

The CAP after 2020



Rural Development type of an intervention - investments

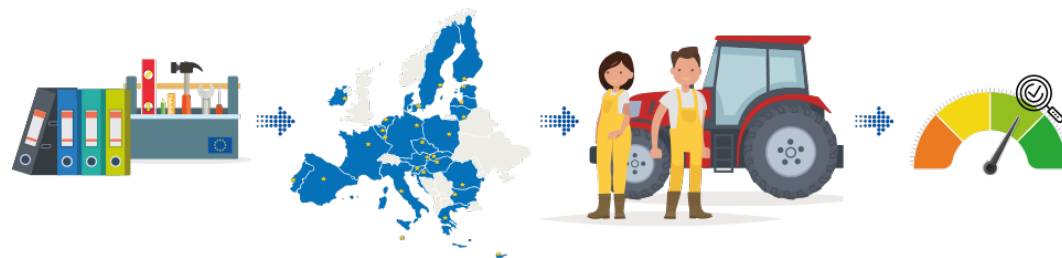
ENRD Workshop

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***This presentation is only intended to facilitate the work of the ENRD webinar.
It has no interpretative value as regards the draft Regulations for the CAP post-2020***



ARTICLE 68 INVESTMENTS - reminder of main features



- Still under discussion in trilogues!
- Wide scope for interventions supporting tangible/intangible investments contributing to one or more specific objectives
 - Combining support from current M4, M5, M6, M7, M8
- One output indicator per intervention and link to the relevant result indicator(s) (direct, significant link)
- List of ineligible expenditure to be established in CAP Plans
- General maximum support rate – higher for certain types of investment
- Possible combination with financial instruments



NON-PRODUCTIVE INVESTMENTS

Intervention example

1) BASIC INFORMATION

Title of the Intervention	Non-productive investments for biodiversity / habitat / landscape improvement and adaptation to climate change
Funds	EAFRD
Type of intervention	Art. 68
Territorial scope	National
Output indicator	O.18a Number of supported on-farm non-productive investment operations or units under EAFRD
Related Specific Objective(s)	<p>SO4 Contribute to climate change mitigation and adaptation, as well as sustainable energy</p> <p>SO6 Contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes</p>
Result indicator(s)	<p>R.16a Investments related to climate: Share of farms benefitting from CAP investment support contributing to climate change mitigation and adaptation, and to renewable energy or biomaterials production</p> <p>R.27a Investments related to biodiversity: Share of farms benefitting from CAP investment support contributing to biodiversity</p>

The choice of content for this example intervention are among many that can be relevant; it only serves as a simulation for how to structure a description.



NON-PRODUCTIVE INVESTMENTS

Intervention example

2) ELIGIBILITY AND TARGETING

Description of the design/requirements of the intervention

The non-productive investments play a complementary role in helping to achieve agri-environment objectives and in enhancing the environmental value of the area concerned. They respond directly to needs N(x) and N(y) which are described in the needs assessment.

The following non-productive investments shall be supported:

1. Improvement of biodiversity and restoration / improvement of specific habitats and species:

- Restoration of wetlands and peatland. (*)
- Protection of riparian zones. (*)
- Construction of biotopes/ habitats.

2. Improving landscape quality and character for adaptation to climate change:

- Restoration of dry-stone walls (-)
- Restoration and establishment of landscape features (including hedges, single trees, etc.)
- Restoration of flood plains.

Principles for Selection criteria

- Preference to Natura 2000 and High Nature Value areas.
- Preference to beneficiaries who participate in a relevant agri-environment climate management commitment (except for the investments marked with (*) and (-).



NON-PRODUCTIVE INVESTMENTS

Intervention example

2) ELIGIBILITY AND TARGETING

Beneficiaries	Farmers or groups of farmers, whether natural or legal persons.
Eligibility conditions	<p>This intervention is targeted at environmental improvements (“non-productive” investments). Operations shall:</p> <ul style="list-style-type: none"> • Be linked to the achievement of agri-environment-climate objectives. • Not lead to a significant increase in the value or profitability of the agricultural holding. Support rates shall be adapted/ modulated to take into account productive features. • The investments has to be on farm. • Support for investments marked with (*) are conditional on the participation of the beneficiary in a related agri-environment climate management commitment.
Eligible costs	<ul style="list-style-type: none"> • <u>Investment costs</u> as presented in the application. • <u>Indirect costs</u>: Planning and consultation services which are clearly linked to the investment.
Non-eligible costs	<p>Technical installations, machinery and equipment involved in a production. Second-hand equipment.</p>



NON-PRODUCTIVE INVESTMENTS

Intervention example

3) FINANCIAL INFORMATION

Form of support	Grants
Form of grant	Reimbursement of eligible costs actually incurred by a beneficiary
Rate/intensity of support/justification	<p><u>Investment costs:</u></p> <ul style="list-style-type: none"> • 85% for the following investments: restoration of dry-stone walls and restoration and establishment of landscape features. • 100% for all other types of investments. <p><u>Indirect costs:</u> 100% of indirect costs, limited to max. 15% of the eligible investments cost.</p>
Justification of the unit amounts	<ul style="list-style-type: none"> • The estimation of average unit amounts is based on annex II of the European Court of Auditors report “The cost-effectiveness of EU Rural Development support for non-productive investments in agriculture” (2015). • Using expert judgment, these costs have been adapted to the specific socio-economic situation in country X, especially regarding labour cost levels and the average size of holdings where the investments will be done.
State Aid Assessment	Within Art. 42 TFEU



NON-PRODUCTIVE INVESTMENTS

Intervention example

4) UNIT AMOUNTS AND INDICATIVE FINANCIAL ALLOCATIONS

Annual Unit amount and Planned output	2023	2024	2025	2026	2027	2028	2029	TOTAL
1. Average unit amount in EUR – <i>Improvement of biodiversity and restoration / improvement of specific habitats and species</i>	950.000	950.000	950.000	950.000	950.000	950.000	950.000	950.000
1. Annual planned output (O.18a) – <i>Improvement of biodiversity and restoration / improvement of specific habitats and species</i>	0	0	2	3	5	9	11	30
2. Average unit amount in EUR – <i>Improving landscape quality and character for adaptation to climate change</i>	45.000	45.000	45.000	45.000	45.000	45.000	45.000	45.000
2. Annual planned output (O.18a) – <i>Improving landscape quality and character for adaptation to climate change</i>	60	140	240	250	250	280	280	1.500
TOTAL indicative financial allocation	2.700.000	6.300.000	12.700.000	14.100.000	16.000.000	21.150.000	23.050.000	96.000.000

Following the latest amendment of Article 88 of the SPR agreed in the trilogue, the indicative financial allocation shall represent the expected level of payments for the intervention in the relevant financial year.

Thank you for your attention

