



The European Agricultural Fund for Rural Development:
Europe investing in rural areas

Annual implementation report

United Kingdom - Rural Development Programme (Regional) - Wales

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1. KEY INFORMATION ON IMPLEMENTATION OF THE PROGRAMME AND ITS PRIORITIES

1.a) Financial Data

See annexed documents

1.b) Common and programme-specific indicators and quantified target values

1.b1) Overview table

Focus Area 1A						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	2014-2017			1.19	5.32	22.36
	2014-2016					
	2014-2015					

Focus Area 1B						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2017			2.00	0.19	1,072.00
	2014-2016					
	2014-2015					

Focus Area 1C						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2017			5,021.00	37.19	13,500.00
	2014-2016					
	2014-2015					

Focus Area 2A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)		2014-2017	0.29	2.88	0.07	0.69	10.08
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	42,048,335.30	98.58	6,987,675.95	16.38	42,652,855.84
M02	O1 - Total public expenditure	2014-2017	7,569,988.61	89.56	607,836.59	7.19	8,452,241.77
M04	O1 - Total public expenditure	2014-2017	19,132,260.95	27.28	2,293,739.94	3.27	70,125,000.90
M16	O1 - Total public expenditure	2014-2017	618,750.00	136.61	0.00	0.00	452,939.76
Total	O1 - Total public expenditure	2014-2017	69,369,334.86	57.01	9,889,252.48	8.13	121,683,038.27

Focus Area 3A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)		2014-2017					0.68
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	57,802,339.89	193.53	453,745.22	1.52	29,867,857.00
M02	O1 - Total public expenditure	2014-2017	866,732.44	100.13	62,246.44	7.19	865,564.95
M04	O1 - Total public expenditure	2014-2017	48,032,759.34	107.34	16,305,570.38	36.44	44,750,000.00
M16	O1 - Total public expenditure	2014-2017	6,803,293.38	20.51	17,657.06	0.05	33,165,810.53
Total	O1 - Total public expenditure	2014-2017	113,505,125.05	104.47	16,839,219.10	15.50	108,649,232.48

Priority P4							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)		2014-2017					0.31
		2014-2016					
		2014-2015					
T11: percentage of forestry land under management contracts to improve water management (focus area 4B)		2014-2017					0.18
		2014-2016					
		2014-2015					
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)		2014-2017			0.23	8.32	2.76
		2014-2016			0.20	7.23	
		2014-2015			0.01	0.36	
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)		2014-2017			4.46	89.46	4.99
		2014-2016			4.36	87.45	
		2014-2015					
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)		2014-2017			6.22	44.97	13.83
		2014-2016			3.14	22.70	
		2014-2015					
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)		2014-2017			44.72	115.40	38.75
		2014-2016			20.94	54.03	
		2014-2015			1.60	4.13	
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	5,163,145.12	103.57	816,741.35	16.38	4,985,398.73
M02	O1 - Total public expenditure	2014-2017	3,554,636.17	54.38	165,990.54	2.54	6,536,482.96
M04	O1 - Total public expenditure	2014-2017	109,755,474.42	102.11	22,578,821.25	21.01	107,491,727.39
M08	O1 - Total public expenditure	2014-2017	11,233,776.08	44.92	4,994,357.98	19.97	25,007,148.98
M10	O1 - Total public expenditure	2014-2017	201,436,928.35	87.26	76,697,014.66	33.22	230,841,570.53
M11	O1 - Total public expenditure	2014-2017	25,848,284.76	97.64	9,856,486.08	37.23	26,474,317.45
M15	O1 - Total public	2014-2017	150,884.62	40.24	0.00	0.00	375,000.00

	expenditure						
M16	O1 - Total public expenditure	2014-2017	7,058,595.87	51.29	74,797.41	0.54	13,762,132.59
Total	O1 - Total public expenditure	2014-2017	364,201,725.39	87.66	115,184,209.27	27.72	415,473,778.63

Focus Area 5B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T15: Total investment for energy efficiency (€) (focus area 5B)		2014-2017	1,586,895.45	7.69	1,586,895.45	7.69	20,625,000.27
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	857,925.18	77.44	181,498.02	16.38	1,107,866.39
M02	O1 - Total public expenditure	2014-2017	230,053.47	96.65	17,117.77	7.19	238,030.36
M04	O1 - Total public expenditure	2014-2017	3,657,085.96	44.33	634,758.18	7.69	8,250,000.11
M16	O1 - Total public expenditure	2014-2017	309,375.00	137.72	0.00	0.00	224,632.53
Total	O1 - Total public expenditure	2014-2017	5,054,439.61	51.47	833,373.97	8.49	9,820,529.39

Focus Area 5C							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T16: Total investment in renewable energy production (€) (focus area 5C)		2014-2017					43,862,327.67
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	726,237.29	65.55	181,498.00	16.38	1,107,866.39
M02	O1 - Total public expenditure	2014-2017	188,413.38	100.47	13,486.71	7.19	187,539.07
M04	O1 - Total public expenditure	2014-2017	0.00		0.00		0.00
M07	O1 - Total public expenditure	2014-2017	0.00	0.00	0.00	0.00	19,190,481.39
M08	O1 - Total public expenditure	2014-2017	0.00	0.00	0.00	0.00	8,344,131.38
M16	O1 - Total public expenditure	2014-2017	309,375.00	28.32	0.00	0.00	1,092,279.53
Total	O1 - Total public expenditure	2014-2017	1,224,025.67	4.09	194,984.71	0.65	29,922,297.76

Focus Area 5D							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)		2014-2017			4.42	105.23	4.20
		2014-2016			3.11	74.04	
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	2,780,766.39	251.00	181,498.01	16.38	1,107,866.39
M02	O1 - Total public expenditure	2014-2017	1,617,556.44	71.06	120,550.64	5.30	2,276,310.79
M04	O1 - Total public expenditure	2014-2017	3,656,942.49	86.71	506,943.83	12.02	4,217,649.53
M10	O1 - Total public expenditure	2014-2017	7,191,774.73	61.15	4,253,656.65	36.17	11,761,246.62
M16	O1 - Total public expenditure	2014-2017	309,375.00	137.72	0.00	0.00	224,632.53
Total	O1 - Total public expenditure	2014-2017	15,556,415.05	79.42	5,062,649.13	25.85	19,587,705.86

Focus Area 5E							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)		2014-2017			0.13	57.77	0.23
		2014-2016			0.03	13.33	
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	781,765.10	70.56	181,498.06	16.38	1,107,866.39
M02	O1 - Total public expenditure	2014-2017	641,146.86	47.83	15,665.33	1.17	1,340,519.39
M04	O1 - Total public expenditure	2014-2017	3,019,694.11	829.63	1,239,403.97	340.51	363,980.10
M08	O1 - Total public expenditure	2014-2017	5,960,550.10	35.75	3,515,308.78	21.08	16,672,343.60
M10	O1 - Total public expenditure	2014-2017	1,295,517.10	122.08	437,920.15	41.27	1,061,224.67
M16	O1 - Total public expenditure	2014-2017	309,375.00	53.56	0.00	0.00	577,572.53
Total	O1 - Total public expenditure	2014-2017	12,008,048.27	56.85	5,389,796.29	25.52	21,123,506.68

Focus Area 6A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T20: Jobs created in supported projects (focus area 6A)		2014-2017					765.00
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M02	O1 - Total public expenditure	2014-2017	465,519.24	96.90	34,546.80	7.19	480,388.55
M04	O1 - Total public expenditure	2014-2017	0.00		0.00		0.00
M06	O1 - Total public expenditure	2014-2017	16,867,573.90	69.17	0.00	0.00	24,385,948.12
M08	O1 - Total public expenditure	2014-2017	1,140,415.30	63.57	435,597.75	24.28	1,794,076.61
M16	O1 - Total public expenditure	2014-2017	769,501.25	209.30	0.00	0.00	367,647.00
Total	O1 - Total public expenditure	2014-2017	19,243,009.69	71.20	470,144.55	1.74	27,028,060.28

Focus Area 6B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T23: Jobs created in supported projects (Leader) (focus area 6B)		2014-2017					100.00
		2014-2016					
		2014-2015					
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)		2014-2017			45.53	100.01	45.53
		2014-2016					
		2014-2015					
T21: percentage of rural population covered by local development strategies (focus area 6B)		2014-2017			45.53	100.01	45.53
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M07	O1 - Total public expenditure	2014-2017	12,299,519.12	23.90	631,240.12	1.23	51,455,813.95
M16	O1 - Total public expenditure	2014-2017	43,310,839.48	67.17	1,315,530.33	2.04	64,476,606.75
M19	O1 - Total public expenditure	2014-2017	61,020,986.53	102.48	2,017,120.99	3.39	59,546,476.39
Total	O1 - Total public expenditure	2014-2017	116,631,345.13	66.46	3,963,891.44	2.26	175,478,897.09

Focus Area 6C							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)		2014-2017					16.47
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2017	612,993.82	110.66	90,749.03	16.38	553,933.19
M07	O1 - Total public expenditure	2014-2017	180,600.00	5.82	0.00	0.00	3,103,704.66
Total	O1 - Total public expenditure	2014-2017	793,593.82	21.70	90,749.03	2.48	3,657,637.85

1.c) Key information on RDP implementation based on data from a) and b) by Focus Area

The Welsh Government Rural Communities – Rural Development Programme (WGRC-RDP) 2014-2020 was formally adopted by the European Commission on 26 May 2015. It is a Wales-wide package of EU and WG funded interventions aligning EU priorities for rural development with the Welsh Government’s Programme for Government and the seven ‘Well-being of Future Generations’ goals. The Programme supports a wide range of activities designed to increase the sustainability and resilience of Wales’ natural environment, land-based sector, food businesses and communities. The first modification to the Programme was agreed in 28 June 2017.

FINANCIAL OVERVIEW

Spend to date and activity within this report cover the period from the final quarter of 2015 (October - December 2015) when payments from the Programme commenced to the 31 December 2017. Payments of €104.13m (€73.22m EAFRD) were made during 2017. By the end of 2017, the total paid since the start of the Programme was €163.09m (€117.25m EAFRD). This represents 16.8% (17.99% EAFRD) of the Programme allocation. Of the total cumulative expenditure to date €75.43m came from Pillar 1 transfer funding, of which €42.66m was paid during 2017.

By the end of 2017 a total of €507.99m in funds had been committed. The highest commitments by Focus Area (FA) by the end of 2017 were against P4 (€216.85m), FA6b (€109.68m) and FA3a (€72.26m) with €109.2m committed under the remaining Focus Areas. By Measure the highest commitment was seen against Measure 10 (€126.82m) and Measure 4 (€123.43m) with €257.75m committed under the remaining Measures.

It should be noted that within the 2016 Annual Report a technical issue has been identified regarding Focus Area commitment data reported – data was provided for Measure 1 Focus Area 6a in error, this should have been reported under Focus Area 6c. This has been corrected within the monitoring tables.

Measure 20: Technical Assistance

Activity funded by Technical Assistance (TA) is essential for the successful implementation of the WGRC RDP 2014-20. Funded activities include technical input to the viability of projects, programme implementation and the development of IT systems. TA funds a number of mandatory elements of the RDP such as the Wales Rural Network and the monitoring and evaluation costs for the Programme.

During 2017 six TA funded projects were approved bringing the total number of approved applications to seven. The total cumulative committed value for Measure 20 stood at €22.82m by 31 December 2017. Payments of €2.1m (€1.09m EAFRD) have been made under TA during 2017.

	Number of applications	Total Value (£m)	Total Value (€m)*
Total allocation for TA			€ 38.8 m
Committed – Total Public		£ 19.4 m	€ 22.8 m

Applications received	8	£ 29.0 m	€ 34.1 m
Applications under appraisal	1	£ 9.6 m	€ 11.3 m
Applications approved	7	£ 19.4 m	€ 22.8 m

**Euro conversion of applications under appraisal and approved are based on a 0.85 exchange rate*

IMPLEMENTATION BY FOCUS AREA

PRIORITY 1: FOCUS AREAS 1a, 1b, 1c

Measures 1 (Knowledge Transfer & Information actions), 2 (Advisory Services) & 16 (Co-operation) are programmed under Priority 1 Focus Area 1a, with Measure 16 also contributing to Focus Area 1b and Measure 1 to Focus Area 1c. In Wales the Knowledge Transfer and Information Actions along with Advisory services, farm management and farm relief services are horizontal Measures relevant to all Priorities of the Programme with actions within the Measures programmed under specific Focus Areas of the other Priorities. Activity also contributes directly to meeting the cross cutting objectives of innovation, climate change and the environment.

A total of €9.07m (£4.81m) expenditure was incurred in respect of Measure 1, €1.04m (£0.55m) under Measure 2 and €1.41m (£1.35m) under Measure 16 during the reporting period. For committed expenditure a total of €58.19m in funding was committed under Measure 1, €8.40m committed under Measure 2 and €51.79m under Measure 16 by the end of 2017. This represents 70.54% commitment against Measure 1 allocation (£82.49m), 41.22% against Measure 2 allocation (£20.38m) and 45.29% against Measure 16 allocation (£114.34m).

Measures 1 & 2

Contracts under Measures 1 and 2, delivered through Farming Connect, commenced on 1 October 2015 coinciding with the end of the services delivered under the 2007-2013 RDP. These services are central in supporting the delivery of other areas of the Programme and form the main mechanism and structure for delivering a co-ordinated and integrated package of knowledge transfer, advice and innovation support services targeting rural communities. Menter a Busnes has been contracted under the Farming Connect Framework to deliver the Farming Connect Knowledge Transfer Programme. Menter a Busnes are supported by a consortium consisting of the Institute of Biological, Environmental & Rural Sciences (IBERS) part of Aberystwyth University, the Colleges' Network, ADAS, Kite Consulting, Innovis, Bangor University and Lantra, as well as the levy bodies (HCC and AHDB) as key strategic partners. Farming Connect aims to transform the business prospects of thousands of farmers and foresters in Wales. Many services are fully funded, others are subsidised by up to 80%.

Measure 1

The Knowledge Transfer and Innovation (KT&I) Scheme supports the knowledge, training and information requirements of farming, forestry and food manufacturing SME businesses for the creation of a more sustainable and competitive rural economy. The WG has developed the Farming Connect Framework, which comprises an integrated pan Wales programme of knowledge transfer and innovation support. It is a centrally managed and publicly tendered programme, covering specific activities focussing on lifelong

learning & development, demonstration and information actions and support for short-term management exchanges in agriculture and forestry. In addition to the centrally procured activity taking place, the KT&I Scheme may also include calls for grant-aided projects for sectorial and industry led, bottom-up initiatives targeting agriculture, forestry, food, other rural SMEs and land managers. This will be fully integrated with the Farming Connect programme to ensure complementarity and best use of resources.

Measure 1.1

Under Measure 1.1 a total of €1.63m (€0.86m EAFRD) was spent during 2017. Farming Connect has developed several vocational training initiatives under this Measure, including:

1. One to one mentoring

This initiative has been developed by Farming Connect to provide farmers and foresters with peer to peer mentoring. The initiative has been designed to benefit new entrants, businesses considering a significant strategic change in direction and individuals looking to exit the industry and who are considering share/contract farming possibilities. Up until 31 December 2017, 100 mentees had been assigned a mentor. The topics focussed on in 2017 included performance recording with the Electronic Identification Project (EID), out-wintering cattle, grassland management, renewable energy, tourism and wine production amongst others.

2. Agri Academy

The Agri Academy brings together individuals making their way in the agricultural industry in Wales today, giving them the inspiration, confidence, skills and the contacts they need to become future rural leaders, professional business people and entrepreneurs. The programme which provides training, mentoring, support and guidance is split into three distinct programmes;

- ***The Rural Leadership programme*** – aimed at inspiring and developing a new generation of leaders in rural Wales (a joint collaboration with the Royal Welsh Agricultural Society). 12 individuals took part in this programme in 2017.
- ***The Business and Innovation programme*** – aimed at supporting and inspiring the next generation of farming and forestry innovators and entrepreneurs in Wales. 14 individuals took part in this programme in 2017.
- ***The junior programme*** – aimed at supporting young people aged between 16 and 19 years who hope to follow a career in the food, farming and forestry industries (a joint collaboration with Wales Young Farmers' Clubs). 13 individuals benefited from this programme in 2017.

Farming Connect has set an annual target of: Agri-Academy - 30 individuals, One to One Mentoring - 70 individuals. The outcomes and impacts of both the Agri Academy and Mentoring programme will be taken into consideration as part of the wider independently contracted Farming Connect Evaluation.

3. Skills

Through the skills programme, individuals can access up to 80% funding for completing short accredited training courses on key topics. To access the training courses individuals need to complete an online Personal Development Plan (PDP) to help analyse the individual as well as business needs and to plan a

strategy to strengthen or introduce new skills to the business.

A total of 2,200 individuals have completed 47 courses out of the 57 courses now available. Examples of courses include:

- Marketing your business – 73 individuals
- Financial recording and VAT – 936 individuals
- Business planning and development – 65 individuals
- Chainsaw maintenance – 115 individuals

4. E-learning

Up until the end of December 2017 a total of 2,479 e-learning courses were completed. Examples of courses include:

- Biosecurity – 4 individuals
- Farm Finance – 18 individuals
- Farm Liver fluke management – 37 individuals
- Grazing Management - 30 individuals
- Health and Safety. Compulsory for machinery or equipment courses – 2,267 individuals
- Tree Identification, Deciduous Trees - 28 individuals

Measure 1.2

Under Measure 1.2 a total of €7.36m (€3.90m EAFRD) was spend during 2017. The following Farming Connect demonstration activities took place during 2017:

1. Demonstration Network

The Demonstration Network consists of eight Innovation sites, 12 Demonstration farms and each year 36 Focus sites are recruited (85 running total up to 31 December 2017). The sites promote innovation and new technology that is available for farmers and foresters and provides a practical platform to demonstrate how this new technology/technique can be implemented at farm/forestry level. By 31 December 2017, 305 events had been hosted on the demonstration network with 6,193 attendees.

2. Discussion Groups

Discussion groups are made up of approximately eight beneficiaries who meet regularly according to a structured programme with clear aims and outcomes identified from the outset. From autumn 2015 until 31 December 2017, 103 groups were recruited with a total of 979 individual members representing 846 businesses. The groups are collecting data that is relevant to their needs and they are able to make comparisons and learn about the benefits of recording information and using it to make management decisions.

3. Action Learning (Agrisgôp)

Agrisgôp is a fully-funded action learning programme which brings together forward-thinking, like-minded individuals from farm and forestry businesses at a local level. Working together in groups of 6-10, group members can learn new management skills, gain confidence, access specialist information and explore and develop viable futures for their businesses. Based on the concept of action learning, Agrisgôp provides the

opportunity to progress skills and confidence, which will in turn assist the development of ideas and opportunities to move businesses forward. A total of 68 groups have been established across Wales facilitated by local Agrisgôp leaders. They hold meetings at regular intervals; during this period 479 meetings took place.

4. One to one surgeries and clinics

One to one surgeries allow the customer to receive bespoke advice on a variety of topics ,e.g. strategic business planning, succession planning, IT, planning, and marketing and diversification. Since the beginning of the programme 179 clinics have taken place with 1,554 beneficiaries, likewise some 503 surgeries have taken place with 2370 beneficiaries, this includes 239 surgeries with 922 beneficiaries between January and December 2017.

5. Diversification Awareness seminars

These events aim to help farmers and foresters understand the essential elements of developing diversification ventures. Regional events were held to outline the key elements of planning a diversification project with attendees signposted to the additional support and advice available through the Farming Connect programme - six events were held with 157 beneficiaries.

