

**Consultation on EU Commission
proposals for Common Agricultural
Policy (CAP) Reform post 2013**

**A Response from the Northern Ireland
Rural Development Council (RDC)**

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Introduction

The Rural Development Council (RDC) welcomes the opportunity to respond to the consultation on proposals for the Common Agricultural Policy (CAP) Reform post 2013.

We welcome the consultation processes employed to ensure active engagement and input from a wide range of stakeholders and in particular the CAP stakeholder event on 7th December 2011 at which the RDC Vice Chair Kenneth Rankin was represented.

We believe this mix of stakeholder discussion together with the traditional written response should provide for a more informed outcome.

We note and appreciate that this is the start of a lengthy consultation process and there will be a continued need to engage stakeholders as proposals progress. We particularly welcome the intention of further consultation on implementation options, equality and rural proofing at a later date and feel these are important issues which require dedicated consideration.

We acknowledge that the consultation document seeks views on a number of issues related to both Pillar I and Pillar II of the CAP Reform however in formulating our comments we draw upon our experiences of Leader and of engaging in the wider rural development context, therefore focusing our response on questions 14-17 and 20-22.

The role of the Northern Ireland Rural Development Council

RDC was established by Government in 1991 and became a fully independent organisation in April 2009 following the Review of Public Administration announcement in March 2006.

RDC was established with a key remit to assist DARD and Government in understanding rural affairs and in formulating effective policy and programme responses. Over the years, RDC has maintained a wide-ranging programme of research, drawing together an analysis of rural change and of leading edge thinking in tackling development issues or opportunities.

The RDC role in the delivery of grant programmes (including Leader and NI RDP) has in turn provided a substantial body of project ideas and best practice which has regularly been drawn upon to illustrate the potential and scope of rural development and to support others in formulating new projects in Northern Ireland and further afield.

RDC manages the Rural Network for Northern Ireland contract via the Agri Rural Forum. Established as part of the current NI RDP, this Network is designed to help and support the implementation and delivery of the Programme across the axes.

RDC is also involved in the delivery of Axis 1 Farm Family Options with specific focus on developing the skills of the farm family as part of the Countryside Agri Rural Partnership.

Through these activities RDC seeks to support and encourage integrated rural development actions that recognise and value the contribution of people to agriculture, rural regeneration, the environment and culture in realising a vision of a living, working, sustainable and shared countryside.

We hope you find our comments useful. Should you require any further information or clarification on any matter raised in this response please feel free to contact us using the details below. We look forward to hearing the outcome of this consultation.

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RDC Response: RURAL DEVELOPMENT REGULATION (Pillar II)

Question 14

What are your views on the proposals to remove the Axis structure and the associated minimum spend requirements for the competitiveness and territorial development of rural areas objectives? What are your views on the allocation of at least 25% of funding to climate change mitigation and adaptation and land management measures?

RDC welcomes the removal of the axis structure as a mechanism to:-

- Establish a clear vision and scope for what rural development can achieve across a range of priority areas
- Encourage better links between farmers and non farmers around common purpose
- Support greater integration of delivery leading to improved targeting of resources and potential for streamlined processes
- Develop a clear, coherent and single communication message promoting greater 'connectness' across the programme

Such benefits can only be achieved if the axis structure is fully removed and not replaced by other terminology or through delivery silos that in effect establish or create 'axis' mentality.

For example whilst axis 2 places emphasis on land managers, the reality is rural areas are impacted upon and utilised by other businesses over and above farms (particularly tourism related ones). It could be argued therefore that the current axis structure constrains integration by seeking to maintain a separation of roles

and responsibilities between farmers and non farmers which on the one hand sustains an isolation of the farming community from the wider rural development agenda and on other hand does not raise awareness across other stakeholders of their responsibilities and contribution. Ideally the programme should seek to establish collective management approaches to enable different stakeholders to see their role in and potential benefit from a coordinated approach to sustaining and enhancing local rural assets. RDC would suggest this can only really be achieved through the improved integration of priorities and measures.

Whilst delivery issues are not part of the consultation at this stage, we would make the point that achieving such linkages/integration will need a sufficient overview and degree of coordination if it is to be achieved and requires more indepth consideration as part of the consultation on implementation options.

