

Table 6.1

Recommendations arising from the ex-post evaluation RDP 2000-2006		
LFA	<p>Recommendation 1 It is recommended that the LFACAS payments should continue because they are an important source of income to ensure the sustainability of cattle and sheep farming in LFA. The evidence gathered during this ex-post evaluation shows that the rate of decline in farms receiving the LFA payment is not as great as the decline in farms in LFAs not receiving the payments (e.g. dairy farms). Furthermore the rate of decline in farm numbers has decreased at a lesser rate than farms in non-LFA areas (e.g. lowland).</p>	<p>✓ The recommendation was implemented for the current round of funding.</p>
	<p>Recommendation 2 It is recommended that the definition of land type into SDA and DA should be reviewed to better reflect the natural disadvantages in farming in the SDA compared with the DA. If there are changes to the LFA Scheme, any new payment mechanism should be easy for farmers to understand and simple for DARD to administer so that payments can proceed at the current high levels. It is our understanding that the EU is currently reviewing the definition of the LFA across the EU to harmonise the classification of LFA land. It is recommended that DARD should ensure that an appropriate definition is chosen to address the needs of farmers in Northern Ireland, particularly, those in the SDA.</p>	<p>✓ The recommendation was implemented. The Review of Support Arrangements for Less Favoured Areas in Northern Ireland was completed in 2009.</p>
Agri Environment Scheme	<p>Recommendation 3 It is recommended that an integrated monitoring system is developed to measure the environmental impacts of the Agri Environment Schemes. The monitoring system should establish relevant indicators for Northern Ireland in terms of biodiversity, water quality and landscapes. In the 2007-2013 RDP, DARD has set up an independent Monitoring Committee for the Programme as a whole, with a wide range of stakeholders including local government, farmers' organisations and agri environmental groups all represented. An independent body (NISRA) has been involved in setting up the programme indicators.</p>	<p>✓ The recommendation has been implemented by Countryside Management Branch for the current Programme. To date there are no outputs from this system.</p>
	<p>Recommendation 4 The ex-post evaluation recognised that there were attitudinal and behavioural changes to the care of the environment taking place on NI farms resulting from the Agri Environmental Scheme. This change should be built upon to maximise benefits. This will depend on the number of farmers having access to the scheme and how it operates under the new programme. Therefore it is recommended that DARD monitor changes in attitudes and behaviours of participants in the future.</p>	<p>✓ The recommendation has been implemented.</p>
	<p>Recommendation 5 Organic farming in NI needs to be reconsidered in light of the performance of the scheme in 2000 – 2006. It is recommended that support should continue for organic farming but it should be appropriate and carefully targeted at the market conditions to avoid the under spend of resources in the 2000 – 2006 RDR Plan.</p>	<p>✓ The recommendation has been implemented.</p>
Forestry Scheme	<p>Recommendation 6 It is recommended that support for the Forestry Measures should continue to increase the area of forestry in Northern Ireland.</p>	<p>✓ The recommendation has been implemented.</p>
	<p>Recommendation 7 The introduction of the Short Rotation Coppice (SRC) Challenge Fund was a success in the 2000 – 2006 RDR Plan. It is recommended that support should continue to be given to SRC because it performs a dual role of increasing the area of forestry and contributing to the Government target for renewable energy production in Northern Ireland.</p>	<p>✓ The recommendation has been implemented for the current Programme.</p>
	<p>Recommendation 8 It is recommended that the planting of a wide range of types of forest is encouraged in order to complement government policy by improving the environment, promoting sustainable lifestyles and rural development and supporting renewable energy policy.</p>	<p>✓ The recommendation has been implemented.</p>
	<p>Recommendation 9 It is recommended that the campaign to advertise the Forestry Scheme should be stepped up to encourage an increase in the area of land under forestry. The Single Farm Payment has been in operation for almost four years and farmers/landowners are now familiar with its operation. Therefore, there should be the opportunity for land to be put into forestry, without it reducing the total level of support paid through the Forestry Scheme and the SFP.</p>	<p>✓ The recommendation has been implemented.</p>

6.3.6 It is clear from the above recommendations that lessons from the previous programming period have been implemented in the current Programme. However as stated previously in this evaluation, this is a very different Programme, derived from a new fund which in itself brings new challenges.

- 6.3.7 The Managing Authority have stated they recognise the need to look at linking up the Axes and measures more in the future, while acknowledging there have been some difficulties in relation to roles and responsibilities within the Department. It is acknowledged that the Programme is complex in nature, with rules and regulations that at times are difficult to interpret. However these are obvious areas which can be improved for the remainder of the Programme.
- 6.3.8 It should be noted that on the whole the Managing Authority have a positive relationship with the majority of individuals associated with the Programme. However there are clear concerns, already highlighted, from some of the implementing divisions associated with the Programme that the Department is ‘too hands on’ and ‘too prescriptive’.
- 6.3.9 Although it is recognised that there is a need for a level of detail in relation to managing the programme there is a need to obtain a balance that encourages success and innovation in the rural community itself. The evaluators believe a shift in the focus of the Programme to outcomes rather than outputs should assist all who the Programme aims to reach.
- 6.3.10 A clear evidence base detailing the needs of Northern Ireland’s rural communities would also be fundamental to developing a more strategic future programme.

Monitoring Committee

- 6.3.11 A Programme Monitoring Committee was established by the Department in accordance with Article 77 of Council Regulation (EC) No 1698/2005. The NIRDP Monitoring Committee is chaired by a representative of the Department and includes representation from:
- Economic and social partners
 - Competent regional, local and other public authorities
 - Other appropriate bodies representing civil society, non-governmental organisations (including environmental organisations and those responsible for promoting equality)
- 6.3.12 The NIRDP Monitoring Committee is responsible for overseeing the effective implementation of the programme in accordance with Article 78 of Council Regulation (EC) No 1698/2005. The European Commission also participates in the work of the NIRDP Monitoring Committee in an advisory capacity.
- 6.3.13 The main duties of the NIRDP Monitoring Committee are, in accordance with the regulation, to
- monitor delivery of the programme

- consider and approve the annual progress reports for the Programme before submission to the Commission
- consider and approve proposals to amend the NIRDP.
- periodically review progress made towards achieving the specific objectives of each of the programme measures;
- monitor progress towards achieving the targets set for the programme, particularly at the mid-term point;
- propose to the Managing Authority adjustments to improve the implementation of the programme; and
- ensure that equality considerations underpin the delivery of the Programme and that where the Programme contributes to the delivery of Government equality strategies the relevant targets are regularly reviewed.

6.3.14 In carrying out their responsibilities, members of the NIRDP Monitoring Committee are expected to respect the following principles and values:

- Thoroughly prepare for and attend meetings of the Committee
- Participate actively to support in the work of the Committee
- Listen to and respect the views and contribution of other Committee members and observers
- Be objective in your views, basing decisions on an analysis of the evidence and its relevance to the overall programme
- Respect the confidentiality of the issues discussed at the Committee and the views expressed by other members of the Committee
- Participate in proceedings in an open and transparent manner
- Balance their individual and organisational views against the collective objectives and needs of the Committee.
- Be mindful of the equality issues related to the Programme and the equality responsibilities of the Committee and its members

6.3.15 Another important function of the Monitoring Committee is with respect to the Sub groups created for the cross cutting themes of Equality and Good relations, and the Environment. These sub groups will be discussed in chapters 7 and 8, which discuss these cross cutting strategies in greater detail.

6.3.16 Critical aspects for the Committee to meet its obligations are in relation to the training provided, quality of information, and organisational arrangements. Table 6.2 shows the views of Committee members surveyed, with respect to how they rated these important aspects that facilitate their position in the Programme.

Table 6.2

	Adequate or very Adequate	Inadequate or very inadequate
Induction Training for members	67%	33%
Quality of information provided at meetings	100%	-
Quality of information by correspondence	100%	-
Timeliness of information provided for meetings	100%	-
Timeliness of information provided by correspondence	100%	-
Organisational arrangements for meetings	100%	-

(base=6)

- 6.3.17 It is evident from the research that members are satisfied with the quality and timeliness of information and the organisational arrangements for meetings. However the issue of induction training is possibly an area that the Managing Authority may wish to address through the provision of refresher training for members.
- 6.3.18 In follow up interviews with members it was clear there was evidence of concern relating to the lack of monitoring information provided to members. This has hindered the Committee to date in fully meeting their obligations to monitor the delivery of the programme. This is clearly a concern that needs to be rectified. As already mentioned in this report, these issues are linked to ongoing issues related to Systems 2007, and the associated lack of appropriately collated data.

Attendance / Group Composition

- 6.3.19 The sectors represented in the Monitoring Committee are as set down in the respective legislation. The current composition of the Committee is shown in Table 6.3

Table 6.3

Organisation	Abbreviation	Number of representatives
Council for Nature Conservation and the Countryside	CNCC	1
Disability Action	DA	1
National Trust	NT	1
Northern Ireland Agricultural Producers Association	NIAPA	1
NI Leader Network	NILN	1
Northern Ireland Local Government Association	NILGA	6
Northern Ireland Rural Women's Network	NIRWN	1
Rural Community Network	RCN	1
Rural Development Council	RDC	1
Royal Society for the Protection of Birds	RSPB	1
Ulster Farmers Union	UFU	2
Ulster Wildlife Trust	UWT	1
World Wildlife Fund	WWF	1
Young Farmers Clubs of Ulster	YFCU	1
	Total	20

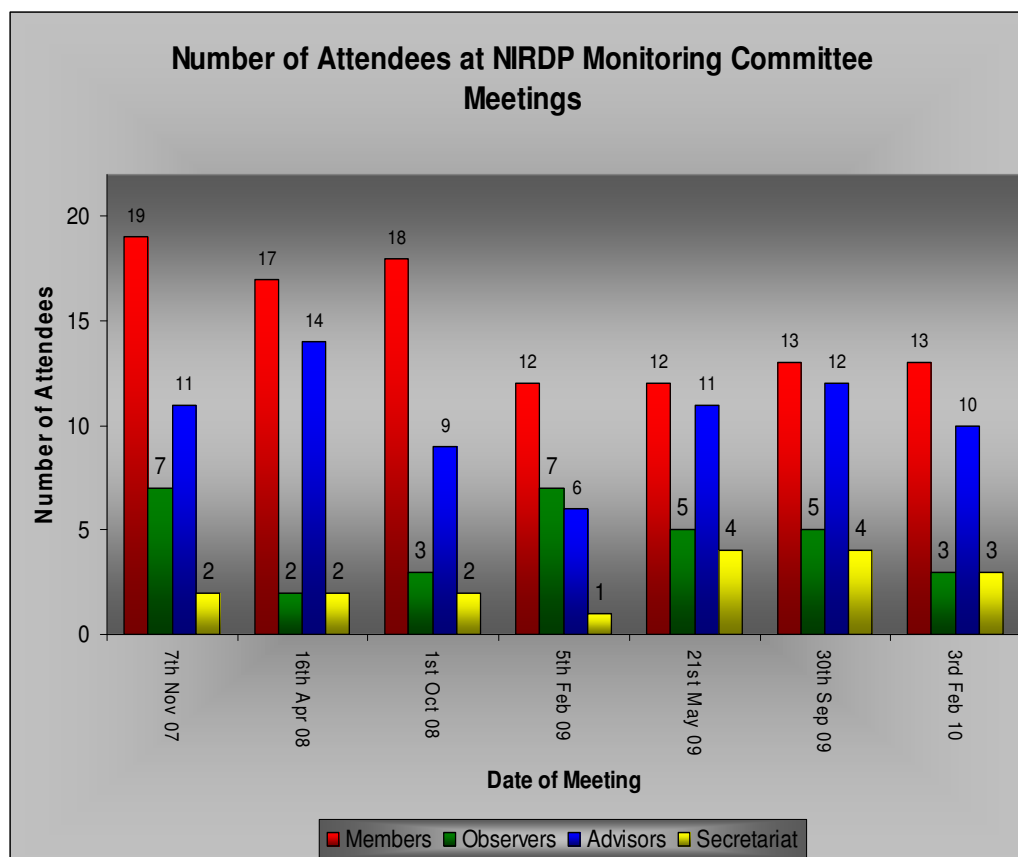
6.3.20 Table 6.4 shows the organisations that are also represented on the committee on an advisory role:

Table 6.4

Organisation	Abbreviation	Number of representatives
Department of Finance and Personnel	DFP	1
European Commission	EC	1
Northern Ireland Statistics & Research Agency	NISRA	1
The office of Jim Allister MEP	Only attended a few meetings	1
Various	Some individuals were only required to attend for one meeting and were not recurring visitors	

- 6.3.21 In the research conducted it is evident that many individuals have concerns around the composition of the Monitoring Committee. On looking at the membership there seems to be an obvious imbalance in relation to the level of Local Government involvement. There is clearly a need to strike a balance in group membership, thus it is recommended that Managing Authority reviews the group composition, with a view to obtaining a more representative sectoral balance. It is however recognised by the evaluators that there is only a finite number of organisations and individuals available to the Managing Authority, thus it may be beneficial to explore the possibility of experienced independent representatives, who in turn may provide a different viewpoint and greater balance to committee composition.
- 6.3.22 It is noted in the rules of procedure for the Monitoring Committee that 'The Committee will review the membership of consecutive non-attendees and make recommendations to address the issues, while maintaining the principles leading to the establishment of the Monitoring Committee (including sectoral representation'.
- 6.3.23 This is evidence that necessary 'buy in' is required from all members, and indeed expected, with respect to their time and attendance at meetings. Chart 6.5 shows the attendance of committee members at pre arranged meetings to date.

Chart 6.5



- 6.3.24 While the voluntary nature of the Committee needs to be recognised, it is clear in the evaluators opinion that membership of the group is a commitment that needs to be followed through. To this end it is disappointing to note that since late 2008 attendance by ‘full members’ has dropped considerably. This is an issue that clearly needs addressed as the Programme enters this important phase. While it is recognised that many of the Groups involved have a perfect record of attendance it is important to look at those sectors that have been under represented to date through non attendance.
- 6.3.25 In the evaluators opinion it is clear that an attendance of less than 70 per cent raises questions regarding the level of commitment to the Programme of organisations and the sectors they represent. This is all the more evident as a deputy system operates for the committee, and meetings are arranged months in advance. It is recommended that, as part of the review of committee composition, those groups with an attendance of less than 70 per cent (member or deputy) are contacted by the Secretariat regarding their ongoing participation in the Programme.

Performance / Successes

6.3.26 As already mentioned some of the main duties in respect of the Monitoring committee are to consider and approve the annual progress reports for the Programme, and to consider and approve proposals to amend the NIRDP. In this regard the Committee has clearly been effective. Of those members surveyed, 83 per cent believe the Committee has been effective in undertaking its role in relation to the Programme. Table 6.6 highlights the achievements of the committee to date in this regard.

Table 6.6

NIRDP MONITORING COMMITTEE	
Date of meeting	Papers agreed
2007	
10 May 2007	-
7 November 2007	NIRDP – MC 01/07 – Principles for the Monitoring Committee
2008	
16 April 2008	NIRDP – MC 07/08 – Modification to the Programme (Voluntary Modulation and amendments to indicators)
	NIRDP-MC 02/08 – 2007 Progress report
01 October 2008	-
2009	
5 February 2009	NIRDP - MC 04/09 – Modification to the Programme (minor textual changes in relation to complementarity with the Structural Funds Programme and removing a reference to support for restoration of woodland which is being provided outside the programme)
21 May 2009	NIRDP - MC 07/09 - NIRDP Programme Modifications – Axis 2 (revised rates of payment under the Less Favoured Areas Compensatory Allowances Scheme & approving the Managing Authority amends the NIRDP to reflect the new rates of payment for future LFACAS claim years)
	NIRDP - MC 09/09 - NIRDP Programme Modifications – Axis 1 (amendments to Measure 1.3 Farm Modernisation)
	NIRDP- MC 10/09 - 2008 Progress report
June 2009 – Written Procedure	NIRDP MC - 11/09 – Amendments to NIRDP as a result of CAP Healthcheck and other Commission Initiatives
30 September 2009	NIRDP - MC 15/09 - NIRDP Programme Modifications – Measure 2.1: Less Favoured Area Compensatory Allowances Scheme (currency for payment rates)
	NIRDP - MC 17/09 - Draft Proposals To Finalise Northern Ireland Rural Development Programme 2007-2013 Axis 4 Targets (agree to Programme being amended accordingly)
2010	
03 February 2010	-
28 April 2010	-

Written Procedure (May 2010)	NIRDP - MC 07/10 - 2009 Progress report
	<p>NIRDP – MC 08/10 - Proposals For NIRDP Programme Modifications</p> <ul style="list-style-type: none"> • amend the eligibility criteria for the Agricultural and Forestry Processing and Marketing Grant Scheme (Measure 1.2) to allow the purchase of second-hand equipment, subject to certain conditions • increase the grant rate for the pre-development phase for co-operation projects to 100% (Measure 4.2) • create a new “Axis 5” Technical Assistance budget line to cover the costs of delivering elements of Axis 1 (previously an integral part of Axis 1) and amend the relevant budget allocations accordingly • amend the programme to take account of the state aid approval of the Next Generation Broadband project funded under Measure 3.4

- 6.3.27 As already mentioned in this chapter there is concern from members consulted relating to the lack of monitoring information provided, which has impacted on their obligation to monitor the delivery of the programme.
- 6.3.28 Through the consultation with key stakeholders and members it is clear a number of further concerns exists in relation to the Committee. There is a strong belief to date that the committee has spent too much time on specific scheme level details, than at a Programme level. It is clear that the lack of monitoring data has contributed to this. As mentioned this should be rectified by the Managing Authority to enable the committee to focus more strategically, and be less held back by operational issues.
- 6.3.29 From the minutes of the Committee there are also issues which may need to be addressed. On close inspection there seems to be a lack of involvement from many members with others concentrating on individual or organisational views.
- 6.3.30 It has also been evident from the discussions and research that concerns exist around whether members have ‘conflict of interests’ in relation to the Programme. While it is recognised that due to the size of Northern Ireland that this is likely to occur in some way, members should be reminded of their duty to declare these to the chair in a timely fashion.
- 6.3.31 It is recommended that the Managing Authority reminds members of their duties and responsibilities, and how they should abide by the core principles and values agreed at the outset of the Programme. It may be useful for the Managing Authority to re-examine the composition of the Monitoring Committee to address a number of issues identified above, if necessary.

