

Welcome and introduction

Assembly Chair Mario Milouchev, Director at the European Commission's DG for Agriculture and Rural Development (DG AGRI), welcomed members to the 2nd meeting of the European CAP Network Assembly. The Chair highlighted, with regard to the previous evening's Agricultural and Rural Inspiration Awards (ARIA), that the diversity of innovative projects exhibited the potential to make a significant impact. Following the inaugural Assembly meeting on 6 March 2023, the network has organised several governance events, including the meetings of the subgroups dedicated to innovation, implementation of CAP Strategic Plans, and LEADER (Liaison Entre Actions de Développement de l'Économie Rurale), as well as the 1st meeting of the Steering Group. The governance of the EU CAP Network has become fully operational since the 1st meeting of the Assembly, with a wide range of stakeholders ensuring a comprehensive and inclusive approach.

Recognising the transformative impact of networking, the Chair emphasised its capacity to enhance resilience, facilitate interactions and transform current challenges into opportunities and solutions. The Assembly's role in guiding and ensuring coordination of the network was reiterated, with the Steering Group playing a pivotal role in defining the agenda of the 2nd meeting of the Assembly.

Opening session

DG AGRI's Deputy Director-General Mihail Dumitru made an opening speech in which he provided a comprehensive overview of the CAP's current status, in particular progress in implementation, challenges faced and future initiatives.

Mr Dumitru acknowledged the ongoing challenges of 2023, citing geopolitical, climate-related and political factors. He mentioned positive developments in the first year of implementation of the new CAP under the new delivery model. Preliminary information on CAP implementation indicated uptake of funds broadly in line with Member State expectations, while for some interventions, e.g. Pillar I support to young farmers, the need surpassed planned parameters.

Regarding the agri-environmental climate measures, a slightly above-programmed implementation was reported on average, with variations between Member States. Variations were observed in the uptake of eco-schemes, with notable differences in non-productive investments and animal welfare aspects. The Commission is working with Member States for the 're-calibration' of CAP Strategic Plans to address lower or higher than expected uptake. Twenty-five requests for amendments from 21 MSs are being discussed, with the objective of addressing most of them by the end of 2023. Efforts to improve the IT system in communication with Member States are ongoing.

Insights gathered from the qualitative appraisal of the potential impact of CAP Strategic Plans were based on result indicators, targets and milestones, and were also shared. The report presented on 23 November to the European Parliament and Council covered all approved CAP Strategic Plans and confirmed the role of the reformed CAP in the transition to a more sustainable agricultural sector. The CAP's vital contributions to farmers' incomes, redistributive payments, generational renewal and investment support for modernisation were underlined. The CAP also has a strong role in addressing climate change, most notably through interventions targeting carbon sequestration and storage. Substantial efforts in soil protection, nutrient management, water quality, organic farming and animal welfare, as well as good potential in pesticide reduction are also demonstrated by the CAP Strategic Plans. Approximately 90% of the EU's utilised agricultural area is covered with CAP payments which are subject to enhanced conditionality. The report indicated lower ambition in risk management measures and sectoral operations. The necessity of mobilising national instruments and funds to tackle climate challenges in a comprehensive approach was highlighted. The importance of collaborative working, translating collective ambition into tangible actions, was emphasised.

The Long-Term Vision for Rural Areas (LTVRA) has made good progress - all actions of the rural action plan had been started or completed. The Rural Pact collaborative platform, the Rural Pact support office and the Rural Observatory were launched. European Commission (EC) work on a public report evaluating the first year of its implementation is progressing.

Market tensions and recent exceptional climate-related events necessitated the mobilisation of the agricultural reserve, including some of the reserves for the next year to support the most affected countries. This also underlines the importance of investing in climate adaptation.

The approval of various proposals relating to ongoing initiatives within the Green Deal was mentioned. The implementation of some of these may fall under the responsibility of the next college of legislators. Working with farmers to ensure economic sustainability as well as ensuring due care for the environment and climate for long-term food security should be a focus of new solutions.

The EC Research and Horizon programmes were emphasised for fostering innovation and sustainability. The EU budget for agricultural research and innovation for 2021-2027 was double that of the previous programming period. The multi-actor approach was reinforced in cluster 6. The calls for Horizon Europe funding for 2024 are open until February 2024. The soil mission was set up, with the first living labs due to start in 2024, and the soil monitoring law, featuring key instruments to enhance soil health was approved.