6. Venture

This is an initiative designed to help match farmers and landowners who are looking to step back from the industry with new entrants looking for a way into farming. The initiative guides people on both sides through the key steps required to find a potential business partner. An integrated package of training, mentoring, specialist advice and business support equips participants with the skills, knowledge and confidence needed to help them achieve their goals. Up until 31 December 2017, there are 256 active members and out of these 36 potential matches have been identified. There have been seven new joint venture enterprises established during this period. The individuals who have found potential business partners are now applying for group advice through the advisory service for further guidance. The process for creating a successful joint venture is long term, with time required to develop a relationship based on trust and respect before concluding with a full joint venture agreement. Feedback has shown that a reluctance to move away from their home area has been influential on their decision not to proceed with a possible match, which has impacted on the final number of agreements finalised. However, it is expected that the numbers will increase gradually, and further work to promote the initiative and provide support to individuals will take place during 2018.

Measure 1.3

Under Measure 1.3 a total of €0.09m (€0.05m EAFRD) was spent during 2017. The following exchanges and farm visits were organised during 2017:

1. Farm and Forest short term visits

Visiting other businesses can be a valuable way to discover improved methods of working, see best practice in action and bring home new ideas to innovate your enterprise. Groups are provided with funding to support a study visit within the UK for up to four days. Fourteen groups have undertaken visits to a variety of destinations including Scotland, Northern Ireland and Dorset. Topics of interest have included improving

fertility and performance in the dairy herd, efficient milk production from grass and improving the beef supply chain.

2. Farm and Forest exchanges

Successful individuals undertake a visit to other farm or forestry situations within the EU to learn about new and improved ways of working in the farming or forestry sectors. They can also host a suitably trained and experienced farm or forest manager to visit their holding and learn about different approaches to business management. The aim is to broaden their knowledge, technical ability and management expertise to provide new development opportunities at both a personal and business level. As at the end of 2017, nineteen successful candidates have been awarded funding on a variety of topics. Eight have completed their exchange visits and reports have been published on the Farming Connect website. All exchange visits will be completed by the end of June 2018.

Measure 2

Under Measure 2 a total of €1.04m (€0.55m EAFRD) was spent during 2017 with €8.34m funds committed.

Measures 2.1 & 2.2

Under these Measures the Farming Connect Advisory Service provides a range of subsidised, independent, confidential and bespoke advice to farm and forestry businesses. Available on a one-to-one basis the individual advice element is up to 80% funded and group advice is 100% funded up to a maximum of €1,500k (£1,275k). The Advisory Service is delivered by eight companies, selected and approved by Farming Connect. The framework offers a range of advisers who have a wealth of experience and knowledge to deliver a high standard advice. During 2017 a total of €0.81m (€0.43m EAFRD) was spent under Measure 2.1 with €0.23m (€0.12m EAFRD) under Measure 2.2. Up until 31 December 2017, 819 instances of one-to-one and Group advice have been completed and claimed.

Individual businesses have requested the following advice;

- Business Planning - 660
- Technical Grassland & Crop Management – 997
- Technical Livestock Management & Performance – 103
- Technical Diversification and Added Value – 47
- Technical Timber processing and added value – 1
- Technical Horticulture – 2

Measure 2.1

In addition to Farming Connect under Measure 2.1 (support to help benefit from the use of advisory services), Glastir intends to use advisory support to have water management plans carried out and woodland plans verified against the UK Forestry Standard by Natural Resources Wales (NRW). It also requires use of the expertise of Wales' archaeological trusts to give Contract Managers advice on the most suitable management for Glastir Advanced contracts. Furthermore, the report from the Glastir Advanced Independent Evaluation panel, chaired by an independent consultant made a number of recommendations,

including Contract Managers needing greater high quality guidance, support and training and contracts needing more follow up visits and advice. The main purpose of this evaluation panel was to assess how successful Glastir Advanced was at addressing its important environmental objectives and to identify steps WG could take which would continue to improve upon the delivery of the scheme going forward under the 2014-2020 Programme. To this end, the WG began procuring a service that could fulfil the remit of these recommendations. To date, no contract has been awarded and no expenditure incurred. Further information on Glastir activity under Measure 2.1 can be found under Priority 4 and 5 sections of this report. A copy of the evaluation panel's report and WG's response can be found at:

<https://beta.gov.wales/glastir-advanced-2019-using-rpw-online-apply>

For Glastir historic and water quality advice the first contract for historical advice has been awarded to the Welsh archaeological Trusts. The second part of the approval process for the remainder of advice is currently being procured. The mechanism for delivery of water quality advice is under review.

Measure 2.3

This Measure (support for training of advisors) has yet to be activated. As such there is no activity, commitments or expenditure reported. Measure 2.3 will be kept under review and WG will consider changes as appropriate during the programme period.

Measure 16.1

Under Measure 16.1 in Wales, the European Innovation Partnership (EIP) was launched in January 2016 and applications were, and continue to be, invited from Groups interested in solving common problems. In August 2017, Menter a Busnes were awarded the contract to run the EIP Wales programme which involves the management and facilitation of every stage from enquiry through to awarding project contracts and execution of the successful projects.

Groups are supported by the Farming Connect Knowledge Exchange Hub, a collaboration between Farming Connect and IBERS, Aberystwyth University. The Hub assists them by undertaking background literature searches into their proposed topic to gain a better understanding of what is already known about the topic and to inform the project of any gaps in the information that may need to be investigated. The Hub also provides support and guidance on project designs and will work with the Groups throughout the lifetime of the projects to assist with the project outcomes and dissemination.

The Groups are also able to seek fully funded support from an Innovation Broker, who provides guidance and support to the Group throughout the application process. 67 enquiries have been received to date from individuals interested in EIP. The Knowledge Exchange Hub has completed 51 literature reviews to support these enquiries. Of these, 22 have gone on to develop project outlines and 11 have submitted full applications. A total of ten projects were awarded funding during 2017;

1. Potato blight control using components of indigenous non-food waste plants.
2. Developing the Cambrian Mountains Beef group to manage and expand their short supply chain.
3. Pasture for Pollinators.
4. Reducing antibiotic use on sheep farms at lambing time through best practice management, by improving nutrition and hygiene.

5. Comparison of the relative environmental benefits of low impact machinery in small scale farm woodlands.
6. Feasibility study on Squill Production in North Wales.
7. An analysis of the use of a computerised robotic weeder in small scale horticultural operations at two locations in South Wales.
8. Assessing the potential of genomic testing dairy heifers to increase genetic gains and financial returns.
9. Alternative forage systems for marginal land.
10. Night Milk - Assessing the reliability and economic benefit.

As projects are awarded funding, Farming Connect and the Knowledge Exchange Hub will work with the groups to disseminate key messages and prepare case studies to promote the scheme to other interested parties. The Knowledge Exchange Hub will facilitate linkages with other Groups interested in similar topics across Wales and the EU, and has already made links with the thematic network, EuroDairy - relevant dairy Groups have been put in touch with them to enable information, ideas and training opportunities to be shared. The Knowledge Exchange Hub will help to bring the groups and networks together as new thematic networks are developed that are relevant.

PRIORITY 2: FOCUS AREA 2a

Measures 1, 2, 4.1 and 16.1 are programmed under Priority 2. Please see Priority 1 section above for information on Measures 1 (Knowledge Transfer) and 2 (Advisory Services) Farming Connect delivery and also Measure 16.1 (EIP) during the reporting period. Focus Area 2b has not been programmed in Wales.

Under Priority 2 a total of €9.89 expenditure (€6.21m EAFRD) was incurred. This included €6.99m (€3.70m EAFRD) under Measure 1, €0.61m (€0.32m EAFRD) under Measure 2 and €2.29m (€2.19m EAFRD) under Measure 4 during the reporting period. Regarding committed expenditure a total of €21.55m in funding was committed under Measure 1 with €3.89m committed under Measure 2, €17.49m under Measure 4 and €0.62m under Measure 16 by the end of 2017. Progress in implementing Measure 4.1 (support for investments in agricultural holdings) has been provided below;

Measure 4.1

The Sustainable Production Scheme (SPG) under Measure 4.1 primarily delivers under Focus Area 2a in addition to Focus Areas 5b and 5d. The Scheme provides support to help farmers improve the economic and environmental performance of their agricultural holding in line with the WG's and agriculture industry in Wales' vision for more sustainable, profitable and resilient farm businesses. It provides capital investment in facilities and equipment that relate to animal health and welfare, crop storage, production housing and handling, renewable energy production and soil and crop management. Grants represent a 40% contribution and can range from a minimum of €18.82k to a maximum of €470.59k to increase on-farm investment, production and resource efficiencies to improve technical performance.

During the reporting period three EOI windows have opened for the SPG Scheme, the first for a budget of €2.35m with 172 EOIs received of which 12 were invited to submit a full application. The second had an

allocation of €7.06m with 169 EOIs received of which 39 were invited to submit a full application. A third round took place in September 2016, with a budget of €7.06m. Under the third EOI, 154 EOIs were submitted, with 30 beneficiaries invited to the second stage of the application process. Bringing the total number of successful EOIs invited to submit to the second stage application process to 81. Of these a total of 54 applications had been approved (with eight withdrawn / rejected) by the end of December 2017. Payments of €2.07 (100% EAFRD) had been made during this period.

The WG's intend, throughout the delivery of the SPG, to continually review the performance of the scheme and to evaluate the criteria applied in each of the calls to ensure they are relevant to the industry and individual businesses, as well as the WG's strategic priorities. The impacts of on-farm pollution, affecting water quality and wildlife, have increased recently, often due to poor slurry storage and dirty water handling facilities.

The future rounds of the SPG during 2018 will focus on supporting farmers to deliver on Welsh Government objectives including enhanced nutrient management, safeguarding and improving water, soil and air quality by reducing pollution. This will mean focusing on slurry management and covered storage, as well as clean and dirty water management, the extent of which may depend on what the European Commission and the Nitrates Directive will permit. Financial support for capital items which enhance these objectives will be made available through the SPG, with contributions of up to 40%, with a grant range of £12k to £50k (for projects from £30k to £125k+).

The level of interest in each SPG round to date has demonstrated farmers are willing to invest in their farm businesses to become more sustainable, prosperous and resilient and it is envisaged a smaller grant range will enable a greater participation in the SPG.

The Farm Business Grant (FBG) also programmed under Measure 4.1 aims to help farmers in Wales to improve the economic and environmental performance of their agricultural holdings. The grant provides a financial contribution towards standard costed capital investments in equipment and machinery which have been pre-identified as offering clear and quantifiable benefits to farm enterprises. The minimum grant available is €3,529k (£3,000k) and the maximum is €14,118k (£12,000k). To be eligible to apply to the FBG, a member of the farming business must have attended a Farming Connect Farming for the Future event.

To date, after two completed rounds of the FBG, over 850 applications have been received, requesting €6.71m (£5.7m) in grant. During 2017 payments of €0.23m (€0.12m EAFRD) were made under FA2a with 16 completed operations. Please also see Priority 5 section of this report for information on Measure 4.1.

PRIORITY 3: FOCUS AREA 3a

Measures 1, 2, 4.2 and 16 are programmed under Priority 3. Please see Priority 1 section above for information on Measures 1 (Knowledge Transfer) and 2 (Advisory Services) Farming Connect delivery and also Measure 16.1 (EIP) during the reporting period. Focus Area 3b has not been activated as part of the Wales Programme.

Under Priority 3 a total of €0.45m (€0.24m) expenditure was incurred in respect of Measure 1, €0.06m (€0.03m) under Measure 2, €16.31m (€10.15m) under Measure 4 and €0.02m (100% EAFRD) under Measure 16 during the reporting period. Regarding committed expenditure a total of €31.61m in funding was committed under Measure 1 with €0.39m committed under Measure 2, €36.57m under Measure 4 and

€3.68m under Measure 16 by the end of 2017.

Progress against Measure 1.1 (support for vocational training and skills), Measure 4.2 (investments in processing / marketing / development of agri products) and Measure 16.4 (Supply chain) is provided below;

Measure 1.1

Project HELIX delivered under Measure 1.1 provides funding support for research into global food production, trends and waste to help small to medium sized food manufacturers across Wales to increase production and reduce waste. Developed by Food Innovation Wales (FIW), a partnership of three food centres, Project HELIX supports food manufacturers in Innovation, Efficiency and Strategy.

All of the proposed activities within Project Helix are aligned with the Welsh Government strategic priorities in Taking Wales Forward, particularly supporting the economy, business and jobs, as well as the business growth and market development actions of Towards Sustainable Growth. These activities contribute to a Prosperous Wales – one of the seven goals in the Well-being of Future Generations (Wales) Act 2015, as well as the five ways of working, including collaboration with industry for the long term development and growth of the food and drink sector. Project Helix has been aligned with Programme for Government priorities and, in accordance with the Regulations governing the European Programmes, all projects funded through the Common Strategic Framework integrate the Cross Cutting Themes (CCT’s) of Equal Opportunities and Gender Mainstreaming and Sustainable Development. In addition the scheme has particular importance in the context of Tackling Poverty and Social Exclusion.

The Pan Wales partnership developed by the three food centres has, at its core, the development of rural and valleys communities and the creation of sustainable jobs to impact on poverty throughout Wales. Recent work undertaken by the centres has identified growth in the sector which tends to originate in areas where unemployment is highest, ie rural communities and the South Wales valleys. Due to Wales’ geographical location the strategy for a sustainable food sector must focus on the development of start-up companies and support to SMEs. Historically the sale of larger companies to food multi nationals will, in the majority of cases, create a re-alignment of production capacity - this results in the manufacturing site often being incorporated into other processing facilities elsewhere in the UK and internationally. Innovation and food company regeneration is therefore the key to a vibrant, effective and longstanding Welsh food and drink sector.

Project HELIX is designed to develop Welsh businesses to enable them to attend UK and International Food and Drink related trade exhibitions and trade development visits, which are a key component for increasing growth and improving the competitiveness of companies in Wales. The project has been developed into three key areas and will be delivered Pan Wales under the Food Innovation Wales brand; Food Innovation, Food Efficiency and Food Strategy. The project was launched in March 2017, core outputs and expected achievements during its lifetime include:

Food Centre	Project value (Millions)	€ Impact in (Millions)	No. of Enterprises assisted	New jobs created	New markets accessed
Food Innovation Centre		€91.7m (£77.9)	94	200	48
Food Technology Centre		€49.4m (£42)	56	105	23

Food Centre Wales	€35.2m (£29.9)	31	65	16
Total	€25,72m (£21,86m)	€176.3m (£149.9)	181	370

Project Helix activity to date:

	Actual	Target
• Number of actions supported:	14	18
• Number of training days given:	159.2	255
• Number of participants in training:	136	445
• Number of Enterprises Assisted:	145	181
• Number of Jobs Created:	33.5	370
• Number of new products supported:	155	423
• Indicative impact in £m / €m :	£19.4m /€22.82m	£129m /€151.76m
• Jobs Safeguarded:	141	2,041
• Start-up companies supported:	40	

Given the achievement to date, following activity commencing in June 2016 it is reassuring forward indicator progress is well on track to meet targets within the 80 month lifespan of the project (end date March 2023). Proposed achievement figures will be kept under active review to ensure the project remains on track to delivery against targets.

Measure 4.2

Measure 4.2 is delivered through the Food Business Investment Scheme (FBIS). It is designed to help primary producers of agricultural products in Wales to add value to their outputs by providing support to those businesses that do first and/or second stage processing activities. It aims to improve the performance and competitiveness of their businesses; to respond to consumer demand; to encourage diversification and to identify, exploit and service new emerging and existing markets.

All projects supported through FBIS must make a contribution to the overarching 'Food Strategy Action Plan - Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014-2020' and one or more of the following thematic objectives;

- promoting and developing a growing and vibrant food and drink sector in Wales;
- continuing to develop a green image based on sustainable production methods;
- building resilience into the industry to withstand market changes;
- driving improvements in food safety and security;
- promoting technological innovation in both product and processes;
- providing career opportunities at varying skill levels.

During the reporting period four EOI windows have opened for FBIS, the first received 85 EOIs, of which 24 were invited to submit a full application. Twenty were received (three withdrawn / rejected) with 19 approved by the end of 2017, the total value of projects approved was €38.1m (£32.4m) with total value of grant awarded of €13.5m (£11.5m). The second window received 65 EOIs, of which 21 were invited to submit full applications. 18 were received by end 2017 (four withdrawn) with 13 approved and four awaiting final appraisal, total value of projects approved was €64m (£54.4m) with the total value of grant awarded €21.4m (£18.2m). The third received 50 EOIs, of which 46 were invited to submit full

applications. 30 were received (16 withdrawn / rejected) with three approved by the end of 2017 with 27 waiting final appraisal, total value of approved projects was €594.9k (£505.7k) with total value of the grant awarded €211.2k (£179.5k). The total value of all applications received €9.9m (£8.4m) with the total grant value of all applications received €2.4m (£2m). The fourth window received 50 EOIs received of which 24 were invited to submit full applications. The available budget for that window was €2.4m (£2m) with a maximum grant application of €176.5k (£150k) for each. The total project cost value of EOIs received was €13.1m (£11.1m) with the total grant requested of EOIs received €4.6m (£3.9m).

By the end of December 2017 a total of €16.3m (€10.15m EAFRD) was spent under FBIS. In spring 2018 it is anticipated that WG will open a further window for larger scale investment.

Measure 16.4

The Co-operation and Supply Chain Development Scheme (C&SCDS) delivered under Measure 16 provides a broad range of support. The scheme aims to support the development of new products, practices, processes and technologies in the agriculture, forestry and food sectors and hospitality sectors (except for fisheries or aquaculture products), and other actors that contribute to achieving the objectives and priorities of rural development policy including:

- small businesses working together to share production facilities and resources.
- short supply chains and local markets including promotion activities in a local context.
- pilot projects where the information is made publicly available and widely disseminated.

The scheme supports collaboration and is designed to make new things happen, achieving transformational change.

The first EOI window for C&SCDS opened for a targeted purpose: to provide support for businesses, organisations and/or communities to *‘develop the capacity to work with a range of stakeholders to promote and develop a collaborative approach’* in order to achieve multiple objectives and outcomes through *‘making new things happen’*. Subsequent EOI windows for C&SCDS, have been based on the development work facilitated in the first round to part-fund the projects themselves (pilot projects, supply chain co-operation etc.). Of the two EOI rounds run in 2017 Measure 16.4 was available in the first one. This first round had a budget of €3.5m (£3m). A total of nine EOIs were received of which two indicated compatibility with Measure 16.4. One of these progressed to full application. To date €0.02m (100% EAFRD) was been spent.

Please also see Priority 5 and 6 sections of this report for information on Measure 16 Co-operation and Supply Chain Efficiency Scheme.

PRIORITY 4: FOCUS AREAS 4a, 4b, 4c

Measures 1, 2, 4.4, 8, 10, 11 and 16 are programmed under Priority 4. Please see Priority 1 section above for information on Measures 1 (Knowledge Transfer) and 2 (Advisory Services) Farming Connect delivery and also Measure 16.1 (EIP) during the reporting period.

During 2017 expenditure incurred against Priority 4 totalled €117.07m (€87.76m EAFRD). Regarding committed expenditure during 2017 a total of €61.98m in funding was committed under Measure 4, €6.12m for Measure 8, with €121.33m under Measure 10 and €15.43m under Measure 11, with the remaining funds (€11.99m) committed under Measures 1, 2, 15 and 16. Bringing total committed funds under Priority 4 to

€216.85m.