Future

- 6.3.32 It is recognised that Monitoring Committee members are a valuable aspect of the Programme, overseeing the effective implementation of the programme. It is also recognised that many members give up their own valuable time in relation to the Programme, something which is often overlooked. This report has highlighted issues that exist around the Programme that require all parties to work together for the overall benefit of the Programme.

6.4 Review of impact of publicity and awareness raising activities of the NIRDP 2007-2013 in rural areas

Background

- 6.4.1 Under Council Regulation (EC) No 1698/2005, Article 76, there is a requirement for the Managing Authority to undertake information and publicity activities in relation to the national strategy plans, rural development programmes and the Community's contribution and role. There is also a requirement for the Managing Authority to provide information for potential beneficiaries and inform beneficiaries of the Community contribution to their projects.
- 6.4.2 This requirement was further developed by Commission Regulation (EC) No 1974/2006, Articles 58, 59 and Annex VI which contained detailed requirements in relation to the development of a Communications Plan, the reporting of information and publicity measures to the Monitoring Committee and the European Commission's requirements for information and publicity.
- 6.4.3 In relation to this the Managing Authority developed a high level Communications Strategy outlining the responsibilities of key partners involved in the NIRDP. It was subsequently further supplemented by a more detailed Communications Plan and Publicity Guide. This approach was with a view to meeting the European Commission's requirements and that the corporate image/brand developed was rolled out across the various measures and levels of the programme.
- 6.4.4 DARD is responsible for meeting the costs associated with developing the corporate image for the programme. The costs incurred by RNNI for information and publicity actions were included as part of its contract and, as such, were funded from the NIRDP Technical Assistance budget. The costs incurred by Local Action Groups/Council clusters and Secondary Delivery Bodies were included in their contracts as general running costs and were thus set against the Measure allocations. DARD covers the costs of information and publicity actions associated with DARD-delivered measures/schemes.

Lessons learnt from the Previous Programme

- 6.4.5 The previous RDP did not have an overarching Programme identity. From this, DARD recognised the need for a more formal, sustained and strategic approach to the promotion of the 2007 to 2013 Programme. The main problems identified by DARD from the previous Programme were:
- The lack of awareness of the breadth and depth of what the Programme offered overall.
 - DARD's involvement and the EU's contribution.
 - Farmers and the farming media who saw the Programme as favouring rural dwellers at the expense of farmers.
 - Rural dwellers who perceived the Programme as for the traditional agricultural community only.

Key aspects of the 2007-2013 Strategy

- 6.4.6 The Strategy was presented in the form of an operational-level document, and did not outline promotional activities. Instead it focused on the responsibilities of key partners involved in the management/support/delivery functions of the NIRDP.
- 6.4.7 The Strategy was subsequently supplemented by a more detailed Communications Plan for the programme. The Plan built on this Strategy and recommended ways in which it could be successfully developed and implemented during the lifetime of the NIRDP.
- 6.4.8 This approach was adopted to ensure the effective delivery of a PR Campaign to promote the programme and deliver a uniform approach across all key players in NIRDP management/support/delivery functions.
- 6.4.9 It was recognised that each of these key partners would have a specific role to play in taking the NIRDP forward over the coming years, thus success would depend on an agreed flexible approach based on co-operation at all levels.

Publicity Actions

- 6.4.10 The Publicity actions had two main aims, namely to highlight and promote the role played by the European Union and the EAFRD in supporting the development of rural areas in Northern Ireland; and to inform applicants, general public and potential beneficiaries of the availability of EAFRD funding. The Managing Authority planned that publicity actions should be delivered primarily at two levels: Programme Specific Publicity, and Measure/scheme Specific Publicity.

- 6.4.11 **Programme-specific publicity** – DARD took the corporate lead for the development of the NIRDP Communication Plan and the lead role in developing a branded identity/corporate image for the Programme. This is to be used by all partners in the Programme and in all publicity actions for the Programme. It was envisaged this would ensure that the corporate image of the Programme (and the role of EU financial support) was to the fore at all levels for public consumption. Given that the various measures within the NIRDP were launched at differing times during 2007 and 2008 it was not deemed appropriate to have a major Ministerial launch for the Programme.
- 6.4.12 **Measure/scheme-specific publicity** – Due to the lack of a Programme launch, it was felt there was considerable scope for key partners to develop their own plans for launching measures/schemes, tailored to their individual needs and circumstances and those of their target audiences. It was felt that these partners would bring their own expertise, specialisms and knowledge in promoting the NIRDP and its implementation.
- 6.4.13 It was therefore felt to be important that the key partners, and the Local Action Groups (LAGs) and RNNI in particular, developed separate and complementary public relations strategies, in consultation with DARD, which in turn could highlight their separate roles.
- 6.4.14 In order to explain the role of the various key partners in the delivery of publicity actions, Table 6.7 below gives an outline of Managing Authority's perspective on each group's role at the outset of the Programme.

Table 6.7

Key Groups	Communication Role
Managing Authority	<ul style="list-style-type: none"> - Dissemination of communication guidance and protocol - Collection, collation and monitoring of details on NIRDP-related publicity actions
Programme Manager (Rural Development Division)	<ul style="list-style-type: none"> - Development of a branded identity/corporate image for the NIRDP - Engagement of an advertising agency to raise awareness of the programme and promote the potential that it has to offer. - Drafting and dissemination of a Publicity Guide for the NIRDP for distribution to all key players in the Programme. This will set out the minimum publicity required from all organisations and projects supported by the EAFRD. - Lead the development and co-ordination of an overarching communications plan for the NIRDP - Engagement of a DARD Information Officer with specific responsibility for the NIRDP
Measure Owners/	<ul style="list-style-type: none"> - First point of contact for Local Action Groups (LAGs) and Secondary Delivery Bodies (SDBs)

Implementing Divisions	<ul style="list-style-type: none"> - Delivery of publicity actions and provision of information for their relevant measures (including any scheme/measure launches). This should focus on encouraging applicants and celebrating the success of successful projects/awards. - Distribution of NIRDP Publicity Guide to ensure compliance with publicity requirements as set out in the Letter of Offer and the EU regulations on publicity. - Use of official EU logos and statements on publicity materials and written communications e.g. Letters of Offer - Provide exhibits/materials for “Rural Life Week” events
Local Actions Groups (LAGs) and Secondary Delivery Bodies (SDBs)	<ul style="list-style-type: none"> - Consideration of web presence for each LAG/SDB (with links to RNNI & NIRDP websites) - Delivery of publicity actions and provision of information for their relevant measures (including any strategy/scheme/measure launch). This should focus on encouraging applicants and celebrating the success of successful projects/awards. - Provision of information as required under EU regulations regarding EAFRD contributions to any award e.g. in letter of offer or erection of a plaque where relevant. - Use of official EU logos and statements on publicity materials - Provision of information relating to publicity actions to Measure owner
Rural Network for Northern Ireland (RNNI)	<ul style="list-style-type: none"> - To develop and maintain a dedicated website offering guidance and support to delivery organisations and projects. - Publicising best practice both within and outside the NIRDP - Promotion and facilitation of co-operation projects - Networking events and publicity. - Links to other EU Rural Networks

Effectiveness of Publicity

A) Programme-specific publicity

6.4.15 Building on the lessons learnt from the previous Programme DARD developed an advertising campaign as part of its wider communications strategy. The key objects of this advertising campaign were:

1. To generate awareness among the campaign’s audiences of the Rural Development Programme.
2. To develop understanding of the Rural Development Programme as an integrated fund for everyone in both farming and rural communities.
3. To encourage the campaign’s audiences to find out more about the Rural development programme.

4. To contribute towards the number of application forms requested and submitted for each measure within the rural development Programme.

Key aspects of the NIRDP Programme Specific Publicity

- 6.4.16 The Department adopted TV as the lead medium for their approach, with the belief it would reach the widest range of audiences throughout Northern Ireland, to generate awareness of the Programme in its entirety. The TV campaign launched on 28th January 2009 and ran for 3.5 weeks.
- 6.4.17 The TV campaign's call to action was to the Programme specific website and dedicated '0845' telephone number, where interested parties could avail of information packs, which were branded accordingly in line with the campaign. To minimise spend DARD utilised their internal design resource to produce a set of design guidelines by the advertising agency. This was with a view to giving a uniform approach to be adopted across the Programme.
- 6.4.18 Government Advertising Unit (GAU) subsequently produced a paper to detail approaches to Axis 3 communications and publicity. The paper was with a view to providing clear guidance on how DARD and the JCC's would work together on all aspects of Axis 3 communications with a view to maximising value for money and effectiveness.

Campaign results

- 6.4.19 **Objective 1 - To generate awareness among the campaign's audiences of the Rural Development Programme.**
- 6.4.20 Although the Department carried out pre-campaign baselining for measurement of the campaign (showing awareness standing at approx 42 per cent), there was no follow up tracking research conducted. Evidently tracking research would normally be conducted within a major burst of advertising within an overall campaign. As the campaign only lasted five weeks, with compressed timescales due to revised business needs, the follow-up was unfortunately not possible.
- 6.4.21 **Objective 2 - To develop understanding of the Rural Development Programme as an integrated fund for everyone in both farming and rural communities.**
- 6.4.22 Again pre-campaign research was conducted to set the baseline, however due to no follow up campaign to date it is not possible to establish if levels of awareness and understanding have been increased. This lack of follow up clearly impacts on the ability to measure these two key objectives of the campaign.

6.4.23 **Objective 3 - To encourage the campaign's audiences to find out more about the Rural Development Programme.**

6.4.24 Performance against this objective can be measured by the volume of responses to the calls to action, and response mechanisms. There was clear evidence of a peak during the TV campaign. In the period 28 January – April the total calls, emails and packs sent out were:

Information pack calls – 452
Query calls – 50
Emails – 335
Information packs mailed out – 1,008

6.4.25 An additional 1,950 information packs were made available in the reception areas of DARD direct offices across Northern Ireland. Also during the campaign there were 6,670 visits to the Programme's website, with 3,370 information packs downloaded from the site. This clearly represents a good return from the online medium.

6.4.26 In total there were 7,446 responses generated at the time of the campaign which is a positive response, considering the short time frame involved. The online approach has been received very positively and is a medium that the evidence shows is favoured to date. There was a clear peak when the campaign launched and during its first burst of activity, however when online advertising was running alone it still had higher responses than the pre and post campaign. This would support the thought that the campaign had an impact in raising awareness and interest and encouraging people to find out more.

6.4.27 The initial budget of the NIRDP advertising campaign was £300,000, however the final spend on the campaign was £270,249. Of this, £238,751 was spent on promoting the NIRDP overall (£11,249 less than the original £250,000 budget). The remaining £31,497 was spent on measure specific advertising and design support.

6.4.28 When looking at the spend of the campaign per response generated it equates to approximately £36 per immediate response, although it should be noted that responses are likely to continue to occur over a longer time period as a result of the publicity campaign, thereby bringing this cost down further.

- 6.4.29 Two other areas of spend worth highlighting are the £35,140 spent on web development and £7,216 on design and communication guidelines. The web development costs were a significant outlay at the start of the campaign, however further spend in this area is expected to be minimal for the remainder of the Programme. The internet also appears to be growing in popularity both for potential applicants to find out more about the Programme and for actual applicants and beneficiaries using the online help facilities.
- 6.4.30 **Objective 4 - To contribute towards the number of application forms requested and submitted for each measure within the rural development Programme.**
- 6.4.31 There is a lack of information around the application rates that can be attributed to the advertising campaign at present. Thus there is no evidence that can be utilised in measuring whether this objective was met.

B) Measure/scheme-specific publicity

Axis 1

- 6.4.32 To date the Axis 1 measures have utilised many media in relation to publicising the Programme. This has included website specific advertising, flyers and the local press - all the while using the clear Programme branding. Measure leaders have also looked to maximise the usage of the DARD minister and contacts in both the farming unions and local elected representatives. All measures have reported a clear uptake in demand post publicity. One very successful element of Axis 1 to date has been the use of road shows and feeder events around Measure 1.1 and 1.4. This focused approach is clearly successful in getting the Programmes message direct to the groups in question and should be continued in the remainder of the Programme. For all Axis 1 measures it is clear from the discussions that maximising usage of the local press has proved very successful to date.
- 6.4.33 Of those successful individuals contacted in relation to the MTE in Axis 1 to date, almost 61 per cent stated they had found out about the Programme through the local press. Also 87 per cent stated that they had seen advertising associated with the Programme. This is clear evidence that the PR and publicity associated with Axis 1 to date is reaching the target audience.
- 6.4.34 One concern to come out of the research was that more detailed information could be provided via the website to give prospective beneficiaries a greater knowledge around the training available under Measure 1.1.
- 6.4.35 It is clear from the research conducted that the measure specific approach is demonstrating value for money. To date the specific publicity around the measures has maximised the use of resources by utilising in house systems, as well as targeting through the cost effective feeder events and road shows.

- 6.4.36 One area that could show even greater value for money, in the opinion of evaluators, is through maximising the use of the delivery agent to publicise the measures. The initial contract with the Agri-Rural partnership did not include a great deal of PR and Marketing. However it is clear that the Partnership has a solid relationship with the customer base, which should be used to maximise the impact of the Programme. Utilising the skills and relationships held by the delivery agent should ensure that the PR and publicity around Axis 1 is carried out as efficiently as is possible.

Axis 2

- 6.4.37 The Axis 2 measures are in the enviable position on the whole of having well established schemes that require minimal publicity. This is especially the case for Measures 2.1 and 2.2. These measures are very well known in the farming community, although it should be noted that PR is still seen as an important aspect of ensuring the measures deliver. Although awareness is very high the measures make use of their specific websites as well as PR around application times. Both measures also ensure that they make use of the local press to continuously publicise the Programme.
- 6.4.38 The challenge around PR and publicity in Axis 2 is around the forestry measures, namely 2.3 and 2.4. Initially the forestry PR was decidedly low key, however has been ramped up recently due to the low uptake levels. As already touched upon several factors are associated with this initial low demand in relation to forestry. Recent mail shots have had a very positive impact, with Forest Service acknowledging the clear lack of awareness around the measures initially. This shows the clear need for a continuous PR campaign to maximise the customer base availing of the measures.
- 6.4.39 Of those successful individuals contacted in relation to the MTE in Axis 2 to date, 70 per cent stated they had seen advertising associated with the Programme. However only 20 per cent of forestry beneficiaries have seen advertising associated with the Programme.
- 6.4.40 There is a clear requirement, in the opinion of evaluators, for Forest Service to continue with their recent attempts at raising the profile of their measures.
- 6.4.41 Compared to Axis 1 there is a greater spread of forms of PR that have impacted on Axis 2 to date, such as word of mouth. This backs up the fact that Axis 2 on the whole has very well established measures - with a very high degree of awareness in the farming community.

Axis 3

- 6.4.42 The Axis 3 measures are dispersed amongst the 7 LAGs/JCCs that have responsibility for delivering this aspect of the Programme. To facilitate a joined up approach the Managing Authority has made use of RNNI, which on the whole has been received very positively in relation to PR and publicity.
- 6.4.43 The LAG/ JCCs have indicated that to date they feel the press coverage has had a positive affect on the interest in the Programme. However of those successful individuals contacted in relation to the MTE in Axis 3, only 42 per cent stated they had found out about the Programme through the local press. 84 per cent stated that they had seen advertising associated with the Programme. The most striking figure is that almost 95 per cent of surveyed applicants in Axis 3 stated that they had seen the website associated with the Programme.
- 6.4.44 Thus there is clear evidence from the research that the PR and publicity associated with Axis 3 to date is reaching the target audience – most notably through the web. However some respondents have expressed concern that all the information they require is not available online. Most notably there are concerns that information in relation to what is eligible under Axis 3 is not portrayed clearly enough. It is the opinion of the evaluators that all key individuals should ensure that online information is kept up to date in accessible formats for all prospective applicants.
- 6.4.45 In discussions with key informants and stakeholders there is a clear commitment that the future PR campaign, in relation to Axis 3, should be sustained and continuous for the remainder of the Programme. Measure leaders should aim to maximise the presence of the Programme by drip feeding to the local press on an ongoing basis. LAG s and JCC s could be more proactive in engaging with their communities to get the word out about the opportunities that exist in the Programme. Pulling from previous successes to date with Axis 1 – LAGs and JCCs should consider holding feeder events or workshops that sell the Programme to the individuals in their area.

Conclusions / Recommendations

- 6.4.46 Analysis indicates that the Managing Authority has implemented lessons learned from previous Programmes. They have attempted to deliver the PR strategy as less ‘ad-hoc’; however the diversity and scale of the programme has hindered the achievement of this to some degree. It can be said that as a result of the advertising campaign the Programme was presented to the public with a clear over arching identity. This identity has also been rolled out beyond the advertising campaign to wider communications.

