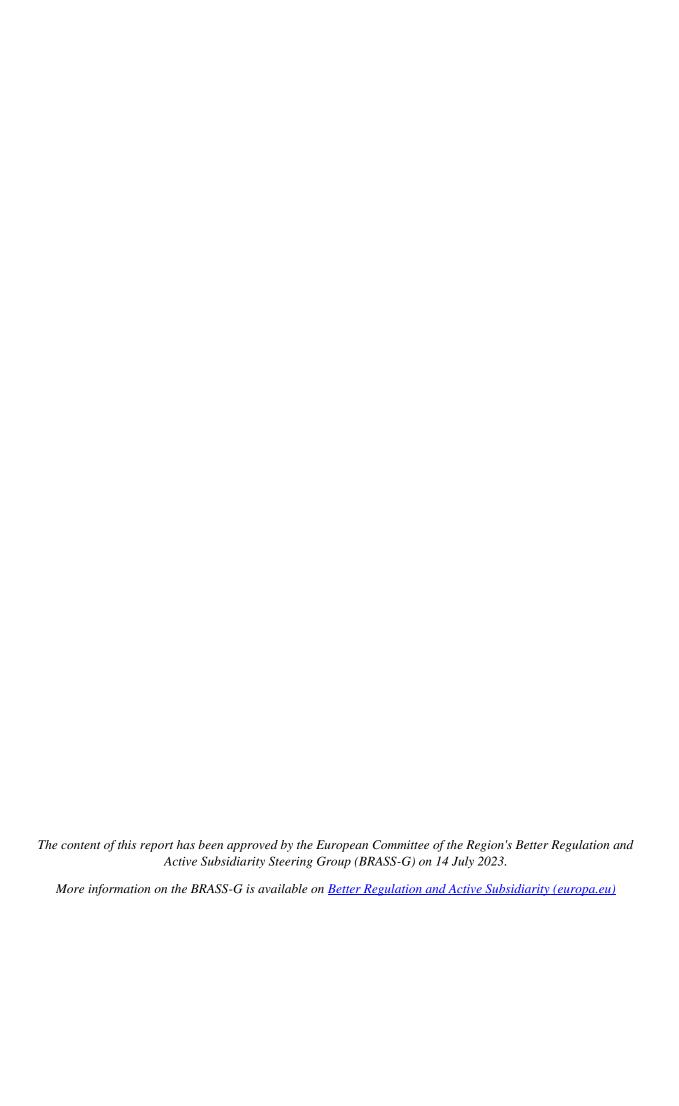


Network of Regional Hubs for EU Policy Implementation Review

# The regional dimension of the CAP Strategic Plans





# 1<sup>st</sup> RegHub report on the regional dimension of the CAP Strategic Plans

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#### 1. **Introduction**

#### 1.1 Background and context

Regions have been increasingly involved in the drafting, management and evaluation of the second pillar of the Common Agricultural Policy (CAP) since its creation in 2000. 118 Rural Regional Development Programmes were drafted during the 2014-2020 programming period.

The new CAP regulation, Regulation (EU) 2021/2115, which came into force on 1 January 2023, has established a new delivery model with one Strategic Plan per Member State (except for Belgium which has two Strategic Plans<sup>1</sup>). A Strategic Plan covers both the first and second pillar of the CAP. Despite its focus on the Member State level, the Regulation provides for a possible involvement of regional authorities in the preparation and management of the Strategic Plans. This includes the possibility for Member States to designate regional managing authorities for CAP interventions at regional level and the establishment of regional monitoring committees.

#### 1.2 Aims, results and follow-up of the consultation

The CoR's commission for Natural Resources (NAT) committed itself in its work programme for 2022 to closely follow the implementation of the CAP at regional level and to demonstrate the added value of regional interventions.