A proposal for the future CAP is expected in mid-2025. Efforts are underway to learn lessons from the current CAP and inputs are being gathered from Member States. A strategic dialogue with the aim of reducing polarisation is being prepared. Due to time constraints, an anticipated Communication from the European Commission (EC) will not now be published; stakeholders' inputs will have a strong role, however, in this inclusive process.

During a Q&A session, the following queries were addressed.

> The representative of Copa-Cogeca emphasised the significance of eco-schemes within the broader green architecture of the Common Agricultural Policy (CAP). The need to consider the financial implications for farmers participating in eco-schemes and the time required for farmers to react to legal security issues arising from CAP Strategic Plans (CSPs) was highlighted as well as their immediate economic consequences. The monitoring and evaluation of the costs and benefits of eco-schemes under the CSPs and in relation to farmers' participation in them was suggested. In response, DG AGRI highlighted that eco-schemes involve increased responsibilities for Member States (MS) and include flexible mechanisms that allow MS to adjust unit costs within specified ranges to address variations in uptake. The importance of effective communication with farmers was emphasised and the possibility of programme amendments to address legal security concerns was also mentioned. The role of the market was underlined, particularly for sectors such as organic farming, for which the total area covered increased twofold while demand in some Member States dropped due to inflation. This has necessitated efforts to address both the demand and supply side of the markets.

- ERCA (European Rural Community Alliance) inquired about additional funds to complement the CAP and sought information on the Commission's upcoming report on rural proofing and its effectiveness. Regarding rural proofing, the EU is actively engaged in this process, urging MS to participate and contribute more funding. The first semester reporting will include insights and examples of lessons learned.
- The representative of Minha Terra, the Portuguese network of Local Action Groups (LAGs), expressed concern about the monitoring of LAG procedures, specifically addressing delays in the selection process. In response to this, the EC emphasised that adherence to timelines remains crucial, with a deadline set for Member States to approve LAG strategies by the year-end. The Commission will observe this deadline and it will also be part of the bilateral dialogues with Member States.
- The Association of Chambers of Agriculture sought details on the timeline and process of the strategic dialogue. The strategic dialogue process is being prepared in terms of scope, timing and mechanisms, with updates expected in the future, although specific details and timelines were not currently available.

Report from the Steering Group to the Assembly on its 1st meeting

In this session, **Cormac McGann from the Irish Department of Agriculture, Food and Marine** and member of the EU CAP Network's Steering Group, provided a <u>report from the Ist meeting of the Steering Group</u>. The <u>meeting</u> adopted the rules of procedure, received updates from the Network's subgroups, set out a proposed agenda for the 2nd meeting of the Assembly and discussed the role and remit of the Steering Group in an interactive session. The Assembly sets the strategic framework for EU CAP Network activities, while the role of the Steering Group is to follow up on relevant activities of the Network and report to the Assembly. The interactive session at the Steering Group underlined the importance of regular feedback from the Subgroups to the Steering Group regarding the gaps and needs they identify for the work programme for the coming year.

Additional remarks from the Chair referred to the discussions in the Steering Group about the potential role of the National Networks (NNs) in the Rural Pact (RP). In this regard, NNs are welcome to join the RP community. The RP does not form part of the CAP Regulation. Consequently there is no formal regulatory link between the NNs and the RP.

Steering Group members also asked for an update on the Long Term Vision for Rural Areas (LTVRA) and the RP. The latest high-level event in Siguenza brought together more than 200 participants from all EU Member States. It emphasised the complementarity between funds and the better use of Community-Led Local Development (CLLD). One of the main conclusions of the EU CAP Network CLLD workshop recently held in Slovenia was that CLLD is an important tool for policy integration and making sure that rural areas are not left behind.

Adopting the rules of procedure of the Assembly

Tatjana Borbas from DG AGRI presented the governance of the Network and the adoption of the rules of procedure of the Assembly and explained that the rules were initially presented at the first Assembly meeting in March 2023. Formal adoption was delayed due to the absence of representation from local and regional authorities. This has since been rectified by a successful public call.

