

THE NETHERLANDS

**Plattelandsontwikkelingsprogramma
2007-2013 voor Nederland (POP2) –
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2007-2013 for the Netherlands (POP2)*)

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Other useful links:

Rural Development Programme (RDP) in Dutch: <http://www.regiebureau-pop.nl/nl/info/4/16/>

Summary version of RDP in English: <http://www.regiebureau-pop.nl/files/file648.pdf>

National Strategy Plan (NSP) in Dutch: <http://www.regiebureau-pop.nl/files/file622.pdf>

National Rural Network (NRN) in Dutch and English: <http://www.netwerkplatteland.nl/>



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Climate Change and Renewable Energy issues in 2007-2013 RDP

Climate change (CC) is fundamental to the context for agriculture and policy-making. EU agriculture must play an important role in mitigating this phenomenon by curbing greenhouse gas (GHG) emissions; at the same time it needs to adapt to the expected climatic adversities which will have serious consequences on production processes. Rural development offers a range of possibilities to support farming practices and investments that can contribute to climate change *mitigation* efforts (including the increase of the use of *Renewable Energy* (RE) resources) and additionally effect *adaptation* benefits. CC challenges have been well recognized in the baseline analysis of the 2007-2013 EU Rural Development Programmes (RDP) and addressed in their strategies. Following the Health Check (HC) of the Common Agricultural Policy (CAP), the 'new challenges' of the RD policy include 'climate change' and 'renewable energy' for which an additional budget of approximately €1 billion⁽¹⁾ have been made available for Member States (MS) to spend on these issues⁽²⁾. As a consequence, the operations related to these newly introduced EU priorities have been further strengthened in the RDPs.

Introduction - overview of the Netherlands RDP

All the three dimensions of climate change (mitigation, adaptation and the potential for renewable energies) are addressed by the baseline analysis provided in the Netherlands RDP. These three aspects have been considered and correspondingly addressed in the RDP strategy and within the implemented measures. In particular, the RDP focuses on delivering sustainable

⁽¹⁾ 19.8% of the total additional funds released.

⁽²⁾ The budget allocated to the 'new challenges' includes the funds released by the HC of the CAP (including voluntary modulation and transfers according to Art. 136 of Regulation (EC) No. 73/2009) and the European Economic Recovery Package (EERP).

environmental benefits including guaranteeing sustainable water management, reducing greenhouse gas emissions and other pollutants, developing renewable energy and reversing the decline of biodiversity.

Forests cover 10.8% of the surface area of the Netherlands and Dutch and EU forestry policy increasingly perceive forests as having a multifunctional role, in particular for improving the quality of the environment. As such, axis 2 of the RDP aims to ensure that forestry management contributes towards this goal by encouraging afforestation which will lead to stronger carbon sequestration, encouraging the development of sustainable energy sources, improving soil and water quality and enhancing biodiversity.

The Netherlands is characterised by landscape diversity and strong biodiversity (such as farm birds and butterflies) which are dependant upon the positive maintenance of agricultural areas. However, there is significant pressure on nature and habitats (resulting in habitat and species decline) which require interventions to form a more secure and improved environment. Consequently, axis 2 of the RDP is designed with regard to the Gothenburg target of reversing biodiversity decline and supports sustainable agricultural management activities, including initiatives such as encouraging appropriate management of grasslands for birds.

Tackling emissions of greenhouse gases such as (CO₂, methane and nitrous oxide) in order to mitigate climate change in line with international agreements is a key goal of axis 1 in particular in relation to emissions from horticulture which is the greatest CO₂ contributor. The improved environmental performance of agricultural holdings is therefore promoted which encourages the development of energy saving techniques and projects to limit greenhouse gas emissions. In addition, to prevent pollution from nitrogen-based sources, Axis 1 provides the necessary infrastructure to store and efficiently utilise manure and fertiliser. Axis 2 also links agri-environment payments to cross compliance requirements (in line with the Nitrates Directive and Water Framework Directive) which limit the use of fertilisers and manures.

Axis 1 will also addresses emissions of ammonia (agriculture is largest source of ammonia in the Netherlands) and offers support for nutrient management and investments in infrastructure and equipment to reduce ammonia losses from agricultural buildings.

Pesticides usage has been reducing since 1998. The Netherlands intends to continue to support this trend, but at the same time hopes to continue to create opportunities for plant breeding. As such, integrated production methods are being promoted which are driven by innovation and improved farm management, as well as limiting the use of chemical weed control and pesticides particularly in sensitive areas. The cross compliance restrictions will limit the use of these pollutants.

