



9 June 2004

EEB Comments on the Extended Impact Assessment for Rural Development Policy post 2006

The EEB welcomes the exercise of conducting an “extended impact assessment” on Rural Development Policy post 2006 and the opportunity to comment on it. However, the EEB is concerned about important shortcomings of the assessment and alarmed by some of the options spelt out in the paper.

Moreover, the EEB objects to the way the Commission is managing the consultation on the impact assessment document. It was circulated one week prior to the meeting of the advisory group on rural development on 25 May where stakeholders were asked to comment within two weeks.

On the 11th December 2002, the Commission published its "*General principles and minimum standards for consultation of interested parties by the Commission*". The Communication itself singles out issues going through an extended impact assessments as the ones where the principles and standards should apply. The Communication says that "*the Commission should strive to allow at least 8 weeks for reception of responses to written public consultations...*". The EEB would also like to point out that a similar weakness occurred during the consultation on the impact assessment on the reform of the Sugar Regime a year ago.

Therefore, the EEB would like to call upon DG Agriculture to:

- from now on respect the timeframes for consultation as required by the Communication of 11/12/02.
- in this procedure respect the standards laid down by the above Communication in relation to the publication of input received from stakeholders on the internet and adequate feedback on the responses.

The EEB's comments build upon three earlier submissions: the EEB position paper on the future of rural development policy submitted to DG Agriculture on 28 May; the EEB comments to the questionnaire of DG Agriculture presented to the ad hoc working group on rural development of 25 May; and the enclosed letter to Commissioner Fischler.

1. General remarks on the process

The EEB sees the Commission's "Extended Impact Assessment on Rural Development Policy post 2006" as a welcome step towards a full impact assessment. At present, however, it lacks proper analysis of the possible effects of the options proposed. Also the options outlined are not elaborated sufficiently and lack detail. Many elements of option 2 need further analysis. The status of the paper "Extended Impact Assessment for Rural Development Policy post 2006" is not entirely clear. We hope that it will be a starting point for a continued discussion open for stakeholders.

2. General remarks

2.1. Setting the objectives

The EEB considers rural development (RD) to be part of the larger issue of sustainable development. There are economic, environmental and social – as well as a global solidarity - dimensions to sustainability and they are all of equal importance. Accordingly the EEB promotes a distinct RD policy. The proposed strategic objective is to "*accompany and complement CAP market policies in the overall aim of supporting the sustainable development of rural areas throughout the enlarged EU*" does not fulfil this goal. RD can not be regarded as the tool aimed at compensating negative effects of the CAP market policies.

In the long term perspective RD must be the core of the CAP.

2.2. Better integration with other policy tools

Rural development policy alone cannot achieve sustainable development of rural areas. EU policies which are effective in the same region, e.g. Structural and Cohesion Funds, as well as other national and regional policies must have synergies and be coherent with RD policy. The impact assessment fails to adequately spell out how the different policy tools can best complement each other.

2.3. Environmental integration

As stated in our position paper the EEB would like to stress once more the importance to integrate environmental criteria across all rural development measures.

2.4. Public participation

A bottom up approach to drawing up, implementing and evaluating RD programmes is essential. Without a clear and well targeted stakeholder consultation and long term involvement in rural development very few results will be achieved. It must be up to the Member States to decide on appropriate procedures to achieve an active public participation.

3. Part 3: Achieving the objectives

The emphasis given to option 2 implies that it will be most likely to influence the shape of the imminent legal proposals for the Rural Development Regulation. The EEB would like to stress that more extensive analysis and stakeholder consultation is needed before such major strategic decisions can be taken.

The EEB welcomes a more strategic approach and an emphasis on improved monitoring and evaluation of environmental outcomes. Many elements of option 2, however, give rise to concern:

- Option 2 does not mention that agri-environmental measures (AE) will continue to be compulsory for all Member States. The EEB stresses that AE must remain compulsory and be offered to farmers and other land managers all over the territory. This is especially important in many of the new MS which otherwise might opt for non-implementation of AEs.
- Option 2 also proposes to restrict AE to a geographically limited number of target areas. This would eliminate many useful schemes, e.g. maintain HNV farming systems, including organic farming, and specific landscape features which are outside the geographically restricted areas. Instead the EEB stresses that AE must be available across the EU territory, best suited to specific conditions of specific areas. A 'pyramid approach' (see EEB position paper) would allow to target AE more effectively. Simple 'entry level' schemes (which go beyond GFP) should be available to all farmers land managers (also in more intensive areas), with more specific measures targeting areas or habitats of particular relevance for the environment and / or biodiversity as one moves up the pyramid.
- AE should be promoted by favourable co-financing rates. The proposal included in all three options to reduce the co-financing rates for AE agreed by the Agriculture Council less than one year ago is unacceptable.
- Option 2 foresees an obligation to devote at least 20% of RD funding to each of the three axes of competitiveness, land management and wider rural development. The EEB opposes this proposal. Without a major increase in Pillar II funds this requirement would force Member States who have allocated more than 60% of their Rural Development budget to the land management axis (e.g. the UK, Austria, Finland, Ireland and the Czech Republic) to cut their spending in these areas.
- Option 2 proposes to remove Good Farming Practice as the minimum requirement for agri-environment and Less Favoured Area payments and replace it with cross-compliance. The EEB proposes instead that GFP should be set as the single baseline for both pillar 1 and RD payments, going beyond statutory requirements. The Commission should define a strong EU

framework for the definition of GFP which Member States adapt to regional conditions (subject to the approval by the Commission).

- The designation criteria for LFAs proposed both in option 1 and 2 need to be more thought through. Option 1 implies to restrict LFAs to areas “in danger of abandonment”. This would cause problems e.g. in more mountainous areas not facing abandonment. Option two refers to mountains and hills “objectively defined by altitude and slope” and Natura 2000 areas. This could eliminate areas at lower altitude with handicaps comparable to those faced by mountainous areas as well as High Nature Value farmland outside Natura 2000 areas. The EEB suggests that criteria for LFA designation should be reviewed according to environmental and social objectives and targets and that LFAs should be more effectively targeted at HNV areas.

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