European Network for Rural Development

ENRD Thematic Group on Resource Efficiency

3rd Thematic Group Meeting

Event Summary |
7 March 2017

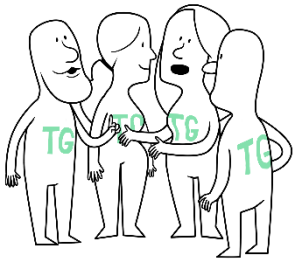
About the Thematic Group

The ENRD Thematic Group (TG) on Resource Efficient Rural Economy was set up based on interest expressed by various stakeholder groups in the Rural Networks Steering Group. The third meeting was organised on the 7 March in Brussels and via videoconference.

Key examples of how RDPs can contribute to the resource efficient use and management of soil nutrients, soil carbon and water were shared at the meeting. The discussion among TG members focused on identifying commonalities and differences in approaches to the three cross-cutting themes – motivation, knowledge and policy gaps.

The group's contributions are helping to guide the development of in-depth case studies and the selection of good practice examples with the aim of making practical recommendations to improve the implementation of RDPs across the EU. These will be presented at the fourth TG meeting in Italy.

ENRD Resource Efficiency Thematic Group scoped approaches to resource efficiency at EU and regional level



The TG's work-strands (EU level RDP analysis, in depth regional case studies and collection of good practice examples) were identified and discussed at the second TG meeting, as well as the outputs the TG could produce to improve the contribution of RDPs to resource efficiency? With the aim of providing a forum for discussion and exchange, the third TG meeting focused on presenting the progress made in the research work and highlighting initial findings.

With a view to providing a framework for the discussions, **Silvia Nanni** from the ENRD Contact Point - Institute for European Environmental Policy (IEEP) presented the *'Preliminary findings from the EU level overview of RDP support to resource efficiency'*. An EU level overview of the way Member States programmed and, where information allowed, implemented priorities, targets and measures relevant to resource efficiency was presented. Across the EU, it was observed that the majority of Member States selected a mix of measures to support soils and water resource efficiency, used in a range of

combinations depending on local needs. The preliminary measure mix identified as most relevant to resource efficient use of soils and water is made up of agri-environment-climatic (AEC) measures, investment in physical assets, organic farming, forest investments, alongside the use of knowledge transfer and advisory services.

Following the EU level presentation, ENRD Contact Point analysts presented the initial findings of two RDP case studies – **Greece** and **Hungary** – and their approaches to resource efficiency. In addition to these presentations the other cases study experts present at the meeting (from **Italy, Finland, Lower Saxony (DE), Flanders (BE))** provided interventions and commentary on the similarities or differences with what they are observing in other areas both across the three thematic areas (*soil nutrients, soil carbon and water availability*) and the cross-cutting themes (*motivation, knowledge and policy gaps*).

Alexandros Papakonstantinou from the ENRD Contact Point introduced the *'Initial findings on resource efficiency in the RDP in Greece'*.

- The research undertaken highlighted that the average farm holding size in Greece is limited. Over 50% of farms are under 2 ha according to the RDP with an average of 6.8 Ha (Eurostat), and farmers' age is relatively high. A key issue for Greece is the use of water in farming, with over one third of the total land area under threat of desertification. Greece allocated around 57% of total public expenditure to Priorities and Focus Areas relevant to resource efficiency, with particular emphasis on Priority 4 on ecosystem management. In order to address resource efficient use of soil and water, Greece selected a measure mix including investments in physical assets, payments for areas facing natural constraints, organic farming and forest investments, alongside smaller proportions for knowledge transfer and advisory services.

The policy gap

- The **policy gap** cross cutting theme became particularly apparent for the Greek case with an issue of complementarity between supporting the requirements of the Water Framework Directive (WFD) and RDP implementation. The agreement on the WFD – (2nd Generation of River Basin Management Plans) in Greece is significantly delayed and will not come into force until later in 2017 making both complementarity in the design of RDP measures and targeting to ensure an effective support of the WFD through the RDP a challenge. Adding to this, those interviewed in the case study suggested that there is limited coordination between the relevant Ministries with responsibility for tackling resource efficiency. Limited staff capacity to deal with substantial projects such as more efficient irrigation systems was also noted, particularly as this is delegated to the regions.