Measures programmed under specific Focus Areas under Priority 4 include;

- Focus Area 4a (agriculture): Measure 8.1 (afforestation / creation of woodland), 8.2 (establishment and maintenance of agro-forestry systems) and 10.1 (Agri-environment-Climate)
- Focus Area 4a (forestry): Measure 8.5 (investments improving resilience and environmental value of forest ecosystems) and 15.1 (Forest-environment climate services and forest conservation)
- Focus Area 4b (agriculture): Measure 8.1 (afforestation / creation of woodland), 8.2 (establishment and maintenance of agro-forestry systems) and 10.1 (Agri-environment-Climate)
- Focus Area 4b (forestry): Measure 8.5 (investments improving resilience and environmental value of forest ecosystems) and 15.1 (Forest-environment climate services and forest conservation)
- Focus Area 4c (agriculture): Measure 8.1 (afforestation / creation of woodland), 8.2 (establishment and maintenance of agro-forestry systems), 11.1 (convert to organic farming practices and methods) and 11.2 (maintain organic farming practices and methods)
- Focus Area 4c (forestry): Measure 8.5 (investments improving resilience and environmental value of forest ecosystems) and 15.1 (Forest-environment climate services and forest conservation)

Measures 1 & 2 delivery to all focus areas within Priority 4. See Priority 1 section above for information on these measures. Under Focus Area 4a during the reporting period the physical area supported was 637,472.52 hectares (of which 636,757.99 ha agricultural and 714.53 ha forestry) with 88,538.29 hectares under Focus Area 4b (all agricultural) and 63,499.53 hectares under Focus Area 4c (all agricultural).

Glastir

Woodland creation & agro-forestry, woodland restoration & management, agri-environment and organic support provided under Measures 8.1, 8.2, 8.4 & 8.5, 4.4, 10.1, 11.1, 11.2 and 15.1, is delivered through the WG's sustainable land management scheme, Glastir, through the following:

- Glastir Entry, Advanced and Small Grants (Measures 4.4 & 10.1) - Focus Areas 4a, 4b, 5d and 5e.
- Glastir Commons (Measure 10.1) - Focus Area 4a.
- Glastir Organic (Measure 11.1, 11.2) - Focus Area 4c.
- Glastir Woodland Creation (Measures 8.1 & 8.2) - Focus Areas 4a, 4b, 4c and 5e.
- Glastir Woodland Management (legacy), Forest Management Plans and Restoration (Measures 8.4 & 8.5) - Focus Areas 4a, 4b, 4c, 5c, 5e and 6a.
- Glastir Woodlands area payments (Measure 15.1) – Focus Areas 4a, 4b and 4c
- Glastir advisory support (Measure 2.1) – Focus Area 4a, 4b, 4c, 5d and 5e.

Progress against Measure 2.1 (support to help benefiting from the use of advisory services), Measure 4.4 (non productive investments linked to agri-environment-climate objectives), Measure 8 (Investments in forest area development), Measure 10.1 (Agri-environment-climate), Measure 11 (Organic Farming), Measure 15.1 (Payment for forest-environmental and climate commitments), Measure 16.5 (joint action to mitigating or adapting to climate change and for joint approaches to environmental projects and ongoing environmental practices) along with Measure 16.8 (forest management plans) has been provided below;

Measure 2.1

Under Measure 2.1 Glastir intends to use advisory support to have water management plans carried out and woodland plans verified against the UK Forestry Standard by Natural Resources Wales (NRW). It also

requires use of the expertise of Wales' archaeological trusts to give Contract Managers advice on the most suitable management for Glastir Advanced contracts. To date, no contract has been awarded and no expenditure incurred. See Priority 1 section of this report for further information.

Measure 4.4

Investments that contribute toward Focus Area 4a and 4b objectives are provided through capital works in Glastir Small Grants under Measure 4.4. The capital works are assigned the Focus Area that they deliver against. For example, a fence protecting a Glastir Advanced hay meadow commitment in Measure 10.1 will be assigned Focus Area 4a as the hay meadow commitment is Focus Area 4a, a fence protecting a streamside corridor commitment in Glastir Advanced would be assigned Focus Area 4b as the streamside corridor is Focus Area 4b. During the reporting period for Glastir Advanced total expenditure €23.03m, of €22.55m is attributed to P4.

For Glastir Small Grants, the Focus Area is assigned according to the theme for the individual round of Glastir Small Grants. The Carbon theme is assigned to Focus Area 5e, the Water theme against Focus Area 4b and, the Landscape and Pollinators theme to Focus Area 4a. During the reporting period for GSG in total there were 338 approved operations with €1.27m in expenditure, of which €0.03m is attributed to P4. It should be noted a breakdown of these figures for NCA, age and agricultural branch in Table C of the monitoring tables has been provided, however figures shown in table C2.1 are lower than those in table B, this will be corrected in future reports once relevant data has been fully captured. Operations support by farm size has been provided within the supporting monitoring tables.

Measures 8.1 & 8.2

Schemes delivered under Measure 8.1 include legacy Glastir Woodland Creation Maintenance and Premium contracts signed under the 2007-13 RDP and new Glastir Woodland Creation contracts from the 2014-2020 Programme under both Measures 8.1 (support for afforestation / creation of woodland) and 8.2 (support for establishment and maintenance of agro-forestry systems).

Glastir Woodland Creation (GWC) is programmed Priority 4 and Focus Area 5e, with the majority of funding allocated to Priority 4. GWC has seen the establishment of 399.84ha of new woodland creation. The majority (270.37ha) has been established under P4. Total expenditure to date for Measure 8.1 has been €3.87m (€3.15m EAFRD) across both Priority 4 and 5 of which €1.80m (100% EAFRD) is attributed to Priority 4. During the reporting period for Measure 8.1 establishment there were 93 beneficiaries supported, with the majority (80) under P4.

Measure 8.3

The Forest Monitoring & Risk Management Scheme is intended to be delivered under Measure 8.3 (prevention of damage to forests) by Natural Resources Wales (NRW). The objective of the Scheme will be to support monitoring, mitigation and prevention of harmful results from current tree or woodland environment pest or disease outbreaks. The majority of the scheme's funding (75%) is linked to Focus Area 5e with the remaining funds programmed under Priority 4, Focus Area 4a. The application from NRW is currently undergoing appraisal by Welsh Government. There is no activity or expenditure incurred during the reporting period for this Measure. Further information on Measure 8.3 can be found under Priority 5 section below.

Measure 8.4

The Glastir Woodland Restoration scheme under Measure 8.4 (support for restoration of damage to forests from forest fires and natural disasters and catastrophic events) supports the re-stocking of larch woodlands that have been infected or threatened by the fungal pathogen *Phytophthora ramorum* and has seen four Expression of Interest (EOI) rounds under this RDP. The majority of the allocation for this Measure sits under Focus Area 5e with remainder allocated to Priority 4. There were no beneficiaries, area supported, or expenditure incurred under Measure 8.4 for Priority 4. Further information on the Scheme can be found under Priority 5 section below.

Measure 8.5

The Glastir Woodland Management (GWM) Scheme only includes legacy contracts from the previous 2007-2013 RDP and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest ecosystems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area-based payments. Presently, there are 124 extant contracts with expenditure paid under this RDP amounting to €3.27m (100% EAFRD) for Measure 8.5 of which €3.19m is under Priority 4, the remainder under FA 5e. The total area supported was 1,856.09 ha during the reporting period under Measure 8.5, of which 1,563.50 ha was recorded under P4. The majority of the allocation for this Measure is under Priority 4 with the remainder programmed under Focus Areas 5c, 5e and 6a.

Measure 10.1

Delivery under Measure 10.1 (Agri-environment-Climate) includes the Glastir Entry, Advanced and Commons schemes. It also includes multi-annual, area-based payments for existing farm woodlands in Glastir Woodland Management (GWM). The number of unique contracts under Measure 10.1 stands at 4,828 (excluding those Advanced contracts linked to Entry) covering an area of 1,062,151.99 ha. During 2016 and 2017 enhancements to the operations database has allowed for improvements to data reporting and greater accuracy in the data provided against Focus Areas and types of operations under Measure 10.1.

Glastir Entry has achieved a total of 4,603 contracts, amounting to a total area of 543,496 ha. No further Entry contract offers will be made as the WG considers that more targeted interventions, such as those in Glastir Advanced and Glastir Small Grants are more appropriate to achieve its objectives. Under Glastir Entry the total expenditure incurred by end 2017 was €46.29m (€20.05m EAFRD) of which the majority was paid from Priority 4 (€43.93m).

Glastir Advanced now comprises 2,403 contracts of which 895 are stand-alone contracts with 1,508 contracts underpinned by Glastir Entry and a further 79 contracts in Glastir Commons. Expenditure under this RDP has been €22.55m (100% EAFRD) for Measure 4.4 and €27.83m (100% EAFRD) for Measure 10.1. The Expression of Interest (EOI) for Glastir Advanced 2019 opened on 18 September 2017 and closed 20 October 2017, with 321 EOIs submitted. Selection has now taken place with 121 EOIs selected for contract manager visits.

Glastir Commons is programmed entirely under Priority 4, Focus Area 4a, and is closed to new entrants. Glastir Commons consists of 197 contracts covering 119,069 ha of land. All eligible contracts will be offered an extension to 2019 to allow time for Grazing Associations to explore other funding mechanisms, such as the Sustainable Management Scheme (Measure 16.5) or Payment for Ecosystem Services prospectuses. During 2017 a total of €6.86m (€2.96m EAFRD) was paid out under the Glastir Commons scheme.

Measure 11

Glastir Organic under Measure 11 (Organic farming) supports farmers to convert to (Measure 11.1) or maintain (Measure 11.2) organic farming practices. This Scheme is now closed, there will be no further windows during this Programme. After three rounds of Glastir Organic applications, 526 contracts to maintain (Measure 11.2) organic farming practices have been achieved covering a total area of 63,499ha (9,896.37 ha under Measure 11.1 and 53,603.16 ha for Measure 11.2). Expenditure for Measure 11 during the reporting period was €9.68m (100% EAFRD) of which majority was under Measure 11.2 (€7.45m).

Measure 15.1

This Measure (payment for forest-environmental and climate commitments) has yet to be activated. As such there is no activity, commitments or expenditure reported. Measure 15.1 will be kept under review and WG will consider changes as appropriate during the programme period.

Measure 16.5

The Sustainable Management Scheme (SMS) is delivered under Measure 16.5. This scheme supports direct action across Wales delivering against the approach and principles laid down in the Environment (Wales) Act 2016. The SMS is designed to support the delivery of the Environment (Wales) Act 2016 that will enable Wales' resources to be managed in a more proactive, sustainable and joined-up way and tackle climate change. The SMS has a focus on landscape-scale, collaborative action delivering economic and social benefits to our rural communities through the sustainable management of our natural resources. It encourages projects to consider the natural resources priorities as well as the local level opportunities and challenges to deliver lasting social and economic benefits to rural communities.

SMS supports a collaborative approach rather than single applicants to develop proposals for projects with a three year planned delivery of collaborative actions. These projects must contribute to the longer term ability of the landscape to support continuing social, economic and environmental benefits. Innovative approaches are being explored from diversification of business, multiple usage of the land through to Payment for Ecosystem Services mechanisms. The selection criteria, scheme guidance and EOI guidance/application, were all devised subject to and including consideration of Sustainable Management of Natural Resources (SMNR) principles; social inclusion, poverty reduction and economic development in rural areas, creation of new small enterprise and job creation. . The projects approved by the scheme are required to deliver actions that enhance and improve the resilience of ecosystem and the services these provide to the rural communities linked to them. The projects are also required to deliver mitigation or adaptations to climate change. Each collaboration successful at EOI stage is invited to an initiation meeting to allow WG to provide significant guidance to applicants in developing the full application. By the end of programme it is estimated that 60 cooperation operations will be supported. The lead time to establish collaborations and develop projects on a scale capable of delivering against the focus areas within this sub-measure is considerable.

This scheme has committed €12.8m (£15m) of WG and EU funding to date through three windows opened during 2016 & 2017. Nine projects are currently under way with a further 27 projects currently developing full applications. Two further potential windows have been scheduled under the RC-RDP scheme plan in 2018 with dates to be announced.

During the reporting period three EOI windows have opened for SMS. The first window received 63 EOIs, of which 11 EOIs were successful and submitted full applications. Of these nine have been approved and are currently undertaking early project activities such as establishing the formal collaboration and initiating contract procurement for capital works / specialist consultancy. The second window received 38 EOIs, of which 13 EOIs were successful and submitted full applications. The third window received 26 EOIs, of

which 11 EOIs were successful and have been invited to submit full applications.

Several projects from the EOI windows are farmer led collaborations, and all significantly involve collaboration with the rural community of land owners, farmers, graziers, commoners and the local communities themselves. It is estimated that there will be 35 fully approved projects underway by the end of 2018. A total of €0.74m (100% EAFRD) was during 2017 under Measure 16.5.

Measure 16.8

Measure 16.8 is programmed under Priority 4 and Focus Areas 5c, 5e and 6a through the Co-operative Forestry Planning Scheme (CFPS). The CFPS will provide financial support for a range of activities to encourage planning for the creation of broadleaved and conifer woodland to improve the management of natural resources and contribute to the well-being of rural communities within Wales. Eligible activities under this Measure include the development and co-ordination of collaborative groups, communication and dissemination activities, technical and feasibility studies or monitoring and evaluation activities.

The first EOI window for CFPS opened from 14 November 2016 to 30 April 2017, with appraisal of the EOIs completed by the end of July 2017. The deadline for the submission of full applications resulting from this EOI window is expected to be mid February 2018. A second EOI window was opened in 23 October 2017 and will close on 30 April 2018.

Adjustments were made to the Selection Criteria for the original CFPS, which was presented to the Wales ESI Programme Monitoring Committee (WPMC) on 2 December 2016, and to six of the sub-sections within Sub-measure 16.8. This was to reflect the change in the delivery mechanism for the Measure, which was to deliver the co-operative forest planning as a standalone investment grant rather than as an integrated part of Glastir as originally planned. Further changes to the selection criteria were necessarily made prior to the second EOI window, in order to allow applications for projects that will help deliver the objectives of the WG's Environmental and Rural Affairs Monitoring and Modelling Programme (ERAMMP). There was no activity or expenditure under this Measure during the reporting period.

PRIORITY 5: FOCUS AREAS 5b, 5c, 5d, 5e

Measures 1, 2, 4, 7, 8, 10 and 16 are programmed under Priority 5. Focus Area 5a has not been activated as part of the Wales Programme.

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Also see Priority 3 and Priority 6 sections for information on Measure 16 (Co-operation), Priority 2 for Measure 4.1 activity, Priority 4 for Measures 8.1, 8.2, 8.3, 8.4, 8.5 and 10.1 delivery also Priority 6 for Measure 7 (Basic Services and village renewal).

By end of 2017 cumulative expenditure incurred against Priority 5 stood at €9.77m (€6.03m EAFRD). Regarding committed expenditure a total of €5.58m funding has been committed under Measure 4, €4.52m under Measure 8, €5.49m under Measure 10 and €1.24m under Measure 16 against this Priority by end 2017.

Specific Measures programmed under Priority 5 include;

Focus Area 5b: Measure 4.1 (investments in agricultural holdings) – see *Priority 2 section above for Measure 4.1*,

- *Focus Area 5c: Measures 7.2 (investments of small scale infrastructure including renewable energy), 8.5 (improving resilience and environmental value of forest ecosystems), and 8.6 (investments for forest technologies), 16.6 and 16.8 (Support for drawing up of forest management plans or equivalent instruments) – see Priority 4 section above for Measure 8.5 and 16.8*
- *Focus Area 5d: Measures 4.1, 4.4 (non-productive investments linked to agri-environment climate objectives), 10.1 (agri-environment-climate) – See also Priority 2 section for Measure 4.1, also Priority 4 for Measure 4.4 and 10.1,*
- *Focus Area 5e: Measures 4.4, 8.1 (support for afforestation / woodland creation), 8.2 (establishment / maintenance of agro-forestry systems), 8.3 (prevention of damage to forests), 8.4 (restoration of damage to forests), 8.4 (support for restoration of damage to forests from forest fires and natural disasters and catastrophic events), 8.5 (improving resilience and environmental value of forest ecosystems), 10.1 (agri-environment-climate) and 16.8 (Support for drawing up of forest management plans) – see also Priority 4 section above for Measures 4.4, 8.1, 8.2, 8.3, 8.4, 8.5 and 16.8.*

FOCUS AREA 5b

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under FA 5b a total of €0.83m (€0.44m EAFRD) had been paid by end 2017. There was €4.64m in committed expenditure of which the majority under Measure 4 (€3.66m).

Measure 4.1

The Sustainable Production Grant (SPG) under Measure 4.1 provides support to help farmers improve the economic and environmental performance of their agricultural holding in line with the WG's and agriculture industry in Wales' vision for more sustainable, profitable and resilient farm businesses. There were no recorded operations or expenditure incurred in respect of this Measure under Focus Area 5b during the reporting period. Progress against indicators will be provided in future reports as operations complete. See Priority 2 section of this report for more information on Measure 4.1 and SPG.

The Farm Business Grant Scheme (FBG) programmed under Measure 4.1 had 13 recorded operations during 2017. During 2017 payments of €0.63m (€0.34m EAFRD) were made under this Focus Area for Measure 4.1. See Priority 2 section of this report for more information on Measure 4.1, also Focus Area 5d below.

FOCUS AREA 5c

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under FA 5c a total of €0.19m (€0.10m EAFRD) had been paid by end 2017. There was €0.96m in committed

expenditure of which the majority under Measure 1 (€0.56m).

Measure 7

Measure 7 is delivered via a WG operated grant scheme called the Rural Community Development Fund (RCDF). Under RCDF the WG offers grants for eligible interventions designed to prevent and mitigate the impact of poverty in rural communities improving conditions which can lead to future jobs and growth.

Measure 7 is delivered under three Focus Areas: 5c, 6b and 6c with the majority of the financial allocation for the Measure programmed under Focus Area 6b. See Focus Area 6c for Measure 7.3 (broadband infrastructure) and Focus Area 5c for Measure 7.2 (investments of small scale infrastructure including renewable energy). The three objectives of RCDF are to:

1. Promote social inclusion, poverty reduction and economic development in rural areas.
2. Help those most deprived in rural Wales and those that have limited scope to change their circumstances.
3. Develop the resilience and capability of rural communities so that they are better able to cope with and adapt to change.

Applicants to RCDF are expected to discuss their proposals with their LEADER Local Action Groups (LAGs) before submitting their EOI(s) to the WG for appraisal. The LEADER LAGs are therefore a key part of the “pipeline” for EOIs to enter the RCDF Scheme. The work of the LAGs to engage stakeholders, animate the territory, build capacity, pilot potential solutions to barriers/ways to maximise opportunities may lead to the identification of project proposals which require investment funding. Once the idea has been sufficiently developed an EOI can be submitted to RCDF. A “menu” approach was envisaged where a community might apply to more than one sub-Measure in the same Round or incrementally over time. For example, a community might want to apply under Measure 7.4 to remodel their village hall to add a room for use by peripatetic healthcare visitor. They might then come in under Measure 7.2 to install a biomass boiler in the hall to reduce energy costs. They might also apply under Measure 7.7 to convert a redundant building into a biomass store.

It has become apparent, however, that the result of this CLLD approach reflects the experience under the LEADER Measure in that far fewer project proposals are coming forward naturally in relation to broadband or to energy saving and community-based renewable energy generation. The majority of EOIs relate to Measures 7.4, 7.5 or 7.6. There could be a number of reasons for the low take-up under M7.2:

- Existing (and new) initiatives outside the RDP may be sufficient and there may be no need for RDP intervention.
- With regard to the renewable energy sub-Measure, communities may be choosing to forego RDP investment in favour of benefitting from the Feed-In Tariffs. The Feed-In Tariffs (also known as FITs) are payments to ordinary energy users for the renewable electricity they generate.
- The appetite and need may still exist but the projects under Measure 7.2 and Measure 7.3 may require a longer time-scale and increased technical input during the development phase and may be still in the design stage, aiming to submit under a future EOI window. The WG has discussed with the CLLD Consultation Group the possibility of having EOI Rounds targeted only at Measure 7.2 and Measure 7.3 and it is planned that the first Round of 2018 will target these two Measures.