In support of NAT's work in this field, the <u>Network of Regional Hubs</u> (RegHub) consults its members (hereafter the members who took part in the consultation will be referred to as the "Hubs") with the aim to evaluate the implementation of the Strategic Plans Regulation. The consultation will also assess the regional contributions to and their impact on the drafting of the Strategic Plans, and finally it will evaluate the Regulation's overall achievements. The ultimate purpose of the consultation is to feed into the CoR's political work on the mid-term review of the CAP, taking place in 2024-2025.

The consultation consists of three phases:

- First phase: collect and assess the contribution of regions to the drafting of the Strategic Plans, as well as the weight of the regional dimension in these plans;
- Second phase (to be launched in the second half of 2023): collect experiences with the implementation of the plans;
- Third phase (to be launched in the second half of 2024): evaluate the added value of regionally guided measures in the plans.

This report covers the first phase of the consultation and it will be presented to the European Parliament's AGRI Committee in October 2023.

<sup>1</sup> https://agriculture.ec.europa.eu/news/commission-approves-cap-strategic-plans-belgium-2022-12-05 en#:~:text=Belgium%20is%20the%20only%20EU.and%20modern%20European%20agricultural%20sector

#### 1.3 Structure of the report

The first part of the analysis below gives an overview of the extent to which regions were consulted during the drafting of the Strategic Plans.

The second part assesses how the regional dimension is taken into account in these plans.

Finally, the third part describes the division of powers between the national and the regional bodies in charge of implementing and monitoring the Strategic Plans.

#### 1.4 Method

The first phase of the RegHub consultation was conducted from 16 December 2022 to 24 February 2023 via an online survey with 21 questions, including 3 open questions.

Although RegHub covers 21 Member States and 24 members of the network (hereinafter "the Hubs") took part in the first phase of the consultation, which ensures a geographical balance, this does not constitute a representative statistical sample of local and regional authorities across the EU. Consequently, the results of this consultation should not be interpreted as being statistically representative. Acknowledging this basic element, the CoR has focused on questions that could provide significant and useful qualitative answers.

Each Hub was free to consult relevant stakeholders within its territory. An overview of the consulted stakeholders can be found in Annex I.

#### 2. Analysis

#### 2.1 Consultation of regions

Only a third of the Hubs considers the level of consultation to be adequate, even though all Hubs have been consulted by the national body drafting the Strategic Plan.

In Finland, Austria and Germany the regions were involved at an early stage and on all interventions of the Strategic Plans.

**Helsinki-Uusimaa**, for example, confirms that regional authorities were consulted in all areas of Finland's Strategic Plan already in October 2018. The Hub further specifies that several working groups were set up with a wide representation of various organizations.

Likewise, **Vorarlberg** reports that in Austria, regions were involved in all interventions of the Strategic Plan, including eco-regulations. Member State representatives participated in various regional working groups, stakeholder dialogues and online events.

In Germany the Länder were also consulted on almost all interventions of the Strategic Plan at an early stage. **Baden-Württemberg**, for example, reports that a Strategic Plan Coordination Officer has already been established in 2019.

Thanks to this good level of consultation, regional specificities were addressed in the SWOT analysis of the Strategic Plans of the three aforementioned Members States.

In Italy, the national authority in charge of drafting the Strategic Plan, set up a partnership which included the regions. This partnership was consulted on all components of the Strategic Plan. However, the regional contribution was mainly taken on board for rural policy measures. The regions also intervened in identifying regional elements for the SWOT analysis, which resulted in the definition of three territorial areas (land, hill and mountain) with dedicated support measures. This classification will help to ensure a more targeted and fairer system of financial support to farmers and it will contribute to the redistribution of support to those who need it the most in inland mountains and hilly areas.

With the exception of the **Community of Madrid**, which considers that it has been consulted sufficiently and for all components of the Strategic Plan, the Spanish Hubs are rather disappointed with the level of consultation and the weight of regional specificities, which they consider essential. **Murcia**, the **Community of Valencia**, and **Catalonia** explain that they have been consulted but that their contributions were not taken into account. According to these Hubs, this will hamper the development of practices adapted to local conditions. The **Barcelona Province** highlights that only the Autonomous Community had been consulted but not the local councils or other local authorities.

