

#### NEWSLETTER FOR THE ENRD March 2010



Climate change continues to be an important concern for rural development policy and this Focus article takes a look at some of the implications for Europe's countryside following the United Nation's Climate Change Summit in Copenhagen at the end of last year.

"Agriculture can help to slow climate change, but should be ready to adapt to the impact of global warming", said members of the European Parliament's Agriculture Committee at the end of January. MEPs made their comments during a public hearing discussing a <u>motion for a resolution on EU agriculture and climate change</u>. The Committee heard from a <u>report by MEP Stéphane Le Foll</u> about how agriculture can provide solutions for the future and that the Common Agricultural Policy (CAP) post 2013 should take account of the impact of global warming and to mitigate climate change.

MEPs comments echoed key points emerging from December's <u>United Nations Summit in</u> <u>Copenhagen on Climate Change</u>. The <u>Copenhagen</u> <u>Accord</u> constituted the key outcome of the Copenhagen summit and whilst this was not able to fulfil all stakeholders' expectations, it represents an important step ahead. The international negotiations, and the EU's internal policies on climate change have implications for EU rural development policy.

Crucially important is the EU's agreement to retain a commitment, set in the run up to the Summit, to increase its target for reducing green house gases (GHG) to 30% by 2020 provided that other developed and developing countries take their fair share in the global climate change mitigation efforts. Achieving such a revised target will require reinforcement and modifications of existing policy measures, including *agriculture* and rural development. In addition, a more concerted approach to climate change adaptation is anticipated and a greater focus is required on issues such as addressing GHG emissions and carbon sequestration. A portfolio specific to 'climate change issues' has been created for a new Commissioner, Ms Connie Hedegaard.

Issues related to land use, land use change and forestry (LULUCF) have been intensively discussed at international level in preparation for the Copenhagen Summit. LULUCF comprises carbon stock changes in agricultural and other land and in forestry. It is vital to climate change mitigation since the land can represent both a source of, and a sink for, emissions. The current accounting rules under the Kyoto Protocol for emissions and removals of GHG from the LULUCF sector are complex and should be revised in order to provide greater incentives for mitigation actions, while being simple, transparent and fair as regards a comparable treatment of emissions from different sources. A particularity in this sector is also the non-permanence (reversibility) of LULUCF activities as carbon sequestered in soil or forests may be released again into the atmosphere.

Agriculture and forestry provide for further mitigation possibilities by producing biomass and biofuels. The sustainability and environmental integrity of these mitigation options are being addressed by EU policies.

More incentives may also be introduced to reduce GHG emissions from deforestation. Options to encourage this process were discussed and progressed at the Copenhagen Summit, during part of the debate about Reducing Emissions from Deforestation and forest Degradation <u>REDD</u>.

Other relevant rural policy challenges were underlined during a side-event at the Summit, the dedicated '*Agriculture and Rural Development Day'*, which saw more than 300 policymakers, farmers and scientists strongly endorse agriculture's role in climate change adaptation and mitigation. Substantial additional financing and investment was noted as being needed and calls were made for this to be accessible to all stakeholders across



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the entire rural value chain. Further conclusions highlighted the benefits from <u>adopting</u> <u>more risk management</u> considerations within agricultural and rural development activities to help ensure positive long term contributions to climate-related concerns. These points from Copenhagen will help inform the debate about how the EU can embed climate change actions more firmly in ongoing developments of rural policy. *Amendments to the Community Strategic Guidelines* resulting from the Health Check of the CAP are already helping to facilitate more climate-friendly actions from the European Agricultural Fund for Rural Development (EAFRD). In addition, 2010 will see the *mid-term evaluation of Rural Development Programmes* (*RDPs*). Findings from these evaluations may also identify further recommendations to help rural policy take appropriate account of global warming impacts and to mitigate climate change.



#### **Coordination Committee meets**

Members of the <u>EN RD Coordination Committee</u> met in Brussels during December to review ongoing activities for the network and discuss future work in

2010. This was the Coordination Committee's third meeting and a <u>wide selec-</u> <u>tion of issues</u> with a strong thematic focus were covered, including reports on the current state of play with each of the EN RD Thematic Working Groups (TWGs).

<u>TWG 1</u> noted how a need still exists to ensure more clarity when defining rural areas and that case study work is underway to help identify relevant methodologies which might assist targeting future rural development instruments. <u>TWG 2</u> explained that its role is now moving more towards identifying the specific factors influencing successful relationships between agriculture and the wider rural economy. Based on a solid conceptual framework for public goods in agriculture, <u>TWG 3</u> reported on the most significant RDP measures for delivering public goods including agri-environment, non-productive investments, natural handicaps (LFA) and farm modernisation investments.