Since the start of the scheme in late 2015 there have been a total of six rounds, of which three were run in 2017. In each of the three EOI Rounds for RCDF which took place during 2017 the WG opened sub-Measures 7.2, 7.3, 7.4, 7.6 and 7.7. Sub Measure 7.5 was open for the first two of the three Windows when the TAIS Scheme was activated (see below). This was done to provide maximum flexibility for the true

CLLD approach so that when a community had developed a project proposal or a suite of project proposals there would be an appropriate round open for them to submit their EOI(s). A total of 138 EOIs were received during the three windows opened in 2017 of which 86 progressed to the full application stage. Measure 7.2 (investments of small scale infrastructure including renewable energy) is programmed under both Focus Area 5c and Focus Area 6b. During 2017 a total of 14 EOIs were received under FA 5c in the three RCDF EOI Rounds of which four progressed to the full application stage. Please see Priority 6 section below for more information on Measure 7 and the Rural Community Development Fund.

Measure 8.5

The Glastir Woodland Management (GWM) Scheme includes only legacy contracts from the previous 2007-2013 RDP and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest ecosystems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area-based payments. There were no operations, expenditure or land supported under FA 5c for this Measure during the reporting period. Please see Priority 4 section above for further information on Measure 8.5.

Measure 8.6

Measure 8.6 is delivered under Focus Areas 5c and 6a through the Timber Business Investment Scheme (TBIS). TBIS provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and / or timber processing. The scheme is open to private forest owners, local authorities, certain other public sector forest owners and small/medium-sized enterprises (SMEs) and community organisations or forestry contractors.

The WG opened the first EOI window for TBIS on 29 February 2016. By the close of that window, on 23 May 2016, a total of 50 EOIs had been received of which 21 invited to submit a full application. Of the 21 invited to application, 11 projects had been approved by the end of 2017, with commitments of approx. €1.64m (£1.14m) with the expectation of a further 15 full applications before the deadline on 31 January 2017, with commitments of approximately €1.8m (£1.5m). A second EOI window for TBIS ran from 01 February 2017 to 30 April 2017. From this 39 EOIs were invited to submit full applications by the deadline of 15 November 2018. Eight have been received, with 31 still expected. A third EOI window for TBIS will be opening from 01 February 2018 to the 30 April 2018. There were no operations or expenditure recorded for Measure 8.6 under FA5c during the reporting period. Please see FA6a for further information on TBIS.

Measure 16.2, 16.6 & 16.9

Measure 16.2 (support for pilot projects and for the development of new products, practises, processes and technologies) Measure 16.6 (support for cooperation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes) are delivered as part of the Co-operation and Supply Chain Development Scheme (C&SCD) and are programmed under Focus Area 5c.

Measure 16.9 (support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food) is yet to open. The Welsh Government plans to open Measure 16.9 during 2018.

There were two EOI Rounds during 2017 which ran for Measures 16.2 and also opened 16.6 (sustainable provision of biomass). Each round had an indicative budget allocation of €3.5m (£3m). A total of 18 EOIs were received and all were submitted under Measure 16.2, apart from one Measure 16.4 proposal. Five Measure 16.2 proposals progressed. The second round of nine exclusively Measure 16.2 proposals will be

assessed during 2018. There were no Measure 16.6 proposals received when it became available under the second EOI window, WG are to undertake targeted marketing for future windows to try to increase uptake. Further information on Measure 16 C&SCD can be found in Priority 3, 5 and 6 of this report.

Measure 16.8

Measure 16.8 will be delivered under Focus Area 4a, 5c, 5e & 6a through the Co-operative Forestry Planning Scheme (CFPS). The CFPS will provide financial support for a range of activities to encourage planning for the creation of broadleaved and conifer woodland to improve the management of natural resources and contribute to the well-being of rural communities within Wales. The WG's first EOI window for CFPS closed April 2017, with appraisal of the EOIs completed by the end of July 2017, which resulted in both of them being invited to submit full applications. The deadline for the submission of full applications is expected to be mid February 2018. A second EOI window was opened in 23 October 2017 and will close in April 2018.

FOCUS AREA 5d

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under FA 5d, a total of €3.17m (€1.70m EAFRD) had been paid by end 2017. There was €8.47m in committed expenditure of which the majority under Measure 10.1 (€4.68m).

Measure 4.1

The Sustainable Production Grant (SPG) under Measure 4.1 (support for investments in agricultural holdings) provides support to help farmers improve the economic and environmental performance of their agricultural holding in line with the WG's and agriculture industry in Wales' vision for more sustainable, profitable and resilient farm businesses. There were no operations or expenditure incurred in respect of this Measure under Focus Area 5d during the reporting period. Progress against indicators will be provided in future reports. Please see Priority 2 section of this report for more information on Measure 4.1 and SPG.

Farm Business Grant (FBG) under Measure 4.1 had 3 recorded operations during 2017 with payments of €0.02m (0.01m EAFRD) were made under this Focus Area by the end of 2017. Please see Priority 2 section of this report for more information on Measure 4.1.

Measure 4.4

The capital works element of the Glastir Advanced scheme is delivered under Measure 4.4 (non productive investments linked to agri-environment-climate objectives) alongside Measure 10.1 for Glastir Advanced. By end of December 2017 there was €0.49m in expenditure for 174 ongoing operations under Focus Area 5d. See Priority 4 section of this report for more information on Measure 4.4 and Glastir.

Measure 10.1

Delivery under Measure 10.1 (Agri-environment-Climate) includes the Glastir Entry, Advanced and Commons schemes. It also includes multi-annual, area-based payments for existing farm woodlands in Glastir Woodland Management. See Priority 4 section above for information on these Schemes. During

the reporting period there were 830 contracts covering 63,773.63 ha under Focus Area 5d for Measure 10.1. During 2017 a total of €2.36m (€1.04m EAFRD) was paid under M10.1 FA 5d. See Priority 4 section of this report for more information on Measure 10.1 and Glastir Schemes.

FOCUS AREA 5e

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under FA 5e a total of €5.58m (€3.78m EAFRD) had been paid by end 2017. There was €8.29m in committed expenditure of which the majority under Measure 8 (€4.52m).

Measure 2.1

Under Measure 2.1 Glastir intends to use advisory support to have water management plans carried out and woodland plans verified against the UK Forestry Standard by Natural Resources Wales (NRW). It also requires use of the expertise of Wales' archaeological trusts to give Contract Managers advice on the most suitable management for Glastir Advanced contracts. To date, no contract has been awarded and no expenditure incurred. See Priority 1 section of this report for further information.

Measure 4.4

The Glastir Small Grants scheme is delivered under Measure 4.4 (non productive investments linked to agri-environment-climate objectives) alongside the capital works elements for Measure 10.1 for Glastir Advanced. See Priority 4 section above for information on this Measure. During 2017 there was €1.24m in expenditure for 735 ongoing operations under Focus Area 5e.

Measures 8.1 & 8.2

Schemes delivered under Measure 8.1 include legacy contracts under 2007-13 Forestry schemes and also Glastir Woodland Creation under both Measures 8.1 (support for afforestation / creation of woodland) and 8.2 (support for establishment and maintenance of agro-forestry systems). See Priority 4 section above for further information on these Schemes. Total expenditure to date for Measure 8.1 under FA 5e is €2.06m (€1.37m EAFRD). There has been no expenditure for Measure 8.2 during the reporting period under this Focus Area. During the reporting period for Measure 8.1 establishment there were 13 beneficiaries with 129.47 ha total area supported. For Measure 8.1 maintenance in 2017 there were 417 beneficiaries with 1,931.33 ha area supported.

Measure 8.3

The Forest Monitoring & Risk Management Scheme is a direct application delivered under Measure 8.3 (prevention of damage to forests) to be delivered by Natural Resources Wales (NRW). The objective of the Scheme will be to support monitoring, mitigation and prevention of harmful results from current tree or woodland environment pest or disease outbreaks. Under this Scheme NRW will monitor *Phytophthora ramorum* and *Chalara* Ash Dieback diseases using aerial and field surveillance to identify areas of infection and current spread. This information will support the long-term management of these diseases. NRW will also carry out awareness training for the forestry sector and provide advice and guidance to other landowners and the general public. The majority of the scheme's funding (75%) is linked to Focus Area 5e with the remaining funds programmed under Priority 4, Focus Area 4a. As the application from NRW for

funds is currently undergoing appraisal by Welsh Government there is no activity or expenditure during the reporting period for this Measure during 2017.

Measure 8.4

The Glastir Woodland Restoration (GWR) scheme under Measure 8.4 (support for restoration of damage to forests from forest fires and natural disasters and catastrophic events) supports the re-stocking of larch woodlands that have been infected or threatened by the fungal pathogen *Phytophthora ramorum* and has seen four EOI rounds under this RDP. Under the five rounds there has been a total expenditure of €1.72m (€0.77m EAFRD). The majority of the allocation for this Measure is under Focus Area 5e with the remaining allocation under Priority 4. During the reporting period there were 85 beneficiaries supported covering 576 ha.

Measure 8.5

The Glastir Woodland Management (GWM) Scheme includes only legacy contracts from the previous 2007-2013 RDP and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest ecosystems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area-based payments. By December 2017 there were 28 operations under FA 5e for this Measure, covering 292.59 ha with €0.08m (€0.03m EAFRD) expenditure paid. The majority of the allocation for this Measure is under Priority 4 with remainder programmed under Focus Areas 5e, 5c and 6a. Please see Priority 4 section above for further information on Measure 8.5.

Measure 10.1

Delivery under Measure 10.1 (Agri-environment-Climate) includes the Glastir Entry, Advanced and Commons schemes. It also includes multi-annual, area-based payments for existing farm woodlands in Glastir Woodland Management. See Priority 4 section above for information on these Schemes. During the reporting period there were 447 contracts covering 2,024.11 ha under FA5e for Measure 10.1. During 2017 a total of €0.28m (€0.27m EAFRD) was paid under M10.1 FA 5e. See Priority 4 section of this report for more information on Measure 10 and Glastir.

Measure 16.8

This Measure (support for drawing up of forest management plans or equivalent instruments) is delivered under through the Co-operative Forestry Planning Scheme. See Priority 4 section above for further information on activity for this Measure.

PRIORITY 6: FOCUS AREAS 6a, 6b, 6c

Measures 1, 2, 6, 7, 8, 16 and 19 are programmed under Priority 6. Please see Priority 1 section above for information on Measures 1 (Knowledge Transfer) and 2 (Advisory Services) Farming Connect delivery and also Measure 16.1 (EIP) during the reporting period. Also see Priority 3 and Priority 5 sections for information on Measure 16 (Co-operation), Priority 4 for Measure 8 activity also Priority 5 for Measure 7 (Basic Services and village renewal).

During 2017 expenditure incurred under Priority 6 stood at €7.46m (€5.72m EAFRD). Committed expenditure under this priority totalled €129.13m during the reporting period, with the majority under FA 6b

(€109.69m) for M16 (€38.58m, and M19 (€58.92m) and M7 (€12.19m).

Measures programmed under Priority 6 include;

- Focus Area 6a: Measures 6.2 (business start-up for non-agricultural activities), 6.4 (investments in creation / development of non-agricultural activities), 8.5 improving resilience and environmental value of forest ecosystems), 8.6 (investments in forest technologies and forest products), 16.8 (Support for drawing up of forest management plans) and 16.9 (support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food)– see also Priority 4 section above for Measures 8.5, 8.6 and 16.8
- Focus Area 6b: Measures 7(Basic Services and village renewal - excluding 7.3 broadband infrastructure), 16.2 (pilot projects, development new products, practices, processes and technologies), 16.3 (co-operator among small operators in joint work processes, sharing facilities and resources and for developing / marketing tourism) and 19 (support for LEADER local development) *see also Priority 5 section above for Measure 7*
- Focus Area 6c: Measure 7.3 (broadband infrastructure)

FOCUS AREA 6a

Please see Priority 1 section above for information on Measure 2 (Advisory Services) through Farming Connect during the reporting period. Under FA 6a a total of €0.47m (€0.23m EAFRD) had been paid by 2017. There was €18.99m in committed expenditure of which the majority under Measure 6 (€16.87m).

Measure 6.2

This Measure has yet to be activated. As such there is no activity, commitments or expenditure reported. Measure 6.2 will be kept under review and WG will consider changes as appropriate during the Programme period.

Measure 6.4

There are two Schemes running under Measure 6.4 (support for investments in creation and development of non-agricultural activities), one related to the Food and Drink sector and one for the Tourism sector. These were the main gaps identified in the intervention logic for the Programme. There was no activity or expenditure during the reporting period for this Measure during 2017, further information on these can be found below;

Measure 6.4 - Rural Business Investment Scheme - Food (RBISF) is a capital investment scheme to support projects that offer clear and quantifiable benefits to the food and drink industry in Wales. This €3.8m (£3.2m) scheme is open to existing and start-up micro & small food and drink processors and manufacturers throughout Wales. The scheme supports food and drink processing or manufacturing activities currently not eligible under the Food Business Investment Scheme. The maximum grant for an individual investment project is 40% of the total eligible cost with a maximum of €58,824k (£50,000k) for any individual investment project.

All projects supported through the scheme must make a contribution to the overarching Food Strategy Action Plan – Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2010 -2020

with one or more of the following objectives:

- promoting and developing a growing and vibrant food and drink sector in Wales.
- continuing to develop a green image based on sustainable production methods.
- further building resilience into the industry to withstand market changes.
- driving improvements in food safety and security.
- promoting technological innovation in both product and processes.
- providing career opportunities at varying skill levels.

During the reporting period two EOI windows have opened for RBISF. The first windows received 17 EOIs of which nine were successful and invited to submit applications. Of these two have been received for appraisal during the reporting period. The second windows received 19 EOIs during 2017 and closes in January 2018. Through these two initial windows, RBISF aims to support up to 40 micro and small food and drink processors and manufacturers with capital investment support for projects which offer clear and quantifiable benefits to the food and drink industry in Wales. Further windows will be announced in 2018.

Measure 6.4 – the Micro & Small Business Fund – Rural (MSBF) is delivered by Visit Wales (VW). Increasing the growth potential and sustainability of small and micro-businesses in rural Wales continues to be an existing need under the Welsh RDP. This scheme targets private sector businesses to support priority tourism products, including: high quality serviced, self catering, camping and caravan park accommodation products, destination restaurants; visitor attractions and activity products. The MSBF will target viable and sustainable private sector tourism capital projects that will: support the development of priority tourism products and create and safeguard jobs in rural areas.

The Scheme opened on the 17 May 2017 with a two stage application process with an Information Questionnaire followed by (if eligible) a project application. Enquiries will be continuously open throughout 2017-2020. Applications are appraised internally by a VW case officer and reviewed by an independent investment panel in line with the appraisal criteria. Successful projects will be recommended for Ministerial consideration and decision. Up to 31 January 2018 some 204 enquiries have been received, 36 cases have been invited to application (17%) and 11 cases have been approved with a level of support offered of €0.88m / £0.75m and a forecast 65.5 jobs created, with 21.5 jobs safeguarded.

Measure 8.5

The Glastir Woodland Management (GWM) Scheme includes only legacy contracts from the previous 2007-2013 RDP and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest ecosystems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area-based payments. There were no operations, area supported or expenditure incurred under Focus Area 6a for this Measure during the reporting period. Please see Priority 4 section above for information on Measure 8.5.

Measure 8.6

Measure 8.6 is delivered under Focus Areas 5c and 6a of the Programme through the Timber Business Investment Scheme (TBIS). TBIS provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and / or timber processing. The scheme is open to private forest owners, local authorities, certain other public sector forest owners and small/medium-sized enterprises (SMEs) and community organisations or forestry contractors. During the reporting period two EOI windows have opened for TBIS. The first window received 50 EOIs, of which 21 EOIs were successful and invited to submit full applications. Of these 11 projects have been approved by the end of

2017 with commitments of €1.64m (£1.14m) with a further 15 expected during January 2018. The second EOI window invited 39 EOIs to submit full applications of which eight have been received. A third EOI window will open during 2018 but with only half the amount of funding. By the end of 2017 €0.44m (€0.21m EAFRD) had been paid.

Measure 16.8

Measure 16.8 will be delivered under Focus Area 4a, 5c, 5e & 6a through the Co-operative Forestry Planning Scheme (CFPS). See Priority 4 section above for further information on this Measure.

Measure 16.9

Measure 16.9 (support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food) is delivered as part of the Co-operation and Supply Chain Development Scheme (C&SCD). Measure 16.9 has yet to open. For further information on M16 C&SCD scheme see Priority 3 and 5 sections of this report.

FOCUS AREA 6b

Under FA 6b a total of €6.90m (€5.44m EAFRD) had been paid by end 2017. There was €109.68m in committed expenditure of which the majority under Measure 19 (€58.92m).

Measure 7

Measure 7 is delivered via a WG operated grant scheme called the Rural Community Development Fund (RCDF). Under RCDF the WG offers grants for eligible interventions designed to prevent and mitigate the impact of poverty in rural communities improving conditions which can lead to future jobs and growth. Measure 7 is delivered under three Focus Areas 5c, 6b and 6c with the majority of the financial allocation for the Measure programmed under Focus Area 6b. A total of 138 EOIs were received during the three windows opened in 2017 of which 86 progressed to the full application stage. 122 EOIs were received under FA6b of which 80 progressed to the full application stage. A total of €0.63m (€0.33m EAFRD) was paid to 11 RCDF operations by end 2017 under Measure 7.

See Focus Area 6c for Measure 7.3 (broadband infrastructure) and Focus Area 5c for Measure 7.2 (investments of small scale infrastructure including renewable energy). During 2017 €0.06m (€0.03m EAFRD) was paid under M7.2; €0.53m (€0.27m EAFRD) under M7.4 and €0.6k (€0.3k EAFRD) under M7.6.

Measure 7.5

Originally delivered as part of the Rural Community Development Scheme, Measure 7.5 is now delivered via a dedicated grant scheme called The Tourism Amenity Investment Support Scheme – Rural (TAIS) delivered via the Welsh Government's Tourism specialists Visit Wales (VW). The TAIS scheme offers small-scale investment to improve the signposting of touristic sites, to construct and modernise tourism information centres, to provide visitor information and guidance. Funding will also be provided for the support of the construction of shelters and safety facilities linked to soft-tourism and the establishment of e-booking systems for tourist services. Investments will be supported for the development of soft tourism (small scale, locally specific product, local ownership and labour, local business linkages, strong social-

cultural affinities, limited negative environmental impact). This activity under Measure 7.5 will complement the tourism business development activity under Measure 6.4. TAIS will support investments in recreational and tourism infrastructure which demonstrate clear links to health, education or employment prospects for people living in the most sparsely populated areas in Wales. This activity is intended particularly to contribute to tackling rural poverty and to improving the quality of life for households on low-incomes. There will be an Annual Call programme until 2020, which was launched in May 2017.

During 2017 a total of €0.04m (€0.02m EAFRD) was paid under Measure 7.5 under this Focus Area. The first EOI window was open from 17 May 2017 to 16 June 2017 with:

- 89 EOIs received totally €5.53m / £4.7m.
- 38 Invited to submit Full Applications.
- 31 Full Applications received (7 withdrawn some being premature).
- 26 Approved (5 rejected). Offer letters have been sent to successful applicants.