- 6.4.47 In the short time frame involved the campaign generated a good level of interest, thus its impact cannot be doubted in that regard. However, there is a lack of complete information available in relation to whether the campaign met its objectives, primarily due to the lack of a campaign follow-up study.
- 6.4.48 The need for sustained advertising is recognised by the Department – however in the current budgetary climate there are doubts as to whether there will be sufficient funding to incorporate television into the future campaign.
- 6.4.49 The timeliness of Programme wide campaigns has been questioned by many stakeholders. There is a perception that too much of a time lag elapsed from the initial TV campaign until some measures opened. Thus it is felt that considerable momentum was lost in this regard. Although we recognise the TV campaign’s success in raising interest, there is a clear need in the future, in the opinion of evaluators, for a more joined up approach. This in turn should maximise the impact of PR and publicity around the Programme.
- 6.4.50 With a greater deal of pressure being exerted on budgets, there is wide spread support from those individuals consulted for cost effective digital media to be utilised to reach target audiences. Sites such as ‘Twitter’ and ‘Facebook’ could be used to keep individuals informed about Programme developments.

6.5 Summary of Programme Management, Implementation and Delivery Structures

- 6.5.1 This chapter has clearly highlighted the varied nature of the delivery structures, levels of support and Programme management that exists in the NIRDP. It is clear from the MTE research that by the Programmes varied nature there are many important aspects that need to come together for the NIRDP to be implemented successfully.
- 6.5.2 It is evident from the research that the delivery structures adopted have brought both successes to be embraced, and challenges to be overcome for the remainder of the Programming period. The Partnership approach in Axis 1 is showing clear signs of success, while the continuity afforded by DARD in house systems has proved invaluable to date. As highlighted challenges exist around the LEADER approach, and specifically the adopted structure, for the current programming period. However the discussions have shown a strong commitment exists by all involved, indicating that progress could be made in several areas where the challenges exist.

- 6.5.3 The support mechanisms around the Programme have once again brought successes and challenges. RNNI have proved to be a crucial and respected part of the Programme: A position that must be maximised in the future by all involved in the Programme. Alternatively Systems 2007 has proved problematic, and is clearly an area where progress could make a significant difference to the second half of the Programme.
- 6.5.4 Programme management has once again been seen through the MTE discussions as crucial to the successful implementation of the Programme. There is a clear need for the Managing Authority and Monitoring committee, in the opinion of evaluators, to show clear vision and leadership to all involved in the Programme.
- 6.5.5 As integral as the Programme management is the publicity and awareness raising activities associated with the Programme. It is evident from the MTE research that coordination is needed across all areas of the NIRD, to ensure that these activities are as effective as possible. There is also a clear need to ensure these activities are continuous to keep the Programme to the fore in the rural community.

Summary of Key Recommendations - Effectiveness of Programme Management, Implementation and delivery structures

Recommendations – Delivery Structures / Processes

1. Partnership Model

The Partnership model has proved very successful to date in Axis 1. At this stage it appears to be a cost effective manner of utilising an umbrella of organisations, with the necessary skills and an excellent understanding of their customer base. It is recommended that the partnership model be utilised in the future subject to assessment of its continued overall effectiveness.

2. Axis 3 (Remainder of the current Programme)

- **DARD, JCCs, and LAGs should come together** to identify difficulties for all parties and seek to make procedures for drawdown, open calls and auditing more flexible and streamlined, where possible, in the context of the existing EU regulations.
- **Strategies should be reviewed** straight away with a view to moving forward. This is especially in relation to the quality of life measures (i.e. basic services) due to guidelines changing since the strategies were devised. Areas such as 'renewable energy' clearly also require guidance in the short term.
- **DARD should revisit animation / facilitator roles within LAGs / JCCs.** There is strong evidence that this is currently required to aid Programme Implementation.
- **Communication to be addressed.** Due to complex structure that exists it is necessary that communication is timely and user friendly. All parties to seek to move this aspect of the

delivery structure forward.

- **Active Networking between LAGs / JCCs.** It is widely regarded that not enough networking is taking place between LAGs, compared with previous Programmes. This could possibly be facilitated further by the Rural Network.

- **Ensure that Systems 2007 is fit for purpose.** This is a necessary aspect of the ability of LAGs and JCCs to manage their projects effectively and efficiently and as such should be rectified straight away.

- **Increase timeliness of Processing of Projects.** There is evidence that by LAGs and JCCs sitting on the same day to assess projects that the timeframes are considerably improved, with queries minimised.

3. Future of LEADER

A full review of the current delivery structure and general LEADER approach should be undertaken. This is with a clear view to what works in a Northern Ireland context. This review should include all key players (Practitioners, DARD, Audit etc) shaping the future structure / delivery model from lessons learnt. The review should look at amongst other aspects how successful partnerships in the rural community can be utilised to supplement the LEADER approach – and how measures should be allocated between a regional level delivery model and a more local level delivery model. The review should also incorporate the costs associated with each of these models in relation to VFM with a view to making an evidence based informed decision.

Recommendations – Support Mechanisms / Programme Management

1. Issues around System 2007 addressed

The lack of monitoring information is clearly impacting on the ability of the Monitoring Committee to take a more strategic approach to the Programmes implementation. Issues around System 2007 are also clearly impacting on the ability of bodies responsible for implementing the Programme.

2. Maximising use of RNNI

The Managing Authority, and delivery bodies, should maximise the use of the Network. This use should continue to facilitate Axis 3, and the recommendations made, and also be extended to support the other areas of the Programme.

3. Resolve issues around Monitoring Committee training

Managing Authority may want to contact Monitoring Committee members with a view to ascertaining if refresher training is necessary to enable members to fully fulfil their position in the Programme. It may be that members would also benefit from project presentations or study visits to gain more insight into the Programme at grass roots level.

4. Managing Authority to re-examine Monitoring Committee composition

It is recommended that Managing Authority reviews the group composition, with a view to obtaining a more representative sectoral balance. This may include exploring the possibility of experienced independent representatives, who in turn may provide a different viewpoint and greater balance to committee composition.

It is recommended, as part of the review of committee composition, that groups with an attendance of less than 70 per cent (member or deputy) are contacted regarding their ongoing participation in the Programme.

5. Managing Authority to remind Monitoring Committee members of Duties and Responsibilities

It is recommended that Managing Authority remind members of their duties and responsibilities, and how they should abide by the core principles and values agreed at the outset of the Programme.

6. Managing Authority to move focus to ‘Outcomes’ in the future

It is important for the Department to take a strategic position in both the current Programme, and future Programmes. There is a clear need to encourage success and innovation in the rural community. A clear evidence base of the needs of Northern Ireland’s rural communities and a focus on achieving *outcomes* not *outputs* would be desirable in enhancing this Strategic position.

Recommendations - Publicity and awareness raising activities

1. Role out a continuous PR and Publicity Campaign

It is a widely held view that to maximise the awareness and final impact of the Programme then a sustained and continuous campaign of PR and publicity must be implemented for the remainder of the Programme

2. Utilise local press across all of the Programme

The local press has been the most successful medium for reaching individuals about opportunities around the programme to date. There is a clear benefit from continually drip feed stories or case studies about the Programme to the local media in ensuring that a steady interest is maintained in the Programme.

3. Ensure that Axis specific successes are maintained

There is a clear need to ensure that what works for certain measures is maintained. Axis 3 is clearly reaching out to individuals through the web, while events such as road shows and feeder events are successful in Axis 1. Measure leaders should seek ways to enhance these

mediums – such as the use of digital media (twitter, facebook etc) to target prospective Axis 3 individuals.

4. Maximise use of delivery agents / implementing divisions

There is clear evidence that delivery agents and implementing divisions know a great deal about their customer base. In relation to Axis 1 the Agri-rural Forum has an excellent knowledge and working relationship with their customer base. This knowledge and associated skills should be maximised in promoting the Programme.

5. Ensure all data presented to rural community is as accurate and available as possible.

It is of paramount importance that all information made available to prospective applicants is as accurate and accessible as possible. This is especially true around eligibility. All information must be clear to those wishing to avail of funding.

6. A greater joined up approach in future in relation to Programme wide and measure specific PR and Publicity.

There is a need for a joined up approach in relation to the Programme wide publicity and measure specific – when measures open for applications. A joined up approach will ensure that the maximum awareness and interest is raised with a view to delivering for the wider rural communities.

The role of Equality and Good Relations in the NIRDP

7.1 Overview of rationale and obligations

Background to S75

7.1.1 One of the Key cross cutting themes associated with the NIRDP is that of Equality and Good relations. This section assesses the extent to which equality and good relations are embedded and implemented in the Programme.

7.1.2 Equality and Good relations resulted from Section 75 of the Northern Ireland Act, which introduced new duties on public authorities to promote equality of opportunity and good relations on a range of grounds. The act required public authorities to promote equality of opportunity between the following nine groups:

- Persons of different religious belief;
- Persons of different political opinion;
- Persons of different racial group;
- Persons of different age;
- Persons of different marital status;
- Persons of different sexual orientation;
- Men and women generally;
- Persons with a disability and persons without; and
- Persons with dependants and persons without.

7.1.3 In addition public authorities are also required to promote good relations between persons of different religions, political opinion or racial group.

Equality Impact Assessment on the NIRDP 2007-2013

Introduction

7.1.4 As part of the NIRDP development process, DARD was required to carry out a consultation with rural stakeholders and equality groups on the impact the Programme could have on them. This is known as an Equality Impact Assessment (EQIA) and was produced in compliance with Section 75 of the Northern Ireland Act 1998.

Aim of EQIA

- 7.1.5 Previous consultation stages of the NIRDP had already looked at – and invited comments on - the objectives of the programme and the various measures. This exercise concentrated on identifying what the various equality issues and impacts were likely to be and to consider the potential of the NIRDP to enhance equality of opportunity.
- 7.1.6 At the outset DARD proposed a greater emphasis on a qualitative assessment of equality; in other words to show the actions to take to ensure equality is mainstreamed at every stage of the development, implementation and delivery stages and the ways they believed equality groups could benefit from the Programme.
- 7.1.7 DARD stated their goal was to bring ‘the potential of the RDP to a much wider cross-section of the community, demonstrating that it is a meaningful, exciting and hopeful programme that is open to all who live and work in rural communities’.⁴¹

Proposed scope at outset of the three Axes

Axis 1

- 7.1.8 These measures targeted farm households, micro, small and medium agri-food enterprises, micro-forestry enterprises, farm businesses, and a range of other input sectors. The focus was therefore on a wide section of the agri/food/forestry sector and farm families, as opposed to the wider accessibility of Axis 3 to all those in rural communities. As a result, the assessment of equality was to be judged within the parameters of those working directly in the wide agricultural sector.
- 7.1.9 DARD stated ‘while not offering as much potential flexibility for engagement by the spectrum of equality groupings as Axis 3, ultimately the benefits of a more competitive farming industry will also be felt by farm families and the wider rural community’.⁴²

Axis 2

- 7.1.10 Under this Axis, measures were designed to protect and enhance Northern Ireland’s natural resources and landscapes in rural areas. In so doing, they were to contribute to the EU priority areas of:

⁴¹ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.6

⁴² Equality Impact Assessment of the Rural Development Programme 2007-2013 p.7

- Biodiversity and the preservation and development of high nature value farming and forestry systems and traditional agricultural landscapes;
- Water; and
- Climate change.

7.1.11 At the EQIA stage, DARD did not anticipate that there would be any differential or negative impacts created as a result of the environmental, forestry and less favoured areas measures that make up Axis 2.

Axis 3

7.1.12 The Axis 3 measures were designed to strengthen the social and economic infrastructure of the entire rural community and therefore have the potential to provide benefits across all the equality categories identified under Section 75.

7.1.13 Axis 3 measures were essentially the successors of key measures of the Rural Development Programme 2001-06. In that Programme, there was a focus on women, young people and farm families. These groups were to continue to be targeted alongside the other Section 75 equality groups.

Summary of main equality issues arising from Axes 1 and 3

7.1.14 The following paragraphs give a snapshot of some of the main issues highlighted in the EQIA.

7.1.15 Age - Older people

'More needs to be done to encourage diversification projects to come forward from older people'.⁴³

In the EQIA DARD recognised the reality was that the farming industry in Northern Ireland tends to be dominated by older men, and many older farmers are trapped in low income situations. The EQIA recognised the need to engage with this group in relation to particular activities within the Programme.

7.1.16 Age - Children and young people

'Attention needs to be paid to finding new ways to directly inform children and young people about the RDP and ensuring their own views can influence the type of projects that then come forward'.⁴⁴

⁴³ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.10

⁴⁴ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.11

The EQIA stated the Programme would provide opportunities for young people in the food industry, training and re-skilling to young farmers and farm families, more local employment opportunities and, as such, would help prevent the de-population of rural areas by convincing young people that opportunities exist locally.

7.1.17 Disability

'more will need to be done to ensure farmers with disabilities are fully aware of the potential of the RDP, including assessing the best way to communicate information to farmers and their families and then making such information available in accessible formats'.⁴⁵

The EQIA recognised that Axis 3 measures had considerable capacity to create a positive differential impact on people with a disability. However it was also felt important that the new Programme addressed issues of everyday life, so that disabled people could avail of services, recreation and education facilities etc, that the rest of the community take as a given.

7.1.18 Gender

'Assessments of previous programmes showed that women have previously been under-represented in the rural community development Process'.⁴⁶

As stated earlier in the evaluation, farming remains a male-dominated industry. However the economic benefits of any Axis 1 support would clearly benefit the farm family as a whole and women working directly in the industry. Around the issue of gender the EQIA further stated *'However, issues such as inadequate provision of childcare, unequal representation of women within local government / existing LAGs and the time-consuming nature of Programme applications and the resulting technical regulations remain very real barriers preventing greater participation across the Axes'*.

7.1.19 Dependants

'However, lack of adequate care facilities, especially childcare, is a major issue for people in rural areas, and many projects in the past have reflected this need'⁴⁷

⁴⁵ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.13

⁴⁶ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.15

⁴⁷ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.16

The EQIA recognised Households within the programme area are more likely to have one or more dependent children than in Northern Ireland as a whole. However, many issues relating to dependants - including children and older people - overlap within the Section 75 groupings of age, children, gender and disability.

7.1.20 Ethnicity

‘DARD - and then later, the delivery agents for the RDP - need to ensure that ethnic minority groups and communities feel included and can be encouraged to put forward projects for funding’.⁴⁸

The document recognised that rural areas were becoming increasingly diverse, populated more frequently by communities who are no longer simply concentrated in urban areas. The report noted there were significant numbers of migrant workers within farming and those employed in food production plants, many of whom also have families living in rural areas.

7.1.21 Sexual orientation

‘Given the previous under-representation and the real concerns for people in rural areas, DARD and delivery agents must work harder to ensure that individuals and representative groups do feel included and can be encouraged to put forward projects for funding’.⁴⁹

The EQIA recognised that Lesbian, Gay or Bisexual people who live in rural areas in Northern Ireland report that they can feel very isolated and are cautious about revealing their sexual orientation for fear of a negative and possible aggressive response.

7.1.22 Delivery mechanisms

‘One of the clear messages from pre-consultation was the need for LAGs to ensure there is equality representation within their delivery structures’.⁵⁰

The EQIA concluded that this aspect of the delivery mechanism would be essential in ensuring that specific equality issues, such as disability, children and young people, gender etc, can be identified and positively influenced from those within the sectors, and result in a needs assessment that is fully inclusive of the key equality issues.

⁴⁸ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.20

⁴⁹ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.23

⁵⁰ Equality Impact Assessment of the Rural Development Programme 2007-2013 p.24

7.1.23 **Final conclusions of EQIA**

The EQIA acknowledged there were limitations on DARD's ability to change realities of farm ownership, particularly in terms of gender and ethnicity. However, it is hoped that the benefit of many of the measures would bring improved quality of life, stability and economic improvement that included the whole family, including dependants of all ages.

7.1.24 To summarise the main conclusions:

- Axis 3 had 'the most potential to achieve positive equality benefit'.
- Potential can only be realised by ensuring there is an excellent equality balance on LAGs.
- Infrastructure, services and information need to be made as accessible in terms of formats

7.2 Review of outputs to date

7.2.1 The Managing Authority and delivery agents are seen as meeting their responsibilities in respect of Section 75 of the Northern Ireland act through the Monitoring of Beneficiaries. This monitoring involves Measure leaders issuing Section 75 monitoring forms to all applicants (although in the case of the FMP a decision was taken to issue an additional form for the purposes of collecting monitoring information on an additional member of the farm family). These forms are completed anonymously by the applicant and are returned directly to the Northern Ireland Statistics and Research Agency (NISRA). NISRA collate and analyse these returns on behalf of the Managing Authority. Where possible, this information is presented to the Monitoring Committee Equality and Good Relations Sub Group (EGRSG). To ensure that statutory obligations are met DARD also involve their Equality Branch in an advisory role on this group. The work of this group will be discussed in greater detail later in this chapter.

- 7.2.2 The view as to the extent to which Equality and Good relations is embedded in the Programme differs among the various groups consulted. When applicants were asked, as part of the MTE, whether they feel the NIRDP is committed to Section 75 of the NI act, 75 per cent stated that they agreed it was committed. However Monitoring Committee members were somewhat less positive. Some of the concerns and suggestions raised by members in this respect included that there should be an *enhanced commitment from the Monitoring Committee and project promoters to take care of equality and good relations as an essential part of the Programme rather than an add on that just has to be done*. There was also a feeling amongst those contacted that equality and good relations needed to be properly embedded in the infrastructure of the Programme, as there was a feeling that it currently 'lacks width as well as breadth' across the Programme.
- 7.2.3 It should be noted that equality and good relations is embedded to an extent in, for example, project assessment criteria as well as through the wider Northern Ireland Cross cutting strategies and indicators (Good relations / Ageing in an inclusive society etc.) that complement the Programme.