The rules of procedure define key aspects such as meeting convening, attendance, agenda dissemination and transparency. The Secretariat responsible for overseeing these procedures is DG AGRI – Unit D1. Discussions within the Assembly are public, and reports are published on the EU CAP Network website. The importance of ensuring representation in meetings was emphasised. The rules of procedure were adopted.

Consultation with members to include the functional email addresses of Assembly members for publication in the EU CAP Network website is ongoing.

Update on EU networking activities strands (EU CAP Network)

Nicolas Esgain, team leader for communication of the EU CAP Network, presented the overall update on the EU networking activity strands, with specific focus on the Annual Work Programme (AWP) of the Network. The AWP is organised according to the three general objectives of the CAP and is regularly updated in the EU CAP Network website. Website updates and other practical information relating to subscriptions to EU CAP Network newsletters and the use of the EU CAP Network premises in Brussels were also explained.

Hannes Wimmer, team leader for evaluation, presented an update
on evaluation helpdesk activities. Work completed in 2023 included: complementary research studies and analysis, Helpdesk support towards publishing a catalogue of CAP interventions on the Agrifood data portal, providing feedback to Member States on draft evaluation plans, collecting and analysing Member States' completed evaluations and hosting 'evalplatform' meetings with Managing Authorities, good practice workshops and capacity building events in the MS. An evaluation support study on LEADER costs and benefits was published and the synthesis of ex-ante evaluations of CAP post-2020 is due soon. Upcoming thematic working group work will include the assessment of sectoral support and work on results-based interventions.

David Lamb, team leader for CAP implementation, talked about the **thematic group (TG) work**, mentioning the upcoming **TGs on green architecture** and **farmers mental health**, and the general ambition to ensure complementarity between the activities of the networking strands. The next **National Networks' meeting** will be hosted by Denmark in March 2024.

Pacôme Elouna Eyenga, team leader for innovation and knowledge exchange, referred to the annual workplan and indicated that the support unit colleagues would respond to more detailed queries.

During the Q&A session

- In response to a question on whether the analysed evaluation findings of MS had been shared with Managing Authorities, it was explained that these were extracted by the Evaluation Helpdesk in a technical table that was not published. In cases of interest, the ways of making the information available can be discussed.
- Regarding TGs, it was explained that highlights and output reports are published, while other information is presented in the EU CAP Network publications. Inputs from TGs' work feed into the work of the CAP Strategic Plan Subgroup.
- The launch of the <u>TG on farmers mental health</u> was welcomed, the relevance of the upcoming Farmwell project final conference was also mentioned.

Updates from the Assembly members on their activities

An **update from the Finnish National Network** was provided by **Marianne Selkäinaho and Teemu Haihua**. They described an innovation market held in an agricultural fair for European Innovation Partnerships (EIP) groups and other innovation actors; a campaign for putting innovation into practice 'SPRING23 – tune up your network'; a Local Food Day – based on an Estonian model which includes training and capacity building for participating farms and businesses; Smart Villages activities and a Rural Proofing Seminar.

Maria Gustafsson provided an update from the Swedish National Network and praised the Member State networks for their improvement over the years in becoming more targeted and connected. The Swedish network is multi-level, operating in different circles of dialogue and cooperation. An example of this is the dialogue with young farmers facilitated by the network. A 'good news campaign' was launched with a network of communicators with the purpose of changing the broader public's perspective about CAP funding. A thematic working group on sustainable green businesses identified challenges where the NN could help and subsequently set up performance groups within the NN. The network also organised a conference on successful environmental practices within the CAP.

Luis Chaves, representing Minha Terra and European Leader Association for Rural Development (ELARD), provided an **update on ELARD activities**, including the ELARD LEADER Congress organised together with the Committee of the Regions, the Economic and Social Council, the European Parliament, ERCA and PREPARE (Partnership for Rural Europe). The ELARD knowledge hub, representation in governance bodies of the EU CAP Network, and cooperation with non-EU countries are also important ELARD activities.

Updates from other Assembly members included a brief update from CREA, Italy, on its innovation support activities. These relate to 720 EIP Operational Groups (OGs) in Italy, an award for Italian OGs, an evaluation study on the impact of OGs and activities with the Italian regions mainly relating to Agricultural Knowledge and Innovation System (AKIS). Plans for 2024 include implementation and innovation support for the regions, and extending innovation to all parts of the CAP. The Estonian National Network continues to cooperate with other Nordic-Baltic countries, including the preparation of transnational joint calls for OGs (planned for 2025) and supporting transnational cooperation for LAGs. In Cyprus, the National Network supports AKIS. The 2nd conference, 'From Research to Practice', was hosted in November 2023, bringing together almost 400 participants.