Of the 89 EOIs, some 42.6% were invited to application. The 38 invited to application represented a project cost value of €14.49m / £12.31m and a support value of €8.88m / £7.55m. The 26 approvals represented a support value of 2.91m / £2.47m. In Spring 2018 Visit Wales will look to open a further window.

Measure 16.2 & 16.9

Measure 16.2 (support for pilot projects and for the development of new products, practises, processes and technologies) and Measure 16.9 (support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food) are delivered as part of the Co-operation and Supply Chain Development Scheme (C&SCD).

Measure 16.9 has yet to open.

There were two EOI Rounds during 2017 which opened Measures 16.2 and 16.4 only. Each round had an indicative budget allocation of £6m / €70.1m. Over the two EOI rounds in 2017 the WG received 38 EOIs under M16.2, of these 16 of which passed on to the full application stage. Measure 16.2 covers two subjects "pilot projects" and "development of new processes, techniques". The latter is restricted to agriculture, food and forestry sectors. Further information on Measure 16 C&SCD can be found in Priority 3 and 5 this report.

Measure 16.2

The CTA Community Transport Solution ('Connecting communities in Wales') under Measure 16.2 aims to develop pan-Wales, demand responsive community transport solutions in partnership. It seeks to develop sustainable CT networks and build the resilience and capacity of the community transport sector in Wales, recognising that in doing so it can assist in tackling transport issues and challenges faced by rural communities. This initiative was approved late 2017, work will continue during 2018. Future reports will provide activity and expenditure for this Measure.

Measure 16.3

Under Measure 16.3 (other co-operation among small operators in organising joint work processes and sharing facilities and resources, and for developing/marketing tourism) the Regional Tourism Network and Marketing Support scheme will be delivered by Visit Wales (VW). The principal aim of the Scheme is to increase the profitability and resilience of the individual SME businesses engaged. In particular it will encourage development of new practices and processes in rural small businesses including shared activity

and facilities, with a view to business efficiency, and to develop local tourism opportunities. This scheme consists of two separate projects providing two distinct types of activity:

- revenue support for collaborative projects to develop opportunities and products within tourism destinations,
- increased marketing of Wales to a chosen audience to increase visitor numbers into rural areas

The scheme's beneficiaries include; tourism industry sectorial partnerships, groups and consortia, individual private sector tourism organisations, third sector and Local Authorities / National Park Authorities who are working in partnership or on behalf of the private sectorial partnerships, groups and consortia, Local Authorities and National Park Authorities, also tourism Associations, third sector and private sector organisations working on behalf of Destination Management Partnerships. VW have submitted their first claim for expenditure up to 31 March 2017 with value of €1.88m (£1.6m), this was for the 'Year of the legend' TV advert campaign. The next claim will be submitted in Spring 2018 for spend during 2017/2018 for the TV advert 'Year of the Sea' which was released in December (€1.88m / £1.6m). The first EOI window was open from the 26 October to 24 November 2017 for the two Projects delivered via Visit Wales under Measure 16.3:

Regional Tourism Engagement Fund (RTEF);

- 29 EOIs received value of €2.3m /£2m,
- 19 Invited to submit Full Applications close date 2 March 2018

Tourism Product Innovation Fund (TPIF);

- 89 EOIs receive value of £6.1m
- 48 invited to submit full applications with close date 2 March 2018

Measure 19: LEADER

LEADER is a form of Territorial Development. Each Local Action Group (LAG) covers a geographical area and prepares a Local Development Strategy (LDS) which sets out a detailed explanation of the area; an analysis of that area through a SWOT assessment; a series of aims and objectives for the area and proposals for activities or initiatives that would achieve those aims and objectives.

There are 18 LAGs covering Rural, Service Centre and Host wards (all wards barring fully urban wards) in 21 of the 22 Local Authority Areas in Wales. The LDS are kept as "living documents" providing a snapshot (with evidence behind it) of the situation, the needs/opportunities of these areas. Under the Welsh Government's LEADER Scheme the LAGs must review their LDS at least once per annum throughout the Programme period. The most recent review was conducted by the Wales Rural Network Support Unit concluding in December 2017. The LAGs will undertake a mid-term evaluation which will also assist them to update their LDSs during 2018. Other forms of territorial development within the LAG territories such as the development of Area Statements by Natural Resources Wales (NRW) will feed into and enhance the evidence base drawn on for the LDS.

Implementation is progressing well and the Wales Rural Network Support Unit has loaded information on over 300 Local Action Group projects from the 18 Local Action Groups (approved under this Programme period) onto their database, available on the WG website:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/local->

action-groups/local-action-group-projects-directory/?lang=en/

This resource presents an opportunity to platform the results of the LEADER pilot activity. It is important to highlight the journey begun by LEADER through to jobs and growth. The process can take many years but LEADER has been implemented in Wales for over 25 years and there are many high profile, award-winning examples such as Halen Môn Anglesey Sea Salt of an initiative under LEADER moving through a pre-commercial pilot to the start-up of a commercial business and then its further development to economic success.

There are four Fisheries Local Action Groups (FLAG) funded under the European Maritime and Fisheries Fund (EMFF) who work with Welsh coastal communities though not under multi-funded Local Development Strategies within LEADER there are strong links between the LAGs and the FLAGs and a need for good communication throughout implementation to signpost projects to the appropriate fund and also to share best practice.

During 2017 €4.95m (€3.85m EAFRD) was paid under M19, the majority of which was under Measure 19.4 (€2.86m). All of the LEADER allocation under Measure 19 has been committed for the lifetime of the Programme. There is currently no data shown within tables B2.1 / B2.2 for O.20, O.21, O.22 and O.23 for number and type of projects supported, project promoters and cooperation activity. This information will be provided in future reports once a re-evaluation exercise has been completed during 2018 to gather the relevant data on the 72 LEADER projects approved by Welsh Government managed the LAGs.

Measure 19.3 Transnational Co-operation:

Under the LEADER Scheme (Measure 19.3) the Welsh Local Action Groups (LAGs) have the opportunity to engage in inter-territorial and Trans-national Co-operation with LAGs or similar bodies. Co-operation can involve exchanges of best practice, mentoring, staff exchanges and/or joint projects. In Wales LEADER Co-operation operates on a LAG-led basis (rather than a series of Managing Authority bidding rounds). This means that Welsh LAGs have committed budgets for Co-operation projects.

Trans-national Co-operation includes co-operation with LAGs in other EU Member States however LAGs are also able to co-operate with “Third Countries” outside of the EU membership. Welsh LAGs have approved a number of inter-territorial projects to date in this Programme period and there are three Trans-national Co-operation projects under development with partners from other EU Member States.

The Welsh Government’s policy lead for LEADER raised Third Country Co-operation as an agenda item at the UK Network of Support Units proposing that the Rural Network Support Units for the various parts of the UK could work together to provide structured study visits to selected Third Countries. It was agreed by the members of that meeting that the WG LEADER policy lead and the Head of the Rural Network in the Scottish Government would work together to take this forward. They will attend the European Network for Rural Development’s (ENRD) workshop on LEADER Simplification on the 6 February 2018 with intention of requesting capacity building support from the ENRD for UK networks to understand how to best support Partner Search in Third Countries.

FOCUS AREA 6c

Please see Priority 1 section above for information on Measure 2 (Advisory Services) through Farming Connect during the reporting period. Under FA 6c a total of €0.09m (€0.05m EAFRD) had been paid by end

2017. There was €0.46m in committed expenditure of which the majority under Measure 1 (€0.28m).

Measure 7.3

Measure 7 is delivered via a WG operated grant scheme called the Rural Community Development Fund (RCDF). Under RCDF the WG offers grants for eligible interventions designed to prevent and mitigate the impact of poverty in rural communities improving conditions which can lead to future jobs and growth. Measure 7.3 (broadband infrastructure) of the RCDF Scheme is programmed under Focus Area 6c. During 2017 two Expressions of Interest were received under Focus Area 6c in three EOI Rounds and both progressed to the full application stage. Please see Focus Area 6b section above for more information on Measure 7 and the Rural Community Development Fund (RCDF). Following consultation with the CLLD group in April 2017 it was agreed that in order to encourage future Measure 7.2 and 7.3 bids an Expression of Interest Round will be held to specifically target both Measures in 2018. This targeted Round will go ahead in April 2018.

UPDATE ON PROGRESS AGAINST THE PERFORMANCE FRAMEWORK MILESTONES

Achievement shown in Table F demonstrates an apparent underperformance under a majority of the Priorities. This seeming shortfall against target and risk of serious failure against agreed milestones can be explained given the stage of delivery during 2017. RDP funding is committed through competitive processes, with payments made in arrears. An individual EOI round may not result in actual spend until 10 – 18 months after the EOI round has opened. This initial slow progress has been replaced by increased momentum in activity during 2018 as a result of approved applications from EOI windows drawing down spend and reporting progress against set indicators.

Given Table F within this report only shows progress as at end 2017 against the Performance Framework milestones, an update on progress as at May 2018 against both current and proposed revised Performance Framework targets as outlined within the second Programme amendment has been provided as an annex to this report ('Wales RDP 2014-2020 Performance Framework Update May 2018'). This demonstrates significant progress made in delivery across the Programme when compared to values shown in monitoring tables for this report and indicates that targets will be achieved. The Welsh Government recognises that current forecast achievements shown will need to be closely monitored to ensure delivery and will take remedial action where required to ensure milestones are met by end 2018. The ESI All Wales Programme Monitoring Committee will be kept informed of potential risks and actions taken to address these.

In light of the changes proposed in the second Programme modification which includes funding adjustments and refocus of Programme priorities the Welsh Government anticipates the revised Performance Framework milestones as shown in the amendment will be met by the end of 2018.

A list of approved operations under the WGRC-RDP2014-2020 highlighting progress made in delivery can be found on the web pages for the Programme:

<https://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/ruraldevelopment/wales-rural-development-programme-2014-2020/?lang=en>

<https://beta.gov.wales/rural-development-plan-money-allocated-committed-and-spent>

European Commission Currency Converter – exchange rates 2017 monthly

MONTH	EUR/GBP
<i>January 2017</i>	0.853
<i>February 2017</i>	0.84935
<i>March 2017</i>	0.8528
<i>April 2017</i>	0.8618
<i>May 2017</i>	0.8442
<i>June 2017</i>	0.86793
<i>July 2017</i>	0.8799
<i>August 2017</i>	0.89568
<i>September 2017</i>	0.92246
<i>October 2017</i>	0.87635
<i>November 2017</i>	0.8798
<i>December 2017</i>	0.88293

The planning rate of €1 = £0.85 has been used for all commitments / allocation values within this Report

1.d) Key information on achievements towards the milestones set in the performance Framework based on Table F

1.e) Other RDP specific element [optional]

1.f) Where appropriate, the contribution to macro-regional and sea basin strategies

As stipulated by the Regulation (EU) No 1303/2013, article 27(3) on the "content of programmes", article 96(3)(e) on the "content, adoption and amendment of operational programmes under the Investment for growth and jobs goal", article 111(3), article 111(4)(d) on "implementation reports for the Investment for growth and jobs goal", and Annex 1, section 7.3 on "contribution of mainstream programmes to macro-regional and sea-basin strategies, this programme contributes to MRS(s) and/or SBS:

- EU Strategy for the Baltic Sea Region (EUSBSR)
- EU Strategy for the Danube Region (EUSDR)
- EU Strategy for the Adriatic and Ionian Region (EUSAIR)
- EU Strategy for the Alpine Region (EUSALP)
- Atlantic Sea Basin Strategy (ATLSBS)

1.g) Currency rate used for conversion AIR (non EUR countries)

The planning rate of €1 = £0.85 has been used for all commitments / allocation values within this Report

2. THE PROGRESS IN IMPLEMENTING THE EVALUATION PLAN.

2.a) Description of any modifications made to the evaluation plan in the RDP during the year, with their justification

1. Objectives and purpose: The objectives and purpose of the Evaluation Plan both remain the same; no additional Programme-specific objectives have been added. It should be noted that as part of the first Programme modification all references made throughout the Evaluation Plan to the '*Research, Monitoring and Evaluation team*' (RME) were amended to the '*Strategy team*'. This change of name reflects the intention for the team to have a stronger role in helping the Managing Authority use its monitoring data and evaluation findings to improve the design and delivery of the Programme. The main focus of the team is to provide guidance and advice on monitoring and evaluation across the ESI Funds, including the delivery of the Evaluation Plan.

2. Governance and coordination: As part of the Programme modification approved in June 2017 it was proposed to add in an explanation to the Evaluation Plan on the renaming of the former RME team (see Section 2a).

It was initially proposed that the modification to the Evaluation Plan include some additional text on the ESI Strategy Group monitoring the follow-up of evaluation findings. The ESI Strategy Group has since been disbanded as the group's primary objective was to develop an ESI Integration Strategy which has been completed. The various strands of the ESI Integration Strategy are being taken forward by other groups (including the Monitoring and Evaluation Advisory group (MEAG)). The ESI Programme Board is now the key group for ESI-wide issues and it will monitor the implementation of the Integration Strategy and the Evaluation Log (where it covers ESI-wide issues) will be reviewed by this group. The first Programme modification amended this section of the Evaluation Plan to reflect that the ESI Programme Board will be reviewing evaluation findings.

The modification of the Evaluation Plan approved in June 2017 added text to explain the role of the new MEAG, formerly the Evaluation Advisory Group (EAG). This group is now known as MEAG as their remit includes review of the Strategy Team's work on monitoring as well as evaluation. This will help to ensure that the monitoring system captures the necessary information for evaluation purposes.

As part of the second modification it has been proposed to add in details of the changes relating to the modification of the PPIMS and CAPIT system. Formerly this had been done by the CAP Planning Division, however as this division no longer exists, responsibility for this has been transferred to the Rural Payments Wales (RPW) Division. The second modification further includes reference to the relocation of the Scheme Management Unit (SMU) within RPW following an organisational restructure. The Strategy Team will continue to work with SMU to obtain information to inform evaluation requirements.

3. Evaluation topics: Text has been added on the Strategy Team's intention to undertake an Agri-Insurance Feasibility Study as part of the modification approved in June 2017. This study will support additional Programme management needs that have arisen since the drafting of the Evaluation Plan. This study will explore the feasibility of introducing insurance options to redeem and/or restore agricultural production, following extreme weather and/or catastrophic weather events.

As part of the 2017 modification text has been added to the evaluation plan concerning the Strategy Team's intention to conduct a Refugees employment and skills support study. This study is being commissioned in response to emerging programme management needs concerning the availability of support to Refugees in

rural areas and the ways in which the RDP may be able to improve support services for refugees in rural communities in Wales.

The first Programme modification removed the triennial surveys of rural businesses, communities and households from the Evaluation Plan. These triennial surveys were undertaken by the former Wales Rural Observatory (WRO) during the 2007-2013 Programme to support broader policy requirements (rather than directly supporting the operational needs of the Programme). It is no longer a WG commitment to undertake these surveys and evaluation activity will focus on the Programme and its Measures. The removal of the triennial surveys from the Evaluation Plan has led to a saving of €340,000k.

It is also proposed to remove the text on undertaking evaluation work for future preparations for post-2020 European Programmes, due to EU transitioning.

As part of the proposed second evaluation plan modification to be submitted in 2017 it is suggested to remove the cross ESI fund evaluation of communications activity. This is due to changing plans on the Structural Funds programmes which have negated the need for an evaluation of communications activity at this stage of the programme. The Strategy Team will liaise with Programme management colleagues to assess the need of an RDP specific evaluation of communications activity.

4. Evaluation activities: The evaluation activities set out in the Evaluation Plan remain the same, with the addition of the Agri-Insurance Feasibility Study, which has been included in the last Programme modification. The second modification will include the addition of the Refugees Employment and Skills Support Study.

The triennial surveys of rural communities, businesses and households were removed from the Evaluation Plan as part of the last modification. The second modification will propose the removal of the cross ESI evaluation of communications activity due to reasons given above.

5. Data and information management: Socio economic measures by SMU are collected through WEFO online and stored on PPIMS. Land based measures managed by RPW are collected through CAPIT.

6. Timeline: The timeline in the Evaluation Plan remains the same, however, the Agri-Insurance Feasibility Study has been added to the timeline as part of the last Programme modification. This study will report in early 2018.

7. Communication of evaluation results: There have been no additional changes in the communication strategy beyond those made as part of the modification approved in 2017;

The table on target audiences for evaluation was amended as part of the Programme modification approved in 2017 to include the use of the WRN's Twitter account and newsletter as additional communication channels to promote evaluation findings. The table was also amended to include an Evaluation Log which the Strategy Team will maintain to capture Programme managers' responses to evaluation recommendations. This was introduced as a mechanism for the team to follow-up actions taken as a result of evaluation recommendations with key staff. The communications plan and table will be reviewed regularly to ensure its continued relevance.

The Strategy Team attended an ENRD workshop alongside representatives from the WRN on how the NRNs can support evaluation activity during 2017. Following this the Strategy Team has been working with the WRN to develop an Evaluation page on the WRN webpage. The webpage will include links to all evaluations conducted by LAGs, as well as evaluations managed by the Strategy team at a programme and

Scheme level. This has been introduced to act as a central point for all evaluation evidence in the RDP to encourage easier access to evaluation findings.

8. Resources: There have been no substantial changes in the resources to implement the evaluation plan. The Technical Assistance (TA) budget for evaluation has been reviewed to ensure it is sufficient to deliver the evaluation plan.

No further amendments have been made to this section of the Evaluation Plan other than those in the first modification. These set out the functional independence of the Strategy Team from the Managing Authority. The changes provide confirmation that the Strategy Team is located in a different Directorate of the WG to the Managing Authority (MA). Further information has also been provided on the Strategy Team's research staff membership of the Government Social Research (GSR) Profession. The work and independence of GSRs in the WG is overseen by the Chief Social Research Officer within Welsh Government. Given the functional independence of the Strategy Team, the team has undertaken in-house research to explore the implementation of the WGRC-RDP 2014-2020 as part of the 2016 Annual Implementation Report (AIR). This research was undertaken in-house as it was not effective to procure evaluation work given the early stage of the Programme's implementation.

2.b) A description of the evaluation activities undertaken during the year (in relation to section 3 of the evaluation plan)

Describe activities/problems encountered/solutions in relation to:

1. Preparing and conducting the assessment of the contribution of the RDP to rural development priorities, of programme results and impacts, including a description of evaluation approach and methods chosen.

The approach towards assessing the contribution of the WGRC-RDP 2014-2020 to rural development priorities, Programme results and impacts remains the same as envisaged in the Evaluation Plan. The Strategy Team has continued discussions with the WG's Agricultural Statistics team on piloting some analytical work using datasets from the 2007-2013 RDP to explore the potential to use more robust approaches to establishing the counterfactual. It is anticipated that this analysis would involve data from the previous Farming Connect scheme and the Glastir schemes from 2012 onwards. This pilot analysis will help to inform the approach taken to impact analysis in the WGRC-RDP 2014-2020.

The Strategy Team carried out some internal research to answer the common evaluation questions required as part of the enhanced AIR provided in 2017. Semi-structured interviews were undertaken with Measure level policy leads and key Programme delivery staff within Welsh Government. The sampling strategy was therefore purposive as these respondents were chosen specifically due to the relevance of their role for responding to the Common Evaluation Questions (CEQs). Where evidence was available, the findings from the interview were considered in relation to data generated through robust secondary sources as part of the process of triangulation. A systematic review of existing evidence was undertaken. The RDP Ex-Ante Evaluation and Programme Intervention Logic was undertaken with a focus on assessing whether the needs of rural Wales, as identified at the start of the programme, were still relevant and well aligned to current Programme interventions. To assess this alignment, these documents were compared to Measure level guidance documents on eligible activity, and Expression of Interest (EOI) application form design. For the interviews an interview schedule was developed that included questions designed around key themes and

tailored to the individual interviewees and their roles. The themes included the alignment of Measure delivery against Programme intervention logic, EOI windows, Measure up-take, challenges faced to date, IT system functionality and best practice. The development of these themes assisted in the ability of the research to draw conclusions of measure level findings at a programme wide scale.