S75 Reporting

- 7.2.4 One clear improvement from Previous Programmes is that the S75 monitoring was in place for the beginning of the NIRDP. Although at an early stage of the Programme it is clear from the MTE discussions that the monitoring of beneficiaries is an important tool in helping to assess the potential impact of the Programme. Learning from previous programmes, systems were established at the beginning to ensure that all measure leaders recorded the number of monitoring forms that they issued. This enables return rates to be compiled.
- 7.2.5 The completion of the forms is voluntary and the information requested can be particularly sensitive and private. The proportions of issued forms that are completed and returned are, therefore, generally low at around 20 to 25 per cent. It is very difficult to assess whether the profile of the applicants who return forms is similar or dissimilar to applicants overall. There is no evidence to suggest that some individuals or groups would be more or less likely to return these forms than their counterparts. However, care should be taken in the interpretation of the resulting data as the 'sample' is essentially self-selecting.

7.2.6 From the most recent Section 75 Analysis of the NIRDP 2007-2013, taken as at 28th March 2010 there were a total of 18,488 Section 75 forms sent out to beneficiaries of the Programme. Of these 4,101 had been returned (return rate of 23 per cent). In looking at the results of this monitoring, it should be noted that because of the late start to Axis 3 most of the Section 75 forms issued and returned to date relate to Axis 1 and 2 measures which tend to focus on farmers and farm families. The following observations can be made.

- When compared with figures taken from the 2007 EU farm structure survey the age structure of the RDP beneficiaries fits closely with the age structure of the wider farming community in Northern Ireland.
- 10 per cent of the RDP beneficiaries are female compared with the results of the 2007 EU farm structure survey which suggests that around 5 per cent of the farming population are female.
- 76 per cent of the beneficiaries were married which is in broadly in line with the results from the 2007 EU farm structure survey, in which 71 per cent of the farmers surveyed were married.
- 14 per cent of beneficiaries were disabled compared with 25 per cent of the farmers who took part in the 2007 EU farm structure survey.
- The number of beneficiaries with children, and the number with no dependants correspond well with the available data for the farming context.
- The proportion of RDP beneficiaries who are Protestant is somewhat lower than in the 2007 EU farm structure survey.
- 99 per cent of the beneficiaries were born in the UK or Republic of Ireland which is similar to the figure of 98 per cent given for the wider population given in the 2001 census.
- 97 per cent of the beneficiaries are white compared to 99 per cent of the population in the 2001 census.
- The proportion of respondents recording as heterosexual is similar to the proportion recorded in the Northern Ireland Life and Times Survey for the NI population.

7.2.7 Table 7.1 provides a snapshot of NIRDP beneficiaries at 28th March 2010

Table 7.1 NIRDP S75 Overview at 28 March 2010

	NIRDP	Farming Context	Rural Context	NI Context
Gender	90% Male	95% Male	n/a	48% Male
Marital Status	76% Married	71% Spouse	n/a	48% Married
Disability	14% Disabled	25% Disabled	n/a	21% Disabled
Dependants	47% No dependants	40% No dependants	n/a	n/a
Racial Group	97% White	n/a	n/a	99% White
Country of Birth	97% NI	n/a	n/a	91% NI
Sexual Orientation	96% Heterosexual	99% Heterosexual	n/a	n/a
Religion	46% Protestant	54% Protestant	48% Protestant	53% Protestant
Political Opinion	n/a	n/a	n/a	n/a
Age	2% 25 and under	1% under 25	% under 25	17% under 25

7.2.8 Although this monitoring is a useful tool in providing an early indication of the groups benefiting from the Programme, it should be noted that this information is merely indicative of the Programme as a whole. It can be used to highlight issues that may need further investigation. However, it does not provide a robust statistical comparator that can be said to identify real differences.

Monitoring Committee Equality and Good Relations Sub Group (EGRSG)

7.2.9 The EGRSG was formed to take forward the equality monitoring aspects of the Programme. It is made up of representatives of the Programme Monitoring Committee who report back to the full Committee on their progress to date.

7.2.10 The current composition of the group is shown in table 7.2.

Table 7.2

Organisation	Abbreviation	Number of representatives
Disability Action	DA	1
Northern Ireland Rural Women's Network	NIRWN	1
Ulster Farmers Union	UFU	1
National Trust	NT (resigned from the group in Jan 2010)	1
Rural Community Network	RCN	1
	Total	5

7.2.11 Table 7.3 shows the organisations that are represented on the group in an advisory role:

Table 7.3

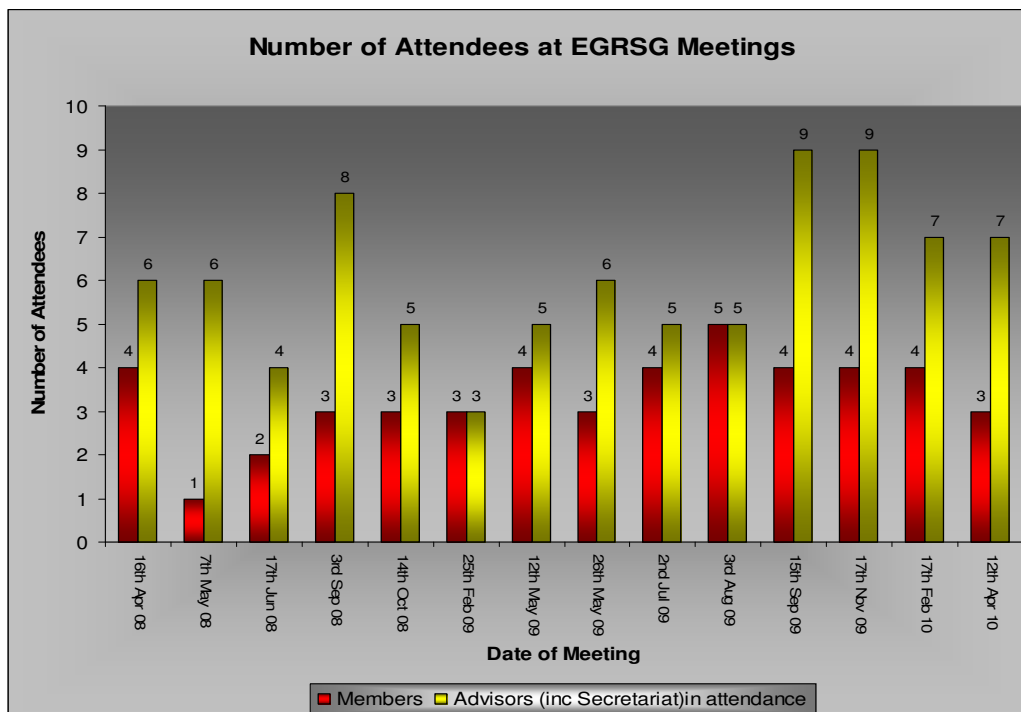
Organisation	Abbreviation	Number of representatives
Rural Network for Northern Ireland	RNNI	1
Northern Ireland Statistic and Research Agency	NISRA	1
Department of Agriculture and Rural Development	DARD	Number varies

7.2.12 There are mixed feelings from those contacted about the performance and the success of the group to date. For example there is some concern amongst stakeholders and informants that equality and, particularly, good relations are well down the list of priorities for discussion. The minutes of this sub group suggest that a high proportion of time is taken up with general measure updates with no specific focus on equality or good relations issues.

7.2.13 Throughout the consultation, stakeholders have questioned the need for a separate sub group for the NIRDP. A potential way forward, that may enable a re-focusing of equality and good relations, could be for NIRDP Monitoring Committee members to sit on the general Structural Funds equality sub group. In disbanding the NIRDP sub group, and moving to an EU programmes wide group, it may enable a greater focus on equality and good relations issues themselves, and in turn provide a greater level of complementarity across the NI Programmes. This is an issue that could be addressed as part of the review of the current Monitoring Committee structure proposed in Chapter 6.

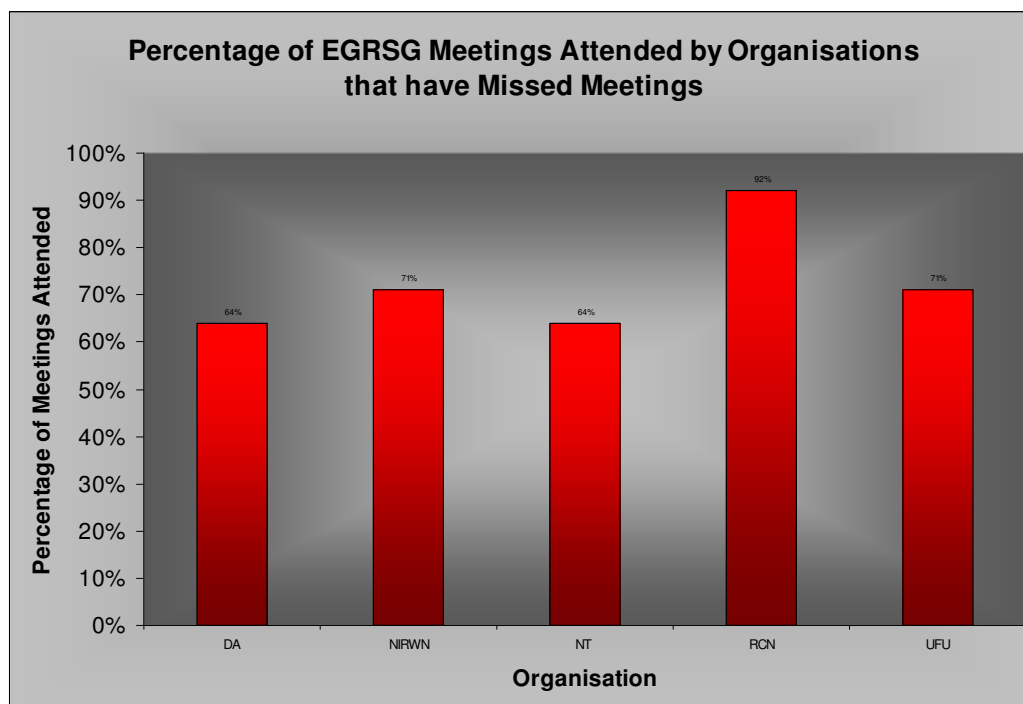
7.2.14 There are also concerns amongst stakeholders around the group composition, including the arrangements for a joint chair and the balance in numbers of officials compared with Committee members (Chart 7.4).

Chart 7.4



7.2.15 If the group is to continue it is the opinion of the evaluators that it needs to attract new members with a view to broadening the composition. The voluntary nature of the group needs to be recognised and it should be noted that the current members have attended well to date. (Chart 7.5)

Chart 7.5



*National Trust resigned from the Sub-group in 2010

7.2.16 In the MTE research the following points have been made by many stakeholders:

- There is a need to address the good relations angle within the Programme,
- There is a need to look at the EGRSG composition,
- The EGRSG needs to be more probing in its work programme, and
- There is a need for the development of a strategic action plan to provide a clear way forward for the Programme.

7.2.17 It is recommended that the EGRSG, and its ongoing needs, are reassessed as part of the proposed review of the Monitoring Committee.

Summary of Key Recommendations

Recommendation

1. Re-assess the need for the EGRSG

Questions remain as to whether there is a need for a separate Equality and Good Relations sub group for the NIRDP. One avenue, that may enable a re-focusing of equality and good relations, could be for NIRDP Monitoring Committee members to sit on the Structural Funds equality sub group. Moving to an EU Programmes-wide group may enable a greater focus on equality and good relations issues themselves, and may enable a greater degree of complementarity across the NI Programmes. As part of an EU wide group it is expected that recommendations 2 to 4 would be addressed by this approach. Recommendation 1 could be addressed as part of the proposed review of the current Monitoring Committee structure.

If it is felt prudent to continue with a separate NIRDP sub group there is a clear need for recommendations 2 to 4 to be implemented within the context of that group for the remainder of the Programme.

2. Address the composition of the EGRSG

It is a generally held view that the group should attract a more diverse membership. In the past there has been too many officials present relative to the number of Committee members. The group should aim to attract as diverse a membership as possible.

3. Address the Good Relations aspect of the Programme

There is wide spread agreement that this aspect of Section 75 has not been addressed to date. This could be a standing agenda item on each future EGRSG meeting.

4. EGRSG to be more strategic

It is recommended that the EGRSG becomes more strategic, with the associated development of a high level work programme. The EGRSG needs to look at the inequalities highlighted in the EQIA and set about ensuring that these groups are engaged with, with a view to including them in the remainder of the Programme. There is a clear need to address communities falling outside of the Programme and also a need for the NIRDP to be more inclusive. This will undoubtedly mean more face to face engagement with these groups. The EGRSG may also want to meet with LAGs and / or projects to get a better understanding of how they can be more inclusive in the future. The group may also wish to avail of guest speakers to stimulate debate and share in best practice of engaging with communities.

The EGRSG may also shape guidelines on how the Programme can engage in the future with those falling outside the Programme.

The NIRDP 2007-2013 and the impact on the Environment

8.1 Overview of rationale and obligations

8.1.1 During the development of EAFRD it was clear that the environment was of paramount importance to the future of Rural Development in the member states. Axis 2 was seen to be the obvious vehicle for protecting and enhancing the natural resources and landscapes in rural areas.

8.1.2 In doing this Axis 2 is to contribute to the EU priority areas of:

- ◆ Biodiversity and the preservation and development of high nature value farming and forestry systems and traditional agricultural landscapes;
- ◆ Water; and
- ◆ Climate change

8.1.3 The Measures contained in Axis 2 are to contribute to the implementation of the Agricultural and Forestry Natura 2000 Network; to the Göteborg commitment to reverse biodiversity decline by 2010; to the objectives laid down in Directive 2000/60/EC establishing a framework for Community action in the field of water policy³⁸; and to the Kyoto Protocol targets for climate change mitigation.

8.1.4 The available measures were designed to meet the Axis 2 objective of improving the environment and the countryside through:

- Promoting environmental services and practices
- Preserving the farmed landscape
- Encouraging the development of new and existing forests and woodlands
- Supporting the growth of organic farming

Common Agricultural Policy Healthcheck

8.1.5 In 2008, the European Commission undertook a review of the Common Agricultural Policy (CAP). This so called “Healthcheck” of the CAP introduced a range of measures to further reform, simplify and streamline the CAP and remove restrictions on farmers. The aim was to help farmers to respond better to signals from the market and to face new challenges.

- 8.1.6 The review identified a number of new and ongoing challenges facing the agricultural sector such as climate change, risk management, bio-energy, water management, biodiversity and restructuring of the dairy sector. The review identified the rural development policy as one of the possibilities to deal with these changes.
- 8.1.7 To allow Member States to support the increasing need to meet these new challenges, the European Commission increased the rates of Compulsory Modulation. As UK programmes were already delivering significant environmental benefits through the use of Voluntary Modulation, it was agreed that the latter should be decreased by an amount equivalent to the increase in Compulsory Modulation, resulting in no change to the UK's total rural development budget.
- 8.1.8 The NIRDP is now to be used explicitly to address the new challenges through existing schemes in the Programme. For example, the Agri-environment programme and First Afforestation measures under Axis 2 should support actions to improve biodiversity, climate change adaption/mitigation and water management.
- 8.1.9 The Modernisation of Agricultural Holdings measure in Axis 1 is to contribute towards the development of renewable energies, climate change adaption/mitigation and measures accompanying restructuring within the dairy sector.

Strategic Environmental Assessment

- 8.1.10 As part of the consultation phase of the Programme the Department prepared a draft Environmental Report known as a Strategic Environmental Assessment on the likely significant environmental effects of the Northern Ireland Rural Development Programme 2007-2013. This was required under European Directive 2001/42/EC.
- 8.1.11 The objective of the Directive was to provide a high level of protection for the environment and to contribute to the integration of environmental protection issues into the development and preparation of plans and programmes with a view to promoting sustainable development.
- 8.1.12 The Strategic Environmental Assessment (SEA) approach to assessment, amongst other aspects, was to:
- Collect and present information on the environmental baseline and current problems and their likely future evolution;
 - Predict significant environmental effects of the plan/programme, including those of strategic alternatives;

- Consult the public and authorities with environmental responsibilities as part of the assessment process
- 8.1.13 As part of the assessment the Programme-‘fit’ in respect of environmental designations was depicted. Unsurprisingly Axis 2 displayed best ‘fit’, however it was also noted that most other measures contained within the Programme had some significant ‘fit’.
- 8.1.14 The analysis in the SEA of the likely impact on the wider environment should the Programme not proceed clearly showed the value of the NIRDP. The analysis provided a clear overview of the likely consequences in relation to bio diversity, fauna and flora, soil quality, and water quality.
- 8.1.15 From the review that formed part of the SEA it was clear that the Programme as a whole should contribute towards the aims of sustainable development. As part of this the Department made a commitment to monitor the environmental outcomes, and in doing so implemented Development Path Analysis (DPA) monitoring across the whole Programme.

Development Path Analysis

- 8.1.16 DPA is a tool designed to transform patterns of economic and social development. In the past, it was often the case that development was pursued at the expense of the natural environment. Many now realise that, if it is to be sustainable, development must go hand in hand with environmental protection. DPA helps to integrate the horizontal principle of environmental sustainability into the Programme.
- 8.1.17 DPA was developed for the Commission and was initially used within Northern Ireland as part of the monitoring and evaluation of the 2000-2006 Structural Funds programmes. It was the primary tool for monitoring the extent to which sustainable development was taking place. DPA continues to be used under the 2007-2013 Structural Fund programmes as well as the current NIRDP.
- 8.1.18 The Department recognises its responsibility to have a system in place to monitor environmental impacts of the funding and to promote more sustainable activities. In this regard it was envisaged that DPA results would sit alongside the Common Monitoring and Evaluation Framework.
- 8.1.19 The Managing Authority and NIRDP Monitoring Committee are tasked with the responsibility to monitor outcomes of the funding, including environmental outcomes. It was therefore expected that DPA results would be reviewed regularly at detailed and programme levels.

