

CEEweb study on RDPs from Central and Eastern European countries



Vilnius, 11 November 2013



Survey of Rural Development Programmes in 5 EU countries

- CEEweb NGOs active in agriculture and rural development → survey of Rural Development Programmes in 5 EU countries.
- Principle: the success of Pillar 2 programmes can be measured in simple terms of budget expenditure. But there is a local story behind this:
 - why did some measures succeed in simple terms of expenditure/no. of participants, and some not?
 - How did local NGOs assess the measures in terms
 - relevance (answering needs)
 - attractiveness to farmers (uptake)
 - effectiveness (impact)
 - Can lessons be learned → NGOs with local knowledge feed experience into measure design and implementation.

5 Countries 5 NGOs involved



- EE - Estonian Fund for Nature



- HU - CEEweb for Biodiversity



- LT - Lithuanian Fund for Nature



- LV - Latvian Fund for Nature



- RO – Fundatia ADEPT Transilvania



Flexibility in implementation

Pillar 1:

- Definition of active farmer: excludes airports, railway services, waterworks, real estate services, permanent sport and recreational grounds ... etc.
- Greening: EFAs – keeping them genuinely beneficial to biodiversity, soil/water quality
- Greening: permanent grasslands - protecting pastures and grasslands that provide environmental services for carbon storage and biodiversity: N2000 + wider HNV
- Flexibility between pillars: transfer from Pillar 1 to Pillar 2 is welcome, owing to greater cuts in Pillar 2. Does not require co-financing by the MS, so more attractive to MS financially
- Redistribution: higher payments for first 30 ha or the national average size, fairer CAP and small/medium sized farms.

Flexibility in implementation

Pillar 2:

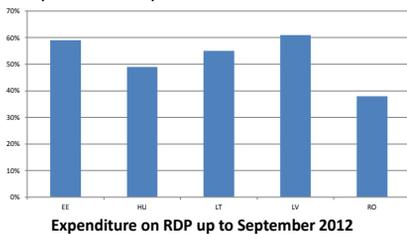
- Advisory services Art.16: important to implement effectively
- Afforestation: caution required, protect grasslands, use local species
- AEM: possibility to include transaction costs up to a value of 20% of the premium paid up to 30% or for groups of farmers → make the payment more attractive.
- 30% minimum spending: includes AEM, Natura 2000, organic – also includes environment /climate related investments, ANC/LFA. Important that only true environmental measures are included in the minimum spending
- Cooperation measure/Article 36. Including EIP. This new measure may be a key one to support joint projects in all fields among groups of farmers, NGOs and rural development movements
- LEADER: key measure for RD networks and Community Led Local Development approach.



Questionnaire on performance of RDP measures in CEEweb countries

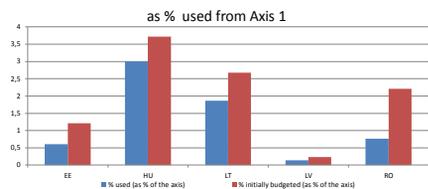
Country	Measure	Target	Actual	Comments
EE	111	10%	10%	
	112	10%	10%	
	121	10%	10%	
	122	10%	10%	
	123	10%	10%	
	124	10%	10%	
	125	10%	10%	
	126	10%	10%	
	127	10%	10%	
	128	10%	10%	
HU	111	10%	10%	
	112	10%	10%	
	121	10%	10%	
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LT	111	10%	10%	
	112	10%	10%	
	121	10%	10%	
	122	10%	10%	
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	124	10%	10%	
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	126	10%	10%	
	127	10%	10%	
	128	10%	10%	
LV	111	10%	10%	
	112	10%	10%	
	121	10%	10%	
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	125	10%	10%	
	126	10%	10%	
	127	10%	10%	
	128	10%	10%	
RO	111	10%	10%	
	112	10%	10%	
	121	10%	10%	
	122	10%	10%	
	123	10%	10%	
	124	10%	10%	
	125	10%	10%	
	126	10%	10%	
	127	10%	10%	
	128	10%	10%	

Looked at local NGO reports in parallel with EU published statistics. This revealed the need to complete expenditure reports with local information



Tables here and below are based on Rural Development in the European Union Statistical and Economic Information Report 2012

Measure 111: training and information



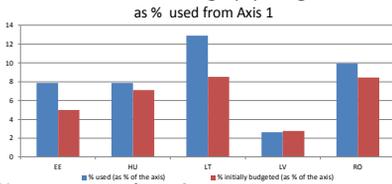
Suitable design of delivery?

Training really vital for CEE countries.

- **Hungary:** successful. Training was carried out by regional training organisations, with local knowledge, not by central national contractor
- **Latvia:** only 10% of budget spent (€30.6 m uptake, € 3.5 m spent)
- **Romania:** only 10% of farmers trained and 14% of budget. (Targets 86 m Euro and 213,000 trained.) Failed owing to excessively centralised training contracts not responsive to local needs.