In France, the regions have been consulted but mainly on the second pilar of the CAP and particularly on non-area interventions for which they are responsible. Nevertheless, **Brittany** and **Hauts-de-France** consider the level of regional consultation not to be optimal and point out that explicit mentions of regional aspects are very limited in the French Strategic Plan.

Polish regions, namely Mazovia and West Pomerania, indicate that they were consulted for all components of the Strategic Plan and that the regional SWOT analysis is reflected in the Strategic Plan.

#### 2.2 Regional dimension of the plans

#### 2.2.1 In Member States with former Regional Rural Development Programmes<sup>2</sup>

All Member States with former Regional Rural Development Programmes have designed a strategy that combines national and regional elements. The Hubs recognise the added value of regional interventions for adapting the measures to local needs and specificities (Catalonia, Murcia, Community of Valencia, Brittany, Vukovar-Srijem). According to them, interventions informed by regional and local specificities make it easier to respond more promptly to the territories' demand for economic and social development. This is because regions and cities are better aware of critical bottlenecks and their areas of competence than higher levels of government (Friuli Venezia Giulia). Interventions that take into account regional characteristics can also give more flexibility to regions when implementing the CAP (Emilia Romagna, the Community of Valencia), and they can ensure that national and regional interventions complement rather than contradict each other (Community of Madrid). Likewise, any SWOT analysis should take into account the specific needs of a territory and its stakeholders, as well as the heterogeneity of territories within Member States (Valle d'Aosta, Hauts-de-France).

<sup>&</sup>lt;sup>2</sup> France, Italy, Spain, Finland, Germany, Portugal and Belgium

The new CAP delivery model had no consequences in Belgium. In accordance with the Joint Declaration 2021/C 488/01 of the European Parliament, the Council and the European Commission on Regulation (EU) 2021/2115, the European Commission accepted that Belgium could submit a CAP Strategic Plan for each of its relevant federated entities. Belgium is the only Member State which has two CAP Strategic Plans.

In Germany, the use of EAFRD funds is planned and managed exclusively by the Länder. The regional dimension of the Strategic Plan remains very strong and the new CAP delivery model did not cause a major upheaval for the new programming period.

Italy's Strategic Plan contains national interventions with uniform application throughout the territory for the first and second pillar. Only for the second pillar the Plan contains many national interventions which apply differently depending on the region, as well as some specifically designed regional interventions. Only 4 of the 97 rural development interventions are purely national and applied uniformly across the whole territory.

In Spain, regions had the chance to define implementation details such as eligibility or selection and modulation criteria for the interventions in the second pillar. In this context, **Murcia** explains, that as a result basic income support and eco-regimes have different aid amounts per hectare in each region. Moreover, a specific regional intervention was designed for island regions. The **Community of Valencia** regrets that the new Strategic Plan merely maintains the status quo already established in the previous programming period and that no newly proposed regional interventions were included in the new Strategic Plan.

Also in France, regions defined implementation details such as eligibility, selection and modulation criteria for the interventions in the second pillar. **Brittany** explains that each region establishes its criteria in accordance with the rules laid down in the national common sheets validated in the Strategic Plan. The non-area EAFRD measures of the Strategic Plan (excluding predation and risk management) were entrusted to the regions and regional sheets were drafted by them, with a review/request for modification by the national authorities.

In Finland and Portugal, the interventions have common national selection criteria but the decision to implement these interventions is made at regional level.

#### 2.2.2 <u>In other Member States</u>

In other Member States, the regional dimension of the Strategic Plans is weaker: in Croatia and Slovakia there seems to be no regional dimension in Strategic Plans at all and in Poland, Romania and Austria, there are some regional elements in the Strategic Plans related to rural development, but Members States design the interventions.