The motivation & knowledge gaps

- For the **motivation and knowledge gaps**, the emerging findings point to a major challenge of changing farmers' culture to adopt more resource efficient practices, such as the type of crops that are cultivated by farmers not being suited to constrained water availability.

Peter Toth from the ENRD Contact Point spoke about the *'Initial findings on Resource efficiency in the RDP in Hungary'*.

- Hungary is characterised by frequent water imbalances caused by alternating droughts and floods as well as soil erosion concerns across almost half of the country. In common with Greece, the average farm size is limited, whilst farmers' average age is high. It was highlighted that Hungary put in place a measure mix with the aim to address soil and water resource efficiency, including as key measures investments in physical assets and agri-environment-climatic schemes, alongside the cooperation, knowledge transfer and advisory services measures.

The motivation & knowledge gaps

- The quality of advice and support to farmers was identified as a limiting factor to improve resource efficiency through RDPs. Linked both to the **motivation and knowledge gaps**, interviewees suggested that farmers and scheme advisors were not receiving as much good training as they need to understand and improve actions on the ground. This is in part related to those who provide the advice, where farmers often have better working relationships with seed and fertiliser suppliers than they do with scheme advisors. A key question emerging from this is why scheme advisors are not building the same sort of trust as commercial advisors and therefore what can be done about this to improve RDP implementation? The level of knowledge of advisors varied between different regions of Hungary. (From a broader perspective, it appears that there are low levels of knowledge and support in Greece, but comparatively high investment and skills in Finland.)
- A second point related to the **motivation** gap was observed in Hungary where agri-environment payments were delayed for one year (due to the time taken to reach agreement on the 2014-2020 programme). A study undertaken of 300 farmers in High Nature Value (HNV) areas in Hungary monitored their response to the lack of support for the scheme and whether they continued to undertake the management and compliance requirements or stopped. The research suggests that large farms ceased to practice most of the AEC requirements, whereas smaller farmers tended to continue. Overall more than half of all farmers ceased to comply fully with the agri-environment-climate farming criteria. This is thought to be partly as a result of how the schemes are perceived by farmers, i.e. as economic support, rather than as beneficial actions to improve resource efficiency for the farm (but which also imply additional costs/income foregone for the farmer).

Additional discussion

The importance of understanding the **legal and policy bottlenecks** limiting the possibility to access some RDP measures contributing to resource efficiency was felt important by the TG in order to address several policy gaps. In particular examples raised by TG members included a discussion on organic agriculture:

- That support to organic farming or other RDP measures was in some cases dependent on the size of individual farms;

- In some cases, farmers were not allowed to convert to organic production as their land was already too high in nitrate or phosphorous (as a result of over fertilisation and accumulation in the past). This was particularly the case in Finland. Organic agriculture could be seen as a remediation approach / solution, but it could not be implemented due to organic standards.
- At regional level, applications for conversion to and maintenance of organic agriculture are significant. In Greece, the application rate is nearly double that offered by existing schemes. In general, there appears to be a high demand for organic agriculture, this was highlighted by participants from Emilia-Romagna (Italy), Greece, Austria and Finland during the meeting. However, the TG discussed the importance of considering signals and drivers supporting organic farming across the EU, whether it was resource efficiency or if there were other motivations, such as market price.
- The potential to use certain products to increase soil organic matter and nutrient levels was limited on the basis of how those products are considered in national law. For example, in Belgium certain types of compost are considered a waste and therefore cannot be used on agricultural land.
- The different criteria for the certification of produce at national level was also pointed out. Such **legal and policy bottlenecks** in the access to certain RDP measures were suggested for further investigation.

Beyond organic farming, it was noted by some in the TG that high level of investments in technical solutions to certain issues, such as water efficiency seemed disproportionate to the actual needs or appropriate response from a resource efficiency perspective (e.g. €1.5bn planned expenditure for water irrigation systems in Greece could in part be met through changing crop types or cultivation approach).

However, others in the TG suggested that investments of this nature do induce a 'trickledown effect' to help reduce the cost of new technologies, and so improve and mainstream resource efficient processes in farming practices.

Emerging good practice examples

As a complement to previous discussions, **Ben Allen** from the ENRD Contact Point - IEEP presented the preliminary findings from the *'Good practice examples'* collected.