The fieldwork for the Agri-Insurance Feasibility study commenced in 2017. The report aims to assess the feasibility of providing agri-insurance mechanisms to help support agriculture against serious weather events. The fieldwork involved extensive literature reviews of agri-insurance policies in other countries to determine the potential avenues of support, as well as stakeholder interviews with Welsh Government policy officials, insurance providers and farmer unions. The fieldwork was completed in late autumn 2017 and a draft report was provided to the Welsh Government in late 2017. The report will be finalised and published in spring 2018.

During 2017 the Strategy Team has designed and commissioned an evaluation of the Knowledge Transfer and Innovation Scheme, known otherwise as Farming Connect. Given the stage of implementation this evaluation will largely be focussed on issues of process and obtaining information on early perceptions of the value of Farming Connect for participants. The evaluation will be employing a number of methods to do this including a series of four regional focus groups undertaken three times over the course of the evaluation. These focus groups will enable the early identification of any issue adversely affecting the delivery of the scheme and will also inform subsequent research activity. The other main element of the research will include 13 longitudinal case studies that will be spread across the three different lots of Farming Connect activity. This rationale behind the longitudinal case study approach is to develop an understanding not just what is working, but how certain elements of the scheme are working and how they might then be improved. It is important to note that this will not be the only evaluation activity for the Farming Connect and the Strategy team intend to undertake future evaluation work to assess the impact of the scheme on farm practices and business.

In late 2017 the strategy team also commissioned the Refugees Employment and Skills Support study which aims to look at the job aspirations of refugees in Wales and the support available to help them find work. An important element of this work is drawing a comparison between the support available in the four predominantly urban dispersal areas in Wales with the support available in rural areas. This comparison will feed into discussions about how support in rural areas could be improved and the potential for the RDP to contribute to this through LEADER. The research will be situated in the four dispersal areas of Wales and in a selection of rural local authorities across Wales. The research will make use of a team of researchers and community researchers to conduct a structured survey of refugees. The fieldwork is due to start in Spring 2018 with the report due to be completed in October 2018.

In 2017 the Strategy Team began designing the specification for the evaluation of the Sustainable Management Scheme (SMS) under Measure 16.5. The evaluation will run for the duration of the scheme until 2022. In order to assess the environmental outcomes of the scheme, this evaluation will use secondary data analysis of project level evaluation and monitoring activity which will be focused on the environmental changes achieved as part of project activity. The scheme level evaluation will seek to Complement this project level data by looking to understand how collaborative arrangements can enable the achievement of land management objectives and the pursuit of wider social outcomes. It is expected that the evaluation will employ a longitudinal case study approach to gather information on the perceived value of collaboration which may be supplemented with survey work.

Preparation work for evaluation of other elements of the Programme will be undertaken during 2018.

2. Preparing and conducting the evaluation of:

- thematic issues (including those addressed by sub-programmes).

Currently, the Evaluation Plan does not specify thematic issues. It continues to be the intention of the Strategy Team to liaise on an ongoing basis with Programme and scheme managers to identify relevant thematic issues to be captured by evaluations as they arise in the implementation and delivery of the Programme.

- cross-cutting issues (sustainable development, climate change and innovation).

The successor to the Glastir Monitoring and Evaluation Programme – the Environment and Natural Resources Monitoring and Modelling Programme (ERAMMP) will provide evidence on the cross-cutting issues of sustainable development and climate change. ERAMMP was commissioned in late 2017. Evidence on areas of innovation in the Programme will be captured on an ongoing basis in the evaluations named in the evaluation plan. Programme and scheme-level evaluations will include an objective to explore innovative practices.

- the National Rural Networks.

The approach to evaluating the Wales Rural Network (WRN) remains as in the Evaluation Plan. Towards the end of the Programme period, an evaluation of the WRN will be commissioned. This evaluation will provide an assessment of the outputs, results and impact of the Network. This evaluation will be conducted in accordance with the Evaluation Helpdesk's guidance document on National Rural Network (NRN) Evaluation. Given the interactive nature of the interventions delivered by the WRN, it is crucial that evidence on both the formal and informal associated networks is captured.

The dedicated evaluation of the WRN will be complemented by a suite of other evaluation work. For example, the evaluations undertaken by the LEADER Local Action Groups (LAGs) will provide evidence on their networks and their interactions with the WRN. Scheme-level evaluations will capture evidence on the effectiveness of scheme communications activities.

The Strategy Team attended a UK NRN workshop during 2017 on evaluating NRNs. As part of this workshop, WG outlined its approach to evaluating the WRN. In addition, the in-house research conducted by the Strategy Team for the enhanced AIR last year provided a qualitative assessment of the implementation of the WRN in the early phase of the WGRC-RDP 2014-2020.

In terms of the 2007-2013 Rural Development Plan, the WRN was evaluated by the Strategy Team, as part of the Ex Post Evaluation. The evaluation synthesised existing evidence (previous evaluations and monitoring data) and was supplemented by interviews with WG officials and key stakeholders. An online survey was also carried out with stakeholders. The Ex Post Evaluation found that the WRN helped to facilitate communication between stakeholders. However, the Network played less of a role in exchanging information with other RDPs and at EU level. Although the WG provided a sound rationale for the approach taken, stakeholders felt that the WRN's placing within government reduced its effectiveness. A copy of the Ex Post Evaluation can be found at; <http://gov.wales/funding/eu-funds/previous/programme-evaluation/59394495/?lang=en>

- the contribution of CLLD strategies to RDP objectives, the added value of LEADER, etc.

The Strategy Team has produced an updated version of the evaluation guidance for LEADER Local Action

Groups (LAGs). This guidance is part of the team's efforts to build the monitoring and evaluation capacity of the LAGs for the new Programme. The document guides the LAGs through the evaluation process.

In particular, it:

- Provides the rationale for evaluation of LEADER and it places evaluation within the context of European Commission and WG requirements;
- Outlines practical approaches and tools for undertaking evaluations; and
- Includes practical advice on designing, commissioning and implementing effective evaluations.

The LEADER evaluation guidance can be found on the WRN's webpages at:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/publications/evaluation-guidance-for-leader-local-action-groups?lang=en>

The intention is to work with the LAGs on an ongoing basis to improve the quality of their evaluations carried out at a local level, so that they can be reviewed as part of the LEADER evaluation that will be carried out towards the end of the Programme. The Strategy Team has developed a presentation session that provides advice and guidance on evaluation including: the steps needed to prepare for designing an evaluation; designing the evaluation specification; commissioning the evaluation; and managing the evaluation contract once awarded. This presentation is designed to be used across all ESI funds and has been offered to LAG groups.

2.c) A description of activities undertaken in relation to the provision and management of data (in relation to section 4 of the evaluation plan)

Describe activities/problems encountered/solutions in relation to:

1. Preparing and running the operations database to collect data and information for evaluation,

To meet the eCohesion requirement (concerning electronic information exchange with beneficiaries). Work continued during 2017 to adapt the Welsh European Funding Office (WEFO) IT based system used to manage Structural Funds entitled Programme and Project Monitoring Information System (PPIMS) for the socio-economic elements of the Programme. For the land based elements of the Programme the data will continue to be recorded using the CAPIT system that was used during the 2007-2013 Programme. Enhancements have been made to CAPIT in line with the operations data base requirements for the 2014-2020 Programme.

2. Screening data and information sources/providers to ensure the application of robust evaluation methods (including conducting the counterfactual analysis),

The Strategy Team has liaised with the WG's Agricultural Statistics team to undertake some pilot analysis, with a view to informing the development of more robust impact evaluation techniques in the WGRC-RDP 2014-2020. It is envisaged that impact evaluation work with non-farm business beneficiaries would utilise business datasets held by the Office for National Statistics (ONS). It is a requirement of the ONS that access to their business datasets is restricted to approved researchers, so it is essential that the commissioning of this impact evaluation work stipulates that the project team must consist of researchers

with these approvals in place from the ONS. It is proposed that a theory-based approach would be taken in evaluating the impact of LEADER. The Strategy Team has been meeting with LAGs to discuss evaluation approaches.

The Strategy Team is liaising with the ERAMMP to ensure that Farmer intention survey carried out as part of the ERAMMP will be able to collect data that will assist in mapping changes in farm behaviour as a result of participation with RDP schemes to help inform future evaluation work. It is hoped that this data will be used to inform the evaluations of Glastir and Farming Connect principally although the opportunities for other schemes will also be examined.

3. Agreements with data providers and necessary arrangements/legal steps to include the identified providers' data in the databases used in the RDP evaluation,

The WEFO PPIMS system has been extended to allow reporting on the socio-economic aspects of the Rural Programme for 2014-2020. In order to be able to report on the information held within the PPIMS environment Business Objects software will be used in conjunction with other IT solutions. Business objects will assist in Programme wide reporting through the amalgamation of high level data held within other data bases, such as PPIMS.

The Strategy team is working to ensure that schemes include legally correct consent statements for beneficiaries so that where their consent is given their details can be used for monitoring and evaluation purposes. This would also include linking beneficiaries' details to wider datasets as part of a counterfactual evaluation design. As part of the second modification the evaluation plan now includes reference to the GDPR which is to come into force in May 2018. As part of the preparation for the introduction of the GDPR the strategy team is working with other researchers in the Welsh Government to ensure that the basis for the collection of data within the RDP is compliant with the new regulations. Future work will include reviewing the privacy notices used by operations to inform the development of a privacy notice template

4. Arrangements to fill data gaps and collect missing information.

The intention is that where data gaps exist, surveys would be used to collect missing information. Beneficiary surveys are included in the Evaluation Plan, as these provide information that complements the monitoring data.

2.d) A list of completed evaluations, including references to where they have been published on-line

Publisher/Editor	Glastir Monitoring and Evaluation Programme (GMEP) website
Author(s)	NERC
Title	The Final report of the Glastir Monitoring and Evaluation Programme
Abstract	No evaluations of the 2014-2014 Welsh Government Rural Communities – Rural Development Programme have been completed due to the early stage of the Programme.
URL	https://gmep.wales/resources

Publisher/Editor	WEFO
Author(s)	Agra CEAS Consulting and RSK ADAS
Title	The Ex Post Evaluation of the 2007-2013 Wales Rural Development Plan
Abstract	No evaluations of the 2014-2014 Welsh Government Rural Communities – Rural Development Programme have been completed due to the early stage of the Programme.
URL	https://gov.wales/funding/eu-funds/previous/programme-evaluation/59394495/?lang=en

2.e) A summary of completed evaluations, focussing on evaluation findings

No evaluations of the 2014-2014 Welsh Government Rural Communities – Rural Development Programme have been completed due to the early stage of the Programme, with the exception of the in house research reported for the Common Evaluation Questions within Section 2b. However there has been the publication of two reports from the previous programmes which are relevant to the current programme, namely the Ex post Evaluation of the 2007-2013 Programme and the final report of the Glastir Monitoring and Evaluation Programme.

Ex post evaluation of the 2007-13 Programme:

The findings of the ex post evaluation of the 2007-2013 programme largely centred on the high level achievements of the programme. In terms of the main findings of the evaluation, the key messages were that:

- Activities funded under the RDP had increased the competitiveness of businesses in the farming and forestry sector, supported the creation of 3000 jobs, of which half were attributable to the programme, and also helped increase GVA in the rural economy by around €48.3 million
- The RDP provided a variety of environmental land management to biodiversity, improving water quality and climate change mitigation. The impact of this was yet to manifest but modelling work suggests that Glastir and woodland creation options could lead to a 15% reduction of eroded soil and phosphorous delivery to water bodies.
- The RDP was seen to have benefits for rural communities with 91% of surveyed beneficiaries reporting benefits for their local community. Benefits identified included new or improved facilities (22%), bringing together the community (20%) and increased usage of existing facilities (13%). The LEADER approach was also seen to make a positive contribution to local governance.

More detail can be found in the report available at:

<http://gov.wales/funding/eu-funds/previous/programme-evaluation/59394495/?lang=en>

Glastir Monitoring and Evaluation Programme (GMEP) Final Report:

The final report of GMEP was published in 2017 providing an overview of the contributions of the Glastir suite of programmes. The findings of the report are differentiated into the results of Glastir projects and broader changes in national trends.

The headline results for the Glastir projects were as follows:

- A 17% increase in the number of farms in scheme compared to non-scheme farms undertaking actions concerning climate change.
- A 4% increase in the number of farms undertaking actions to improve diversifications and efficiency. Relatedly a 9.5% and 18% decrease in the average carbonfootprints expressed per kg of lamb live weight and milk on surveyed farms in receipt of Glastir Efficiency Grants.
- 77% of respondents reported an increase in farm viability
- 4.9% average reduction in greenhouse gas emissions per hectare across 15 farms in receipt of Glastir

Efficiency Grants.

- A multitude of improvements in relation to improving soil quality and management/improving water quality and managing water resources for in scheme farms in comparison to non-scheme farms.
- An increase in the number of farms restoring or creating woodland in the last three years in comparison to non scheme farms

The headline results for national trends were:

- Positive findings in relation to maintaining and enhancing biodiversity including an increase in the patch size of habitat and woodland, a stabilisation of specialist butterfly groups and 65% of priority birds species showing stable or increasing populations.
- An increase in the number of public rights of way that are easy to access.
- Evidence of a general improvement in Welsh farm practices between 2009 and 2016 concerning soil management and water management practices.
- Analysis of small stream data over the last 20 years provides evidence of ongoing improvement in invertebrate diversity and nutrient status

In addition to these results the report also highlights areas where there is cause for concerns and where further action is needed. More detail can be found in the report available here: <https://gmep.wales/resources>

2.f) A description of communication activities undertaken in relation to publicising evaluation findings (in relation to section 6 of the evaluation plan)

No communication activities defined

2.g) Description of the follow-up given to evaluation results (in relation to section 6 of the evaluation plan)

Reference shall be made to the evaluation plan, any difficulties encountered in implementation shall be described, together with solutions adopted or proposed.

Evaluation result relevant for follow-up (Describe finding & mention source in brackets)	No evaluations of the 2014-2014 Welsh Government Rural Communities – Rural Development Programme have been completed, due to the early stage of the Programme, with the exception of the in house research reported for the Common Evaluation Questions within last years enhanced Annual Report, therefore no follow up actions have been defined.
Follow-up carried out	N/A
Responsible authority for follow-up	

3. ISSUES WHICH AFFECT THE PERFORMANCE OF THE PROGRAMME AND THE MEASURES TAKEN

3.a) Description of steps taken to ensure quality and effectiveness of programme implementation

Programme Monitoring Committee (PMC)

The WG has established a single Programme Monitoring Committee (PMC) for Wales European Structural and Investment (ESI) Fund programmes. The All Wales ESI PMC was officially constituted on 05 December 2014 following approval of the Structural Funds programmes and was formally established for the WGRC-RDP 2014-2020 in May 2015 following EC approval of the Programme. During 2017 the PMC met four times in total; on 24 February, 16 June, 15 September and 01 December. In the September PMC meeting it was agreed that from 2018 the PMC would meet three times a year with one meeting a year to be held in North Wales over two days to include project visits for the various ESI funds. The reduction in meetings will give Members more time to engage with projects in their areas. In December 2017 the PMC was consulted via written procedure. The PMC agreed to proposals relating to amendments of the ESI Monitoring & Evaluation Strategy.

Selection Criteria

Proposed revisions to the selection criteria for individual sub-measures activated under the WGRC-RDP 2014-2020 were presented to the PMC during the June (change to M16.1 EIP) and September (change to M16.8 Cooperative Forest Planning) meetings to seek Members opinion and in compliance with the regulatory requirement. WG as Managing Authority can amend selection criteria or introduce new selection criteria within the programming period according to programming needs following consultation with the PMC. Further updates will be provided to the PMC during 2018 on the selection criteria as required.

Error Rates

With regard to error rates for the Programme, the final figures for the analysis of the control statistics shows a further reduction in error in the random sample for area based measures at 2.26% (a reduction from 2.31% in the previous year). The result of one inspection on a Glastir Entry Agri Environmental (Measure 10.1) agreement contributed a significant value to the error rate in value terms. The error related to a number of commitments not fully respected by the beneficiary. If this case is removed, the error rate would be 1.2%, and below the 2% level considered significant. In addition to continuing to implement the remedial action plan on the root causes of error for Rural Development Programmes, the WG increased the rate of On The Spot Checks (OTSCs) for the Integrated Agricultural Control System (IACS) Rural Development measures in the 2017 campaign. The error rate in the random sample for investment measures increased significantly to 2.74% (previous year 0.37%). The increased error relates to a reduction on a single large case (under Measure 4) that contributed over 55% of the total error value for the fund. This error was due to a significant over declaration of non productive investments under Measure 4.4. WG increased the rate of On The Spot Checks (OTSCs) for the non IACS (IACS) Rural Development measures in the 2017 campaign.

WG has continued to communicate with farmers via farm outreach services to improve their understanding of Agri Environment Scheme rules and to minimise irregularities. The planned training events and drop in surgeries have been delivered as planned. An article informing farmers of the 'most common errors' for

2017 was published in the Single Farm Payment guidance. At the June 2017 PMC meeting Members were provided with an update on error rates.

Aid Recovered

The WG's Rural Payments Division (RPD) has a well established Debt Registration and Management process in place. All overpayments are pursued on discovery and reimbursement of the account is made within a set time-scale. All current RDP schemes are subject to a strict Control framework. The aid recovered and reallocated during 2016 under Article 56 of Regulation (EC) No 1306/2013 is summarised in the following table:

New RDP Aid Recovered and reallocated during 2017 Calendar Year

Sub Measure	Focus Area	Value (€)	Value (£)
4.1	2a	- 63,938.46	- 57,281.17
4.2	3a	- 37,166.94	- 31,558.36
4.4	P4	- 77,648.05	- 60,763.18
8.1	5e	- 215.84	- 180.80
8.5	P4	- 1,569.09	- 1,295.28
10.1	5d	- 177.68	- 152.80
10.1	5e	- 337.79	- 288.12
10.1	P4	- 372,152.95	- 285,096.46
<i>10.1 Total</i>		<i>- 372,668.42</i>	<i>- 285,537.38</i>
11.1	P4	- 1,355.61	- 1,151.97
11.2	P4	- 15,369.02	- 12,313.27
Grand Total		- 569,931.43	- 450,081.41

Notes: Total of new RDP (14-20) recovered debts only, All debts recovered from 01 January to 31 December 2017.

Expression of Interest (EOI)

Much of the WGRC-RDP2014-2020 is being delivered through grant programmes with a two stage process for applications; Expression of Interest (EOI) followed by full applications for those successful at EOI stage. WG have opened numerous EOI windows through 2017 for both socio-economic and land based Measures, where the eligibility and selection criteria are publicised in advance and clearly identified closing

dates set. The funding for each call is only a part of the overall budget for a Measure, with calls opening at various times throughout the programme. Each window is advertised to ensure potential beneficiaries are aware what window is open, the amount of budget available and when the next window will open. See web link below for more information; <http://gov.wales/docs/drah/publications/171205-list-of-eoi-scheme-windows-en.pdf>

Modification

Early proposals for the second modification for the WGRC-RDP2014-2020 were presented at the December 2017 PMC meeting. These amendments include the re-introduction of Measure 4.3, withdrawal of Measures 2.3, 6.2 and 15.1, change in financial and indicator plans, amendment to performance framework values along with change in description of some Measures. It was agreed that further information on the modification would be provided to the PMC during 2018 once the detail and scope of changes were known.

