



European Network for  
Rural Development

# Workshop on Measure 16 “Cooperation”

*1 June 2016*

*Brussels*



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## Abbreviations

DG AGRI	Directorate-General for Agriculture and Rural Development
EAFRD	European Agricultural Fund for Rural Development
EIP	European Innovation Partnership
ENRD CP	European Network for Rural Development Contact Point
ESIF	European Structural and Investment Funds
IACS	Integrated Administration and Control System
MA	Managing Authority
PA	Paying Agency
RDP	Rural Development Programmes
SCO	Simplified Cost Options

## 1. Background and Overview

The Directorate-General for Agriculture and Rural Development (DG AGRI) and the European Network for Rural Development Contact Point (ENRD CP) recently responded to rural stakeholders' interests in gaining deeper insights into the implementation of Measure 16 "Co-operation" under the European Agricultural Fund for Rural Development (EAFRD), which has been introduced with the current funding period 2014-2020. They held a workshop in Brussels on the Co-operation measure on 1 June bringing together around 70 representatives from national and regional programme agencies in the Member States and DG AGRI Desk Officers. Managing Authorities (MAs) in particular, had declared interest to share experiences in implementing this partly new EAFRD measure and in approaching programme-technically challenges jointly.<sup>1</sup>

Measure 16 as laid down in Article 35 of the EAFRD Regulation<sup>2</sup> shall be granted in order to promote forms of cooperation, including partnerships, clusters and networks in various fields of action contributing to achieve rural development objectives and priorities.

While some elements of Measure 16 were similarly offered in the former funding period, e.g. support to cooperative integrated rural development and to producer groups, some of the in total ten sub-measures of Measure 16, bring new features into mainstream EU rural development measures, such as targeted support to cooperative approaches to social agriculture. Measure 16 can thus be regarded as an instrumental vehicle of high flexibility, which promises to significantly extend the EAFRD support portfolio. The workshop therefore offered a great opportunity to explore the potential of Measure 16 and to strengthen capacities for harvesting the results and added value of partnerships, clusters and networks.

From a programme-technical point of view the workshop gave attention to state-aid- and audit-related issues, the use of Simplified Cost Options (SCO) as well as to the bottlenecks MAs and Paying Agencies (PAs) are currently facing in the implementation of Measure 16. A team of Commission experts was available to approach participants' questions in extensive Q&A Sessions.

Representatives from Member States/regions presented first experiences gained with programming and implementing Measure 16.5, under which joint action to mitigate climate change or for collective approaches to environmental projects/practices is provided. Furthermore, programming approaches to different sub-measures in the fields of Climate change & Sustainability, Competitiveness of the primary sector, Farmers' position in the supply chain, and Local development & Social inclusion were explored.

One main conclusion which can be drawn from the discussions at the workshop is that exchange of experience on cooperation agreements among programme agencies appears to be a worthwhile exercise.

In order to avoid overlaps with other upcoming activities and events, especially those organised by the EIP-AGRI<sup>3</sup> Service Point, the workshop did not focus on issues explicitly related to Sub-Measure 16.1 under which the establishment of EIP Operational Group is supported.

In addition to this brief report on the June workshop, a comprehensive set of detailed FAQs that draws on the outcomes of that event will be published. Moreover, DG AGRI might further develop the [Guidance document](#) "Co-operation" measure (version: November 2014).

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<sup>1</sup> The interest of MAs and PAs in questions related to Measure 16 was highlighted on several occasions in the second half of 2015 and early 2016 – e.g. the Rural Networks' Assembly in November 2015, the aforementioned RDP Conference and other ENRD workshops – as well as in the needs assessments of stakeholders.

<sup>2</sup> Regulation EU 1305/2013.

<sup>3</sup> EIP AGRI stands for "European Innovation Partnership for Agricultural Productivity and Sustainability".

## 2. Introduction

09.30 – 09.40

Welcome

The workshop was opened by **Director Mario Milouchev, DG AGRI**, who especially welcomed the presence of many regional MAs.

He underlined that this workshop on Measure 16 “Co-operation” - as the next in the series of workshops on RDP implementation, which previously focussed on selection criteria, is to address programme agencies’ needs.

He encourages MAs and PAs to indicate their interests and implementation challenges also in order to organize targeted and constructive events in the future.