Recommend: flexible, responsive, regional/local training contracts.

Measure 112: setting up young farmers



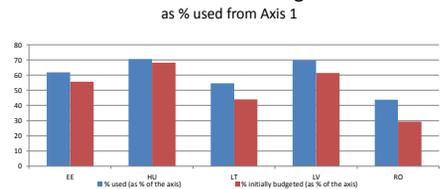
Suitable criteria to attract farmers?

- **Hungary:** Exceeded budget and target no. of farmers: 3,296 farmers participated, target 2000.
- **Lithuania:** exceeded the budget. 12 ha minimum area may have kept out smaller farmers.
- **Romania:** 70% of target no. farmers (9,400 out of 14,000) and 43% of budget (€142 m out of €330 m Euro). Relatively poor uptake - 6 ESU minimum size -smaller-scale young farmers excluded. Over 90% of Romania's eligible holdings are under 6 ESU.

Comment: very popular measure - no co-finance necessary.

Recommendation: additional environmental requirements for beneficiaries.

Measure 121: modernisation of agricultural holdings

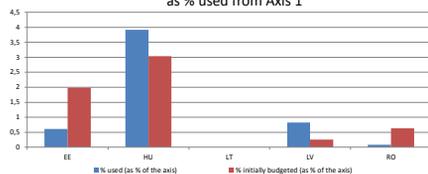


Attractive criteria for smaller farmers?

- **Romania** - Apparent success 85% of budget spent (€1.8 m out of €2.19 m) BUT under 5% of target no. of farmers (2,000 out of 44,500). It was larger farms taking advantage. Requirement for 50% co-fi, and lack of credit facilities for smaller farmers put off smaller farmers.

Recommendation: ease the access of small farmers to credit. Reduce co-fi required from smaller farmers.

Measure 142: producer groups as % used from Axis 1

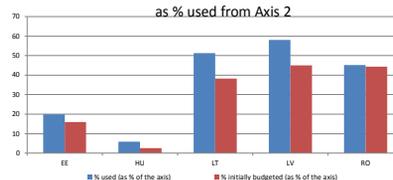


Attractive criteria for groups?

- **Hungary and Latvia:** successful, exceeded their budgets. They had suitable entry criteria, and good advisory services in HU
- **Romania** – not successful. 4% of budget (€1m out of €24m) and 21% of target no. of groups (35 out of 165 groups). Conditions too strict: initial size of group (no. of members) and initial turnover required were too high.

Recommend: reduce the criteria to assist smaller applicants.

Measures 211 and 212: Areas of Natural Constraint as % used from Axis 2



If uptake is good, what about impact?

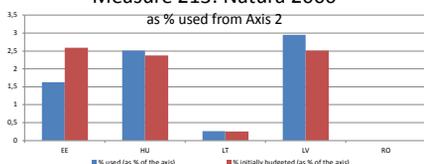
Very successful measure

- Hungary – 300% (Target: 170,000ha, 3,800 farms. Achieved: 422,000ha, 13,000 farms.)
- RO – 70%. (Mountain LFA target 420,000 farms, 2.52m ha, 607m Euros. Achieved 320,000 farms, 1.78 m ha and €408.

Comment: Easy money, no additional obligations. Some positive impacts against land abandonment, but difficult to observe bio-diversity

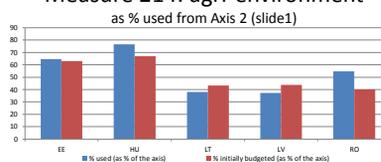
Recommendations: should be linked to additional environmental criteria.

Measure 213: Natura 2000 as % used from Axis 2



- **Estonia** – 100% of farmer target (1460 out of 1500 farmers), 60% of land area (22,300 ha out of 38,000 ha).
- **Hungary** – 100% (296,000ha out of target 250,000ha).
- **Lithuania** – 90% (11,000 ha out of target 14,000ha). Obligations such as mowing before 1 August not sufficient to change practices and bring about biodiversity benefits.
- **Latvia** – Over 90% uptake (6,142 farmers on 59,174 ha. Target was increased during period from 56,000 ha to 65,300 ha).
- **Comment:** apparent success - easy money with limited requirements. Has raised awareness of N2K. Easy for farmers - any grasslands in N2K area eligible, without significant additional management restrictions. Measure is not well targeted at b-d indicators, so no effective monitoring to measure qualitative outcomes.
- **Recommendation:** Funding should be used for targeted measures or used to compensate for real restrictions, targeting habitats and species and preservation of HNV farming systems.

Measure 214: agri-environment as % used from Axis 2 (slide1)



Highest spending under Pillar 2, excellent uptake but

Estonia –

Environmentally friendly farming: biggest measure. 110% area (432,000 ha out of target 400,000 ha) and **60% participation** (1900 farmers out of 5000 farmers targeted). Too easy, insufficient to deliver biodiversity targets. Monitoring shows some improvements bumblebee index, but not farmland birds.