- 8.1.20 The Environment Sub-Group of the NIRDP Monitoring Committee was seen as the vehicle to ensure that the systems for monitoring environmental impacts were in place and were working properly.

The Development Paths

- 8.1.21 DPA is based on an assumption that certain patterns of development, or “development paths,” are more environmentally sustainable than others and that regions have choices about which path to pursue. The tool recognises six development paths.

Path A: Actions that promote activities that simply meet environmental regulations.

Path B: Actions that clean up the mess from past activities or actions that promote physical regeneration.

Path C: Actions that put in place environmental infrastructure to reduce the negative environmental impact of development activities.

Path D: Actions that help organisations to meet increasing environmental standards.

Path E: Actions that improve the resource efficiency (“eco-efficiency”) of existing activities.

Path F: Actions that support, as well as encourage, new types of activity or behaviour using fewer environmental resources, or producing less pollution, than existing activities in the area.

- 8.1.22 The objective of the tool is to help shift activity away from Path A and toward activity under Path F. Path A is activity that simply meets minimum environmental regulations and, therefore, makes a minimal contribution to environmental sustainability. Path F makes a significant contribution; it is activity that pursues environmental protection at the same time as it pursues economic and social development. The paths in between are paths that mitigate the impact of existing activity in some way.

8.2 Review of outputs to date

Stakeholder views

- 8.2.1 It is clear from discussions with informants and stakeholders that the environment had a major impact in shaping the final design of the NIRDP. This is also evident through the SEA and Ex-ante evaluation, and in the way in which the final Environmental report was incorporated in the Programme.

- 8.2.2 The perceptions of the various groups and individuals associated with the Programme also show that the environment is to the fore. Of the successful applicants surveyed 90 per cent felt that the NIRDP was committed to improving the landscape and having a positive effect on the environment, while all respondents felt that the environment was an important issue. Similarly, all Monitoring Committee members surveyed felt that environmental issues are appropriately represented in the Programme and that these issues had been effectively implemented in the Programme to date. However, some stakeholders expressed concern that the Programme focuses and relies too much on Axis 2 and that more attention should be directed to the other aspects of the Programme.

DPA Analysis

- 8.2.3 A draft DPA baseline paper was presented to the NIRDP Environmental sub group on 23 November 2009. The DPA baseline was an ex-ante appraisal of the likely impact of the Programme from a DPA perspective. Table 8.1 presents an overview of that analysis.

Table 8.1

DPA Path	Expected % of Funding
A	44
B	3
C	6
D	1
E	7
F	39
A-F = (Total Funding for NIRDP)	100

- 8.2.4 It was envisaged that the DPA baseline created at the outset of the programme, would be used in conjunction with subsequent DPA reports to monitor the extent to which the NIRDP is contributing to the transformation toward a more environmentally sustainable path of development. It was envisaged that DPA reports would be included in each Annual Implementation Reports for the NIRDP.
- 8.2.5 To date there has been no reporting in relation to DPA. This is primarily due to the problems highlighted in the Programme Management chapter in relation to the Systems 2007 database. This is a matter of concern which must be moved forward as soon as possible.

- 8.2.6 A report ‘*Advice and Guidance on Development Path Analysis (DPA)*’ was recently prepared for the EU Structural Funds 2007-2013 Environmental Working Group. The report was prepared by McBurney Consultancy, and aimed to assess the validity of the DPA scores currently allocated to the approved projects across four of Northern Ireland’s EU Programmes. It was aimed to provide advice on how to improve the allocation of projects to the six DPA paths.
- 8.2.7 The report noted that the ‘the general situation is that the proportions of projects allocated to DPA Pathways B to F for the EU Programmes (apart from ERDF) were found to be higher than in the validation process’.⁵¹ The report also noted issues around the completion of project categorisation forms, and the incomplete nature for the purposes of validating the allocated path. Thus the rationale for assigning paths was not clear to the evaluators.
- 8.2.8 Amongst the recommendations to come out of this report⁵² were:
- The incorrect DPA paths found in the samples of projects should be changed, with consideration given to changing the DPA paths of projects in similar sub priorities or sub project groups as those found to be incorrect in the samples.
 - If the Project Categorisation Form is to be of any significant use for purposes such as validation of the allocated environmental paths, then the information it contains needs to be enhanced. This should include (1) a summary description of the project including its objectives/expected outputs and (2) the rationale for selection of the DPA path based on the objectives/expected outputs of the project.
 - The importance of allocating correct DPA pathways to projects and, in consequence, spending adequate time to accurately complete the Project Categorisation Forms should be emphasised to the appropriate Department staff.
 - It needs to be emphasised to staff who allocate projects to DPA environmental paths that the definitions for each path relate to *changes in **environmental** actions* and *not to any change in action* from normal practice.
 - The DPA allocation to environmental paths could be improved by following a flow diagram methodology. A proposed flow diagram is included in the report.

⁵¹ Advice and Guidance on Development Path Analysis (DPA) (McBurney Consultancy)p.27

⁵² Advice and Guidance on Development Path Analysis (DPA) (McBurney Consultancy)p.29

8.2.9 It is noted that this report has been forwarded to the Monitoring Committee Environment Sub Group (ESG), and measure leaders for information. It is clear that implementation of these recommendations will enhance the use of DPA in the NI Structural Funds Programmes. In the interests of enhancing complementarity amongst Programmes, it is recommended that the NIRDP adopts this paper and its associated enhanced methodology.

NIRDP Monitoring Committee Environment Sub-group (ESG)

8.2.10 The NIRDP Monitoring Committee Environment Sub-group (ESG) was formed to take forward the key environmental aspects of the Programme. It is made up of representatives of the Monitoring Committee who report back to the full Committee on their progress to date.

8.2.11 The draft terms of reference for the group are as follows

- To assess and contribute to the monitoring of environmental impact of the NIRDP and, where necessary, bring forward recommendations to the Managing Authority on how this might be improved. To this end, the sub-group will regularly review progress reports and evidence sought or presented to the Monitoring Committee to ensure the NIRDP is continuing to meet its environmental objectives;
- To review the Common Monitoring and Evaluation Framework indicators/targets and additional programme-specific indicators/targets for measures under the NIRDP and to make recommendations to the Managing Authority on suitable adjustments, where necessary.
- -To liaise with key stakeholders and other external organisations to identify and assess best practice and its relevance to the NIRDP.

8.2.12 The current composition of the group is shown in table 8.2:

Table 8.2

Organisation	Abbreviation	Number of representatives
Ulster Wildlife Trust	UWT	1
Council for Nature Conservation and the Countryside	CNCC	1
Ulster Farmers Union	UFU	1
National Trust	NT	1
Royal Society for the Protection of Birds	RSPB	1
Northern Ireland Local Government Association	NILGA	1
World Wildlife Fund	WWF	1
Northern Ireland Leader Network	NILN	1
	Total	8

8.2.13 Table 8.3 shows the organisations that are also represented on the group in an advisory capacity:

Table 8.3

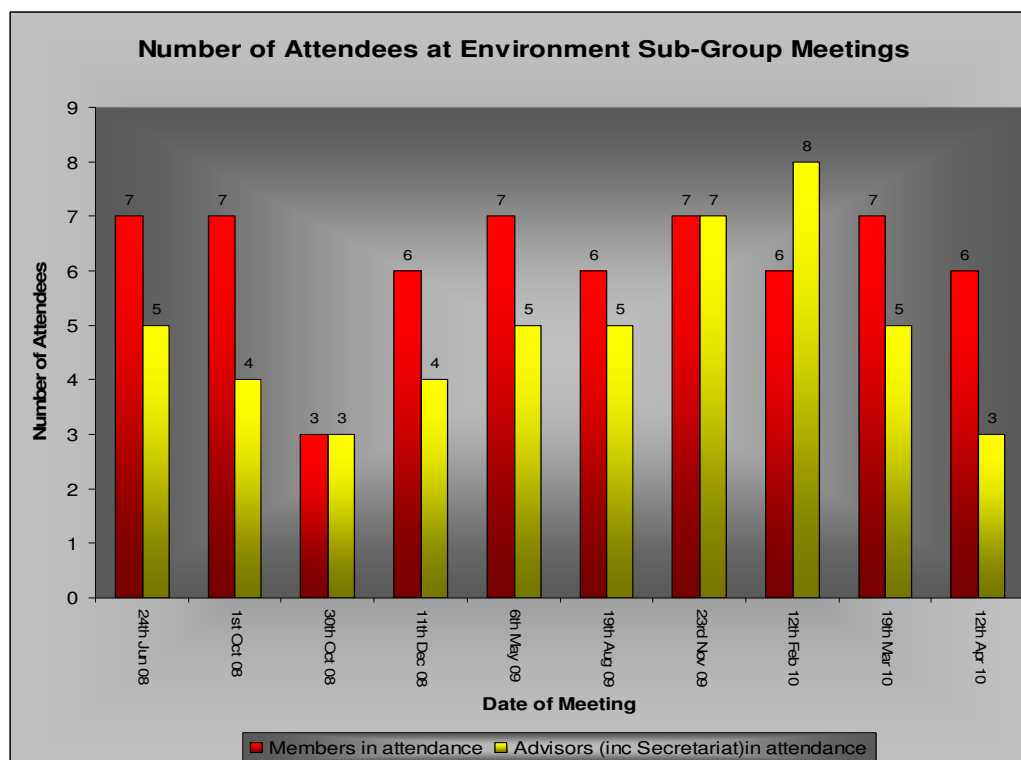
Organisation	Abbreviation	Number of representatives
Northern Ireland Statistic and Research Agency	NISRA	1
Department of Agriculture and Rural Development	DARD	Number varies

8.2.14 There is some concern amongst informants and stakeholders that the group has focussed 'too much' on Axis 2 to date, although it is recognised that excellent results have been delivered in relation the Northern Ireland Countryside Management Scheme (Measure 2.2). The minutes of the sub group certainly indicate that a great deal of time has been spent on Axis 2 measures – particularly the Agri-environment programme.

8.2.15 As with the Equality sub group, it is arguable as to whether there is a need for a separate Environment sub group for the NIRDP. In line with suggestions for the future of the Equality sub-group, it is the opinion of evaluators that there should be an exploration of the potential and expected value for NIRDP Monitoring Committee members to sit on the current Structural Funds Environment sub group. This may enhance the strategic nature of environmental concerns and contribute to a greater level of complementarity across the NI Programmes.

8.2.16 It should be noted that members of the Environment sub-group have attended well and are clearly committed to the Group (Chart 8.4).

Chart 8.4



8.2.17 It is also noted that the group has yet to give consideration to the area of sustainability of the whole programme. As highlighted the Programme is yet to fully embrace the DPA perspective of the Programme, and to this end the group has not considered how DPA has been applied or what the DPA outcome has been. This, in the opinion of evaluators, is a clear way forward for the group, should it continue, in ensuring it takes a strategic overview of the Programme as a whole.

8.2.18 The future direction of the ESG, should it continue for the remainder of the Programme, can be summarised as follows:

- The ESG should drive forward the DPA side of the Programme, embracing the recent paper developed for the structural funds working group.
- The ESG should take a more strategic view of the Programme overall
- Members from outside the environment sector should be encouraged to join the ESG.

8.3 Future Programming Period

- 8.3.1 There is strong belief amongst those consulted that future Rural Development Programmes will focus on Green house gases and climate change, with a clear focus on emissions. It may also be the case that future Agri-environment schemes may need to shift from less intensive lower stocked systems, and focus in on more intensive systems where the greatest detrimental environmental impact is produced. It is evident from the discussions that a balance will be needed which may result in a great deal of current practices currently adopted in the NIRDP being forced to change. A future Programme is also likely to be operating with a very different financial backdrop.
- 8.3.2 It is the opinion of the evaluators that these issues should be looked at by the Managing Authority in the interim period, with a clear view to strategic developments for the next programming period.

8.4 Recommendations

- 8.4.1 It is acknowledged at all levels of the Programme that protection of the environment is a key part of the current Programme, and will continue to be so through the remainder of this Programme and in future programmes. There is a need to maintain a strategic Programme-wide perspective, without over-focussing on specific Axes.
- 8.4.2 There is a perception amongst individuals contacted as part of the MTE that greater clarity will be required in the future on the intended environmental impacts of schemes. This, in the opinion of evaluators, clearly means developing outcome focussed schemes and outcome focussed indicators for assessing the success of those schemes.

Summary of Key Recommendations

Recommendation
<p>1. Continue with Current Axis 2 Schemes</p> <p>It is clear that these schemes provide a strong benefit to the environment and the wider rural community. They are a key component of the environmental impact the Programme can deliver. As stipulated in chapter 5 it is recommended to re-focus the current LFACA scheme with a view to addressing the needs highlighted in the review of Less Favoured Areas.</p> <p>The Managing Authority will also need to look at green house gases and climate change, with a clear focus on emissions in the interim period, with a view to the next programming period.</p> <p>However it is recognised that future funding constraints may be problematic. Thus it is imperative that all stakeholders work closely together to ensure these schemes continue in some form.</p>
<p>2. Re-assess the need for the ESG</p> <p>It is arguable as to whether there is a need for a separate sub group for the NIRDP. NIRDP Monitoring Committee members may instead, sit on the current structural funds environment sub group. The feasibility and expected added value of this proposal should be assessed.</p> <p>This could be addressed as part of the review of the current Monitoring Committee structure proposed in Chapter 6.</p> <p>If the NIRDP ESG is subsumed into the Structural Funds group, recommendations 3 and 4 below could be picked up in this context. If, however, it is felt prudent to continue with a separate sub group there is a clear need for recommendations 3 – 4 to be implemented for the remainder of the Programme.</p>
<p>3. Address the composition of the ESG</p> <p>Encouragement for new members to join the group from outside the environment sector could assist in enhancing the strategic view of the group.</p>
<p>4. Address the Environment from a Programme wide perspective</p> <p>The ESG should drive forward the implementation of DPA within the Programme, embracing the recent paper developed for the structural funds working group.</p>

Outcomes Recommendations and future directions

9.1 Recommendations (for the remainder of the 2007-2013 Programming Period)

- 9.1.1 Generally speaking the NIRDP 2007-2013 has made progress towards achieving the aims and objectives as set out in the Programme strategy document. Accordingly it is the opinion of evaluators that it is not appropriate to recommend any radical reforms in terms of Programme focus or delivery. Throughout the consultation, as part of this evaluation, it is evident that there is no widespread support for the deconstruction of the Programme as it currently sits.
- 9.1.2 It is widely accepted from all involved in the NIRDP that it is very early for certain measures on which to base any sweeping changes to the programme, and the corresponding National Strategy Plan. In this regard the National Strategy Plan remains valid as the programme stands. It is recommended that the socio-economic situation provided in this MTE should be used to update the Strategy. The CMEF baseline indicators have also been updated where possible and should be incorporated into the Strategy. These CMEF objective related baseline indicators are in Annex A. The data presented attempts to capture the situation in Northern Ireland in 2010, and are objective and measure specific, i.e. relating directly to the measures of the NIRDP 2007-2013.
- 9.1.3 The ongoing challenge around the economic situation in NI is evidently a barrier to achieving the objectives set. The issues faced by applicants relating to match funding, and issues around bank lending practices are areas which have the potential to negatively impact on the Programme. It is also noted through the discussions around the Programme that the National element of funding has been affected by swingeing public sector budget cuts. Unfortunately the details of these cuts will not be known until the outcome of the 2010 Comprehensive Spending Review, due for publication in October 2010. There is therefore considerable uncertainty at present about the future of some aspects of the Programme. From the perspective of the MTE, there is insufficient evidence one way or the other that would justify proposals at this stage. The impacts on the Programme will need to be revisited over the coming months.
- 9.1.4 It is perceived as counter-productive to radically change either the Programme's focus or delivery structures, as the general need is still evident in the rural community. Therefore most of the issues/recommendations set out below should be viewed as 'fine tuning' points for consideration.