He pointed out that other rural stakeholder also regard Measure 16 “Co-operation” as a promising and multipurpose instrument in the EAFRD toolkit, which would be one further motivation for

- fully using the flexibility of the measure,
- providing the programme-technical frame for doing so, and
- harvesting the results and added value of partnerships, clusters and networks.

### 3. Measure 16 – State of play and conditions for implementing cooperation activities

09.40 – 10.45	
<p>Presentation by DG AGRI on the uptake and legal/programme-technical conditions</p> <p>Challenges of implementations - Presentations on experiences with Measure 16 from</p> <ul style="list-style-type: none"> <li>- Austria</li> <li>- Lithuania</li> <li>- Italy</li> </ul>	<p><i>Note: Presentations can be directly downloaded by clicking on the link provided</i></p> <p><b>Christiane Kirketerp de Viron, DG AGRI</b>, provided a comprehensive introduction to the subject matter, including the <b><i>purpose and logic of Measure 16</i></b>, an overview of its <b><i>uptake by Member States and expected contribution to EAFRD Focus Areas</i></b>. With reference to the relevant legal framework, she pointed to bottlenecks observed by DG AGRI in the <b><i>programming process</i></b> of Measures 16 in the Rural Development Programmes (RDPs) and presented ideas for approaching common challenges.</p> <p>In the second part of the session three MAs shared their first experiences and challenges faced in programming and implementing Measure 16 so far, and pointed to programme-technical questions to be addressed in the course of the workshop. They also highlighted issues for which they would like to exchange experiences and hear the opinion of experts from DG AGRI.</p> <p><b>Christian Rosenwirth</b> from <b>Austria</b> focussed his presentation on the relevance of the <b><i>legal status</i></b> of cooperating actors (e.g. a group might form a consortium or an incorporated enterprise) and the implications for the programme agencies resulting from different forms of collective beneficiaries. He described the critical points related to the liability of applicants and explored the question “Who can apply for payments?”.</p> <p><b>Nomeda Padvaiskaite</b> from <b>Lithuania</b> described problems the MA is confronted with, when <b><i>defining the eligible costs and support rates</i></b> for Sub-measures 16.3 and 16.4. under consideration of provisions stipulated for other EAFRD Measures in the RDP.</p> <p><b>Serena Tarangioli</b> from the <b>Italian National Rural Network</b> also pointed to challenges in defining eligible costs for certain sub-measures of Measure 16 and presented <b><i>possible methods of payment</i></b> currently investigated and discussed by the Regional MAs in Italy.</p>

## 4. Measure 16 – State-aid rules, SCOs and Auditing

11.00 – 12.30

*Note: Presentations can be directly downloaded by clicking on the link provided*

State aid rules -  
particularities as  
regards Measure  
16, DG AGRI

The second session of the workshop was dealt with specific programme-technical topics.

**Gereon Thiele** and **Ludmila Hamtcheva**, both **DG AGRI**, provided a comprehensive overview of **state-aid issues related to Measure 16**, rolling out the concept of state-aid regimes in EU rural development policies. They clearly outlined, when support under Measure 16 is likely to be state-aid relevant, and when not, and explained the options MAs have to deal with support which has to be regarded as state-aid. They also provided some concrete [examples](#) of authorised state-aid cases approved for the implementation of Measure 16. One point of special importance for the workshop participants was the fact that cooperation projects focussing on, or dealing with, subjects or processes related to the production of and trade in agricultural products are exempt from State aid rules (Article 81 and 852 of the Rural Development Regulation (EU) No 1305/2013) and therefore do not have to be submitted to a State aid clearance. However, cooperation projects focussing on, or dealing with, non-agricultural activities (e.g. forestry or rural tourism) need to get State aid clearance unless the Member State decides to finance the project under de minimis (up to 200 000 Euro in any given period of three fiscal years).

Simplified Cost  
Options and the  
diversity of projects  
under Measure 16,  
DG AGRI

**Gregorio Davila-Diaz**, **DG AGRI**, highlighted the options Managing Authorities have to use **Simplified Cost Options (SCO)** when implementing Measure 16. He explained, that on the one hand, the application of SCO in Measure 16, appears to be not as straightforward as in other EAFRD measures, because the projects supported under Measure 16 are likely to be of quite different nature, and the lack of historical evidence to support the calculation methods. On the other hand, to some elements frequently supported under certain sub-measures of Measure 16, such as running costs, SCO approaches can be easily applied. Moreover, over the last year a lot of good programming examples have been elaborated for a range of RDPs, from which lessons could be drawn for Measure 16. Gregorio Davila-Diaz also highlighted the improved legal framework compared to the previous programming period.

