



Border, Midland & Western
Regional Assembly
Shaping the Region

Border, Midland and Western Regional Assembly

**Submission to
Consultation on Rural Development Strategy and Programmes**

January 2006

General Commentary

We welcome this opportunity to comment on the draft national strategy. This is an important document that not only sets the framework for the rural development programme, but also defines priorities for significant public investment in agriculture and rural development for the next 7 years.

The national strategy should explicitly recognise that there are several national and regional strategies and sectoral programmes outside the EAFRD relating to infrastructure provision, enterprise development, human resources, energy, tourism, telecommunications, research and innovation, arts and culture etc., that contribute to agricultural and rural development objectives, and that the measures selected represent only part of the array of public sector interventions affecting rural areas. There should be an explicit commitment that these strategies and policies will continue to support agriculture and rural development objectives and that the commitment to rural proofing as contained in the Rural Development White Paper will continue to apply.

There is a strong correlation between the objectives for regional policy and those of the broad rural economy as recognised in the report of the Rural Foresight Exercise¹. The objective of achieving balanced regional development in Ireland can only come about if there is a competitive and diversified rural economy. This should be referred to in the strategy.

Article 11(3)a of Council Regulation (EC) 1698/2005 which specifies the content of the National Strategy Plan requires that the National Strategy Plan should include an evaluation of the economic, social and environmental situation and the potential for development. There is no specific section in the draft strategy in relation to the potential for development of each of the sectors covered by the measures in the EAFRD. This should be provided.

It is important to take a long-term strategic view of the sustained added value of the chosen interventions. It may well be that the level of provision in the 2007-2013 period will not be sustained after that period. In this context, selection of interventions should be based on obtaining the highest value-added possible, which can be sustained post-intervention. Some annual payments may provide direct and immediate benefits to the recipients, but little or no long term benefits to the areas concerned and any immediate benefits would be lost if the payments were to be discontinued. As stated on page 13 of the draft Strategic Guidelines

“Long term sustainability will depend on the ability to produce products that consumers wish to buy, while achieving high environmental standards”

Therefore preference should be given to measures that give the greatest value added and the longest lasting benefits.

¹ Rural Ireland 2025 Foresight Perspectives NUI Maynooth, UCD, Teagasc

There are several reports used as references particularly in chapters one and two of the draft strategy document. All of these should be properly referenced and their full titles included as footnotes in the document.

The list of possible measures is taken directly from article headings in Regulation (1698/2005). However, the Community Strategic Guidelines elaborate on these measures and in some instances the list of possible measures does not include some specific possibilities. These are dealt with in the specific comments for each of the Axes (below).

Specific Comments

Chapter 1 (Page 2)

The last line of the 3rd paragraph regarding the levels of unemployment at NUTS II regional level is no longer correct. The most recent CSO data based on the Quarterly National Household Survey shows that the unemployment rate in the BMW region (4.4%) is now lower than that in the Southern and Eastern region (4.7%).

The Agri-Food and Forestry Sectors

There is a sentence on the increasingly important role played by timber, in securing the economic viability of farm holdings which is used twice (end of page 3 & top of page 4).

Environmental Situation (Pages 4-6)

It is not entirely correct to state that the remaining land not used for tillage is devoted to cattle and sheep farming. This does not cover other land uses such as forestry or the horse breeding sector.

Water Quality: This section should also refer to drinking water quality and the implementation of the Drinking Water Directive (98/83/EC) and the EC Drinking Water Regulations (2000) that came into force in 2004, particularly in relation to the smaller Group Water Schemes, which are at the greatest risk of pollution. The most recent report of the EPA “The Quality of Drinking Water in Ireland 2004” showed that only 78.1% of the private group water schemes complied with the E-coli parametric value.

The reference to the implementation of Ireland’s first action program under the Nitrates Directive is now out of date. (top of page 5)

The take-up of the REPS scheme covering 1.7m ha would represent approximately 34% percent of UAA rather than 40% as stated in the draft strategy report.