NIRDP 07-13	Recommendations MTE for remainder of NIRDP 2007-2013
Application Processes	<p>1) It is recommended that delivery bodies seek to maintain and improve on the current customer service levels, and continually review procedures to ensure the highest levels of satisfaction in the client base. This may include enhancing the initial application form, stating clearer rules of eligibility and providing more information about what will be required from successful applicants in the future implementation of their projects.</p>
Target Groups	<p>2) It is recommended that contact should be made again with Youth Groups, such as the Young Farmers Club of Ulster (YFCU), with a view to making the Programme more inclusive for this target group. Views should be sought on what issues / barriers affect them. This should also help shape how future Programmes can address these issues.</p> <p>3) It is recommended that the Managing Authority should consider how the Rural Network and various implementing bodies can utilise their expertise and reach within target groups to promote the Programme more effectively.</p> <p>4) It is recommended that the Managing Authority should give consideration to giving particular focus to younger farmers for the remainder of the current Programme through Axis 1, as a way of encouraging younger people into the farming side of the Programme.</p> <p>5) It is recommended that the Managing Authority and Implementing Bodies re-engage with the Northern Ireland Rural Women's Network (NIRWN) with a view to exploring how the Programme can be more inclusive for females.</p>
Axis / Measure Specific – Axis 1	<p>6) Measure 1.1 Vocational Training and Information Actions – It is recommended that in the future the Farm Family Options – Mentoring scheme is actively pushed forward, with the measure leaders working closely with the delivery agent in this regard.</p> <p>7) Measure 1.2 Adding Value to Agricultural and Forestry Products and Improving Marketing Capability – It is recommended that the future of the schemes are clarified by the Department as soon as possible. It is recommended that every avenue is explored in ways in which the schemes can carry forward for the remainder of the</p>

	<p>programme, including whether the delivery partner, Invest NI, can possibly move forward alone.</p> <p>8) Measure 1.4 Supply Chain Development Programme - There is a clear need for the management associated with the Programme to ensure that the measure is making the necessary progress in the near future. It is recommended that the measure is further marketed and progressed.</p>
Axis / Measure Specific – Axis 2	<p>9) Measure 2.3 First Afforestation (forest expansion) – It is recommended that the measure should endeavour to further promote the benefits of forestry schemes, especially the benefits of agroforestry, with a view to achieving the targets set.</p> <p>10) Measure 2.4 Forest Environments – It is recommended the measure should further promote the benefits, with a view to achieving the targets set. However it is noted it may be prudent in the future to re-assess the level of support, and corresponding targets, should the low uptake persist.</p>
Axis / Measure Specific – Axis 3 / 4	<p>11) Measure 3.1 Diversification into non-agricultural activities – It is recommended the Department monitor closely the perception that saturation levels may be occurring in relation to diversification in this Programme.</p> <p>12) Axis 3 - It is evident that all of Axis 3 will need to be progressed in the immediate future, to ensure that the rural area gains from the multiplier effects the measures can bring.</p> <p>13) Axis 4 (Cooperation) - It is recommended that the Department fully utilise the Rural Network Northern Ireland (RNNI), with their relationships at a UK and cross border level to drive the trans-national aspect of the Programme forward.</p>
Axis specific Targeting	<p>14) It is recommended that targets are re-visited in autumn 2010, once the Comprehensive Spending Review (CSR) has been published, and when more data are available for Axis 3 measures. It is recommended that the Department take this forward as part of their ongoing monitoring and evaluation activities associated with the Programme.</p>
Programme	<p>15) It is recommended the Managing Authority commission or</p>

Objectives and Priorities	undertake an MTE update in 2012, to ascertain if objectives are likely to be met.
NIRDP Impacts	16) There is a clear need to find a NIRDP solution that adds value to the remainder of the Programme in relation to impacts, that are meaningful for Northern Ireland. This will facilitate a proper evaluation of the actions supported and their impact in the region. In this regard it is recommended that the Managing Authority, as part of their system of ongoing monitoring and evaluation activities, address this issue once the current uncertainties have been clarified.
Implementation and delivery structures	<p>17) It is recommended that the following areas are addressed for the remainder of the current Programme in respect of Axis 3.</p> <ul style="list-style-type: none"> - DARD, JCCs, and LAGs should come together to identify difficulties for all parties and seek to make procedures for drawdown, open calls and auditing more flexible and streamlined, where possible, in the context of the existing EU regulations. - Strategies should be reviewed straight away with a view to moving forward. This is especially in relation to the quality of life measures (i.e. basic services) due to guidelines changing since the strategies were devised. Areas such as 'renewable energy' clearly also require guidance in the short term. - DARD should revisit animation / facilitator roles within LAGs / JCCs. There is strong evidence that this is currently required to aid Programme Implementation. - Communication should be addressed. Due to the complex structure that exists it is necessary that communication is timely and user friendly. All parties to seek to move this aspect of the delivery structure forward. - Active networking should be encouraged between LAGs / JCCs. It is widely regarded that not enough networking is taking place between LAGs, compared with previous Programmes. This could possibly be facilitated further by the Rural Network. - Ensure that Systems 2007 is fit for purpose. This is a necessary aspect of the ability of LAGs and JCCs to manage their projects effectively and efficiently and as such should be rectified straight away.

	<p>- Increase timeliness of processing of projects. There is evidence that by LAGs and JCCs sitting on the same day to assess projects that the timeframes are considerably improved, with queries minimised.</p>
<p>Support Mechanisms Programme Management</p>	<p>18) The lack of monitoring information is clearly impacting on the ability of the Monitoring Committee to take a more strategic approach to assessing the implementation of the Programme. Issues around Systems 2007 are also clearly impacting on the ability of bodies responsible for implementing the Programme. It is recommended that issues around Systems 2007 are addressed as soon as possible.</p> <p>19) It is recommended the Managing Authority, and delivery bodies, maximise the use of the RNNI. This should continue to facilitate Axis 3 and cooperation projects, and the recommendations made, and also extend to support the other areas of the Programme.</p> <p>20) It is recommended the Managing Authority reviews the Monitoring Committee composition, with a view to obtaining a more representative sectoral balance. This may include exploring the possibility of experienced independent representatives, who in turn may provide a different viewpoint. It is recommended, as part of the review of committee composition, that groups with an attendance of less than 70 per cent (member or deputy) are contacted regarding their ongoing participation in the Programme.</p> <p>21) It is recommended that the Managing Authority contact Monitoring Committee members with a view to ascertaining if refresher training is necessary to enable members to fully fulfil their position in the Programme. It may be that members would also benefit from project presentations or study visits to gain more insight into the Programme at grass roots level.</p> <p>22) It is recommended that the Managing Authority remind Monitoring Committee members of their duties and responsibilities, and how they should abide by the core principles and values agreed at the outset of the Programme.</p>
<p>Publicity and awareness raising activities</p>	<p>23) It is recommended that the Department roll out a continuous PR and Publicity Campaign for the remainder of the Programme. This is with a view to maximising the awareness and final impact of the Programme.</p> <p>24) The local press has been the most successful medium for reaching individuals about opportunities around the Programme to</p>

	<p>date. There is a benefit in continually drip feeding stories and case studies about the Programme to ensure a steady interest in the Programme. It is recommended the local press is utilised fully for the remainder of the Programme.</p> <p>25) There is a clear need to ensure that what works for certain measures is maintained. Axis 3 is clearly reaching out to individuals through the web, while events such as road shows and feeder events are successful in Axis 1. It is recommended that Measure leaders ensure that Axis specific successes are maintained, and seek ways to enhance these mediums – such as the use of digital media (twitter, facebook etc) to target prospective applicants.</p> <p>26) There is clear evidence that delivery agents and implementing divisions know a great deal about their customer base. It is recommended that the use of delivery agents / implementing divisions is maximised in promoting the Programme.</p> <p>27) All information made available to prospective applicants should be as accurate and accessible as possible. This is especially true around eligibility, with all information clear to those wishing to avail of funding. In this regard it is recommended that all information presented to the wider community is as accurate and available as possible.</p>
<p>Equality and Good Relations</p>	<p>28) Questions remain as to whether there is a need for a separate Equality and Good Relations sub group for the NIRDP. One avenue, that may enable a re-focusing of equality and good relations, could be for NIRDP Monitoring Committee members to sit on the Structural Funds equality sub group. Moving to an EU Programmes-wide group may enable a greater focus on equality and good relations issues themselves, and may enable a greater degree of complementarity across the NI Programmes. Thus it is recommended that the Managing Authority re-assess the need for the EGRSG.</p> <p>If the NIRDP is merged with the wider group it is expected that recommendations 29 – 31 below would be addressed by this approach.</p> <p>If it is felt prudent to continue with a separate NIRDP sub group there is a clear need for recommendations 29 – 31 to be implemented for the remainder of the Programme.</p> <p>29) It is recommended that the composition of the EGRSG should be addressed and aim to attract a more diverse membership. (It is noted</p>

	<p>that attempts have been made in this regard before).</p> <p>30) There is wide spread agreement that the Good Relations aspect of Section 75 has not been addressed to date. It is recommended that this is a standing agenda item on future EGRSG meetings.</p> <p>31) It is recommended that the EGRSG becomes more strategic, with the associated development of a high level work programme. It is recommended that the group focuses on the potential inequalities highlighted in the EQIA, and sets about ensuring that these groups are engaged with, with a view to including them in the remainder of the Programme.</p>
The Environment	<p>32) Questions remain as to whether there is a need for a separate sub group for the NIRDP. It is recommended that the Managing Authority re-examine the need for the ESG. In line with recommendation 28, the Managing Authority should explore the feasibility and potential benefit, of NIRDP Monitoring Committee members sitting on the current Structural Funds environment sub group.</p> <p>If it is felt prudent to continue with a separate sub group for the NIRDP there is a clear need for recommendations 33 & 34 to be implemented for the remainder of the Programme.</p> <p>33) It is recommended that the composition of the ESG should be examined with the aim of encouraging new members from outside the environment sector.</p> <p>34) There is a clear need to address the Environment from a Programme wide perspective. In this regard it is recommended that the ESG drives forward the implementation of DPA in the Programme, embracing the recent paper ⁵³ developed for the Structural Funds working group.</p>
NIRDP wide	<p>35) The need to maximise synergies between the Axes is recognised by the Managing Authority. It is recommended that this across-Axes working should be investigated and progressed for the remainder of the Programme, with a clear view to future programming periods.</p> <p>36) It is recognised that future budgets will require clarifying post-CSR, and the future make up of the NIRDP made clear. It is</p>

⁵³ Advice and Guidance on Development Path Analysis (DPA) (McBurney Consultancy)

	<p>recommended that the Department do all in their power to ensure the Programme can continue in its current form. This could include discussions with the Commission aimed at re-visiting the co-financing rates currently applied to activities in the Programme.</p> <p>37) Future National Strategy Plan - It should be noted that should recommendations arising from the evaluation be taken on board it may be necessary to re-visit the Strategy in the future. It is likely that post CSR decisions will have to be made, which could impact on the future look of the Programme for the remainder of the period. Any changes arising post-CSR would also require the National Strategy Plan to be revisited. It is recommended that this situation is monitored closely and actioned as a matter of urgency once the situation becomes clearer.</p>
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9.2 Future Directions (for the RDP in the 2014-2020 Programming Period)

Introduction

- 9.2.1 This insight into the NIRDP 2007-2013, albeit at an early stage for some Measures, shows there are already lessons to be learned in influencing the next programming period and shaping future programmes. It is widely acknowledged within the NIRDP that **simplification** must be at the core of the next Programming period. The Commission, European Parliament and Member States acknowledge that the current economic climate has had an extreme effect on farming and rural communities. Thus the future Programme must sufficiently streamline controls & regulatory process to maximise competitiveness and minimise costs whilst at the same time ensuring sound financial management.

Area	Recommendations MTE for 2014-2020 Programming Period
Axis / Measure Specific	<p>Tailoring Training in the Future - There is possibly a need to look at tailoring the training available in future Programmes to include 'Master classes' for the best performing farmers in Northern Ireland, with a view to raising the bar further.</p> <p>Less Favoured Areas Compensatory Allowances Scheme - There is a need to attend to the future of the Measure to address the needs highlighted in the review of Less Favoured Areas, such as the continuing fall in cattle and sheep numbers in the LFA, particularly the SDA, and the increasing evidence of the environmental impact of that in terms of under grazing, scrub encroachment and rush infestation. There are also possible changes in the EU legislation governing the Measure which may need addressed. The option to re-focus the scheme and ensure that farming continues in the most disadvantaged areas is evidently the most suitable approach to adopt. It is recommended that the Department implement the changes, in re-focussing the scheme, for the future programming period.</p>
Target Groups	<p>'New Entrant Scheme' - Future new entrants to the farming industry could have a dedicated scheme that delivers a range of aspects of the current Axis 1 measures, from skills training, to modernisation, through to supply chain. This approach would guide young entrants through a clear career path in the industry.</p>
Delivery Structures	<p>Partnership Model - The Partnership model has proved successful to date in Axis 1. It is a seemingly cost effective way of utilising an umbrella of organisations, with the necessary skills and an excellent understanding of their customer base. It is recommended that the partnership model be further utilised in the future subject to assessment of its continued effectiveness.</p> <p>Future of LEADER - A full review of the current delivery structure and general LEADER approach should be undertaken, with a view to the next programming period. This is with a clear view to what works in a Northern Ireland context. This review should include all key players (Practitioners, DARD, Audit etc) in shaping the future structure / delivery model on the basis of the lessons learnt. The review should look at, amongst other aspects, how successful partnerships in the rural community can be utilised to supplement the LEADER approach – and how various activities can best be delivered, either at a local level or via a regional</p>

	<p>approach. The review should also incorporate the costs associated with each of these models in relation to VFM, with a view to making an evidence based informed decision.</p>
<p>Programme Management</p>	<p>Data system – There is an obvious need to have a suitable data capture system in place at the start of the programming period, that is fit for purpose and complements the Programme. The system should not only facilitate delivery bodies in implementation, but also enable the ongoing monitoring and evaluation associated with the Programme.</p> <p>Managing Authority to move focus to ‘Outcomes’ in the future - A clear evidence base of the needs of Northern Ireland’s rural communities should be developed, from which the Department can draw its strategic objectives for future EU Programmes. The Department should look to how the Rural White paper can help to shape any future Programme.</p>
<p>Publicity and awareness raising activities</p>	<p>A greater joined up approach in future in relation to Programme wide and measure specific PR and Publicity - There is a clear need for a joined up approach in relation to the Programme wide publicity and measure specific PR, clearly linking to when measures open for applications. A joined up approach will ensure that the maximum awareness and interest is raised with a view to delivering for the wider rural communities.</p>
<p>Environment</p>	<p>Continuation of Axis 2 Schemes - It is evident these schemes provide a clear benefit to the environment and the wider rural community. They are a key component of the environmental impact the Programme can deliver.</p> <p>It is recommended the Managing Authority look at areas such as greenhouse gases and climate change, with a clear focus on emissions in the interim period, with a view to the next programming period. However it is recognised that future funding constraints may be problematic. Thus it is imperative that all stakeholders work closely together to ensure these schemes continue in some form.</p>
<p>Programme Wide</p> <p><i>Note: it is recognised that some of these depend on actions</i></p>	<p>The following areas should form the design basis for the future programming period:</p> <p>Need to focus on outcomes not outputs - The current rigid structure of measures tied to specific Axes is inflexible and limits the ability to focus</p>

<p><i>at the Commission level</i></p>	<p>on achieving outcomes, and to deliver multi-objective projects.</p> <p>Axis / Measure Structure - There is clearly a need to look at the Axis / measure structure, which should include a smaller set of measures with broader definitions that allow flexibility in implementation, and reduce the need to notify the Commission of minor alterations to schemes which do not impact on the outcome intended.</p> <p>Simplification of eligibility criteria where appropriate – This will ensure parity between beneficiaries, and to simplify Programme delivery, but balanced with a focus on outcomes, which may require the need to target measures using different criteria, where there is an obvious rationale.</p> <p>Monitoring & Evaluation simplification measures - This should include the reduction in the total number and refining of indicators, and a focus on outcomes. It should ensure all indicators and (associated data collection) are meaningful and justified, and incorporate qualitative explanations in the evaluation of programmes (especially in relation to Impacts). Indicators should be developed with clearly defined data sources at the outset.</p> <p>Reporting Requirements – These should be established early, so that application / claim forms and delivery systems can be properly designed, and simplify the processes with the end user in mind.</p> <p>Proportionate and Risk-based System of Audit – Although there is risk based sampling in the current programme there is a general perception that it is not proportionate. A future proportionate and risk-based system of audit should remove the need to follow up minor infringements, and enable penalties applied which are based on the actual risk to EU funds.</p> <p>Legislation and accompanying guidance – This should be clearly agreed by all concerned prior to implementation, with a more transparent mechanism for clarifying interpretations where confusion does occur.</p> <p>Control rules and regulations – These need to be in place at the outset of the new Programme.</p>
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Appendices

Appendix A

National Strategy Plan

It is evident that stakeholders consulted as part of the MTE in no way support the widespread deconstruction of the Programme at present. It is widely accepted that it is very early for certain measures on which to base any sweeping changes to the programme, and the corresponding National Strategy Plan.

In this regard the National Strategy Plan remains valid as the programme stands. The socio economic situation stipulated in this MTE should be used to update the strategy. The CMEF baseline indicators have also been updated where possible and should be incorporated into the strategy. These CMEF objective related baseline indicators are shown below: The data presented attempts to capture the situation in Northern Ireland in 2010. These data are objective and measure specific, i.e. relating directly to the measures of the NIRDP 2007-2013.