Q&A Session

Questions raised by participants after the first group of presentations at the end of the morning session concerned among others the auditing of Measure 16, the payment and control procedures, the legal form of cooperating actors, and the development of supported partnerships with regard to outgoing members and the administrative implications.

These questions will be answered in the supplementary **FAQ document**.

## 5. Measure 16: Sub-measures & Approaches

13.30 – 16.30

*Note: Presentations can be directly downloaded by clicking on the link provided*

Measure 16:  
Approaches to the  
implementation of  
selected sub-  
measures – A  
portfolio of  
options, ENRD CP

Building up on the introductory presentation in the morning, which provided a general overview of Measure 16, the first part of the afternoon looked at how different sub-measures are used across Member States and at different approaches to programming certain sub-measures.

**Elena Maccioni**, from the **ENRD CP**, reported on results of a screening exercise of all RDPs were analysed. She went through nearly all sub-measures (16.2 – 16.10) and showed how these have been picked up by MAs in their RDPs. It became obvious, that even at sub-measure level quite different approaches are followed across the EU, for instance with regard to eligibility criteria and the linkages to other EAFRD measure. One point made in the presentation, which invites further exploration, is that some RDPs allow for transnational cooperation under Measure 16.

Opportunities for  
achieving specific  
objectives with  
Measure 16 –  
Presentation of  
programming  
examples linked to  
EAFRD priorities P4  
and P5.

In the second part of the session representatives of three programme agencies presented examples of programming Measure 16 or certain of its sub-measures in the fields of EAFRD Priorities P4 (Restoring and preserving and enhancing ecosystems related to agriculture and forestry) and P5 (Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in the agriculture and food sectors and the forestry sector).

Experiences from

- Finland
- Germany
- Scotland

**Joel Karlsson** explained how Measure 16 is designed and implemented in **Finland** and its relevance for addressing objectives of P4 and P5, and introduced the first project examples which have been selected for support. In Finland a need-driven staggered decision-making approach involving multiple actors is followed for allocating the budget of Measure 16 to its sub-measures and to EAFRD priorities. This approach appeared interesting and its further application and the possibility of transfer to other RDPs should be monitored.

**Nicola von Kutzleben** from **Hesse, Germany**, provided a presentation on **innovation in Measure 16.5** (Support for joint action undertaken with a view to mitigating or adapting to climate change and for joint approaches to environmental projects and ongoing environmental practices) and described the approach followed, challenges faced and first experiences gained. A special element of that implementation system is an advisory service funded



with Technical Assistance resources. The advisory service focuses on furthering innovation in the implementation of all sub-measures of Measure 16, which are implemented in Hesse (innovation support services are thus not only offered to EIP Operational Groups).

**Jonathan Maclure** from the **Scottish MA**, presented the concept of an Environmental Co-operation Action Fund which is programmed and implemented under Sub-measure 16.5. In comparison to the situation in other Member States the implementation of Measure 16 in Scotland is quite advanced. Jonathan Maclure could thus report about first lessons learnt and the pros and cons of the design of the measure. One key-advantage of the Cooperation Action Fund being the possibility to organize environmental interventions at landscape-scale rather than at farm-level. However, he also referred to certain administrative bottlenecks.

## 6. Group work - Exploring the potential of Measure 16

15.00 – 16.30

*Note: Presentations can be directly downloaded by clicking on the link provided*

### Working groups on:

- Climate change & Sustainability
- Competitiveness of the primary sector
- Farmers' position in the supply chain

The example of different approaches to programme sub-measures of Measure 16 presented in the first afternoon session formed a valuable initial discussion point for the **group work on exploring the potential of Measure 16** for achieving objectives in certain fields of action. Each of the four groups of around 15 persons concentrated on one of the following themes:

- Climate change & Sustainability
- Competitiveness of the primary sector
- Farmers' position in the supply chain
- Local development & Social inclusion.

- Local  
development &  
Social inclusion

The groups were asked to elaborate one or two approaches to achieve a certain objective by **programming one or more sub-measures of Measure 16**, especially considering the following aspects: Synergies with other EAFRD Measures, Eligibility and selection criteria, Eligible costs, State-aid rules and Monitoring and evaluation requirements.