The aim of the Dutch government is to increase the share of renewable energy to 20% (of the overall energy share) by 2020 in order to reduce greenhouse gas emissions and to meet international climate change targets. The RDP therefore makes clear that funds are available to drive forward initiatives that make use of bioenergy and renewable energy. For example, this includes infrastructure for innovative projects that utilise waste from the agri- and forestry industry's as well as support to develop on farm and local production of biogas.

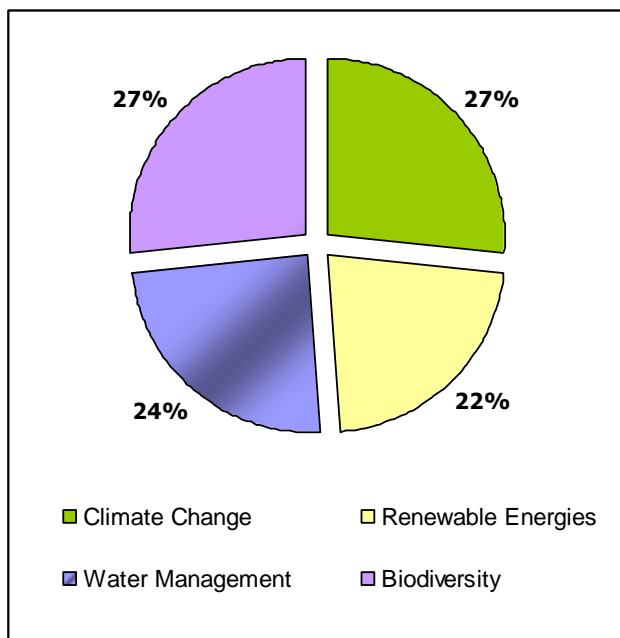
Improving water quality and using water more efficiently and sustainably is a key goal of the RDP in order to respond to climate related challenges such as droughts. As mentioned, this includes restrictions on the use of agricultural pollutants but also the introduction of improved sustainable water management practices. The RDP therefore supports initiatives such as preserving and developing water bodies, ensuring necessary water management and other non-productive investments which tackle dehydrated soils.

Peat lands are a problem area for the Netherlands given that the degradation of these lands will lead to greater CO₂ emissions. The preservation of farm areas with high water levels which limit such emissions are therefore specifically supported by the RDP.

The modifications introduced by the CAP Health Check, which have been incorporated in the updated 2009 RDP, have also further aligned the RDP strategy towards tackling climate change and related areas.

With regard to specifically tackling climate change, the Health Check noted that the additional support would be combined with efforts on mitigating and adapting to climate change biodiversity, water management and renewable energy. The specific activities are outlined in the sections below, but include biogas production using organic waste; innovative operations to address climate mitigation and adaptation; development of perennial field and riparian boundary strips and “bio-beds”; wetland restoration; and infrastructure for renewable energy.

Allocation of the additional resources per type of priority



The overall budget of the Netherlands RDP in terms of total public expenditure amounts to €1,121,343,667 of which €593,197,167 comprises the EAFRD contribution.

This includes an additional allocation of €97,576,000 (EAFRD contribution) as a result of the new challenges raised by the HC and the adoption of The European Economic Recovery Plan (EERP). Following these changes, additional financial support has been provided to the RDP objectives related to climate change (€22.4 million which equates to 27% of the new EAFRD allocation).

These new financial supports should be considered in addition to the initial RDP which was already addressing CC.

Under the enhanced RDP strategy, the main CC-related actions support activities combined with initiatives for mitigating and adapting to climate change, renewable energy, biodiversity and water management.

Full details of the overall RDP budget allocation can be found in the RDP fiche for the Netherlands that is available at:

http://enrd.ec.europa.eu/rural-development-policy/country-information/rural-development-policy-fiches/en/rural-development-policy-fiches_home_en.cfm

Mitigation

Activities aimed at reducing agricultural greenhouse gas emissions

The Netherlands RDP provides comprehensive support for a range of mitigation activities which contribute towards reducing agricultural emissions (such as storage facilities for manure and restrictions on fertilizer and manure usage), encouraging better carbon sequestration, afforestation of agricultural land, supporting the use of energy saving techniques, preserving peat soils and encouraging innovation in climate change mitigation.

Measure 121 - *Modernisation of agricultural holdings* will seek to provide investments for infrastructure and equipment which improve environmental sustainability. This includes investments for infrastructure to remove the ammonia from the air within livestock buildings; development of energy-saving techniques (energy efficient buildings, installations, greenhouses and use of new materials) that reduce green house gas emissions with particular regard to the horticulture sector; and investments to improve soil quality. With the additional funds provided by the Health Check, energy efficient investments (construction materials to reduce heat loss) will be made available; and investments for improving efficiency of nitrogen use (reduce usage, equipment, precision agriculture) and improvements to manure storage. In addition, **measure 125** – *Infrastructure related to the development and adaptation of agriculture* will also encourage the implementation of energy-saving techniques.