#### 2.3 Governance

#### 2.3.1 <u>In Member States with former Regional Rural Development Programmes<sup>3</sup></u>

All existing regional management authorities in Member States with former Regional Rural Development Programmes have been maintained, but their areas of competence became more or less limited and some competences have been taken over by the Member State. There are also regional monitoring committees in all these Member States, except for Finland. Most of the Hubs consider that the new delivery model is less efficient and regret they cannot have direct exchanges with the European Commission.

In Germany, the regions are responsible for EAFRD and sector programmes, but also for the implementation of pillar 1 interventions at regional level. There is a coordinating paying agency at the federal level and regional paying agencies at the level of the Länder, which are responsible for implementation. When asked whether the delivery model is still decentralised to a large extend, **North Rhine-Westphalia** mentioned that the previous fully autonomous implementation model at Länder level was more suitable and more practicable in terms of implementation.

In Italy, the Ministry of Agriculture is the National Managing Authority for the Strategic Plan. As such it is the body responsible for the effective and correct management and implementation of the national interventions of the Strategic Plan. In addition, it coordinates the work of the Regional Managing Authorities to ensure consistency in the implementation of the Strategic Plan. The Regional Management Authorities are responsible for the effective and proper management and implementation of national interventions with regional elements and exclusively regional interventions. The National Monitoring Committee is responsible for monitoring the overall implementation of the Strategic Plan. The Regional Monitoring Committees are responsible for monitoring the implementation of the Strategic Plan interventions with regional elements, and coordinate with the National Monitoring Committee.

Some Italian Hubs report that the previous delivery model was more efficient and that the current one is too centralised. Some others basically agree but express a slightly softer vision. In this context, **Friuli Venezia Giulia** states that in the previous delivery model a more direct response to local needs was guaranteed, also in terms of response speed. The new one has somehow reduced the regional specificity in the definition of measures. Moreover, the new model excludes regions from exchanges with the European Commission, which they consider essential for obtaining timely answers to questions and interpretations of Community rules. **Umbria, Emilia-Romagna and Valle d'Aosta** also mentioned the lack of direct exchanges with the European Commission.

In Spain, France and Finland, the implementation of the European Agricultural Guarantee Fund (EAGF) is the responsibility of the Member State. The implementation of the European Agricultural Fund for Rural Development (EAFRD) for programming 2023-2027 is shared between the Members State and the regions. In France, the regions, as regional managing authorities, are only responsible for non-area-related EAFRD interventions, while the State is responsible for the other EAFRD interventions.

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<sup>&</sup>lt;sup>3</sup> See footnote 2

Most of the French and Spanish Hubs report that the previous delivery model was more efficient. The Community of Valencia regrets that centralisation has led to more complexity, while the Barcelona Province regrets that regional specificities have been lost because a single strategy is applied to all regions. Hauts-de-France also underlines that the current programming period marks a loss of autonomy for the regional managing authorities. According to this Hub, the regions have gone from being managing authorities for rural development programmes covering all EAFRD measures on their territory, to being regional managing authorities for non-area-related EAFRD interventions only. Most of the French and Spanish Hubs also regret the lack of direct interaction with the European Commission. Brittany mentions that the French Ministry of Agriculture and Food Sovereignty is the intermediary between regions and the European Commission for questions of interpretation that concern regional interventions. In that role the Ministry often filters and delays the sharing of information according to its own agenda, thus preventing a smooth transfer of information, which can slow down financial implementation.

In Portugal decision making is centralised at the national level, with the exception of autonomous regions (Azores and Madeira).

#### 2.3.2 In others Member States

In Romania, Poland, Slovakia, Croatia and Austria there has always been a centralised governance of the Strategic Plans at the national level. There are no regional managing authorities or regional monitoring committees. Consequently, the new delivery model had no or few consequences at regional level. Some Hubs in these Member States consider the empowerment of regional authorities in the definition and management of the Strategic Plan to have improved. **Harghita** and the **Kosice Self-governing region** mention in this context that there is now more consultation and information.