Then the advantages and disadvantages of the approach(es) developed were discussed by each group individually, especially with regard to the following aspects: Effectiveness (short- and long-term effects), Demands on financial management, Administrative costs for the administration and beneficiaries, and the special potential of Measure 16 (in comparison to other EAFRD Measures).

For instance, the group, which focussed on the **Competitiveness of the primary sector** had to programme a sub-measure of Measure 16 with the aim of further “Lowering production costs and/or increasing the local demand and the exported amount of products”. The group chose Sub-measure 16.4<sup>4</sup>. For furthering the effectiveness of EAFRD funding, it decided to define eligibility criteria and eligible costs broadly, accepting that therefore state-aid issues might become more complex. Because of the measure’s local focus, the group thought it might be difficult to use Measure 16 for increasing exports. This led to the question how far transnational cooperation projects would be possible under Sub-measure 16.4.

The documentation of the work of the four groups can be found [here](#).

Time for reporting back was limited, but nevertheless resulted in the presentation of valuable ideas for the targeted programming sub-measures of Measure 16 and pointed the advantages and disadvantages of certain programming approaches.

Open programme-technical questions, which were brought forward by the groups, will be elaborated in the supplementary **set of FAQs**.

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<sup>4</sup> Under Sub-measure 16.4, support for horizontal and vertical cooperation among supply chain actors for establishment and development of short supply chains and local markets and for promoting activities in a local context relating to the development of short supply chains and local markets.

## 7. Conclusions and Next steps

16.45 – 17.00

### Final Q&A Session

At the end of the workshop the team of DG AGRI experts, involving among others three auditors and two state-aid experts, provided answers and advice in a final Q&A Session.

After having sought advice from DG AGRI's back offices, e.g. the legal department, Mario Milouchev and Christiane Kirketerp de Viron could already provide answers to quite specific questions which had been raised by MAs in the morning session.

As mentioned earlier, all these questions will be addressed in a supplementary guidance document in the form of FAQs. If questions of participants could - for any reason - not be discussed at the workshop, they can be sent to the relevant geographical Units in DG AGRI.

### Closing remarks

**The wrap-up & outlook** from the workshop were provide by **DG AGRI director Mario Milouchev** who had chaired the workshop.

He pointed to the importance of **cooperation agreements** as the workshop revealed that the way in which the partners cooperate and share responsibilities strongly determines administrative procedures, such as payments and controls. Therefore, the exchange of experiences of different kinds of cooperation agreements among programme agencies will be a crucial exercise in the near future.

Looking ahead and pointing to the value of the **workshops on RDP implementation**, Mario Milouchev repeated his invitation from the morning and encouraged MA- and PA representatives to continue to **indicate implementation challenges** they would like to address jointly. For instance, in the form of workshops, and/or to forward **proposals for themes** to be dealt with by the ENRD CP in collaboration with DG AGRI after the summer. For this purpose, please contact [doris.marquardt@enrd.eu](mailto:doris.marquardt@enrd.eu) or [info@enrd.eu](mailto:info@enrd.eu).

## Annex

### Participants' Feedback<sup>5</sup>

#### Quantitative assessment

<b>How do you rate the <i>overall organisation</i> of the event?</b>				
The organisation of the event	Excellent	Good	Fair	Poor
Communication about the event and prior-planning	10	8	1	
Suitability of the venue	11	6	1	
Organization of the event whilst in Brussels	10	7		
Opportunities for networking and making new contacts during the event	8	9	1	
<b>Total organisation</b>	<b>54%</b>	<b>42%</b>	<b>4%</b>	<b>0%</b>
<b>How do you rate the <i>overall content</i> of the event?</b>				
Overall content of the event	Excellent	Good	Fair	Poor
The <b>usefulness of the outcomes</b> of the event for your work	4	13		
The <b>relevance of the information</b> provided for your work	8	8	1	
The extent to which you <b>improved your skills</b> during the event for your work	3	11	3	
The <b>usefulness/quality</b> of the background <b>material</b> (Guidance documents, Measure fiches, Article) provided for the event	5	10	2	
<b>Total content</b>	<b>29%</b>	<b>62%</b>	<b>9%</b>	<b>0%</b>