One of the key measures to respond to developing mitigation activities is **measure 214** – *agri environment payments*. Predominantly, this will be realised through initiatives to reduce agricultural emissions and pollution. For example, the sustainable farming activities funded under this measure are linked with restrictions on manure and fertiliser usage and chemical weed control. In addition, the restrictions also extend to encouraging integrated pest management in order to limit the use of pesticide.

With the support of the CAP Health Check, **measure 124** – *Cooperation for development of new products, processes and technologies in the agriculture, food and forestry sector* provides multiple innovative adaptation initiatives to help mitigate climate change in order to reduce greenhouse gas emissions.

The support under **measure 212** - *Payments for natural handicaps other than mountain areas* provides compensatory payments for peat areas to ensure that the landscape can be preserved in order to maintain a high water level. If the water level declines in these areas, there would be increased oxidation of peat resulting in increased CO₂ emissions.

With a view to encouraging carbon sequestration **measure 221** – *first afforestation of agricultural land* aims to support the increase of forest cover on agricultural land. One other measure which contributes towards mitigation activities is 111 – *Vocational training and information actions*. This offers training and dissemination support to the agriculture and forestry sector in relation to reducing greenhouse gases and has been reinforced by the Health Check.

Adaptation

Prevention of, and coping with, potential impacts of climate change on agriculture

In terms of adapting to cope with the potential impacts of climate change a number of actions have received support through the RDP. Opportunities for funding activities include investments for water management; sustainable farming practices to preserve biodiversity; initiatives to improve water quality and wetlands; and operations for innovative climate change adaptation responses.

The initiatives funded under **measure 121- Modernisation of agricultural holdings** provide investments to improve the environmental performance of farm holdings. This includes investments which enhance efficient water management and improved water storage capacity particularly in greenhouses.

Measure 214 – agri-environment payments plays a central role in achieving the Axis 2 goals of delivering sustainable responses to the land, environment, biodiversity and climate. The funded activities support sustainable farming practices which include efforts to protect biodiversity such as delayed mowing of grasslands and field margins; grassland and meadow bird management interventions; and maintaining habitats. The measure also aims to preserve landscape features through activities such as the maintenance of tree lines and bushes and preservation of species-rich grassland and field margins. Improving water conditions is also a key aim. Depending on the soil and water environment in particular areas, management plans will be funded which will prescribe certain activities to ameliorate water quality and respond to climate issues such as droughts. With the additional funds provided by the Health Check, activities will target the development of perennial field and riparian boundary strips and “bio-beds” in order to protect biodiversity.

With the support of the Health Check, **measure 124 – Cooperation for development of new products, processes and technologies in the agriculture, food and forestry sector** provides multiple innovative adaptation initiatives to help adapt agriculture to climate change, enhance water management and support the conservation of biodiversity.

One of the key aims of **Measure 216 - Non-productive investments** is to fund investments that tackle water conservation, droughts and dehydrated soils including in nature reserves and designated areas. With the inclusion of the Health Check funds, the activities provide additional support for wetland restoration and conversion of agricultural land into swamps.

As with adaptation, one other measure which contributes towards mitigation activities is 111 – *Vocational training and information actions*. This offers training and dissemination support to the agriculture and forestry sector in relation to water management, biodiversity and adaptation to climate change. This measure has been reinforced by the Health Check.

Main RDP measures which contribute to address CC mitigation/adaptation issues

Axis/Measure	Description	Type of operation	Potential effects
Axis 1			
Measure 121	Modernisation of agricultural holdings	Investments to improve the environmental performance of farm holdings. This includes investments which enhance efficient water management and improved water storage capacity particularly in greenhouses; removal ammonia emissions; development of energy saving techniques; investments to improve soil quality; and improved efficiency of nitrogen use.	Reduced emissions of green house gases and nitrogen. Improved energy and water consumption.