In addition to the TWG reports, members of the Coordination Committee discussed the role of <u>ICT in rural development</u>. Representatives from <u>DG</u> <u>INFSO</u> and <u>DG Regional Policy</u> presented information about <u>rural stakeholders' role in the EU's Digital Agenda</u> and the importance of <u>coordinating actions</u> <u>between rural and regional policy instruments</u> during implementation of the <u>EU Broadband Strategy</u>. DG AGRI highlighted other key considerations regarding <u>RDP support for ICT initiatives</u> and these were agreed as warranting wider exploration during a special EN RD Seminar on the topic. This 'ICT in rural



development' event is expected to take place in late 2010 or early 2011 and will contribute to the recommendations in the Commission's Communication on <u>Better access</u> for rural areas to modern ICT.

<u>Read more</u> about the other items discussed at the EN RD Coordination Committee's third meeting.

#### NRN collaboration strengthens

The topics of social farming, entrepreneurship, forestry and good practice formed the agenda for the seventh meeting of the National Rural Networks (NRNs), which was held in Brussels during December. The meeting involved a series of productive workshop sessions and resulted in NRN delegates agreeing proposals for progressing new joint work together. Networking will feature strongly in the roll out of NRN plans for increasing knowledge transfer on good practices in different rural areas. NRN representatives from Austria, Spain, Italy, Ireland, Estonia, Sweden and Scotland are now participating in a pilot 'Project Information and Knowledge Sharing Exchange'. Initially focusing on renewable energy and investment in agroprocessing, 20 case study examples are anticipated by March 2010 and a further 30 case studies are forecast for June.

Other ongoing work stemming from the 7<sup>th</sup> NRN meeting includes an initiative, initially promoted by Italy's NRN, to broaden uptake of social farming projects by RDPs. NRNs noted that RDPs could add most value to this process by encouraging more agri-businesses to diversify into social farming. Associated opportunities and issues will be discussed by NRNs over the coming months and spotlighted in September at the Belgian Flanders' NRN event exploring 'Social issues in the countryside'.

December's NRN meeting also confirmed the EN RD's potential as a platform for establishing network collaborations in forestry and rural entrepreneurship thematic work. The latter was recognised as a beneficial tool for developing effective rural responses to economic change and forestry priorities were agreed in areas such as multi-functionality, biomass and capacity building for private forestry groupings.

Read more about the 7th NRN meeting discussions.

#### Reinforcing rural development delivery mechanisms

February saw the kick-off meeting for a fourth *ENRD Thematic Working Group* that is set to examine the scope for improving rural development policy delivery mechanisms. The aim of the group, which will run for at least one year, will be to review experience of rural development programming procedures and programme implementation and identify those aspects that are operating well, those which may require improvement and what concrete improvements might be made.

It is intended that the initial work will include gathering information on the actual experience of RDP implementation by stakeholders on-the-ground. The strengths and potential weaknesses of delivery mechanisms will be identified and potential outcomes from the new TWG could include options for making improvements to the current delivery mechanisms. More information about TWG 4 activities will be featured in future editions of the EN RD publications.

#### EN RD Seminar: semi subsistence farming

Romania will be the setting for an upcoming EN RD Seminar on the current situation and future prospects for semi-subsistence farming (SSF) in the EU. Planned for April 21-23, the seminar will provide information and networking

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opportunities for around 200 participants. Topics being covered include: key SSF issues; wider implications of SSF for society and the environment; diversification and integration into the food chain and; the relevance of rural development policy instruments. EU and Member State roles will be examined with the aim of identifying types of rural development policy mechanisms or instruments that are well adapted to accommodate the needs of semi-subsistence farmers and the broader objectives of rural development policy. *Find out more* 

#### EU Rural Review: Issues 2 & 3

Issues 2 & 3 of the EU Rural Review have recently been released via the <u>EN RD</u> <u>website</u>. Issue 2 reflects on 2009's European Year of Creativity and Innovation and highlights the wealth of innovation and creativity that exists in Europe's rural communities. Issue 3 takes a detailed look at how EU rural development policy is responding to the rich diversity that defines Europe's countryside. Electronic copies of the new EU Rural Review publications are <u>currently</u> <u>available in English</u> and five other language versions (FR, DE, IT, ES, PL) will be released in the near future, in both web format and hard copy.

# Transnational Cooperation Guidance on the EN RD website

New tools on the EN RD website include a Local Action Group (LAG) guide for Transnational Cooperation (TNC). This '<u>Integrated European Cooperation</u> <u>Guide</u>' presents step-by-step approaches to the development of successful TNC projects and provides an effective cooperation tool tailored to the needs of the current 2007-2013 programming period. Guidance contents cover a variety of relevant TNC information, including explanations about what cooperation is in practice and the benefits that it can bring. Other sections provide detailed methodological guidance explaining concepts linked to planning, implementation, monitoring and evaluation of cooperation projects. <u>Find out more</u>.