The third paragraph on page 6 should also make reference to the imminent introduction of the pilot farm waste treatment plants under the existing Farm Waste Management Scheme, which is currently awaiting the approval of the EU.

Socio-Economic Situation (pages 6-7)

Given the important role accorded to women in agriculture and rural development by the EU, and the fact that women are named as a specific target group for many of the proposed measures in the Community Strategic Guidelines, it would be important to outline the situation currently in Ireland regarding their role in agriculture and in rural development initiatives.

Some recent data gathered by the Combat Poverty Agency in their Mapping Poverty report should also be provided in this section.

The description of the overall socio-economic situation should be enhanced through the greater use of statistical information and trend graphs.

This section would also benefit from the use of some high quality maps which could effectively illustrate population trends, agricultural statistics and rural area typologies.

Reference should also be made to the role of rural areas in the context of the National Spatial Strategy published in November 2002. The NSS (2002:51) recognises that the traditional rural-based sectors of agriculture, forestry and fishing will continue to play key roles as a base for strong and diversified rural economies. It states that it will be necessary to secure agriculture, diversify rural employment options and stabilize population within a typology of five rural areas.

The last paragraph of this section refers to the challenge of attracting inward investment in rural areas. More attention should also be given to expansion and innovation within the indigenous enterprise sector.

Chapter 2 – Overall Strategy Balance between the axes: Given the need to diversify the rural economy, and sustain rural communities in the context of declining agricultural employment, sufficient weighting should be given to Axis 3 in order for the measures to make an impact

Potential for Development

There should be a section included here to set out the potential for development for each of the sectors which are covered by the measures of the National Rural Development Programme.

Links with Lisbon Reform Agenda (Page 8)

The Lisbon Reform agenda also includes issues relating to knowledge capital and the up-skilling of Europe's labour force.

Axis 1 (Pages 10 -11)

Support for ICT Diffusion which is included in the Community Strategic Guidelines (On page 12) is not listed as a possible measure under Axis 1.

Assisting the development of renewable energy materials, bio-fuels and processing capacity included in the Community Strategic Guidelines (On page 12) is not listed as a possible measure under Axis 1. The EAFRD provides a valuable opportunity to introduce a specific measure relating to biomass and bio-fuels compatible with state and EU policy for the development of renewables.

Support for the establishment and operation of Producer Groups which is referred to in Article 20© iii and also in Article 35 of the Regulation (1698/2005) is not included as a possible measure.

Given the high rate of accidental deaths on Irish farms, an initiative to address occupational safety on farms should be included here, as provided for under the Regulation.

A specific package of measures should be provided to support the development of Ireland's small and specialised food businesses. This should include capital and training supports and facilitating access to R&D and food innovation supports and also co-operation in marketing and networking for food entrepreneurs. This measure could be targeted at women and new entrants in particular.

Balance between the broad headings

An appropriate balance would favour Physical Capital expenditure above Human Resources and Quality.

This would respond to the physical investment needed to modernise holdings, add value to agriculture and forestry products (especially in the food sector), investment in animal welfare, control of farmyard pollution, investment in renewable energy etc.

Control of farmyard wastes would contribute to restoring the quality of freshwater in Ireland.

Axis 2 – (Pages 11-12)

Consolidating the contribution of Organic Farming included in the Community Strategic Guidelines (On page 14) is not listed as a possible measure under Axis 2. There should be a package of measures introduced to develop the Organic Farming sector.

Specific reference should be made to the cost of participating in river basin management plans.

Support should be provided to facilitate access to the countryside for hillwalkers and ramblers to counter the decline in rural tourism, under the ‘non-productive investments’ measure.

Focus and Priorities of Axis 2

Due to its high participation rate and area coverage, it is likely that the REPS Scheme will be a major component of the new EAFRD.