Axis/Measure	Description	Type of operation	Potential effects
Measure 125	Infrastructure related to the development and adaptation of agriculture	Implementation of energy saving techniques.	Reduced emission of greenhouse gases.
Measure 124	Cooperation for development of new products, processes and technologies in the agriculture, food and forestry sector.	This provides multiple innovative adaptation initiatives such as innovative operations to adapt agriculture to climate change; enhance water management; and support the conservation of biodiversity.	The impact of this measure will halt biodiversity loss, improve efficient use of water and quality, and better adapt agriculture to climate change.
Axis 2			
Measure 214	Agri-environment payments	The measure will support sustainable farming practices which includes delayed mowing of grasslands and field margins; grassland and meadow birds management interventions; maintaining habitats; maintenance of tree lines and bushes and preservation of species-rich grass land and field margins; developing management plans to improve water quality and respond to climate change; development of perennial field and riparian boundary strips and "bio-beds"; and reduce use of fertilisers, manure, pesticides and chemical weed control.	The impact of the measure will ensure that a large area of agricultural and forestry land contributes to enhancing biodiversity, improving water quality, and mitigating and adapting to climate change.
Measure 212	Payments for natural handicaps other than mountain areas	Provides disability compensation for peat areas to ensure that the landscape can be preserved in order to limit CO ₂ emissions.	Reduced CO ₂ emissions.
Measure 216	Non-productive investments	Investments are funded to tackle water conservation, droughts and dehydrated soils including in nature reserves and designated areas. This includes wetland restoration and conversion of agricultural land into swamps.	Conservation of water and high value water bodies and improvement to water quality.

Axis/Measure	Description	Type of operation	Potential effects
Measure 221	First afforestation of agricultural land	Support for increasing forest cover on agricultural land.	Mitigation of climate change through greater carbon sequestration.

Renewable energies

Electricity, heating and transport fuels produced from biomass (such as biofuels, biogas) and other renewable sources (solar, wind, geothermal).

The Netherlands RDP specifically encourages the development of the renewable energy sector. This includes efforts to facilitate renewable energy projects such as processing forest biomass. In addition, activities also aim to enhance the capacity of the sector and the local rural economy by providing relevant infrastructure and enhancing the production of biogas.

Through support provided by **measure 121** – *modernisation of agricultural holdings* actions will be implemented to enhance the development of renewable energy sources and thereby seek to respond the negative impacts of climate change. Support for developing and utilising biomass and renewable energy sources is therefore offered under the measure. In particular, the intention is that the horticulture industry will increasingly use renewable energies and will be more independent of fossil fuels thereby reducing the overall amount of energy used. With the additional funds provided by the Health Check, the activities are further targeted towards developing biogas using organic waste (on farm and local production); and processing of agriculture / forest biomass for renewable energy.

Similarly **measure 123** - *adding value to agricultural and forestry products* and **measure 124** – *Cooperation for development of new products, processes and technologies in the agriculture, food and forestry sector* also provide support for renewable energy projects such as the reprocessing of waste from across the agri-industries to form bioenergy. With regard to measure 124, the Health Check provides additional funding for processing of agriculture/forestry biomass for renewable energy; and innovative operations and projects to support the development of renewable energy.

Given Axis 3's ambitions to diversify the rural economy and strengthen business capacity, and as result of additional funding under the Health Check, **measure 311**- *Diversification into non-agricultural activities* provides support for the development of sustainable energy production. In particular, the funded projects will provide installations and infrastructure for renewable energy using biomass and other renewable energy sources (geothermal, solar and wind power); biogas production using organic waste (on farm and local production); and processing of agriculture / forest biomass for renewable energy.

Measure 111 – *Vocational training and information actions* will fund training and dissemination activities for renewable energy in order to increase the success of operations. This has again been strengthened with support from the Health Check.

Main implemented RDP measures related to the development of RE sources

Axis/Measure	Description	Type of operation	Potential effects
Axis 1			
Measure 121	Modernisation of agricultural holdings	Actions will be implemented to enhance the development of renewable	Increase in the number of farms using and developing renewable

		energy sources. Support for developing and utilising biomass and renewable energy sources is offered. In particular, this includes developing biogas using organic waste (on farm and local production); and the processing of agriculture / forest waste for renewable energy.	energies which will result in the substitution of fossil fuels and methane.
Measure 123	Adding value to agricultural and forestry products	Provides support for renewable energy projects such as the reprocessing of waste to form biofuels from across the agri-industries.	Increase in the number of firms using and developing renewable energies which will result in the substitution of fossil fuels.
Measure 124	Cooperation for development of new products, processes and technologies in the agriculture, food and forestry sector	The measure supports the implementation of renewable energy projects including the processing of agriculture/forestry biomass for renewable energy; and innovative operations and projects to support the development of renewable energy.	Increase in the number of firms using and developing renewable energies which will result in the substitution of fossil fuels.
Axis 3			
Measure 311	Diversification in non-agricultural activities	Supports for the development of the renewable energy sector. This will provide installations and infrastructure for renewable energy using biomass and other renewable energy sources (geothermal, solar and wind power); biogas production using organic waste (on farm and local production); and processing of agriculture / forest biomass for renewable energy.	Substitution of fossil fuels and increase in the number of jobs connected to renewable energy.