Financial Instruments (FI)

Although the WGRC-RDP 2014 – 2020 makes provision for the future use of FIs in 2016 the Welsh Government took the decision that FIs would not be introduced within the programme. This decision was taken due to the lead in time needed to develop and implement FIs before the close of the current Programming period and the uncertainty beyond this period. This decision will be kept under review during the remainder of the Programme.

Data management systems

Further IT developments and testing to IT systems used to manage the RDP were undertaken during 2017 to ensure compliance with Ecohesion (the requirement for a system to allow the electronic transfer of data between beneficiaries and the Managing Authority). These enhancements and adaptations to the PPIMS system have resulted in a delay in drawing down EAFRD funds for certain socio-economic Measures and operations within the Programme whilst this work was undertaken and information recorded onto the system. These enhancements were completed by the end of 2017. Land based operations continue to be managed through the CAPIT IT system. The majority of the Direct Aid and Rural Development schemes and processes managed by the WG’s paying agency (Rural Payments Wales) are now fully digital.

3.b) Quality and efficient delivery mechanisms

Simplified Cost Options (SCOs) ¹, proxy automatically calculated

	Total RDP financial allocation [EAFRD]	[%] planned SCO coverage out of the total RDP allocation ²	[%] realised expenditure through SCO out of total RDP allocation (cumulative ³)
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Fund specific methods CPR Article 67(5)(e)	651,590,163.00	32.94	9.35
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¹ Simplified Cost Options shall be intended as unit cost/flat rates/lumps sums CPR Article 67(5) including the EAFRD specific methods under point (e) of that article such as business start-up lump sums, flat rate payments to producers organisations and area and animal related unit costs.

² Automatically calculated from programme version's measures 06, 09, 10, 11, 12, 13, 14, 15, 18

³ Automatically calculated from declarations of expenditure's measures 06, 09, 10, 11, 12, 13, 14, 15, 18

Simplified Cost Options (SCOs), based on specific detailed MS data [optional]

	Total RDP financial allocation [EAFRD]	[%] planned SCO coverage out of the total RDP allocation	[%] realised expenditure through SCO out of total RDP allocation (cumulative)
Total CPR Article 67(1)(b)(c)(d) + 67(5)(e)	651,590,163.00		
Fund specific methods CPR Article 67(5)(e)	651,590,163.00		

E-management for beneficiaries [optional]

	[%] EAFRD funding	[%] Operations concerned
Application for support		
Payment claims		
Controls and compliance		
Monitoring and reporting to the MA/PA		

Average time limits for beneficiaries to receive payments [optional]

[Days] Where applicable, MS deadline for payments to beneficiaries	[Days] Average time for payments to beneficiaries	Comments

4. STEPS TAKEN TO IMPLEMENT TECHNICAL ASSISTANCE AND PROGRAMME PUBLICITY REQUIREMENTS

4.a) Action taken and state of play as regards the establishment of the NRN and the implementation of its action plan

4.a1) Actions taken and state of play as regards establishment of the NRN (governance structure and network support unit)

GOVERNANCE

The Wales Rural Network (WRN) is a partnership of organisations, enterprises, administrations and individuals open to any stakeholder with an interest in rural development. Stakeholders are involved in the Governance and activities of the WRN through the external Steering Group which meets twice a year.

WALES RURAL NETWORK SUPPORT UNIT (WRNSU)

The role of the WRNSU is to facilitate the networking process and the engagement of stakeholders by sharing information, best practice and experience across Wales, UK and Europe. The Network makes a significant contribution to the RDP by helping to add value to the funding available. The WRNSU;

- organises and promotes free events and initiatives
- shares rural development news
- showcases examples of funded projects through case studies
- helps you find out about funding opportunities
- arranges study visits to encourage cooperation and sharing of knowledge
- encourages and promotes project partner cooperation searches
- can connect you with other people, businesses and community groups
- links to other rural networks in UK, Europe and beyond
- facilitates the Community Led Local Development (CLLD) delivery work (LEADER LAG).

The team works alongside RDP scheme managers and delivery bodies to identify networking opportunities and to support the wider WRN.

On-going development and review of the Webpages and communications methods have been a priority for the team during 2017. This is an important aspect of the WRNSU's role to maximise awareness of the Programme. Further information can be found on the WRN web pages:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/?lang=en>

WALES RURAL NETWORK STEERING GROUP (WRNSG)

The WRNSG remit is to:

- Advise and assist with the development of a work-plan
- Monitor the delivery of the work-plan and progress towards achieving the objectives and outputs of the WRN;
- Promote the work of the WRN and advise PMC and other stakeholders of its activities;
- Facilitate training and networking, between RDP stakeholders;
- Support co-operation among LAGs and project applicants at Wales, UK and transnational levels;
- Collect, disseminate and encourage the adoption of good practice;
- Assist with evaluations and the sharing and dissemination of monitoring and evaluation findings;
- Contribute to the work of UK and EU networks;
- Additionally, at the discretion of the Managing Authority act as a sounding board for RDP related policy developments.

2017 WRNSG Meetings:

- 16 February 2017: included updates on spend and WRNSU work and a presentation from the Brexit team.
- 25 May 2017: included updates on spend and WRNSU work with the Director for the Environment and Rural Affairs addressing the group with an update on European Transition.

The (WRNSU) will work to implement the 2017 Work Plan and any recommendations arising from WRNSG meetings. More information on the WRNSG can be found at:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/co-operation-projects-wales-uk-and-transnational1/?lang=en>

4.a2) Actions taken and state of play as regards the implementation of the action plan

COLLECTIONS OF EXAMPLES OF PROJECTS (ART. 54 3B(I) OF REG. 1305/2013)

- The new WRN web pages promote all the socio-economic measure approved projects and are regularly updated with news, events, publications and case studies. For current list of all approved RDP projects see Welsh Government Rural Communities - Rural Development Programme 2014-2020 - Socio Economic Approved Projects.

Under the LEADER webpage, there is a requirement for all LEADER groups in Wales to complete a project form once a project has been approved by the Local Action Group (LAG). A project form is then amended to include additional information and can also include you tube clips;

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/local-action-groups/local-action-group-projects-directory/?lang=en>

- WRN will continue to work closely with all LEADER LAGs to ensure that all approved projects are registered and publicised. This will include the creation and publication of case studies highlighting how the RDP LEADER funding is making a difference to Wales;
<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/casestudies/?lang=en>
- Schemes and EOI window dates. The Newsletter also shares good news stories and / or case studies, evaluations and video footage from LAGs. Updates are also provided in relation to activities in the UK and in Europe.

FACILITATION OF THEMATIC AND ANALYTICAL EXCHANGES (ART. 54 3B(II) OF REG. 1305/2013)

Within the Wales Rural Network Support Unit (WRNSU) lead officers have been identified for the various schemes under the RDP 2014-2020. Dividing responsibility for networking and communications in this way has improved the overall service the WRN provides to stakeholders as well as developing WRNSU staff understanding of the programme. In addition WRNSU managers have responsibility for LAGs on a geographical basis.

Publications

- GWLAD: An important remit for the WRN is to maximise publicity of the RDP. One effective method of achieving this is via the GWLAD magazine. The two page allocation within the publication highlights latest news stories, information about agriculture and rural affairs in Wales. The WRNSU promotes good practice and ideas by sharing and publishing case studies. GWLAD currently has 7,501 subscribers to the English version and a further 590 to the Welsh language version.

WRNSU Newsletter: WRNSU launched its own bespoke Newsletter in March 2016 which is distributed every 4-6 weeks. The Newsletter provides information regarding schemes and EOI window dates. The Newsletter also shares good news stories and / or case studies, evaluations and video footage from LAGs. Updates are also provided in relation to activities in the UK and in Europe. The Newsletter currently has 4,032 subscribers to the English version and a further 1,000 to the Welsh language version Collecting, disseminating and encouraging the adoption of good practice; See link for examples of WRN Newsletters;

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/newsletter/?lang=en>

PROVISION OF TRAINING AND NETWORKING TO LAG (ART. 54 3B(III) OF REG. 1305/2013)

The WRNSU has been responsible for successfully organising a number of events to support and promote

the RDP 2014-2020. These have included;

Land Based Stakeholder Event 22 March 2017. The Welsh Government held its first future land use support workshop hosted by the Wales Rural Network Support Unit in Hafod a Hendre, Builth Wells. The aim of the event was to capture the views of farmers on the changes to their levels of support following the exit from the European Union. Welsh Government Officials presented on the current position and provided an overview of the day, including what input they required from the attendees. Over 60 participants took part in workshops and were given the opportunity to share their views on the threats and opportunities open to them with an indication of what support they will need from Welsh Government and industry stakeholders for their individual businesses.

RDP Funding Fairs during March 2017: These events were aimed at providing attendees with the opportunity to learn about the various funding options available to businesses, communities, farms and other enterprises through the Welsh Government Rural Communities – Rural Development Programme 2014-2020 as well as other sources. The events were held on;

- 02 March – Peterstone Super Ely, Vale of Glamorgan
- 08 March – Builth Wells Showground
- 15 March – Llanrwst

Presentations and Q&A sessions were available on a number of the schemes; Farming Connect, Glastir Woodland Creation, Glastir Advanced and LEADER/RCDF. In addition to the presentations there were trade stands with various scheme leads providing information as well as LAGs, WCVA, Business Wales, Visit Wales, Farm Liaison Service, Big Lottery etc. Overall the event provided attendees with the opportunity to speak to experts, view presentations on scheme areas of choice and to find out more about the various funding routes available.

The Future of Uplands Farming 15 March 2017: A one-day conference at Glasdir, Llanrwst, Conwy which examined the impact of Wales' new environmental and sustainability focussed legislation and policies on upland farming. The conference explored key relationships between farming and landscapes, access, the environment and nature. Bangor University in partnership with RSPB Cymru and Cynidr Consulting offered farmers the opportunity to discuss and contribute to future policy developments for the future of upland farming in Wales. Participants heard from upland farmers in Wales, and international examples (from Ireland) where farmers have a clear say in designing agri-environmental schemes which benefit their livelihoods. The conference concluded with a facilitated session that will inform the Welsh Government of farming views, exploring whether farming with and for the environment and nature offers a sustainable future for the Welsh uplands.

Co-operation & Supply Chain Development Workshops (Food) 5 May 2017, in Maesmawr Hall, Caersws: The Welsh Government held a workshop hosted by the Wales Rural Network Support Unit which provided applicants of the Co-operation and Supply Chain Scheme with an opportunity to meet officials from the Food and Rural Development Divisions. At the workshop Welsh Government officials discussed with delegates the current priorities for the Food and Drink Sector in Wales. Those present considered how this could best be addressed, by collaborating as appropriate. The workshop looked at available funding streams, best access routes to funding and future co-operation opportunities and networking.

Competitiveness and Sustainable Management of Natural Resources 24 May 2017: This workshop was hosted by the Wales Rural Network Support Unit on 24 May 2017 in Hafod a Hendre, Builth Wells. The event focused on the subjects of Competitiveness and Sustainable Management of Natural Resources.

Welsh Government Officials presented on the current position and provided an overview of the day, including what input they required from the attendees. Everyone was given the opportunity to participate in a number of workshops on a range of topics including rural issues (community led local development, services, cultural and natural heritage), woodland and forestry topics, food and drink, renewable energy, tourism and farm diversification. The day concluded with a feedback session that captured key findings, conclusions and issues to be taken forward in shaping the Welsh Government's planning as it aims to safeguard rural interests and explore every opportunity to delivery key economic, social and environmental benefits to Wales.

Royal Welsh Show 24, 25, 26 & 27 July 2017: WG staff attended the Royal Welsh Show (RWS) in Builth Wells, Powys. This is the largest agricultural and rural themed show in Europe where WG were able to maximise the awareness of the new Programme and schemes available.

CAVO Funding Fair 17 October 2017: WG staff attended a Ceredigion Association of Voluntary Organisations funding fair which was well attended. The funding fair held in Lampeter provided information on available grants and funding sources to start new projects or to keep existing services going.

UKNRN Conference in Belfast on 14 & 15 November 2017: Designed to examine and explore rural life, This two day conference provided an opportunity to respond to the current trends and challenges of rural areas and together create a 'roadmap' for the future of rural development across the UK.

Community Led Local Development (CLLD) Steering Group: The CLLD Steering Group hold three meetings a year. WG staff attend to provide an update on WRN activities and discuss future events

Local Action Group (LAG) Meetings : The CLLD WG team have attended regular meetings throughout the year giving regular updates on WG activities relating to the RDP and the opening and closing of Socio Economic schemes and signposting where needs be.

PROVISION OF NETWORKING FOR ADVISERS AND INNOVATION SUPPORT SERVICES (ART. 54 3B(IV) OF REG. 1305/2013)

During May 2017 a WG representative attended the two day EIP seminar in Athens, Greece. The topic was '*Moving EIP-AGRI implementation forward*'. The seminar covered topics such as communication methods; best practice for support service provisions, for which Wales was highlighted as for best practice due to the support mechanisms available through Farming Connect; and How to select the best projects.

SHARING AND DISSEMINATION OF M&E FINDINGS (ART. 54 3B(V) OF REG. 1305/2013)

WG continues to actively participate in all UKNRN meetings and works closely with other communications teams to ensure agreed processes and sharing of information/best practice. In support of information exchange at the UK level, WRNSU staff attended a UKNRN Monitoring and Evaluation workshop. WG staff also attended the UKNRN meetings held twice a year. These meetings provide an excellent opportunity to discuss RDP stakeholder issues and agree consistent responses to issues affecting the UK as a whole. Regular UKNRN teleconferences are held throughout the year along with the sharing of information via the online platform, Huddle. This ensures that information and publicity guidelines and communication guidelines are interpreted consistently across the UK and each Support Unit is aware of the latest

developments in the adjoining administrations.

THE NETWORK COMMUNICATION PLAN (ART. 54 3B(VI) OF REG. 1305/2013)* **this point could be treated under following section 4b of the AIR*

Please refer to Section 4b below for information on the Communication Plan for the WGRC-RDP 2014-2020.

ACTIVITIES REGARDING THE PARTICIPATION IN AND CONTRIBUTION TO THE ENRD (ART. 54 3B(VII) OF REG. 1305/2013)

WRNSU participates in and contributes to ENRD activities in order to improve the quality of RDP implementation and integration with existing development policies. WRN representatives make every effort to attend meetings and events as they provide useful networking opportunities and information sharing. The following are some examples of events attended during 2017:

- 7th NRN Meeting, Linkages with Advisory Services, Ponta Delgada, Azores, Portugal, 15 & 17 March 2017
- EIP-AGRI seminar 'Moving EIP-AGRI implementation forward', 10 May 2017
- The LINC Event, Luxembourg 09 - 11 May 2017
- 8th NRN Meeting, Delivering Smart Rural Development, Jyvaskyla Region, Finland, 26 & 28 June 2017
- Third European Seminar, Capitalising on CLLD Experiences, Building Resilient Local Communities, Hungary 08 – 10 November 2017
- Good Practice Workshop, NRN 'Support to the Evaluation of RDP', Athens, 20 November – 01 December 2017
- FARNET MA Meeting for Fisheries CLLD Managing Authorities and National Networks, 17 & 18 May 2017

OTHERS

The WRNSU supports stakeholders and monitors by encouraging networking activity by other organisations. The support unit maximises opportunities to network and support Stakeholders. During the year WRN has been able to attend a number of events;

WRN makes every effort to re-tweet (Twitter) and promote scheduled events that are held to all Stakeholders via various communication channels. This includes obtaining press releases and case studies to disseminate as required.

- CAVO – Ceredigion Association Voluntary Organisation Funding Fair in Lampeter on 17 October 2017 – the WRNSU was invited to provide a stall at the annual Funding Fair. Delivering information about all the Socio Economic Schemes that fall under the RDP.
- South East and South West LEADER Admin Group Meetings, providing advice and guidance to delivery bodies on programme delivery and updates on WRN events
- Attendance at Community Led Local Development Meetings, providing updates on WRN activities as and when required.
- Attendance at Local Action Group (LAG) meetings providing update on WRN Events and opening and closing of RDP Socio Economic Schemes.

WRN makes every effort to re-tweet (Twitter) and promote scheduled events that are held to all Stakeholders via various communication channels. This includes obtaining press releases and case studies to disseminate as required.

4.b) Steps taken to ensure that the programme is publicised (Article 13 of Commission Implementing Regulation (EU) No 808/2014)

WRN Communications/Work Plan

The WRN Communication/Work Plan forms a vital part of the Wales RDP Communications Strategy. This has been approved and shared with the WRNSG, PMC and DG Agri. A presentation on the role of the WRN and its annual work plan was given at the September PMC meeting during 2017.

To take forward the activities set out in the WRN communication/work plan, meetings are regularly held with the RDP scheme leads to determine the communication needs for each scheme, consider the best way to raise awareness and to target potential beneficiaries. As a result of these meetings, targeted publicity and communications around the launch of Expression of Interest (EOI) windows for each of the RDP Schemes are carried out online, via twitter and by press notices. All schemes are further publicised in bi-monthly WG Gwlad magazine, WRN Newsletter and relevant RDP scheme newsletters.

All EOI windows and downloadable scheme documents are accessible from the website and carry the EAFRD logo, programme name and relevant wording for the programme.

Social media was widely used during this period to maintain interest and engagement around the schemes and to ensure stakeholders were aware of the EOI window opening and closure dates.

Communications

The WRNSU continues to improve the website and has full publishing responsibilities for the RCDF and WRN pages. The WRN manages the communication of all RDP Scheme information and liaises with scheme leads to ensure consistent, logical dissemination of material.

The WRNSU communicates with Welsh LAGs to establish relevant and accurate information for each area. The LEADER Project directory form has been updated to obtain project information on Theme / Measure

which is published bilingually on the WRN Pages. There are currently over 300 projects on the directory showcasing the type of LEADER projects that are being delivered across Wales.

Co-operation pages have been created and contain agreed standard templates to encourage working together in developing new ways of finding potential partners. Events pages are updated following each WRN event providing copies of the presentations and all supporting documentation. Regular updates and work continues on all areas of the WRN website to ensure it is kept relevant and in accordance with the RDP 2014-2020.

WRN Web pages continue to have build issues which are yet to be resolved. Development work is being discussed to further improve the search platform during 2018. The new WRN website provides regular updates on news, events, publications and case studies. The website has also shown a significant increase in traffic since the implementation of its new format.

The WRNSU uses Twitter to communicate updates on WGRCDP 2014 - 2020 schemes and to share information from networking partners such as LAGs, UK and European Networks, project examples and RDP Funding information.

WRNSU has recently had approval for a WRN Facebook page which will enhance the wider stakeholder engagement across Wales, UK and Europe.

