



# Briefings for MEPs on CAP Reform

## #1 Rural Development Programmes



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## INTRODUCTION

The UK's countryside provides us with a multitude of benefits. As well as providing much of our food, it supports our rural communities and provides many 'public goods' such as biodiversity, landscapes, clean water and healthy soils. Its landscapes contain features of historic and cultural importance and present opportunities for recreation, thus influencing our health and well-being. In terms of wildlife, the UK countryside is home to many of our most iconic species and habitats, from Corncrake to Cornflower, and blanket bog to lowland heath.

Rural Development Programmes (RDPs), which are funded by Pillar II of the Common Agricultural Policy (CAP),<sup>1</sup> play a key role in supporting the provision of these public goods in our rural areas which, by definition, cannot be adequately provided by the market.<sup>2</sup> RDP funding supports economic and social measures which are designed to assist rural communities to improve their competitiveness, improve the quality of life and provide basic services. It also provides incentives to improve animal welfare and funds training and advice for farmers. Core to all RDPs are agri-environment schemes, which allow farmers and other land managers to manage their land with wildlife in mind.

<sup>1</sup> Pillar I provides direct payments to farmers

<sup>2</sup> European Network for Rural Development, 'Public Goods and Public Intervention' ([http://enrd.ec.europa.eu/app\\_templates/filedownload.cfm?id=D44F5AC8-F0D1-373F-E090-B782D2D22384](http://enrd.ec.europa.eu/app_templates/filedownload.cfm?id=D44F5AC8-F0D1-373F-E090-B782D2D22384))

Within the UK, each country produces its own RDP and develops its schemes within this to reflect the characteristics of their environments and the particular needs of their rural communities. Examples of Agri-environment schemes developed within the UK include the Higher Level Stewardship in England, Rural Priorities in Scotland, Glastir in Wales and the Northern Ireland Countryside Management Scheme.

At present, the UK government is negotiating within Europe on the future shape of the CAP. The next RDPs within England, Scotland, Wales and Northern Ireland are also being developed at present and the resources available for these will be influenced by the outcomes of the CAP reform process. However, at this early stage there are real opportunities for MEPs to ensure that the RDP in their part of the UK delivers not only for rural economies, but encourages the protection and provision of the important public goods rural areas provide.

## WHY STRONG RURAL DEVELOPMENT PROGRAMMES ARE SO IMPORTANT

RDPs can provide taxpayers with good value for money by supporting the delivery of the many public goods and benefits our rural areas provide. Millions of people in the UK care deeply about the country's wildlife, landscapes and environment and benefit both directly and indirectly from these public goods.

RDPs can therefore demonstrate the key principle for the use of taxpayer's money – that **public money should fund public goods** and ensure that those embracing the provision of non-marketable, public goods from their land should be rewarded for this.

The UK government is a signatory to the EU Biodiversity Strategy which commits us to halting and reversing declines in biodiversity by 2020. Well-resourced agri-environment schemes will be the decisive factor in whether or not we achieve this aim.

Investing in nature and the countryside through an RDP also makes sound economic sense. The environment is worth billions to the UK economy every year, providing ecosystem services such as pollination, water purification and flood defence.<sup>3</sup> Well-designed and adequately funded environmental measures therefore deliver clear benefits to society and represent a genuine return for public investment in agriculture. Such measures provide the most effective means of conserving landscape features and biodiversity in farmland habitats under threat, whilst also helping to maintain viable farming and rural communities and delivering wider economic and social benefits.

<sup>3</sup> UNEP-WCMC (2011), 'UK National Ecosystem Assessment: Synthesis of Key Findings' (<http://uknea.unep-wcmc.org/Resources/tabid/82/Default.aspx>)

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RDPs can contribute to wider social and economic delivery, and play an important role in maintaining viable farming and rural communities, providing training for farmers and support for improved standards of animal welfare.

## A CASE STUDY

Agri-environment schemes in the UK form a key part of the four countries' RDPs. Higher Level Stewardship (HLS) in England helps to illustrate that a well-designed, targeted scheme provides multiple benefits for the environment, rural communities and society as a whole. There is strong evidence to suggest HLS can reverse the declines of species such as the Grey Partridge and Reed Bunting at the farm scale, and is the key tool for restoring many of the most degraded priority habitats in England. There is also strong evidence that HLS has distinct socio-economic benefits. For every £1 of HLS scheme payment that goes to the agreement holder, £1.43 is generated off-farm in the local economy,<sup>4</sup> indicating that investing in HLS realises a significant return for the taxpayer and local economy.

<sup>4</sup> CCRI (2010), 'Estimating the Incidental Socio-economic Benefits of Environmental Stewardship Schemes' (<http://archive.defra.gov.uk/evidence/economics/foodfarm/reports/es-socioeconomic/esschemes-socioeconomic-summary-100330.pdf>)

<sup>5</sup> Defra (2011), 'Agriculture in the United Kingdom' (<http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-crosscutting-auk-auk2011-120709.pdf>)

## WHAT ACTION CAN MEPs TAKE?

As MEPs, there are some clear steps that you can take to ensure that the UK receives the well-funded and structured RDPs that it needs.

Firstly, it is clear that there is a need for sufficient funding. The first step to making this happen is to ensure that the UK gets a fair allocation of the overall Pillar II budget within Europe. This Pillar II budget allocation needs to be based on objective criteria, and not on often skewed past funding levels.

Secondly, to ensure that the UK countries have sufficient flexibility to be able to meet the diversity of challenges that they face, it is also essential that they have the ability to transfer funds from Pillar I to Pillar II. In 2011, UK farmers received £3.35 billion in direct payments under Pillar I,<sup>5</sup> and with Pillar II representing much better value for money the facility to transfer more than the 10% currently proposed is essential.

A third step is to support the 25% minimum spend on environmental measures within Pillar II. The Commission has proposed making the current mandatory minimum optional, which will potentially erode the viability of a level playing field across Europe. For Member States such as the UK which are currently spending more than 25%, this level should not be reduced.



## FOR MORE INFORMATION

Please contact **Julie Middleton** at **Wildlife and Countryside Link** on **020 7820 8600** or **julie@wcl.org.uk**

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## WHO WE ARE

The UK's four Link organisations (the Joint Links) represent a suite of bodies working for the conservation, enjoyment and protection of wildlife, countryside and the marine environment. Our members practise and advocate environmentally sensitive land management and food production, and encourage respect for and enjoyment of landscapes and their features, the historic environment and biodiversity. We have been working together for many years to try and ensure that the CAP delivers all that it can for the countryside whilst rewarding those who embrace this responsibility in their management of the land.



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## THIS BRIEFING IS SUPPORTED BY THE FOLLOWING ORGANISATIONS