CONVENTIONS

- N/A Figures not available
- P Data provision
- * Data falls below disclosure limit
- Data not reported
- TBC To be confirmed

Baseline Indicator 4

Applies to;

Measure 1.1: Vocational Training and Information Actions (Measure Code 111)

Baseline indicator objective related	4 - Training and education in agriculture
Measurement of the indicator	% farmers with basic and full education in agriculture attained
Definition of the indicator	<p>This indicator provides information on the education level of managers within a region. This indicator covers managers that have attained basic and full agricultural training.</p> <p>According to the Commission Decision of 24 November 1999 relating to the definitions of the characteristics, the list of agricultural products, the exceptions to the definitions and the regions and districts regarding the surveys on the structure of agricultural holdings(notified under document number C(1999) 3875) (2000/115/EC), the <u>Manager's agricultural training</u> is defined as follows:</p> <p><u>Only practical agricultural experience</u>: experience acquired through practical work on an agricultural holding.</p> <p><u>Basic agricultural training</u>: any training courses completed at a general agricultural college and/or an institution specialising in certain subjects (including horticulture, viticulture, silviculture, pisciculture, veterinary science, agricultural technology and associated subjects). A completed agricultural apprenticeship is regarded as basic training.</p> <p><u>Full agricultural training</u>: any training course continuing for the equivalent of at least two years full time training after the end of compulsory education and completed at an agricultural college, university or other institute of higher education in agriculture, horticulture, viticulture, silviculture, pisciculture, veterinary science, agricultural technology or an associated subject.</p> <p>This indicator can be also measured both in absolute terms so that the size of the group is known.</p>

Level of training (all farmers)	2005	
	Number	%
- Practical only	22,442	83
- Basic	3,403	13
- Full	1,217	4

Level of training (female)	2005	
	Number	%
- Practical only	1,902	88
- Basic	174	8
- Full	86	4

Level of training (young holders <35 years)	2005	
	Number	%
- Practical only	1,056	64
- Basic	347	21
- Full	257	15

Source	Farm Structure Survey 2005
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Baseline Indicator 6

Applies to;

Measure 1.3: Modernisation of Agricultural Holdings (Measure Code 121)

Baseline indicator objective related	6 - Labour productivity in agriculture
Measurement of the indicator	Gross Value Added per annual work unit (GVA/AWU)
Definition of the indicator	<p>Labour productivity in agriculture is expressed in Gross Value Added (GVA) at basic prices per annual work unit (AWU). GVA is defined as the value of output less the value of intermediate consumption. Output is valued at basic prices, GVA is valued at basic prices and intermediate consumption is valued at purchasers' prices. GVA per Annual Work Unit (AWU) provides comparable data on labour productivity and allows for comparison over the sub-sectors and regions. At sub-sectors level (sub-indicators), the measurement is Gross Farm Income /AWU (in FADN) equivalent to GVA/AWU. When data availability makes it possible, a three year average mitigates the short-term fluctuations. Labour productivity is then calculated as the ratio of the averages: (three year average GVA) / (three year average labour force). The agricultural sector corresponds to division 01 of NACE rev. 1.1 (Agriculture, hunting and related service activities). In the Economic Accounts for Agriculture, there are the following differences:</p> <ul style="list-style-type: none"> - <i>inclusion</i> of the production of wine and olive oil (exclusively using grapes and olives grown by the same holding), the growing of vegetable materials used for plaiting, Christmas trees, fruit trees, vines and ornamental nursery trees, - <i>exclusion</i> of the activities relating to the production of seeds upstream and downstream of multiplication and certain activities which, in NACE Rev. 1, are considered as agricultural services (i.e. the operation of irrigation systems, the design, planting and maintenance of gardens, parks and green areas for sports facilities and the like, tree pruning and hedge trimming; only agricultural contract work is taken into account here). Sub-sectors correspond to specialised Types of Farms defined in the Community typology for agricultural holdings (Commission Decision 85/377/EEC)

	2007
Gross Value Added per annual work unit (GVA/AWU)	£12,023

Source	Statistical Review of NI Agriculture (2009)
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	2009
Gross Value Added per annual work unit (GVA/AWU)	£10,745 (Provisional)

Source	Statistical Review of NI Agriculture 2009
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Baseline Indicator 7

Applies to;

Measure 1.2: Adding Value to Agricultural and Forestry Products and Improving Marketing Capability (Measure Code 123)**Measure 1.3: Modernisation of Agricultural Holdings (Measure Code 121)**

Baseline indicator objective related	7 - Gross fixed capital formation in agriculture
Measurement of the indicator	Gross fixed capital formation in agriculture
Definition of the indicator	Gross fixed capital formation in agriculture: the investments in assets which are used repeatedly or continuously over a number of years to produce goods in agriculture. It is measured in absolute terms. Agriculture is taken as defined for the Economic Accounts for Agriculture (for differences with division 01 of NACE rev 1.1, see indicator fiche n°6.)

	2007
Gross fixed capital formation in agriculture¹	£56.6m

¹ Source	Statistical Review of Northern Ireland Agriculture 2009
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	2009
Gross fixed capital formation in agriculture	£63.7m (Provisional)

Source	Statistical Review of Northern Ireland Agriculture 2009
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Baseline Indicator 9

Applies to;

Measure 1.4: Supply Chain Development Programme (Measure Code 124)

Baseline indicator objective related	9 - Economic development in primary sector
Measurement of the indicator	Gross Value Added in primary sector
Definition of the indicator	This indicator measures the gross value added (GVA) in the primary sector in a region. GVA is defined as the value of output less the value of intermediate consumption. Output is valued at basic prices, GVA is valued at basic prices and intermediate consumption is valued at purchasers' prices. GVA is measured in absolute terms. Primary sector corresponds to division 01 and 02 or branch A of NACE rev. 1.1 (Agriculture, hunting and forestry). When data are provided at NUTS-3 level, Primary sector also covers division 05 or branch B of NACE rev. 1.1 (fishing).

	2006
Gross Value Added in primary sector	£462 million

Source	Office of National Statistics
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	2007
Gross Value Added in primary sector¹	£568 million

Source	Office of National Statistics
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Baseline Indicator 11

Applies to;
Measure 1.2: Adding Value to Agricultural and Forestry Products and Improving Marketing Capability (Measure Code 123)

Baseline indicator objective related	11 - Gross fixed capital formation in food industry
Measurement of the indicator	Gross fixed capital formation in food industry
Definition of the indicator	Gross fixed capital formation in food industry: investments in assets which are used repeatedly or continuously over a number of years to produce goods in food industry. It is measured in absolute terms. Food industry corresponds to division 15 and 16 or branch DA of NACE rev. 1.1 (manufacture of food products; beverages and tobacco products).

Gross fixed capital formation in food industry	N/A
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Source	
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Baseline Indicator 13

Applies to;
Measure 1.4: Supply Chain Development Programme (Measure Code 124)

Baseline indicator objective related	13 - Economic development of food industry
Measurement of the indicator	Gross value added in the food industry
Definition of the indicator	This indicator measures the gross value added (GVA) in the food industry sector in a region. GVA is defined as the value of output less the value of intermediate consumption. Output is valued at basic prices, GVA is valued at basic prices and intermediate consumption is valued at purchasers' prices. GVA is measured in absolute terms. Food industry corresponds to division 15 and 16 or branch DA of NACE rev. 1.1 (manufacture of food products; beverages and tobacco products).

	2006
Gross Value Added in the food industry	£1054 million

Source	Office of National Statistics
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	2007
Gross Value Added in the food industry	£1060 million

Source	Office of National Statistics
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Baseline Indicator 15

Applies to;
Measure 1.2: Adding Value to Agricultural and Forestry Products and Improving Marketing Capability (Measure Code 123)

Baseline indicator objective related	15 - Gross fixed capital formation in forestry
Measurement of the indicator	Gross fixed capital formation in forestry
Definition of the indicator	Gross fixed capital formation in forestry: the investments in assets which are used repeatedly or continuously over a number of years to produce goods in forestry. It is measured in absolute terms. Forestry sector corresponds to division 02 in NACE rev. 1 (Forestry, logging and related activities). In Economic Accounts for Forestry, production activities relating to vegetable materials used for plaiting, Christmas trees, fruit trees, vines and ornamental nursery trees are excluded,.

Gross fixed capital formation in forestry	N/A
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Source	
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Baseline Indicator 17

Applies to;

Measure 2.1: Less Favoured Areas Compensatory Allowances Scheme (Measure Code 212)

Measure 2.2: Agri-Environment Programme (Measure Codes: 214)

Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)

Baseline indicator objective related	17 – Biodiversity: Population of farmland birds
Measurement of the indicator	Trends of index of population of farmland birds
Definition of the indicator	<p>The farmland bird indicator is intended as a barometer of change for the biodiversity of agricultural landscapes in Europe. It consists in an aggregated index of population trend estimates of a selected group of 19 breeding bird species dependent on agricultural land for nesting or feeding. Assuming a close link between the selected bird species and the farmland habitat, a negative trend signals that the farm environment is becoming less favourable to birds.</p> <p>The following farmland bird species are included: <i>Alauda arvensis</i>, <i>Burhinus oedicephalus</i>, <i>Carduelis carduelis</i>, <i>Columba palumbus</i>, <i>Emberiza citrinella</i>, <i>Falco tinnunculus</i>, <i>Galerida cristata</i>, <i>Hirundo rustica</i>, <i>Lanius collurio</i>, <i>Lanius senator</i>, <i>Limosa limosa</i>, <i>Miliaria calandra</i>, <i>Motacilla flava</i>, <i>Passer montanus</i>, <i>Saxicola rubetra</i>, <i>Streptopelia turtur</i>, <i>Sturnus vulgaris</i>, <i>Sylvia communis</i>, <i>Vanellus vanellus</i>. In 2005 the list of species covered was modified to be more specific to farmland.</p> <p>Indices are calculated for each species independently and are weighted equally when combined in the aggregate index using a geometric mean. Aggregated EU indices are calculated using population-dependent weighting factors for each country and species</p> <p>The indices are compiled by Statistics Netherlands in conjunction with the Pan-European Common Bird Monitoring scheme (PECBM: a joint project of the European Bird Census Council, the Royal Society for the Protection of Birds, BirdLife International, and Statistics Netherlands). The population counts are carried out by a network of volunteer ornithologists coordinated within national schemes</p> <p>It is indexed on the year 2000, this base year having been selected so as to provide the maximum geographic coverage.</p> <p>MS may use an alternative composition of bird species where this is appropriate to national/regional situation.</p>

	2005
Trends of index of population of farmland birds	71.2 (1990=100)

Source	<i>Eurostat: Farmland bird index (UK fig as proxy)</i>
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	2006
Trends of index of population of farmland birds	68.7 (1990=100)

Source	<i>Eurostat: Farmland bird index (UK fig as proxy)</i>
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Baseline Indicator 18**Applies to;****Measure 2.1: Less Favoured Areas Compensatory Allowances Scheme (Measure Code 212)****Measure 2.2: Agri-Environment Programme (Measure Codes: 214)****Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)****Measure 2.4: Forest Environments (Measure Codes: 225 and 227)**

Baseline indicator objective related	18 – Biodiversity: High Nature Value farmland and forestry
Measurement of the indicator	% UAA of High Nature Value farmland
Definition of the indicator	<p>High Nature Value farmland and forestry is associated with high biodiversity. The concept on high nature value does not only cover defined areas but also high nature value features (e.g. buffer strips etc.) introduced into areas that as such would not fall under the definition of high nature value. In addition it refers to agricultural and forestry management systems being a driver for high nature value.</p> <p>It should be noted that the high nature value indicator developed on European level so far does cover only parts of this concept, especially small scale features and forestry are not included.</p> <p>The HNV farmland indicator developed so far (cf. Andersen et al. (2003)) distinguishes the following types of high nature value farmland:</p> <ul style="list-style-type: none"> • Type 1: Farmland with a high proportion of semi-natural vegetation. • Type 2: Farmland dominated by low intensity agriculture or a mosaic of semi-natural and cultivated land and small-scale features. • Type 3: Farmland supporting rare species or a high proportion of European or World population. <p>On the basis of land cover data (CORINE database) and agronomic farm level data (in particular FADN), the indicator gives an indication for type 1 and 2 high nature value farmland but not necessarily for type 3.. To include Type 3 high nature value farmland, EEA and JRC are currently working on further developing the indicator by introducing species distribution data. Due to data limitations this approach has its restrictions and is therefore not included in this analysis.</p> <p>Currently EEA and JRC are updating this indicator on the basis of Corine Land Cover 2000 (CLC2000). After updating the indicator will be available for EU 25.</p> <p>For New Member States, HNV farmland areas consist in semi-natural grassland, being defined according to their dependence upon continuing agricultural management in order to persist. Alpine pastures above 1 900 m that can be maintained without any human intervention are not included.</p> <p>Given the current state of development of the EEA/JRC indicator Member States may wish to make use of a national definition for this indicator. DG AGRI will commission a study on high nature value indicators to support Member States doing so and to develop the indicator further to include the aspects of the high nature value concept not covered so far.</p>

	2006
UAA of High Nature Value farmland	0.2
Source	DARD

Baseline Indicator 19

Applies to;

Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)**Measure 2.4: Forest Environments (Measure Codes: 225 and 227)**

Baseline indicator objective related	19 – Biodiversity: tree species composition
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Measurement of the indicator	Area of forest and other wooded land classified by number of tree species occurring and by forest type.
Definition of the indicator	Multi-species forest and other wooded land (FOWL) are usually richer in biodiversity than mono-species forest and other wooded land. However, it has to be considered that some natural forest ecosystems have only one or two tree species, e.g. natural sub-alpine spruce stands. This indicator corresponds to the MCPFE (Ministerial Conference on the Protection of Forests in Europe) indicator 4.1.

Coniferous: predominantly coniferous FOWL as percentage of total FOWL	N/A
Broadleaved: predominantly broadleaved FOWL as percentage of total FOWL	N/A
Mixed: mixed FOWL as percentage of total FOWL	N/A

Source	
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Baseline Indicator 20**Applies to;****Measure 2.2: Agri-Environment Programme (Measure Codes: 214)****Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)****Measure 2.4: Forest Environments (Measure Codes: 225 and 227)**

Baseline indicator objective related	20 - Water quality: Gross Nutrient Balances
Measurement of the indicator	Surplus of nutrient per ha.
Definition of the indicator	<p>Nutrient or mineral balances establish links between agricultural nutrient use, changes in environmental quality, and the sustainable use of soil nutrients. The gross nutrient balances provide an indication of potential water pollution and identifies those agricultural areas and systems with very high nitrogen or phosphorus loadings. As the indicator integrates the most important agricultural parameters with regard to potential nitrogen or phosphorus surplus, it is currently the best available approximation of agricultural pressures on water quality</p> <p>The gross nitrogen balance provides an estimate of the potential surplus of nitrogen on agricultural land (kg/ha), based on statistical information on the amounts of mineral fertiliser applied, organic fertiliser production, nitrogen fixed in the soil, atmospheric deposition of nitrogen compounds, seeds and planting material, and amounts of harvested crops and forage.</p> <p>The data is collected in accordance with the OECD/Eurostat national nitrogen balance handbook.</p> <p>For the gross phosphorus balance a comparable methodology applies.</p>

	2006
Surplus of nutrient per ha.	
- gross nitrogen balance	118.1 kg N/ha
- gross phosphorous balance	14.1 kg P/ha

Source	DOE / Agri-Food and Biosciences Institute
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	2009
Surplus of nutrient per ha.	
- gross nitrogen balance	104.8 kg N/ha
- gross phosphorous balance	8.6 kg P/ha

Source	DOE / Agri-Food and Biosciences Institute
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Baseline Indicator 21

Applies to;
Measure 2.2: Agri-Environment Programme (Measure Codes: 214)

Baseline indicator objective related	21 – Water quality: Pollution by nitrates and pesticides
Measurement of the indicator	Annual trends in the concentrations
Definition of the indicator	The trend in concentration of nitrate and pesticides loads in ground and surface waters is an indicator of the impact of agricultural activities on water quality. The trend is taken instead of concentration in year n, in order to overcome the possible differences of measurement that would not allow comparing easily the different measures. It is calculated over a period of ten years. The trend is evaluated using a 3 years rolling average with an index (1992-1994 = 100).

Annual trends in the concentrations	
- trends in concentration of total oxidized nitrogen in surface water	NA
- trends in concentration of total oxidized nitrogen in ground water	NA
	NA
- trends in the concentration of pesticides in surface water	NA
- trends in the concentration of pesticides in ground water	NA

Source	
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Baseline Indicator 22

Applies to;
Measure 2.2: Agri-Environment Programme (Measure Codes: 214)
Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)
Measure 2.4: Forest Environments (Measure Codes: 225 and 227)

Baseline indicator objective related	22 - Soil: Areas at risk of soil erosion
Measurement of the indicator	Areas at risk of soil erosion
Definition of the indicator	Sustainable management contributes to less soil erosion. This effect will be measured through estimates of soil loss in Tons / ha / year. The model used: Pan-European Soil Erosion Risk Assessment model – Pesera project (JRC-Ispra) provides results for water erosion only.

	2006
Areas at risk of erosion	0.24

Source	Eurostat
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Baseline Indicator 23**Applies to;****Measure 2.2: Agri-Environment Programme (Measure Codes: 214)**

Baseline indicator objective related	23 - Soil: Organic farming
Measurement of the indicator	Utilised Agricultural Area under organic farming
Definition of the indicator	Areas under organic farming are an important indicator for the extent to which agricultural land is sustainably managed. Organic farming is defined as: farming not using fertilizers or synthetic pesticides. For the purpose of sustainable management of agricultural land, organic farming is not restricted to the area under Regulation (EEC) No 2092/91 (certified organic and in-conversion) but also covers equivalent national rules for organic production (as in Farm Structure Survey for instance - Commission Decision 2000/115/EC).