RDC would suggest that there still needs to be consideration given to minimum spend requirements in order to address the breadth of challenges facing rural dwellers and the opportunities to be grasped by the wide range of sectors within rural development. Such allocations should be based on an overall vision and set of desired outcomes linked to the agreed Northern Ireland priorities.

The removal of the axis structure should allow the allocation of funding to address climate change against a wider range of priorities and measures, allowing for greater accessibility of achieving targets and allowing for more innovate and creative projects to emerge that connect different stakeholders and sectors together, again reinforcing integration.

Questions 15 & 17 combined

What are your views on the proposed priorities and their relevance to the needs of both agriculture and wider rural areas? Which of these priorities do you feel is of most importance to rural development in Northern Ireland and why?

What are your views on the selection of rural development measures in the proposals do they provide sufficient scope to address Northern Ireland priorities as you see them? Do you have any suggestions for activities or measures which should be included in a future rural development programme?

RDC believes that the six priorities and the proposed 26 measures provide adequate scope and potential to address the relevant needs of both agriculture and wider rural areas. RDC would suggest at this stage a wide interpretation of the priorities is to be welcomed allowing for flexibility and tailoring to Northern Ireland specific challenges and issues. Retaining flexibility will be an important aspect moving forward to ensure that priorities and measures are capable of being adapted to address the needs of a particular timeframe.

The measures listed are broadly similar to the existing programme and RDC would suggest that it is important to capture the successes to date as a baseline for advancing or maximising the outcomes to be achieved through the various suite of measures on offer post 2013. In other words we should begin to see some progression.

RDC welcomes the potential for measures to look beyond the current axis structure as detailed above in question 14 and sees this as a positive development, for example under knowledge transfer and information (*which is broadly similar to the current axis 1 measures*) we welcome the inclusion of small

to medium enterprises and believe both farming and non farm enterprises have an important role to play in the future sustainability of the countryside.

Whilst a shift in focus from micro businesses to SMEs is welcomed, care needs to be taken to ensure that this is not extended beyond the reach or capacity of the smaller rural enterprise in favour of larger industries. The current limit of fewer than 10 employees is restrictive particularly when it comes to micro business expansion or development where a marginal increase in employee numbers may be warranted. Care needs to be taken to avoid duplicating or displacing resources coming through other structural funds particularly in relation to resourcing business start or development however RDC believes the proposals for using a coordinated approach to delivering all EU funds should minimise any such risk in this regard.

RDC would suggest that the priorities and subsequent measure design need to encourage a broad range of ideas and initiatives. Opportunities (*both in terms of time and investment*) should exist now to research pipeline initiatives, encourage new thinking or support mechanisms for improved integration as a means of enabling early successes and outcomes.

Local food initiatives should be encouraged (from box schemes, farmers markets, direct marketing, local food cooperatives to procurement schemes or investment in key infrastructure) because:-

- A significant number of farms cannot benefit from measures aimed at mainstream (global) agri-food marketing
- Local foods represent a key new market opportunity
- Local foods complement other measures (environment, tourism) and have the potential to benefit from improved integration

Such a measure might encompass support / encouragement for:-

- Farm retail schemes
- Schools / local food procurement schemes
- Links to hotels / B&B / Restaurants / Village shops (farm / non farm value chain development)
- Link to regional foods
- Marketing / consumer research on interest in local foods
- Best practice support
- Links to / with environmental stewardship quality mark

RDC welcomes a continued focus on farm and business development and diversification. However RDC also believes a distinct RURAL slant should be sought to the way rural businesses are supported through the programme, for example green audits and business planning to assist rural tourism or other businesses to assess and begin to make better use of their rural resource advantages in marketing or product development; additional support for distance-related disadvantages to starting a rural business; support for village shops or businesses actively using rural and local farm resources.