#### **Evaluation Network News**

The Evaluation Expert Network (EEN) has finalised a new working paper on the assessment of impacts of RDPs. This paper aims to address key challenges, such as how best to evaluate climate change aspects of RDP activity, and more information can be found on the <u>EEN website pages</u>.

## NEWS ABOUT

#### New Commissioner takes up office

The new <u>European Commissioner for Agriculture and</u> <u>Rural Development, Dacian Cioloş</u>, took up post on February 10th and his first official visit involved

discussions with the Spanish EU presidency about current portfolio priorities. The former Minister for Agriculture and Rural Development from Romania also attended his first Council meeting in late February and plans to visit each of the 27 Member States before the end of June. He has already met Agriculture Ministers in Paris, Budapest and Berlin during discussions about future CAP direction. A more detailed review of the new Commissioner's perspectives for EU rural development will be published in the next RUR@L News issue.

#### More money for RDPs

A final group of RDPs have now been amended to reflect the <u>revised</u> <u>Community Strategic Guidelines</u> and additional funds from the <u>European</u> <u>Economic Recovery Plan</u> (EERP) and <u>CAP Health Check</u>. In total, €5 billion of additional EAFRD was allocated to the RDPs between October 2009 and January 2010.

Projects supporting biodiversity received almost a third of the new funds ( $\leq 1.5$  billion) and Member States also channelled significant amounts of new EAFRD into water management initiatives ( $\leq 1.3$  billion). Both dairy restructuring and climate change will benefit from  $\leq 0.7$  billion each of new money and the RDP amendments have generated a further  $\leq 0.3$  billion for renewable

energy developments. Rural broadband activity will be boosted by around €360 million from the EERP. <u>*Read more*</u> for a detailed breakdown on the full set of RDP amendments.

#### Debate picks up speed on CAP post 2013

2010 will be a year when many minds across Europe focus in on what the future might hold for the CAP in the next programming period (2014 to 2020). This will be one of topics considered by the *Spanish EU Presidency* during the first half of the year and an informal gathering of Ministers is scheduled for the end of May in Extremadura to discuss related issues, prior to publication of a Commission Communication on the future CAP which is due in the summer.

*Europe's 2020 strategy* is expected to be an influencing factor in the debate about CAP prospects. Other core points in the discussion were covered by the outgoing Commissioner, Mariann Fischer Boel, during a *European Parliament workshop* on the topic. She underlined the need for the future CAP to balance concerns about food security, good land management, climate change and cohesive development throughout rural Europe. She also highlighted the CAP's vital role in supporting "green growth" and she stressed how important it will be for European citizens

to understand and support the future CAP. *Read more* 



#### **Mountain farming matters**

Mountain farming assistance is prioritised by 16 Member States in their <u>RDPs</u>. Each mountain area is different and a new Staff Working Document was released recently by the Commission which provides an updated insight into the situation of EU mountain farming.

<u>Presented by Commissioner Fischer Boel</u> during Austria's 'Future of Mountain Areas' conference, the <u>'Peak Performance'</u> paper points to a range of support tools for mountain farming and links these with upland matters such as land abandonment, Leader methods and forestry. Conclusions note that now is the time to start planning for mountain areas' place in the future CAP, and that a <u>2020 perspective</u> will be pertinent for the next programming period.



#### Networking Europe's net working communities

Europe's coastal areas contain around 16% of its population and most of these coastal communities are found in rural regions. Synergies can be gained by coordinating different types of EU support for coastal areas and

this fact was underlined at the launch of a new FARNET

(Fisheries Areas Network) capacity building initiative for EU coastal communities. FARNET is supporting the roll-out of  $\in$ 826.6 million from the *European Fisheries Fund*. The money aims to help diversify traditional fishing economies and promotes an alternative type of net working through Leader style approaches.

A FARNET Support Unit has been established to build capacity of new Fisheries Local Action Groups (FLAGs), and useful cooperation is foreseen

from networking between FLAGs and LAGs as they work together to address common coastal challenges.

*Find out more* about FARNET, such as the Support Unit's good practice tools for operating Leader type partnerships and involving communities in local development.

#### **Modernising farming**

Farm modernisation is a common RDP component and February's <u>International</u> Fair of Agricultural Machinery in Zaragoza, Spain provided an opportunity for Europe's agri-food sector to discover more about the latest developments in modernisation technology. Special rural development sessions were organised during the fair involving presentations from the European Commission and ENRD Contact Point. These highlighted how collective approaches can help make modernisation more cost effective and underscored the potential that young farmers hold for facilitating modernisation trends. Successful Spanish rural development projects were also on display including former Leader initiatives promoting innovative climate-friendly <u>bio-fertiliser</u> technology and a <u>transnational project</u> generating competitive gains for rural areas from energy-efficient approaches.