Similarly the Compensatory allowances are considered as important income support measure in handicapped areas (although with less visible long term benefits to the areas concerned).

Species diversification should be a requirement for all new forestry plantations with strict environmental controls implemented and monitored for all plantations and sanctions introduced for breaches of these.

Measures should contribute to the reversal of biodiversity decline and improved water quality.

Axis 3 (Pages 13-14)

Overall the emphasis of this axis should be on diversification of economic activity to support more and better jobs in rural areas.

The measures in this axis should be used in co-operation with other strategies to address the infrastructural and service deficits in rural areas. There are opportunities to:

- Complete the provision of broadband to rural areas (along the lines of the Group Broadband Scheme)
- Complete the provision of village water treatment facilities which would contribute to reduced eutrophication of water courses
- Facilitate transport and energy links to coastal and island communities
- Continue the process of village renewal currently supported under the Regional Operational Programmes
- Support small scale community-based energy generation initiatives (along the lines proposed by the Western Development Commission)

There should be a package of supports to re-invigorate the rural tourism sector linked with support for cultural initiatives, access to the countryside and heritage conservation measures.

A flexible support scheme for small business start-up should be included in the strategy to continue the small business supports currently provided under LEADER and by the County Enterprise Boards in rural areas.

The preamble to the EAFRD Regulation (no. 49) refers to the need to clearly define the principles of coherence and complementarity of the axis for the improvement of the quality of life in rural areas and the diversification of the economy with other Community financial instruments and particularly with those of cohesion policy. This needs to be spelt out more clearly following consultation with the Managing Authorities for the ERDF and ESF-funded programmes.

Axis 4 LEADER (Page 15)

The LEADER approach should be adopted in order to develop a viable energy sector in rural areas linked with supports for production of biomass and biofuels under Axis 1, as well as providing a comprehensive support programme for small scale and specialist food producers.

Administration of supports to facilitate access to the countryside under Axis 2 would also benefit from the LEADER approach.

Most (but not all) of the measures under axis 3 should be delivered using the LEADER approach. It may be more appropriate in some instances for the agency currently delivering local infrastructure, services and enterprise supports to continue implement these measures, consistent with the objectives of the EAFRD.

The facilitation of inter-territorial and trans-national co-operation which is provided for in the Regulation should be included in the National Strategy. Co-operation themes should link closely with the measures being implemented using the LEADER approach so as to maximises the opportunity for sharing of best practise and jointly developing new approaches to address common rural problems.

The balance between developing the capacity of local communities and the need to improve social and economic living conditions need not be mutually exclusive and increasing the capacity of a community to respond to its needs can lead to improved living conditions.

Chapter 4 (Page 16)

It has been an issue of concern to the BMW Regional Assembly for some time that higher rates of aid are not specifically available to farmers and rural residents in the region, given that the delineation of the region largely coincides with the areas with the lowest farm incomes and the greatest structural difficulties.

It is not clear from the EAFRD Regulation or the draft Strategic Guidelines if regions qualifying for phasing-in assistance under the Structural Funds will qualify for higher rates of aid under the EAFRD 2007-13. This requires further clarification.

The draft national strategy takes just one view on the issue of a regional v. national programme and does not attempt to set out any argument in favour of a regional approach.

It should be noted that rural areas are not homogenous and that there should be scope to focus programmes, where this is the most appropriate strategy. The EAFRD should confer measureable benefits to all rural areas, but the nature of these benefits may differ. (e.g strengthening the competitiveness of existing viable farms may be the appropriate objective in one type of rural area, whereas, employment creation through the continued diversification of land use and non land-use based economic activity may be the appropriate objective in another area).

While the forecasts provided in the FAPRI model are not regionally-specific, it is fair to assume that the projected fall-off in livestock numbers and the associated impact on upstream and downstream employment will not be consistent across the state. Similarly the effects of the proposed rationalisation of meat plants and dairy plants are most likely to be felt in the West and North West which are already under significant economic pressure due to the fall-off in traditional manufacturing employment, decline in regional tourism, reduced fishing etc.

