

Advisory group on Rural Development
23 November 2012, Brussels
Draft Minutes

1. Approval of the Agenda and the minutes of the last meeting of 24th April 2012

Mr Peter Pascher, the Chairman, opened the meeting. The Chairman informed the members that the point on European Parliament perspective on RDP post 2013 would not be dealt today as the representative of the EP would not be able to come to the meeting. The agenda with this change and the minutes of the last meeting were approved. The Chairman thanked Ms Nella Mikkola for drafting the minutes.

Agreed: The agenda and the minutes of the last meeting were approved.

2. Reports from the working groups and discussion

The Chairman gave the floor to the Chairmen of the three Working Groups under the AG to give an update on progress done in the WGs. Each of the WGs have had 3 meetings and had drafted their final report that presented the topics discussed and where it had been succeeded some common conclusions of the group.

Regarding WG 1 Mr Bertilsson presented the key questions that the group had addressed: definition of competitiveness in rural society, importance of understanding the market, size of businesses, problems and good examples, bureaucracy as well as importance of selection criteria for support. WG called for flexibility, local/regional/MS level approaches, improving market access, education and training for entrepreneurs to become more successful, access to credit, innovation, sustainability, special needs of young farmers, improving competitiveness of farmers groupings and cooperatives and ensuring that competitiveness measures would ensure farmers to have viable businesses.

AG discussed the WG report: Producers reminded importance of global and EU market competitiveness. NGOs highlighted resource efficiency and access to market to all size of farms to be important. Workers raised their concern on land use change. Forest owners called for inclusion of forestry into competitiveness measures under RDP. Others were of view that for SMEs business transfer is vital and support and advise should also be made for small firms. They also highlighted the need for action to be taken on land use change and suggested possible creation of land banks to help young farmers to access to land. Mr Bertilsson concluded that these points would be taken into the WG report.

Regarding WG 2 Ms Defosse presented the key questions that the group had addressed: there was strong consensus that agri-environmental measures have in general been successful. More generally WG agreed that agro-forestry measures can in certain cases proven HNV farming. WG called for accessible and understandable farm advisory system, attractive agri-environmental measures for better uptake, adequate payment for the measures, holistic approach, promoting long term sustainability, combining training and AEM, indicators and data pool. WG was of view that LFA payments were important. WG was of view that all these should be seen together.

AG discussed the WG report: Euromontana asked clarification what was discussed on mountainous LFAs. Producers asked what is adequate level of payment for attractiveness of agri-environmental measures and how to combine training and agri-environmental measures as well as what would be the new climate measures in

combination with agri-environmental measures. Producers called for clear understanding between baseline on greening and agri-environmental measures. IFOAM raised their concern on soil quality. RED wanted to know more on LFA on wetlands. Industry raised their concern on forest fires and access to raw material. Others raised their concern on mountainous areas and their special needs to promote agriculture. Ms Defossez concluded that these points would be taken into the WG report.

Regarding WG 3 Ms Dzelzkalēja presented the key questions that the group had addressed: challenges in rural areas and they could benefit from different EU funds. WG had called for common steering committee for different funds, one place to apply for funds to simplify the project application process, flexible and thematic training, fair level of infrastructure, access to funding for entrepreneurs, clarification of Leader and community led initiatives, involvement of stakeholders in the creation of partnership agreements and more flexible rules or cooperatives as well as interlinking rural and urban areas.

AG discussed the WG report: Producers asked for future inclusion of broadband and raised their concern on what will be financed under RDP in the future as budget cuts are done in other policies. RED called for recognition of rural territories as development pools and added value of integrated territorial approach. Euromontana supported this and asked for recommendations for utilization of sub programmes for mountainous areas. AIRGE raised the importance of training to foster innovation as well as bottom-up approach.

Ms Dzelzkalēja concluded that we need to defend appropriate budget for RDP and these comments would be taken on board in the report.

The Commission said that the WGs work had been fruitful and the working method useful to intensify the dialogue between the AG members. The Commission expressed their support to the WGs and proposed to continue the working groups in the future especially on how the new RDP should be implemented. The Commission proposed to the AG the possibility to combine the WGs with ENRD Focus Groups.

The Chairman expressed his support to continue the work in the WGs. He highlighted that these reports should be seen only as reflections of the discussions and different opinions in the groups and not so much as conclusions due to diversified views. Draft reports drafted by the Chairmen of the WGs are expected to be ready before end of the year 2012.