	2007
Utilised Agricultural Area under organic farming	6,000

Source	Northern Ireland Environmental Statistics Report January 2010
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	2008
Utilised Agricultural Area under organic farming	6,000

Source	Northern Ireland Environmental Statistics Report January 2010
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Baseline Indicator 24**Applies to;****Measure 2.2: Agri-Environment Programme (Measure Codes: 214)****Measure 2.3: First Afforestation (forest expansion) (Measure Codes: 221, 222 and 223)**

Baseline indicator objective related	24 - Climate change: Production of renewable energy from agriculture and forestry
Measurement of the indicator	Production of renewable energy from agriculture and forestry

Definition of the indicator	<p>For this indicator, due to data availability, production of renewable energy from agriculture covers biofuel:</p> <ul style="list-style-type: none"> • Biodiesel from oilseeds crops • Ethanol from starch/sugar crops <p>Therefore it does not cover:</p> <ul style="list-style-type: none"> • Energy from short rotation forestry • Energy from agricultural biogas (livestock manure) • Energy from cereal straw <p>Production of renewable energy from forestry covers:</p> <ul style="list-style-type: none"> • Purpose-grown energy crops (poplar, willow, etc.) • Woody material generated by an industrial process (wood/paper industry in particular) or provided directly by forestry and agriculture (firewood, wood chips, bark, sawdust, shavings, chips, black liquor etc.) • Wastes such as straw, rice husks, nut shells, poultry litter, crushed grape dregs etc. <p>Conversion coefficients from ktons to ktoe (EEA - IRENA 27): Bioethanol: 0.800 kg/L – 23.4 MJ/L – 41868 kToe/GJ Biodiesel: 0.875 kg/L – 33.0 MJ/L – 41868 kToe/GJ</p>
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Production of renewable energy from agriculture and forestry	
- Production of renewable energy from Agriculture	N/A
- Production of renewable energy from Forestry	N/A

Source	
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Baseline Indicator 26

Applies to;

Measure 2.2: Agri-Environment Programme (Measure Codes: 214)

Baseline indicator objective related	26 - Climate change/air quality: gas emissions from agriculture
Measurement of the indicator	Emissions of greenhouse gases and of ammonia from agriculture (1000t of CO2 equivalent)

Definition of the indicator	<p>Greenhouse gases (GHG) as a whole include CO₂, CH₄, N₂O and fluorinated gases (HFCs, PFCs and SF₆).</p> <p>According to the United Nations Framework Convention on Climate Change (UNFCCC) the following are sources of greenhouse gases from agriculture:</p> <ul style="list-style-type: none"> i) enteric fermentation (CH₄); ii) manure management (CH₄, N₂O); iii) rice cultivation (CH₄); iv) agricultural soil management (CO₂, CH₄, N₂O); v) prescribed burning of savannahs (CH₄, N₂O); and vi) field burning of agricultural residues (CH₄, N₂O). <p>Emissions of GHG from land use change and forestry are excluded.</p> <p>Carbon dioxide emissions do not include emissions from fossil fuel combustion sources that arise from agricultural-related processes such as transport, greenhouse heating and grain drying. Such sources are inventoried in IPCC under the Energy section, but the individual contribution of agriculture is not inventoried.</p> <p>For GHG emissions, the primary source of data is the European Environment Agency. It compiles data received from the 25 Member States annual submission of data to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). Member States apply the 1996 IPCC guidelines to estimate the emissions and, they use the common reporting format (CRF) for submission of their inventories. Data collection via the EIONET (European Information and Observation Network) is being extended to include Candidate Countries which are becoming members of the European Environment Agency network.</p> <p>For ammonia (NH₃) emissions, data are reported by Member States to the UNECE/EMEP Convention on Long-Range Transboundary Atmospheric Pollution (CLRTAP). Recommended methodologies for emission data collection are compiled in the Joint EMEP/CORINAIR Atmospheric Emission Inventory Guidebook (EMEP/EEA 2001).</p>
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	2006
Emissions of greenhouse gases and of ammonia from agriculture	
- Greenhouse gases emissions	5,212

Source	Northern Ireland Environmental Statistics Report January 2009
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	2007
Emissions of greenhouse gases and of ammonia from agriculture	
- Greenhouse gases emissions	5,068

Source	Northern Ireland Environmental Statistics Report January 2010
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Baseline Indicator 27

Applies to;

Measure 3.1: Diversification into non-agricultural activities (Measure Code 311)

Measure 2.4: Forest Environments (Measure Codes: 225 and 227)

Baseline indicator objective related	27 – Farmers with other gainful activity
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Measurement of the indicator	Sole holders-managers with other gainful activity as percentage of total number of farm holders (sole holders-managers)
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Definition of the indicator	<p>Besides their work on the farm, the holders may carry out other gainful activities. This indicator measures the extent to which farmers have complemented their income by gainful activities other than farming. This is every activity other than activity relating to farm work, carried out for remuneration (salary, wages, profits or other payment, including payment in kind, according to the service rendered). This includes non-agricultural activities carried out on the holding itself (camping sites, accommodation for tourists, etc.) or on another agricultural holding as well as activity in a non-agricultural enterprise.</p> <p>The numerator includes all sole-holder managers with other - either subsidiary or major - gainful activities.</p> <p>The denominator consists in the sum of sole-holders-managers having answered to that question (i.e. Farmers with other (subsidiary + major) gainful activities + farmers with no other gainful activity)</p>
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	2007
Sole holders-managers with other gainful activity as percentage of total number of farm holders (sole holders-managers)	37%
- Female holders with other gainful activities as a share of total female holders	19%
- Young holders (<35 y.o.) with other gainful activities as a share of total holders of the same age class	58%

Source	EU Farm Structure Survey
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Baseline Indicator 28

Applies to;

Measure 2.4: Forest Environments (Measure Codes: 225 and 227)**Measure 3.2: Business Creation and Development (Measure Code 312)**

Baseline indicator objective related	28 – Employment development of non-agricultural sector
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Measurement of the indicator	Employment in secondary and tertiary sectors
Definition of the indicator	<p>Diversification of the economy is expressed in the number of people employed outside the agricultural sector.</p> <p>In Economic Accounts, total employment (ESA 1995, 11.11) covers all persons – both employees and the self-employed - in a specific region.</p> <p>In the European Union Labour Force Survey, employment covers all persons aged 15 year and over, having work for pay or profit regardless the number of hours per week</p> <p>Due to data availability, non-agricultural sector is defined as the sum of secondary and tertiary sectors.</p> <p>Agricultural sector is therefore implicitly defined as the primary sector (agriculture, hunting, forestry and fisheries).</p> <p>It should be noticed that:</p> <ul style="list-style-type: none"> • in the Economic Accounts: <ul style="list-style-type: none"> ○ at NUTS 2 level, data relating exclusively to agriculture, hunting and forestry sector (corresponding to division 01 and 02 or branch A of NACE rev. 1.1) are available, ○ at NUTS 3 level, data also cover division 05 or branch B of NACE rev. 1.1 (fishing). • in Labour Force Survey, primary sector corresponds to divisions 01, 02 & 05 or branch A_B of NACE rev. 1.1, and therefore always include fisheries.

	<p>Secondary sector covers divisions 10 to 45 or branches C to F of NACE rev. 1.1. Tertiary sector covers divisions 50 to 95 or branches G to P of NACE rev.1.1.</p> <p>Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.</p>
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	2006
Employment in secondary sector⁵⁴	130,000
- Female employment in secondary sector	21,000
- Young people (16-24) employment in secondary sector ⁵⁵	25,000
Employment in tertiary sector⁵⁶	316,000
- Female employment in tertiary sector	186,000
- Young people (16-24) employment in tertiary sector ⁵⁷	47,000
Employment in secondary and tertiary sectors	445,000
- Female employment in secondary and tertiary sectors	207,000
- Young people (16-24) employment in secondary and tertiary sector	73,000

Source	Labour Force Survey ^{58 59}
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	2007
Employment in secondary sector⁵⁴	136,000
- Female employment in secondary sector	23,000
- Young people (16-24) employment in secondary sector ⁵⁵	30,000
Employment in tertiary sector⁵⁶	327,000
- Female employment in tertiary sector	192,000
- Young people (16-24) employment in tertiary sector	46,000
Employment in secondary and tertiary sectors	463,000
- Female employment in secondary and tertiary sectors	215,000
- Young people (16-24) employment in secondary and tertiary sector	77,000

Source	Labour Force Survey ^{58 59}
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⁵⁴ NACE C – F

⁵⁵ Data provided for young people aged 16-24 taking account the school leaving age and not 15-24 as requested from EU.

⁵⁶ NACE G-Q

⁵⁷ Data provided for young people aged 16-24 taking account the school leaving age and not 15-24 as requested from EU.

⁵⁸ As the LFS is a sample survey, all data is subject to sampling error. Data provided for young people aged 16-24 taking account the school leaving age.

⁵⁹ LFS Rural data provided at NUTS III breakdown to allowing reporting.

Belfast and Outer Belfast are classified as 'urban'.

North, East, West and South of Northern Ireland are classified as 'rural'.

Baseline Indicator 29**Applies to;****Measure 2.4: Forest Environments (Measure Codes: 225 and 227)****Measure 3.2: Business Creation and Development (Measure Code 312)****Measure 3.5: Village renewal and Development (Measure Code 322)****Measure 3.6: Conservation and Upgrading of Rural Heritage (Measure Code 323)**

Baseline indicator objective related	29 – Economic development of non-agricultural sector
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Measurement of the indicator	GVA in secondary and tertiary sectors (Mio Euros)
Definition of the indicator	<p>This indicator measures the gross value added (GVA) outside the agricultural sector in a region.</p> <p>GVA is defined as the value of output less the value of intermediate consumption.</p> <p>Output is valued at basic prices, GVA is valued at basic prices and intermediate consumption is valued at purchasers' prices.</p> <p>Due to data availability, non-agricultural sector is defined as the sum of secondary and tertiary sectors.</p> <p>Agricultural sector is therefore implicitly defined as the primary sector (agriculture, hunting, forestry and fisheries).</p> <p>It should be noticed that:</p> <ul style="list-style-type: none"> • in the Economic Accounts: <ul style="list-style-type: none"> ○ at NUTS 2 level, data relating exclusively to agriculture, hunting and forestry sector (corresponding to division 01 and 02 or branch A of NACE rev. 1.1) are available, ○ at NUTS 3 level, data also cover division 05 or branch B of NACE rev. 1.1 (fishing). • in Labour Force Survey, primary sector corresponds to divisions 01, 02 & 05 or branch A_B of NACE rev. 1.1, and therefore always include fisheries. Secondary sector covers divisions 10 to 45 or branches C to F of NACE rev. 1.1. Tertiary sector covers divisions 50 to 95 or branches G to P of NACE rev.1.1. <p>Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.</p>

	2006
GVA in secondary and tertiary sectors - National	(32839.75)
- Rural	17,866.8

Source	Eurostat
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	2007
GVA in secondary and tertiary sectors - National	32668.11
- Rural	N/A

Source	Eurostat
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Baseline Indicator 30

Applies to;

Measure 3.2: Business Creation and Development (Measure Code 312)

Baseline indicator objective related	30 – Self-employment development
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Measurement of the indicator	Self-employed persons (000s)
Definition of the indicator	Self-employed persons are persons who work in their own business, farm or professional practice for the purpose of earning a profit. This indicator is used as a proxy to measure entrepreneurship. Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.

	2007
Self-employed persons are persons who work in their own business, farm or professional practice for the purpose of earning a profit.	
- National	119.4
- Rural	N/A

Source	Eurostat – Labour Force Survey
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Baseline Indicator 31

Applies to;

Measure 3.3: Encouragement of Tourism Activities (Measure Code 313)

Baseline indicator objective related	31 - Tourism infrastructure in rural areas
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Measurement of the indicator	Total number of bed places in all forms of tourist accommodation
Definition of the indicator	The tourism infrastructure in rural areas consists in several elements. For this indicator the number of bed places is taken as an indication for the tourism infrastructure (capacity). The number of bed places is calculated over hotels and similar establishments, tourist campsites, holiday dwellings and other collective accommodations. When the number of bed places in one category of establishment was missing, the sum of available data is provided. The number of bed places in an establishment or dwelling is determined by the number of persons who can stay overnight in the beds set up in the establishment (dwelling), ignoring any extra beds that may be set up by customer request. The term bed place applies to a single bed, double bed being counted as two bed places. The unit serves to measure the capacity of any type of accommodation. A bed place is also a place on a pitch or in a boat on a mooring to accommodate one person. One camping pitch should equal four bed places if the actual number of bed places is not known. Definitions, size thresholds, etc. can be found in Council Directive on Tourism statistics 95/97/EC. Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are

	not available, a best approximation at a higher geographical level should be provided.
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	2007
Total number of bed places in all forms of tourist accommodation	
- National	36,860
- Rural	27,241

Source	Eurostat
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Baseline Indicator 32

Applies to; Measure 3.4: Basic Services for the Economy and Rural Population (Measure Code 321)

Baseline indicator objective related	32 - Internet take-up in rural areas
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Measurement of the indicator	Persons having subscribed to DSL internet as a percentage of total population
Definition of the indicator	<p>DSL: Digital Subscriber Line</p> <p>A 2004 Commission Communication {COM(2004) 369: "Connecting Europe at High Speed : National Broadband Strategies"} referred to broadband as "a wide range of technologies that have been developed to support the delivery of innovative interactive services, equipped with always-on functionality, providing broad bandwidth capacity that evolves over time, and allowing the simultaneous use of both voice and data services."</p> <p>Those data are collected through a survey of telecom operators. As telecom operators are not able to make the difference between residential and business use, broadband data are typically presented in terms of population. The same methodology is used by the Communication Committee (which is made of national regulatory authorities and provides the official data on broadband penetration also for the structural indicators) and by for example the OECD - all broadband penetration rates are expressed in terms of population.</p> <p>Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.</p>

	2006-2007
Persons having subscribed to DSL internet as a percentage of total NI population	40% (Int via Hm Comp)42%
Persons having subscribed to DSL internet as a percentage of rural NI population	36%

Source	Continuous Household Survey ⁶⁰
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	2008-2009
Persons having subscribed to DSL internet as a percentage of total NI population	49% (Int via Hm Comp)
Persons having subscribed to DSL internet as a percentage of rural NI population	N/A

⁶⁰ Rural population as defined by the NISRA Central Postcode Directory - Census Output Area Urban/Rural Indicator

Source	Continuous Household Survey
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Baseline Indicator 33

Applies to;

Measure 3.4: Basic Services for the Economy and Rural Population (Measure Code 321)

Baseline indicator objective related	33 – Development of services sector
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Measurement of the indicator	GVA in services as percentage of total GVA
Definition of the indicator	<p>This indicator measures the share of gross value added (GVA) in the services sector in a region. It is used as a proxy to evaluate the provision of services available in a region and thus the quality of life.</p> <p>GVA is defined as the value of output less the value of intermediate consumption.</p> <p>Output is valued at basic prices, GVA is valued at basic prices and intermediate consumption is valued at purchasers' prices.</p> <p>For aggregation purposes, GVA can also be provided in Mio euro.</p> <p>Services are divisions 50 to 95 or branches G to P of NACE rev.1.1.</p> <p>The total corresponds to the sum of divisions 01 to 95 or branches from A to P of NACE rev.1.1.</p> <p>Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.</p>

GVA in services as percentage of total GVA	NA
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Source	
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Baseline Indicator 34

Applies to;

Measure 3.4: Basic Services for the Economy and Rural Population (Measure Code 321)**Measure 3.5: Village renewal and Development (Measure Code 322)****Measure 3.6: Conservation and Upgrading of Rural Heritage (Measure Code 323)**

Baseline indicator objective related	34 - Net migration
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Measurement of the indicator	Annual crude rate of net migration
Definition of the indicator	<p>The migration balance is an indicator for the quality of life in rural areas. The crude rate of net migration is the ratio of the net migration during the year to the average population in that year. Immigration or emigration flows being either unknown or not sufficiently precise, the crude rate of net migration is calculated as equal to the difference between the crude rate of population increase and the crude rate of natural increase (that is, net migration is considered as the part of population change not attributable to births and deaths). The value is expressed per 1000 inhabitants.</p> <p>(Note: Positive figures refer to migration into rural areas, while negative figures refer to migration out of rural areas)</p> <ul style="list-style-type: none"> • The crude rate of population increase is the ratio of the total population change during the year to the average population of the area in question in that year. The value is expressed per 1000 inhabitants. • The crude rate of natural increase is the ratio of natural population increase (births – deaths) over a period to the average population of the area in question during that period. The value is expressed per 1000 inhabitants. <p>Crude rate of net migration_(y) = [(population_(1/01/y+1) – population_(1/01/y)) – (births_(y) - deaths_(y)) / average population_(y)</p> <p>Where data corresponding to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas" are not available, a best approximation at a higher geographical level should be provided.</p>

	2006
Annual crude rate of net migration ⁶¹	9.34
- Young people (15-39) net migration rate	14.53

Source	- Demography and Methodology Branch (DMB), NISRA
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	2007
Annual crude rate of net migration ⁶¹	6.88

⁶¹ - The rural area is defined as the whole of Northern Ireland, except Belfast, Castlereagh, Lisburn, North Down, Carrickfergus, Newtownabbey and Derry Local Government Districts.

- The average of mid-year population estimates for 2007 and 2008 is used as a proxy for the population estimate on 1st January 2008.

(a) the crude migration figure also includes other changes, mainly that of the number of Armed Forces based in Northern Ireland;

(b) the crude migration figure for persons aged 15 to 39 also includes persons aged 14 and 39 at the start of the period "ageing" into and out of the cohort, without physically migrating; and

- Young people (15-39) net migration rate	8.74
Source	Demography and Methodology Branch (DMB), NISRA

(c) the 2008 mid-year population estimate is used as the denominator, rather than the average of the proxies for 1st January population estimates for 2008 and 2009.

Annex B

List of organisations / stakeholders contacted as part of the MTE

NIRDP 2007-2013 MTE Group	ORGANISATION
Key Informants	All Axis / Measure Leaders
	Rural Network NI
	Countryside Agri-rural Partnership
	Rural Policy Division (DARD)
	Policy Development Branch (DARD)
	Environmental Policy (DARD)
	Rural Development Division – Communications (DARD)
	DARD Equality
Key Stakeholders	North East Cluster – LAG, JCC, Admin Unit
	ARC North West – LAG, JCC, Admin Unit
	South West Action for Rural Development (SWARD) – LAG, JCC, Admin Unit
	Southern Organisation for Action in Rural areas (SOAR) – LAG, JCC, Admin Unit
	Down Rural Area Partnership – LAG, JCC, Admin Unit
	Generating Rural Opportunities Within (GROW) South Antrim – LAG, JCC, Admin Unit
	Lagan Rural Partnership– LAG, JCC, Admin Unit
	Young Farmers' Club of Ulster
	Ulster Wildlife Trust
	Rural Development Council
	Council for Nature Conservation and Countryside
	NI Leader Network
	National Trust
	WWF
	Ulster Farmers Union
	Royal Society for the Protection of Birds
	Northern Ireland Local Government Association
	Rural Community Network
	Northern Ireland Rural Women's Network

	Northern Ireland Agricultural Producers Association
	Disability Action