#### **Organic growth**

Europe's organic sector is expanding, according to a <u>new report from Eurostat</u> which reveals how EU organic farm coverage increased by



21% between 2005 and 2008. Ongoing growth in the organic sector will be assisted by the recent selection of a new logo for EU organic products. The 'Euro-leaf' logo was chosen following a public vote to decide the most appropriate label design and contains two clear messages: Nature and Europe. After its publication in the Official Journal (expected in early April) the logo can be used as the EU's official quality standard for organic products. From 1st October onwards it must be used on all pre-packed organic products. *Read more*.



Over 75% of Austria's population lives in rural areas which include 6.5 million hectares of cultivated land. Much of the agricultural sector comprises relatively small-scale holdings, which between them help to maintain the Austrian countryside's highly valued cultural landscape and biodiversity. Balancing the competitiveness of the agricultural and forestry sector with the conservation of Austria's landscape and natural resources remains a priority for the *national RDP*, which was allocated an *initial EAFRD budget* of €3.911 billion.

Recent RDP amendments provide an additional €97 million for measures connected to the '<u>new challenges' for EU rural development policy</u>. Some €40 million (42%) is foreseen for supporting the dairy sector's restructuring, €21 million is attributed to address climate change and another €21 million has been allocated for biodiversity issues. Austria's rural broadband initiative will receive €15 million of new funds.

#### Facts and figures about rural Austria

- 68 % of Austria is mountainous and designated as lessfavoured.
- 86 Leader regions take in 87% of the country and 52 % of its population.
- Around 75% of Austrian farms are involved in the national agri-environmental programme, which includes some 85% of the area under agricultural use.

### **NRN** actions

A consortium of three partner organisations runs Austria's NRN network unit (known as '<u>Netzwerk Land</u>') which has an annual budget of  $\in$ 500 000 and is managed by experts from different rural development backgrounds. Christian Jochum, network unit head, explains that "Our fundamental role involves bringing rural development people together to exchange experience, build knowledge and improve the delivery of RDP actions. We provide a kind of think-tank service where topics can be openly discussed outside the normal confines of a negotiation table".

Networking priorities in this context focus on strengthening links between rural interest groups and decision-makers involved in implementing regional or national level rural development support. This work aims to help ensure the relevance of RDP operations and goes hand in hand with NRN actions to increase awareness about good practices.

Building a better informed stakeholder network helps to improve the RDP's effectiveness and Mr Jochum notes that "The wider remit for LAGs in this programming period has introduced new faces into Austria's Leader arena so we have been providing information to facilitate new types of LAG approaches. Our annual awards scheme also helps us to encourage, identify and promote high quality rural development initiatives." Last year's award scheme concentrated on agricultural projects, which were assessed against five best practice criteria: economic efficiency; innovation and originality; significance and transferability; environmental impact; and business marketing strengths. Winners from 2009 included <u>solar powered farm facilities, an association of dried fruit farm businesses</u> and a <u>branding scheme for local poultry products</u>.

Details about the winners and other best practice entries are *published* (in German) and new award schemes are being organised to correspond with Netzwerk Land's annual conferences. 2010's best practice focus is expected to emphasise RDP contributions to preserving Austria's cultural landscapes and other ideas under consideration by the NRN for future years include collating best practices in climate action, gender equality, Leader methods and farm efficiency.

# RDP funds restructuring on mountain milk farms

Austria is well known for the dairy products that stem from its lush upland pastures and, as elsewhere in the EU, the country's dairy sector is undergoing a period of transition causing many milk producers to seek diversification options that safeguard the viability of their mountain farming systems. An example of this can be seen in southern Austria where a group of 12 farmers from Lammersdorfer Alm joined forces to add value to their mountain milk in a local cheesemaking facility. The farmers received aid from a previous EU programme to set up their milk processing plant and RDP support has been used to further develop the production of mature cheeses. These are sold directly to consumers through the dairy's sales room and farmers' market stalls.

Additional income earning opportunities have been secured by adapting the cheese-plant into a novel tourist attraction which offers guided tours of the production process for visitor groups. These include parties of school pupils that come to the area for hiking trips, also organised by the diversified dairy farmers. RDP co-finance has been provided here as well to improve the quality of rural tourist experiences via new signposting for local footpath networks. *Find out more* (in German).





## WHERE TO FIND OUT MORE

European Network for Rural Development: http://enrd.ec.europa.eu

EU Rural Development policy 2007–13: http://ec.europa.eu/agriculture/rurdev/index\_en.htm

Directorate-General for Agriculture and Rural Development: <u>http://ec.europa.eu/agriculture/index\_en.htm</u>

The European Evaluation Network: http://ec.europa.eu/agriculture/rurdev/eval/network/index\_en.htm

## RUR@L NEWS Contributions/Events

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