### Quantitative assessment *(continued)*

How do you rate the specific sessions of the event?				
1. Session Presentations: Measure 16 – State of play and conditions for implementing cooperation activities (09:40-10:45)	Excellent	Good	Fair	Poor
Relevance of the topic of presentations	6	10	1	
Quality of information provided	4	10	3	
Usefulness of the outcomes of the session	2	12	3	
<b>Total</b>	<b>24%</b>	<b>63%</b>	<b>14%</b>	<b>0%</b>
2. Session Presentations: Measure 16 State-aid rules and SCOs (11:00-12:00)	Excellent	Good	Fair	Poor
Relevance of the topic of presentations	8	11		
Quality of information provided	7	10	1	
Usefulness of the outcomes of the session	4	13	1	
<b>Total</b>	<b>35%</b>	<b>62%</b>	<b>4%</b>	<b>0%</b>
3. Session Presentation: Measure 16: Approaches to the implementation of selected sub-measures (13:30-14:00)	Excellent	Good	Fair	Poor
Relevance of the topic of presentations	3	12		
Quality of information provided	7	8		
Usefulness of the outcomes of the session	3	11	1	
<b>Total</b>	<b>29%</b>	<b>69%</b>	<b>2%</b>	<b>0%</b>
4. Session Presentation: Opportunities for achieving specific objectives with Measure 16 – Presentation of programming examples linked to EAFRD priorities P4 and P5 (14:00-14:45)	Excellent	Good	Fair	Poor
Relevance of the topic of presentations	3	10	1	1
Quality of information provided	3	8	3	1
Usefulness of the outcomes of the session	3	4	8	1
<b>Total</b>	<b>20%</b>	<b>48%</b>	<b>26%</b>	<b>7%</b>

### Quantitative assessment (continued)

Session 4: Working groups				
Working Group 1: Climate change & Sustainability	Excellent	Good	Fair	Poor
The value of the discussion during the working group		1	1	
The usefulness of the information fed back from various working groups		1	1	
<b>Total</b>		<b>50%</b>	<b>50%</b>	<b>0%</b>
Working Group 2: Competitiveness of the primary sector	Excellent	Good	Fair	Poor
The value of the discussion during the working group	1	3	1	
The usefulness of the information fed back from various working groups		2	1	1
<b>Total</b>	<b>11%</b>	<b>56%</b>	<b>22%</b>	<b>11%</b>
Working Group 3: Farmers' position in the supply chain	Excellent	Good	Fair	Poor
The value of the discussion during the working group			2	1
The usefulness of the information fed back from various working groups			2	1
<b>Total</b>			<b>67%</b>	<b>33%</b>
Working Group 4: Local development & Social inclusion	Excellent	Good	Fair	Poor
The value of the discussion during the working group		2		1
The usefulness of the information fed back from various working groups		2		1
<b>Total</b>		<b>67%</b>		<b>33%</b>

### Supplementary qualitative assessment

<b>Suggestion and comments on the organisation</b>	<ul style="list-style-type: none"> <li>➤ Focus groups should be organised in different rooms (one room/group).</li> <li>➤ More time should be allocated to the group discussions, if we are late on time maybe time should be taken out in other parts of the event.</li> <li>➤ Better time management of speakers.</li> <li>➤ Waste of time! Not relevant to start such group (Working group 4) with that little time to do it properly!</li> <li>➤ Workshop was useful and organisation was good. In first contact there wasn't in questionnaire sub measure 16.2</li> <li>➤ A little warm.</li> <li>➤ In one day, difficult to build links with a lot of people.</li> <li>➤ Should be interesting to organize other events like this one in the future.</li> </ul>
<b>Suggestions and comments on the content/quality</b>	<ul style="list-style-type: none"> <li>➤ It should be good to make some workshop specialize on sub-measure or make workshop for 2 days.</li> <li>➤ At the stage of the programation, I already had good knowledge of the explored topics. It would have been more useful for me if these topics had been presented in an event earlier (maybe at the end of 2015).</li> <li>➤ Definitive answers from the EC would be helpful.</li> </ul>
<b>Session 1 (09:40-10:45)</b>	<ul style="list-style-type: none"> <li>➤ We need answers more precise than the one in the presentation.</li> </ul>
<b>Working group 2</b>	<ul style="list-style-type: none"> <li>➤ One person monopolizes the debate; feedback wasn't representative of the major issues added value.</li> </ul>