AG discussed the matter of combined WGs with ENRD Focus Groups: Producers asked for clarification regarding the financial means and Commission support for these groups, especially as the Commission does not pay travelling costs for ENRD focus groups. They were concerned of real possibility to participate to these groups if the travelling costs would not be covered thus limiting the participation of real ground level experts as well as the technicality of some of the Focus Groups. NGOs supported this and asked for good management of timing of different activities together with the AG. They also raised the issue of delegated acts and implementation acts as one topic to discuss in the group. RED supported also the reimbursement of travelling costs for experts and raised their concern on the language used in these groups. AEIR asked for possibility to link it with DG REGIO work. Generally AG supports the continuation of the WGs.

Agreed: WGs should continue they work on implementation of the future Rural Development Policy. Joint actions together with ENRD and AG can be seek to look for new ways of cooperation however the practicalities how to do this to

ensure adequate participation of experts (e.g. financing) needs to be further discussed.

3. Update on the negotiations between Commission, Council and the European Parliament on Rural Development Policy after 2013

The Commission gave an update of the policy discussions in the Council, European Parliament and the Commission on the legal proposal for the rural development policy after 2013, CSF and budget. There are still some objects where MS have very different views on mainly linked to investments, irrigation, forest and LFA measures. EP is currently still discussing their proposal and vote is expected in DG AGRI early 2013 and in the Plenary in March 2013 after which the trilogue will begin. MS are working on the RD programmes but will not submit them before the legal proposal is in place. The Chairman opened the discussion. The AG members presented their views on the matter.

NGOs were concerned of the stakeholder participation in the programming at MS level, budget, modulation, baseline for RDP agri-environmental measures and CSF. Euromut was asking for clarification for SME support and were concerned of urban area vs. rural area funding allocation. RED called for adequate funding for RDP and clarification how stakeholders can participate in the partnership contract drafting. Producers were concerned of the possible budget cuts as discussed under MFF, opportunities for irrigation support also in the future, missing early retirement scheme and LFA criteria that would require more flexibility. Furthermore they called for national plans to be accepted together with regional plans, longer transition period and clarification on transition rules for LFA areas as well as on threshold values in different MS for investment support.

4. Future support of Rural Development by the European Funds for Regional Development

The Commission (DG REGIO) gave a presentation on their views on future support for rural development by ERDF and on the partnership agreements as well as CSF.

The Chairman opened the discussion. RED highlighted the need to engage citizens into the process, take up their needs in the planning, clarification on the priority areas for partnership agreements as well as possibility to expand 5% budget allocation for urban areas also to rural areas. Euromontana asked for clarification for actions in RDP interlinked with ERDF, role of SME's training and ICT support. Producers asked for clarification on DG REGIO consultative bodies for stakeholders consultations, raised their concern on the timetable as all different regulations have different time process and found ERDF funding more complex than EAFRD funding and therefore difficult to engage farmers and SMEs into the projects.

Agreed: The Chairman concluded that AG and DG Regio should have more dialogue together and this dialogue should continue also in the future.

5. Information on European Innovation Partnership for Agricultural Productivity and Sustainability

The Commission gave a presentation on European Innovation Partnership for agriculture. Aim of the EIP is to improve the dialogue between ground level and research and to close innovation gaps. Under RD several measures would be targeting

this such as cooperation Art 36 measure. Eligibility and selection criteria would be set in RD programmes by MS. Aim is to foster bottom-up approach.

The Commission presented the interlinks between Horizon 2020 and EIP.

The Chairman opened the discussion. Producers were concerned of the implementation of the EIP in different MS as the measure is voluntary and asked for clarification on how EIP and Public Private Partnership on biobased industries initiative would support each other. RED asked for clarification if existing training instruments can be used and what other activities than agricultural related in rural areas are included. NGOs were asking how innovation is defined. Traders asked clarification on working structure and were also concerned on the voluntary nature of the EIP linked with its implementation.

Agreed: AG agreed to continue discussion and exchange of first experiences on the EIP in the next AG meeting.

6. Any other business

ECVC gave a presentation on small farms and their special needs regarding innovation, infrastructure improvement, training, trade and agri-environmental measures.

Ms Nella Mikkola from Copa-Cogeca informed the AG members that this would be her last AG meeting and thanked the participants for good collaboration over the past four years. The Chairman thanked Ms Mikkola for her excellent work in assisting the AG in its work and especially keeping the minutes of the meetings and wished her well for her future career.

Agreed items:

- ***The agenda and the minutes of the last meeting were approved.***
- ***WGs should continue they work on implementation of the future Rural Development Policy. Joint actions together with ENRD and AG can be seek to look for new ways of cooperation however the practicalities how to do this to ensure adequate participation of experts (e.g. financing) needs to be further discussed.***
- ***AG and DG Regio should have more dialogue together and this dialogue should continue also in the future.***
- ***AG agreed to continue discussion and exchange of first experiences on the EIP in the next AG meeting.***

Disclaimer

"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."