#### 2.4 Other questions related to CAP Strategic Plans

Most of the Hubs consider that the exclusion of the EARDF from the Common Provisions Regulation setting rules for the implementation of cohesion funds was not an issue for the design of the rural development interventions. Nevertheless, **Helsinki-Uusimaa** regrets that it could not use the simplified cost procedures of the Common Provisions Regulation for the CAP interventions. **Valle d'Aosta** mentioned it would have been useful that all structural funds have common rules to improve the complementarity and synergy of interventions.

Most of the Hubs have been able to provide continuity between previous CAP measures managed at the regional level through regional development programmes and new measures within the Member States' Strategic Plans. Nevertheless, **Hauts-de-France** regrets that interventions previously managed regionally have disappeared in the Strategic Plan. Moreover, the Hub mentioned that the inclusion of the support for maintaining organic farming in the first pillar ecosystems, at a time when deconversions are taking place, does not ensure the continuity of the model. This is particularly problematic in Hauts-de-France, where the economic models for organic farming are poorly secured. **Umbria** also reported difficulties related to the transition between the old and the new programming period. A transitional EU regulation would have been required to pay interventions related to applications made in the old programming period with resources for the current programming period. The lack of such regulation generates temporal overlap with a potential risk of an overcompensation of commitments.

Around 60% of the Hubs consider that there is sufficient coherence between the first and the second pillar in their Member State's Strategic Plan. However, around 40% of the Hubs consider that ecoschemes (first pilar) linked to certification schemes have made this aid very similar to the agrienvironmental aid (second pilar) of the 2014-2022 programming period, obliging the regions to further elevate their agri-environmental aid (Valle d'Aosta). Murcia considers that Eco-regime design is not adapted to the regional specificity. Alentejo and the Barcelona Province also questioned the efficiency of the new Eco-schemes and agri-environmental measures. Umbria mentioned that although there is consistency, the risks of overlap remain.

#### 3. Main conclusions

Although all Hubs indicate that they have been consulted by the national entity drafting the Strategic Plan, only a third considers the level of consultation to be adequate.

Whereas all Hubs recognised the added value of regional interventions for adapting the measures to regional needs and specificities, the regional dimension of the Strategic Plans has decreased in some Members States as compared to the previous programming period.

All existing regional management authorities in those Member States have been maintained but their tasks were reduced and some tasks have been taken over by the national authorities of those Member States.

Moreover, most of the Hubs consider that the new delivery model is less efficient and regret that they can no longer have direct exchanges with the European Commission.

#### 4. Annex I: List of consulted stakeholders

**Alentejo** Europe Initiative

**Baden-Württemberg** Ministry of Food, Rural Affairs and Consumer Protection Baden-

Württemberg

**Brittany Region** EAFRD Department of the Regional Managing Authority

European Affairs Department

Delegation of the Brittany Region in Brussels

Cabinet of the Region of Brittany

Régions de France (Association of French regions)

Community of Madrid Rural Development Area of the Directorate-General for

Agriculture, Livestock and Food, Community of Madrid

Agriculture Union of Farmers, Livestock Farmers and Forestry of

the Community of Madrid

Spanish Ornithology Society

Community of Valencia Directorate General for CAP and CELSA, Community of

Valencia

Directorate General for Climate Change, Community of Valencia

Agricultural Council of the Community of Valencia

**Council of Barcelona** Technical Office for the Municipal Prevention of Forest Fires and

Agrarian Development, Directorate for Infrastructures and

**Natural Spaces** 

Emilia-Romagna Region Directorate-General for Agriculture, Hunting and Fisheries,

Emilia-Romagna Region

Flanders Flemish government - Department of Agriculture and Fisheries

Generalitat de Catalunya Department of Climate Action, Food and Rural Agenda of the