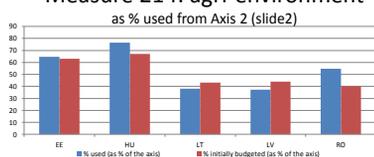
Recommendation: buffer areas for biodiversity should be included in the scheme as well as mowing time or type restrictions to reduce damage on farmland birds breeding.

Organic: 120% of area (125,000ha out of target 100,000ha) and 80% participation (1400 out of target 1800 farmers). Comment: scheme is working well to help widen the organic farming area in Estonia.

Recommendation: more budget in the next RDP period.

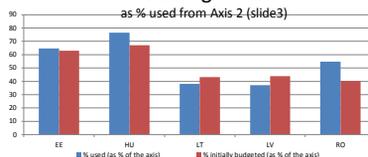
HNV grassland measure 70% successful (24,000 ha out of target 35,000ha inc. 6,000 ha wood pastures, and 916 out of target 1500 farmers). **Comment:** support does not cover costs of management of wooded meadows. **Recommendation:** top-ups for more specific habitat/species-related targets.

Measure 214: agri-environment as % used from Axis 2 (slide2)

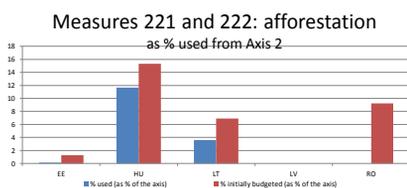


- **Hungary** – 100% area achieved (1.15 m ha out of target 1.2 m ha). 14,000 farmers. **Arable is main element:** 750,000 ha, 4350 farmers (av 172 ha). **Comment:** easy money for limited requirements. **Recommend:** higher requirements
- **Basic grasslands scheme** 316,000ha, 3,700 farmers (av. 85ha). **Recommend:** better advisory systems – current are insufficient resulting in fewer applications. **Indigenous breeds scheme:** 652 farmers, easy success: farmers keeping indigenous breeds applied, good advisory service through breed associations.
- **Lithuania** – 80% of area (252,000 ha out of target 396,000 ha). **Organic farming** most popular, over 50% of uptake of 214. **Other measures include wetland management, meadow management,** not popular because of tough management demands. **Comment:** Links to biodiversity not strong under current measures. HNV grassland not specifically targeted. Lithuania's 1.3 m ha of grasslands are all eligible. **Recommend:** HNV analysis of valuable grasslands required.

Measure 214: agri-environment as % used from Axis 2 (slide3)



- **Latvia** – **Biggest was organic farming 91% of area** achieved (190,000 ha out of 208,000). Support rates have been favourable. **Grassland scheme:** 62% in area (34,742 ha out of 56,000 ha target: 4,377 out of 5,828 holdings target). **Comment:** Stated results - improved soil, water and biodiversity - lack solid data. The scheme was not attractive for those with more distant/difficult to manage grasslands. **Recommendation:** payments should be graded according to management difficulty. This is being considered in the Ministry.
- **Romania** – **HNV grassland measure** biggest single measure in RDP. 90% area achieved. Target 1.45 m ha basic package, 375,000ha higher non-mechanised package. Achieved 1.2 m ha basic package, 940,000 ha higher package. In terms of farms, 150% (275,000 achieved, 180,000 target) owing to smaller holdings than expected. **Problems:** sheep numbers up, hay meadows down. **Recommend:** management needs to be better differentiated – cutting dates, meadow/pasture etc.



Afforestation ... dangers, loss of grassland

- **Hungary** – 45% are achieved (26,000ha out of 66,000ha, 3,000 holdings out of 6,600). Very popular – Hungary one of the highest ranked MS using this measure. BUT many of these plantations have little benefit for biodiversity: alien species. **Recommend:** higher incentives for plantations with indigenous species (already differentiated but not sufficiently)
- **Lithuania** – 90% area achieved (12,723 ha out of target 15,000 ha). A very popular measure in Lithuania.
- **Romania** – target 14,000 farmers, 49,000ha, 230,000 Euros. Achieved 26 beneficiaries (0.2%), 650 ha (1.32%) and 11,000 Euros (0.005%). **Comment:** prevented by controls on grassland where planting allowed ... a good thing?

Brief conclusions

- Measures must be practical and attractive for
 - Managing Authorities – measurable, meeting national/EU targets
 - Farmers – practicable, and offering sufficient compensation
 - Conservation organisations – biodiversity impact
- Practical recommendations based on real experience can be drawn from local development /conservation NGOs
- Official statistics only tell half the story – do not tell the stories on the ground.

Next steps

- Report with observations and list of recommendations will be finalised by end 2013
- *From now on until end 2014 : drafting and adoption of Pillar 2 programmes*
- Aim: help NGOs and community organisations/farmer groups to deliver practical experience to Managing Authorities designing future RDPs
- Hope that the Ministries and Managing Authorities will be open to suggestions from NGOs for improved design and implementation of Measures based on experiences from 2007-13 RDP.

Thank you for your attention