RDC welcomes the inclusion of village renewal as a measure but would suggest that this should be approached imaginatively and examine the role and strategic value of rural villages in a wider rural development context – how might regeneration exploit new trends and opportunities for micro-business locations, the knowledge economy, clusters of cultural and natural resource-based enterprises (artisanal), ICT initiatives (e-villages) ecological and new environmental economy initiatives (eco-villages and associated eco-business incubation initiatives) food and food outlets, and other service opportunities which capitalise on the strengths villages can have in a decentralising economy. Furthermore village renewal should again see the rural village in the round, encouraging active recognition and development of links between village and

countryside and the mutual support each can offer the other. Villages should be considered as development and service hubs for rural development processes linking together food, countryside, tourism and quality of life (in turn linking to the attraction and support of entrepreneurs). A clear vision could invest new energy and creativity into the village renewal approach and support the developing theme of integration. Links to schools as service and development centres within villages should also be a clearly identified feature.

We also suggest there is a need to address the implications of a knowledge economy / knowledge society for rural development in the 21st Century and innovative uses of ICT and service delivery in helping to create more sustainable rural areas.

Employability and entrepreneurship are also important and emerging themes which require consideration particularly in addressing issues of youth migration.

Whilst we recognise that this consultation is not focused on implementation in considering the priorities and measures we feel it is important to highlight:-

- Measures (and the selection of) need to be well targeted. A blanket approach will not do.
- Grants may be too blunt and expensive a mechanism for achieving strategic objectives. More needs to be channelled through support and strategic programmes, particularly if better coordination is an objective.
- Actions should be mutually re-enforcing, maximising development outcomes and impacts.

Question 19

What are your views on the inclusion of risk management and income stabilisation measures in the rural development proposals? If included, what percentage of the overall rural development allocation should be reserved for risk management and income stabilisation and why?

At this stage it is difficult to see how such measures would be managed or how funding would be allocated or utilised in the event of a) not contributing enough or b) allocating too much.

Question 20

What are your views on the continuation of the Leader approach and the compulsory requirement to reserve at least 5% of the budget for Leader?

RDC supports the continuation of the Leader approach and the compulsory requirement to reserve at least 5% of the budget for Leader. **For clarity RDC takes the Leader approach to mean the Leader principles and methodology and not Leader structures of delivery.**

RDC believes the capacity building and collaborative aspects of Leader deserve attention. The highly administrative nature of the current Leader structures in Northern Ireland we would suggest dilutes the true benefits to be gained from the Leader approach and consideration is required on how to maximise the benefits of Leader within a support structure that reduces the administration burdens placed on Local Action Groups.

RDC welcomes the DARD review of Leader and believes that this should establish a continued and clear role and vision for the Leader approach in Northern Ireland post 2013.

Question 21

What are your views on using a co-ordinated approach to delivering EU funds? Please state and expected benefits or difficulties with using such an approach

RDC welcomes a more coordinated approach and believes the expected benefits should outweigh any difficulties.

Whilst we recognise the enormous task this presents operating across various programmes and with various departments we believe this should provide greater coordination and synergy between future funding programmes and help to reduce the level of administration/bureaucracy required which should in theory make it easier for the final beneficiary.

It would be important however to ensure that through such coordination that EAFRD is not seen as the mechanism to cover all things 'rural' at the risk of losing investment from across the other funds as opposed to maximising the return of other EU funds to rural development. This enforces the need for a 'rural proofing' arrangement to monitor this.

Question 22

What are your views on the inclusion of these proposals and the potential for innovation, co-operation and knowledge transfer to deliver rural development objectives in Northern Ireland?

RDC welcomes the inclusion of these proposals and the potential for innovation, cooperation and knowledge transfer to deliver rural development objectives and see these as an underlying theme. RDC welcomes the potential flexibility and opportunities that exist to encourage new thinking and ideas to emerge. DARD should focus on piloting, researching and then encouraging mainstream uptake for new solutions for areas of need, ensuring linkages between CAP reform and other DARD policies including the Rural White Paper Action Plan.

RDC recognises the potential of the Rural Network in helping to support such objectives.

Question 26

Please describe those aspects of the legislative proposals for reform of the CAP post 2013 which you consider may have equality, good relations or rural proofing implications?

RDC understands that such implications will be considered as part of further consultations planned and welcomes the opportunity to respond at that time.