One clear message emerged in prior discussions that '*there are already many great examples of good practice out there*'. On that basis, a longlist of good practice examples ranging between 2007 and 2017 was collated and presented to the TG, with the aim to refine the selection of cases for further investigation.

It was noted that, comparatively, a limited number of examples focused on soil carbon or were addressing the policy gap, while more emphasis was put on the knowledge gap for soil nutrients and water availability. This will be considered when reviewing the current list.

In terms of the activities identified in the examples collected, these ranged from capacity building, waste management to green tools for climate adaptation. Further actions on this

work stream will include the interrogation of the EIP - Agri project database and the identification of a short list of existing or new examples.

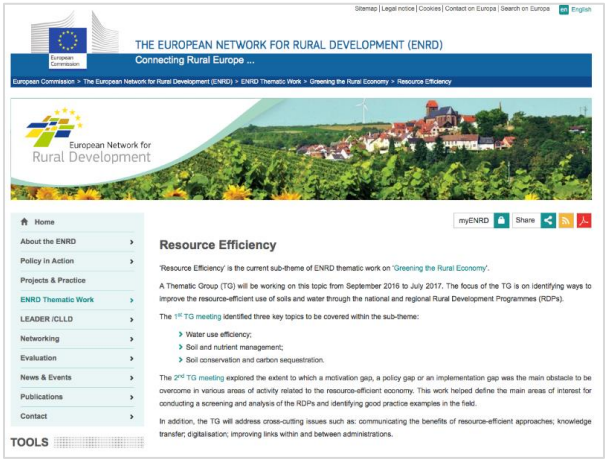
Overall the TG considered the selection of a limited number of good case examples for further investigation as a sensible approach.

Presentations from the workshop can be found on the ENRD Contact Point website.

Developing practical outputs

The penultimate session of the meeting built on the outcomes of the prior TG meeting to introduce some of the outputs to be produced by the TG. Considering the message from prior TG discussions to have '*short, clear and targeted information'*, the TG members were consistent in considering that several possible outputs were useful and relevant to disseminate the results of the TG's work. These included:

- ✓ The **ENRD website** as a repository of examples of resource efficient use and management of soils and water. This may take the form of a web-based portal listing relevant practice examples and sources of funding, in relation to the three themes of soil nutrients, water availability and soil carbon;



- ✓ The EAFRD **project brochure** and the **EU Rural Review to be** produced. The TG highlighted the need for identifying what key messages and content emerging from the group's discussions could be reproduced in such documents;
- ✓ Short **factsheets** addressed to specific target audiences, including farmers, Managing Authorities and advisory services. One example considered was the production of a factsheet based on a specific field visit or good practice example, which could be scaled up at EU level;
- ✓ The possibility of producing a **video or a podcast** was considered. The TG noted, however, that (i) the material should be produced on the backbone of the forthcoming meeting and seminar's outcomes, and (ii) for it to add value, it would require a high-quality effort.

Across the outputs, TG members considered the need to **identify the key audience(s)** and be clear on what the **messages to disseminate** are with the aim to engage relevant stakeholders and enact change. It was also felt important to ensure that all 'products' generated need to be accessible and to make efforts to ensure that they are used in practice.

The TG is considering how to ensure this in relation to the outputs being produced.

Preparing for future meetings

In the last session of the meeting, **Ben Allen** (ENRD Contact Point - IEEP) and **Maria Valentina Lasorella** (Council for Agricultural Research and Economy Analysis – CREA) invited TG members to - and provided background information on - the fourth meeting of the TG to take place between **3-5 May 2017 in Bologna, Italy**.

The meeting is intended as a joint initiative between the ENRD and the Italian National Rural Network, and an important opportunity for the TG to discuss advanced findings of the work and draft conclusions, alongside testing some thinking with those on the ground and experiencing field visits to resource efficient soil and water case studies. TG members are strongly encouraged to attend.

Finally, an **ENRD seminar** is foreseen for **13 June 2017**, which will bring together more than 100 stakeholders in Brussels to showcase the work of the group and discuss its findings. The event will include presentation of good practice examples from across the EU and share the TG's work with EU stakeholders and policy-makers.