Government of Catalonia

Harghita County Council Harghita County Development Agency

Harghita County Rural Development Association

Hauts de France EUROPE Directorate, Hauts-de-France Region

EAFRD, DADR - Agriculture and Rural Development

Directorate, Hauts-de-France Region

Helsinki-Uusimaa Uusimaa ELY Centre

Central Union of Agricultural Producers and Forest Owners

Ministry of Agriculture and Forestry of Finland, Rural Inspector

General

Košice Self-governing Region Regional Development and Planning Department of Košice Self-

governing region

Mazovian Voivodeship Mazowiecki Agricultural Advisory Centre

Mazowiecka Chamber of Agriculture

**Local Action Groups** 

Association of Rural Municipalities

Association of Polish Districts
Association of Polish Cities

Union of Towns of Poland

Polish Chamber of Technology and Natural Products

Department of Agriculture and Rural Development

North Rhine-Westphalia Ministry of Agriculture and Consumer Protection

Chamber of Agriculture NRW

Rhineland Agricultural Association Westphalia Agricultural Association

Primorje-Gorski Kotar County Administrative Department for Tourism, Entrepreneurship and

Rural Development, Primorje-Gorski Kotar County

Center for Agricultural and Rural Development, Primorje-Gorski

**Kotar County** 

Regional Development Agency of Primorje-Gorski Kotar County

RegHub Bodensee (Vorarlberg)

Office of the Vorarlberg Provincial Government, Department of

Agriculture and Rural Areas

**Region of Murcia** Ministry of Water, Agriculture, Livestock and Fisheries, Region

of Murcia

Coordinator or Farmers and Livestock Organisations (COAG

Murcia)

Union of Small Farmers and Livestockers of the Region of Murcia

(UPA Murcia)

Regional Council of Friuli

Venezia Giulia

Central Directorate for Agricultural, Forestry and Fisheries

Resources, Autonomous Region of Friuli Venezia Giulia

Rural Policy Service and Information Systems in Agriculture

RDP Management Authority 2014-2022

**Thessaly** Agricultural Directorate, Larissa Region

Department of Agricultural Economy and Fisheries, District of

the Central Region of Macedonia

CAP EUDC, Special Service for the Management of the CAP

Strategic Plan 2023-2027

Chamber of Commerce of Larissa

Directorate of Agriculture and Veterinary Medicine, Region of

Attica

Agricultural Association of Magnesia

Thessaly Cooperative "THESIS"

**Timiş County Council** 

Local Action Group (LAG) "Colinele Recas"

**Umbria Region** 

Directorate for Rural development and programming of

agricultural activities, guarantee of production and controls

Management Authority of the Rural Development Plan,

supervision and controls in the agricultural sector

Service protection of agro-ecosystems and biodiversity in agriculture; quality and supervision of agri-food productions

Technical Coordination "Agricultural Policies" at the Conference

of Italian Regions

Valle d'Aosta Autonomous

Region

Managing Authority of RDP 14/22 and CRS 23/27 of the

Autonomous Region of Valle d'Aosta (RAVA)

Legambiente VdA

**Vukovar-Srijem County** 

Croatian Chamber of Commerce – County Chamber Vukovar

Municipality Tompojevci

City of Vukovar

City of Vinkovci

Local Action Group (LAG) "Šumanovci"

Local Action Group (LAG) "Srijem"

West Pomeranian Marshall

Office

West Pomeranian Agricultural Chamber

National Council of Agricultural Chambers

West Pomeranian Agricultural Advisor Center

Agency of Restructuring and Modernisation of Agriculture

### 5. Annex II: Statistical results (EU Survey)

Follow this link to get to the statistical results of the survey.



Created in 1994 following the signing of the Maastricht Treaty, the European Committee of the Regions is the EU's assembly of 329 regional and local representatives from all 27 Member States, representing over 447 million Europeans. Its mission is to involve regional and local authorities and the communities they represent in the EU's decision-making process and to inform them about EU policies. The European Commission, the European Parliament and the Council are obliged to consult the Committee in policy areas affecting regions and cities. It can appeal to the Court of Justice of the European Union if its rights are infringed or it believes that EU law infringes the subsidiarity principle or fails to respect regional or local powers.