A one size fits all national strategy that may make administrative sense may not address some of the challenges facing rural areas where they are most acutely felt.

In the absence of regionally-focused programmes, it would be essential that effective targeting of resources takes place.

Chapter 5 (Pages 17-18)

The guiding principles for ensuring complementarity and coherence between actions financed by the different Community instruments have not been set out in the draft national strategy.

It will be essential that once the specific 'candidate' measures have been identified for the EAFRD, ERDF Programmes, ESF Programme and the EFF Programme, the relevant authorities should identify possible synergies, duplications and overlaps and amend their proposals accordingly, before finalising them. This should be earmarked as a specific exercise in the planning timeframes of each of the authorities.

Examples of possible complementarities could include the funding of urban renewal in cities and gateways under the ERDF-funded Regional Programmes and the funding of renewal projects in villages and provincial towns under the EAFRD.

In the Irish context, reference should also be made to the exchequer-funded NDP (although not a Community instrument) which should complement the proposed measures under the EAFRD-funded programme in order to maximise the overall impact and value-added of both programmes.

Amount and set up for the national rural network (Page 19)

Specific reference should be made to the facilitation of links between organisations on a cross-border basis with Northern Ireland.

The mechanism by which the rural network will feed into national and regional policy should be outlined, with more details on its precise role and functions. Similarly more information is required on how it will fit in with existing organisations and networks and it is important to ensure its complementarity and non-duplication of the work of other bodies.

Implementation

The draft Rural Development Strategy does not set out any implementation arrangements, which will be included in the Rural Development Programme. It is important to consider the implementation arrangements for axis 3 measures in particular. While some of the potential measures are quite similar to measures already being implemented quite effectively by LEADER Groups, many of the potential measures are similar to measures currently included under the Regional Operational Programme e.g., Urban and Village Renewal, Micro-enterprise supports, Group Broadband Scheme. While there may be some benefits to be derived from having a single implementation arrangement at local/County level, the expertise and experience of local authorities, CEBs etc in implementing these schemes built up over several programmes should not be lost.

Account must also be taken of the over-arching policy co-ordination role of the County Development Boards. There is no mention of the Boards in the draft Strategy. Consideration should be given to having the drawing up of the County-based strategies overseen by the CDBs with the actual implementation of the various measures assigned to the relevant implementation body i.e., LEADER Group, Local Authority, CEB etc. This would bring several advantages:

- It would ensure that the strategy developed at County level is consistent with the CDB Strategy
- It would bring the multi-agency interests on the CDB into the programme planning process at County level
- It would strengthen the policy co-ordination role of the CDBs
- It would enable a wider endorsement of the strategy
- The experience and expertise of the existing local development bodies would not be lost

The administrative arrangements for the National Strategy should make provision for innovative projects, initiatives and implementation arrangements within the selected measure, particularly, but not exclusively under Axis 3. These could include pilot

projects, action research initiatives, sectoral initiatives, initiatives by collective bodies or special projects led by the Implementing Departments that would contribute to achieving the overall objectives of the programme, but which would not fit in with delimited County-based project actions. Progressing such projects on a national or multi-county basis by means of co-ordination between county strategies would be administratively complex and the benefit of potentially valuable initiatives could be lost. Previous examples would include the projects supported by the Rural Development Fund under the Regional Programmes and the support of collective bodies under LEADER. Under the National Rural Development Programme such an approach should be considered for some aspects of the measures relating to the organic sector and promotion of land-based energy production, among others.

Monitoring

There should be effective use made of good data collection systems and this data should be used in monitoring the impact of the measures on rural economic diversification, farm modernisation and biodiversity.

The Regional Assemblies wish to play a meaningful role in monitoring the impact of the EAFRD in their respective regions.