The Chair introduced the interactive working sessions. The main themes and the cross-cutting simplification theme had been identified by the **2**nd **meeting of the CAP Strategic Plans Subgroup** and the **Steering Group**. The discussions contribute to the process of planning the next annual work programme of the EU CAP Network. The planning process will also include consultation with the LEADER and territorial development subgroup (in March 2024), the Steering Group (in April 2024) and with the policy units of DG AGRI, the NNs and other network stakeholders. Synergies and complementarities with other networks or programmes (HORIZON, Rural Pact, Broadband Competence Offices) will be sought.

Summary of discussions. AOB.

The Chair welcomed participants back to the plenary and gave the floor to David Lamb, John Grieve and the working groups' rapporteurs.

The group that discussed **innovation & knowledge exchange** topics included platforms for AKIS and OGs, with several Member States aiming to enhance their websites for OGs to be accessible for all AKIS stakeholders, and ensure interoperability with other platforms, e.g. the EU Farmbook. The importance of support for cross-border cooperation was mentioned. This context includes interregional cooperation in large, regionalised countries, such as Italy. While several networks carry out activities to make innovation actions simpler, clear interest was shown in further exchanges about the application of simplified cost options. Amongst new activities proposed, cross-border visits and training for advisors linked to eco-schemes were the most favoured.

In the group that discussed **green architecture**, the highest priority topics included 'eco-scheme evolution' (about which the group started creating an informal network), simplification, effective and timely communication, the importance of piloting actions and digitalisation. The group also exchanged about the higher environmental profile of LEADER, EU Green Deal targets, scientific conferences for farmers and stakeholders, and planning for the future.

Under the **generational renewal** theme, the importance of initiatives on knowledge and skills development (e.g. Estonia's comprehensive programme focusing on farming practices and business model development) was discussed. Here, the group noted a lack of awareness about support tools and the importance of communication, and of improving young farmers leadership skills.

Initiatives related to land access and land mobility and the need for a comparative analysis were also discussed. The group considered access to financial tools in the context of generational renewal and retirement schemes, and suggestions were put forward for best practice exchange platforms. Farmers' mental health and occupational safety was discussed in the context of dignified livelihoods and society's perception of the multi-functionality of farming and farmers in rural areas.

In considering **integrated territorial development**, one of the priority sub-themes was 'breaking up the CAP bubbles and going beyond the CAP'. Strengthening multi-funded CLLD could be one way of doing this, e.g. by including elements such as one coordination body for all funds, ring-fencing allocations for local development in funds outside the European Agricultural Fund for Rural Development (EAFRD), one CLLD fund, LAGs as beneficiaries of other tools such as European Territorial Cooperation (INTERREG).

'Impact communities' (a Council of European Municipalities and Regions (CMER) initiative) have oversight over different funds for the development of their region, these were also discussed.

Overall, the exchanges were fruitful, participants were engaged and the level of inter-activity was highly appreciated. Amongst lessons learnt, several links and connections were made, including that 'simplification needs to be simplified', especially in the context of eco-schemes and CLLD. Digital communications, farmers' mental health and match-making schemes also featured as being important overall

Next steps & end of the meeting

The Chair thanked the rapporteurs for their reporting back and the participants for their engagement in the discussions. The inputs from the Assembly will be considered in preparations for the 2024-2025 annual workplan of the EU CAP Network. The report of the Assembly and the presentations will be available on the EU CAP Network website. Participants were encouraged to reflect on the ideas discussed. The next governance meetings to be organised are the Subgroup on LEADER and territorial development, the Subgroup on CAP Strategic Plans and the Subgroup on Innovation and Knowledge Exchange. The next Steering Group meeting will take place in April 2024. The Chair also invited members of the Assembly to follow the proceedings of the EU Agri-Food Days.

In his concluding remarks, the Chair appreciated the exchanges of the day in helping Assembly members find out about what is going on 'on the ground' and gaps in activities that may need to be filled in the design of the next annual workplan. Finally, participants were invited to promote networking and the activities of the EU CAP Network.