Twitter followers are as follows:

WRN Twitter 2017

- Tweets - 532 (Down 45)
- Followers – 1.2K (up 189)
- Engagement – 824 (Down 125 and the most concerning one)
- Traffic – Plus 25

5. ACTIONS TAKEN TO FULFIL EX ANTE CONDITIONALITIES

This section applies to AIR(s) 2015, 2016 only

6. DESCRIPTION OF IMPLEMENTATION OF SUB-PROGRAMMES

This section applies to AIR(s) 2016, 2018 only

7. ASSESSMENT OF THE INFORMATION AND PROGRESS TOWARDS ACHIEVING THE OBJECTIVES OF THE PROGRAMME

This section applies to AIR(s) 2016, 2018 only

8. IMPLEMENTATION OF ACTIONS TO TAKE INTO ACCOUNT THE PRINCIPLES SET OUT IN ARTICLES 5, 7 AND 8 OF REGULATION (EU) No 1303/2013

This section applies to AIR(s) 2016, 2018 only

9. PROGRESS MADE IN ENSURING INTEGRATED APPROACH TO USE EAFRD AND OTHER UNION FINANCIAL INSTRUMENTS

This section applies to AIR(s) 2018 only

10. REPORT ON IMPLEMENTATION OF FINANCIAL INSTRUMENTS (ARTICLE 46 OF REGULATION (EU) No 1303/2013)

30A. Has the ex-ante assessment been started ?	No
30B. Has the ex-ante assessment been completed ?	No
30. Date of completion of ex-ante assessment	-
31.1. Has selection or designation process already been launched ?	No
13A. Has the funding agreement been signed ?	No
13. Date of signature of the funding agreement with the body implementing the financial instrument	-

11. ENCODING TABLES FOR COMMON AND PROGRAMME-SPECIFIC INDICATORS AND QUANTIFIED TARGET VALUES

See Monitoring Annex

Annex II

Detailed table showing implementation level by Focus areas including output indicators

Focus Area 1A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1A	T1: percentage of expenditure under Articles 14, 15 and 35 of Regulation (EU) No 1305/2013 in relation to the total expenditure for the RDP (focus area 1A)	2014-2017			1.19	5.32	22.36
		2014-2016					
		2014-2015					

Focus Area 1B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1B	T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2017			2.00	0.19	1,072.00
		2014-2016					
		2014-2015					

Focus Area 1C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1C	T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2017			5,021.00	37.19	13,500.00
		2014-2016					
		2014-2015					

Focus Area 2A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2A	T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	2014-2017	0.29	2.88	0.07	0.69	10.08
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2A	O1 - Total public expenditure	2014-2017	69,369,334.86	57.01	9,889,252.48	8.13	121,683,038.27
M01	O1 - Total public expenditure	2014-2017	42,048,335.30	98.58	6,987,675.95	16.38	42,652,855.84
M01.1	O1 - Total public expenditure	2014-2017			1,251,572.22	39.66	3,155,935.48
M01.1	O12 - Number of participants in trainings	2014-2017			3,868.00	38.64	10,010.00
M02	O1 - Total public expenditure	2014-2017	7,569,988.61	89.56	607,836.59	7.19	8,452,241.77
M02.1	O13 - Number of beneficiaries advised	2014-2017			484.00	16.33	2,963.00
M04	O1 - Total public expenditure	2014-2017	19,132,260.95	27.28	2,293,739.94	3.27	70,125,000.90
M04	O2 - Total investment	2014-2017					175,312,502.25
M04.1	O1 - Total public expenditure	2014-2017			2,293,739.94	3.27	70,125,000.90
M04.1	O4 - Number of holdings/beneficiaries supported	2014-2017			17.00	0.70	2,431.00
M16	O1 - Total public expenditure	2014-2017	618,750.00	136.61	0.00	0.00	452,939.76

Focus Area 2B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2B	T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	2014-2017					0.73
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2B	O1 - Total public expenditure	2014-2017	2,852,715.01	16.31			17,492,941.00
M01	O1 - Total public expenditure	2014-2017	2,240,943.91	58.06			3,860,000.00
M02	O1 - Total public expenditure	2014-2017	611,771.10	47.79			1,280,000.00
M06	O1 - Total public expenditure	2014-2017					12,352,941.00

Focus Area 3A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
3A	T6: percentage of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations (focus area 3A)	2014-2017					0.68
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
3A	O1 - Total public expenditure	2014-2017	113,505,125.05	104.47	16,839,219.10	15.50	108,649,232.48
M01	O1 - Total public expenditure	2014-2017	57,802,339.89	193.53	453,745.22	1.52	29,867,857.00
M01.1	O1 - Total public expenditure	2014-2017			81,270.94	0.30	27,303,121.92
M01.1	O12 - Number of participants in trainings	2014-2017			251.00	21.83	1,150.00
M02	O1 - Total public expenditure	2014-2017	866,732.44	100.13	62,246.44	7.19	865,564.95
M02.1	O13 - Number of beneficiaries advised	2014-2017			50.00	16.50	303.00
M04	O1 - Total public expenditure	2014-2017	48,032,759.34	107.34	16,305,570.38	36.44	44,750,000.00
M04	O2 - Total investment	2014-2017					117,000,000.00
M04.1	O3 - Number of actions/operations supported	2014-2017			4.00	3.33	120.00
M04.2							
M16	O1 - Total public expenditure	2014-2017	6,803,293.38	20.51	17,657.06	0.05	33,165,810.53
M16.4	O9 - Number of holdings participating in supported schemes	2014-2017			1.00	0.61	165.00

Priority P4								
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
P4	T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2017					0.31	
		2014-2016						
		2014-2015						
	T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	2014-2017						0.18
		2014-2016						
		2014-2015						
	T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2014-2017				0.23	8.32	2.76
		2014-2016				0.20	7.23	
		2014-2015				0.01	0.36	
	T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2017				4.46	89.46	4.99
		2014-2016				4.36	87.45	
		2014-2015						
	T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2014-2017				6.22	44.97	13.83
		2014-2016				3.14	22.70	
		2014-2015						
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	2014-2017				44.72	115.40	38.75	
	2014-2016				20.94	54.03		
	2014-2015				1.60	4.13		
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023	
P4	O1 - Total public expenditure	2014-2017	364,201,725.39	87.66	115,184,209.27	27.72	415,473,778.63	
M01	O1 - Total public expenditure	2014-2017	5,163,145.12	103.57	816,741.35	16.38	4,985,398.73	
M01.1	O1 - Total public expenditure	2014-2017			146,287.62	39.66	368,875.58	
M01.1	O12 - Number of participants in trainings	2014-2017			452.00	38.63	1,170.00	
M02	O1 - Total public expenditure	2014-2017	3,554,636.17	54.38	165,990.54	2.54	6,536,482.96	
M02.1	O13 - Number of beneficiaries advised	2014-2017			132.00	3.15	4,195.00	
M04	O1 - Total public expenditure	2014-2017	109,755,474.42	102.11	22,578,821.25	21.01	107,491,727.39	
M04	O2 - Total investment	2014-2017					107,491,727.39	
M04.4	O3 - Number of actions/operations supported	2014-2017			1,945.00	13.33	14,590.00	
M08	O1 - Total public expenditure	2014-2017	11,233,776.08	44.92	4,994,357.98	19.97	25,007,148.98	
M08.1	O1 - Total public expenditure	2014-2017			1,804,758.18	10.12	17,835,231.94	
M08.1	O5 - Total area (ha)	2014-2017			270.37	10.82	2,498.00	
M08.2	O1 - Total public expenditure	2014-2017			1,938.22	4.85	40,000.00	
M08.2	O5 - Total area (ha)	2014-2017			1.00	2.00	50.00	
M08.3	O1 - Total public expenditure	2014-2017			0.00	0.00	325,000.00	

M08.3	O4 - Number of holdings/beneficiaries supported	2014-2017			0.00	0.00	1.00
M08.4	O1 - Total public expenditure	2014-2017			0.00	0.00	1,674,174.38
M08.5	O1 - Total public expenditure	2014-2017			3,187,661.58	62.10	5,132,742.66
M08.5	O3 - Number of actions/operations supported	2014-2017			244.00	60.55	403.00
M08.5	O5 - Total area (ha)	2014-2017			1,563.50	16.55	9,445.00
M10	O1 - Total public expenditure	2014-2017	201,436,928.35	87.26	76,697,014.66	33.22	230,841,570.53
M10.1	O5 - Total area (ha)	2014-2017			1,062,151.99	167.16	635,399.00
M11	O1 - Total public expenditure	2014-2017	25,848,284.76	97.64	9,856,486.08	37.23	26,474,317.45
M11.1	O5 - Total area (ha)	2014-2017			9,896.37	88.73	11,153.00
M11.2	O5 - Total area (ha)	2014-2017			53,603.16	93.57	57,287.00
M15	O1 - Total public expenditure	2014-2017	150,884.62	40.24	0.00	0.00	375,000.00
M15.1	O5 - Total area (ha)	2014-2017			0.00	0.00	700.00
M16	O1 - Total public expenditure	2014-2017	7,058,595.87	51.29	74,797.41	0.54	13,762,132.59

Focus Area 5B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5B	T15: Total investment for energy efficiency (€) (focus area 5B)	2014-2017	1,586,895.45	7.69	1,586,895.45	7.69	20,625,000.27
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5B	O1 - Total public expenditure	2014-2017	5,054,439.61	51.47	833,373.97	8.49	9,820,529.39
M01	O1 - Total public expenditure	2014-2017	857,925.18	77.44	181,498.02	16.38	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2017			32,508.35	39.66	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2017			100.00	38.46	260.00
M02	O1 - Total public expenditure	2014-2017	230,053.47	96.65	17,117.77	7.19	238,030.36
M02.1	O13 - Number of beneficiaries advised	2014-2017			14.00	16.87	83.00
M04	O1 - Total public expenditure	2014-2017	3,657,085.96	44.33	634,758.18	7.69	8,250,000.11
M04	O2 - Total investment	2014-2017					20,625,000.27
M04.1 M04.2 M04.3	O3 - Number of actions/operations supported	2014-2017			13.00	4.55	286.00
M16	O1 - Total public expenditure	2014-2017	309,375.00	137.72	0.00	0.00	224,632.53

Focus Area 5C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5C	T16: Total investment in renewable energy production (€) (focus area 5C)	2014-2017					43,862,327.67
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5C	O1 - Total public expenditure	2014-2017	1,224,025.67	4.09	194,984.71	0.65	29,922,297.76
M01	O1 - Total public expenditure	2014-2017	726,237.29	65.55	181,498.00	16.38	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2017			32,508.33	39.66	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2017			100.00	38.46	260.00
M02	O1 - Total public expenditure	2014-2017	188,413.38	100.47	13,486.71	7.19	187,539.07
M02.1	O13 - Number of beneficiaries advised	2014-2017			11.00	16.67	66.00
M04	O1 - Total public expenditure	2014-2017	0.00		0.00		0.00
M07	O1 - Total public expenditure	2014-2017	0.00	0.00	0.00	0.00	19,190,481.39
M07.2	O3 - Number of actions/operations supported	2014-2017			0.00	0.00	197.00
M07.2 M07.3 M07.4 M07.5 M07.6 M07.7 M07.8	O2 - Total investment	2014-2017			0.00	0.00	23,028,577.67
M08	O1 - Total public expenditure	2014-2017	0.00	0.00	0.00	0.00	8,344,131.38
M08	O5 - Total area (ha)	2014-2017					100.00
M08.5	O1 - Total public expenditure	2014-2017			0.00	0.00	10,631.38
M08.6	O1 - Total public expenditure	2014-2017			0.00	0.00	8,333,500.00
M08.6	O2 - Total investment	2014-2017			0.00	0.00	20,833,750.00
M16	O1 - Total public expenditure	2014-2017	309,375.00	28.32	0.00	0.00	1,092,279.53

Focus Area 5D							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5D	T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	2014-2017			4.42	105.23	4.20
		2014-2016			3.11	74.04	
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5D	O1 - Total public expenditure	2014-2017	15,556,415.05	79.42	5,062,649.13	25.85	19,587,705.86
M01	O1 - Total public expenditure	2014-2017	2,780,766.39	251.00	181,498.01	16.38	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2017			32,508.33	39.66	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2017			100.00	38.46	260.00
M02	O1 - Total public expenditure	2014-2017	1,617,556.44	71.06	120,550.64	5.30	2,276,310.79
M02.1	O13 - Number of beneficiaries advised	2014-2017			96.00	9.72	988.00
M04	O1 - Total public expenditure	2014-2017	3,656,942.49	86.71	506,943.83	12.02	4,217,649.53
M04	O2 - Total investment	2014-2017					10,405,149.61
M04.1 M04.3 M04.4	O3 - Number of actions/operations supported	2014-2017			177.00	3.62	4,893.00
M10	O1 - Total public expenditure	2014-2017	7,191,774.73	61.15	4,253,656.65	36.17	11,761,246.62
M10.1	O5 - Total area (ha)	2014-2017			63,773.63	106.63	59,807.08
M16	O1 - Total public expenditure	2014-2017	309,375.00	137.72	0.00	0.00	224,632.53

Focus Area 5E							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5E	T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	2014-2017			0.13	57.77	0.23
		2014-2016			0.03	13.33	
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5E	O1 - Total public expenditure	2014-2017	12,008,048.27	56.85	5,389,796.29	25.52	21,123,506.68
M01	O1 - Total public expenditure	2014-2017	781,765.10	70.56	181,498.06	16.38	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2017			32,508.37	39.66	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2017			100.00	38.46	260.00
M02	O1 - Total public expenditure	2014-2017	641,146.86	47.83	15,665.33	1.17	1,340,519.39
M02.1	O13 - Number of beneficiaries advised	2014-2017			13.00	1.65	786.00
M04	O1 - Total public expenditure	2014-2017	3,019,694.11	829.63	1,239,403.97	340.51	363,980.10
M04	O2 - Total investment	2014-2017					363,980.10
M04.4	O3 - Number of actions/operations supported	2014-2017			735.00	15.00	4,900.00
M08	O1 - Total public expenditure	2014-2017	5,960,550.10	35.75	3,515,308.78	21.08	16,672,343.60
M08.1	O1 - Total public expenditure	2014-2017			1,718,794.14	23.21	7,404,656.00
M08.1	O5 - Total area (ha)	2014-2017			129.47	15.56	832.00
M08.2	O1 - Total public expenditure	2014-2017			0.00	0.00	40,000.00
M08.2	O5 - Total area (ha)	2014-2017			0.00	0.00	50.00
M08.3	O1 - Total public expenditure	2014-2017			0.00	0.00	975,000.00
M08.4	O1 - Total public expenditure	2014-2017			1,720,936.99	34.26	5,022,525.15
M08.5	O1 - Total public expenditure	2014-2017			75,577.65	2.34	3,230,162.45
M08.5	O3 - Number of actions/operations supported	2014-2017			28.00	7.12	393.00
M10	O1 - Total public expenditure	2014-2017	1,295,517.10	122.08	437,920.15	41.27	1,061,224.67
M10.1	O5 - Total area (ha)	2014-2017			2,024.11	66.99	3,021.60
M16	O1 - Total public expenditure	2014-2017	309,375.00	53.56	0.00	0.00	577,572.53

Focus Area 6A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6A	T20: Jobs created in supported projects (focus area 6A)	2014-2017					765.00
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6A	O1 - Total public expenditure	2014-2017	19,243,009.69	71.20	470,144.55	1.74	27,028,060.28
M02	O1 - Total public expenditure	2014-2017	465,519.24	96.90	34,546.80	7.19	480,388.55
M02.1	O13 - Number of beneficiaries advised	2014-2017			28.00	16.67	168.00
M04	O1 - Total public expenditure	2014-2017	0.00		0.00		0.00
M06	O1 - Total public expenditure	2014-2017	16,867,573.90	69.17	0.00	0.00	24,385,948.12
M06	O2 - Total investment	2014-2017					53,822,012.30
M06.2 M06.4	O4 - Number of holdings/beneficiaries supported	2014-2017			0.00	0.00	420.00
M08	O1 - Total public expenditure	2014-2017	1,140,415.30	63.57	435,597.75	24.28	1,794,076.61
M08	O5 - Total area (ha)	2014-2017					20.00
M08.5	O1 - Total public expenditure	2014-2017			0.00	0.00	127,576.61
M08.6	O1 - Total public expenditure	2014-2017			435,597.75	26.14	1,666,500.00
M08.6	O2 - Total investment	2014-2017			1,089,234.48	26.14	4,166,250.00
M16	O1 - Total public expenditure	2014-2017	769,501.25	209.30	0.00	0.00	367,647.00

Focus Area 6B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6B	T23: Jobs created in supported projects (Leader) (focus area 6B)	2014-2017					100.00
		2014-2016					
		2014-2015					
	T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	2014-2017			45.53	100.01	45.53
		2014-2016					
		2014-2015					
	T21: percentage of rural population covered by local development strategies (focus area 6B)	2014-2017			45.53	100.01	45.53
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6B	O1 - Total public expenditure	2014-2017	116,631,345.13	66.46	3,963,891.44	2.26	175,478,897.09
M07	O1 - Total public expenditure	2014-2017	12,299,519.12	23.90	631,240.12	1.23	51,455,813.95
M07.1	O3 - Number of actions/operations supported	2014-2017			0.00	0.00	100.00
M07.1 M07.2 M07.4 M07.5 M07.6 M07.7 M07.8	O15 - Population benefiting of improved services/infrastructures (IT or others)	2014-2017			0.00	0.00	1,381,745.00
M07.2	O3 - Number of actions/operations supported	2014-2017			1.00	1.79	56.00
M07.4	O3 - Number of actions/operations supported	2014-2017			9.00	5.36	168.00
M07.5	O3 - Number of actions/operations supported	2014-2017			1.00	0.67	150.00
M07.6	O3 - Number of actions/operations supported	2014-2017			1.00	1.25	80.00
M07.7	O3 - Number of actions/operations supported	2014-2017			0.00	0.00	50.00
M16	O1 - Total public expenditure	2014-2017	43,310,839.48	67.17	1,315,530.33	2.04	64,476,606.75
M19	O1 - Total public expenditure	2014-2017	61,020,986.53	102.48	2,017,120.99	3.39	59,546,476.39
M19	O18 - Population covered by LAG	2014-2017			1,381,745.00	100.00	1,381,745.00
M19	O19 - Number of LAGs selected	2014-2017			18.00	100.00	18.00
M19.1	O1 - Total public expenditure	2014-2017			58,171.37	104.47	55,680.00
M19.2	O1 - Total public expenditure	2014-2017			1,958,949.62	4.73	41,457,514.04
M19.3	O1 - Total public expenditure	2014-2017			0.00	0.00	4,155,205.88
M19.4	O1 - Total public expenditure	2014-2017			0.00	0.00	13,878,076.47

Focus Area 6C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6C	T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	2014-2017					16.47
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6C	O1 - Total public expenditure	2014-2017	793,593.82	21.70	90,749.03	2.48	3,657,637.85
M01	O1 - Total public expenditure	2014-2017	612,993.82	110.66	90,749.03	16.38	553,933.19
M01.1	O1 - Total public expenditure	2014-2017			16,254.20	39.66	40,986.18
M01.1	O12 - Number of participants in trainings	2014-2017			50.00	38.46	130.00
M07	O1 - Total public expenditure	2014-2017	180,600.00	5.82	0.00	0.00	3,103,704.66
M07.3	O15 - Population benefiting of improved services/infrastructures (IT or others)	2014-2017			0.00	0.00	500,000.00
M07.3	O3 - Number of actions/operations supported	2014-2017			0.00	0.00	49.00

Documents

Document title	Document type	Document date	Local reference	Commission reference	Checksum	Files	Sent date	Sent By
AIR Financial Annex 2014UK06RDRP004	Financial annex (System)	03-08-2018		Ares(2018)5580245	2981770056	AIRfinancialAnnex2014UK06RDRP004_en.pdf	31-10-2018	nlewigav
WALES RDP 2014-2020 CITIZEN SUMMARY - AIR 2017	Citizens' summary	30-10-2018		Ares(2018)5580245	1503213068	WALES RDP 2014-2020 CITIZEN SUMMARY - AIR 2017	31-10-2018	nlewigav
WALES RDP 2014-2020 PERFORMANCE FRAMEWORK UPDATE MAY 2017	Other annex	30-10-2018		Ares(2018)5580245	2015107125	WALES RDP 2014-2020 PERFORMANCE FRAMEWORK UPDATE MAY 2017	31-10-2018	nlewigav
WALES RDP 2014-2020 WG RESPONSE TO OBSERVATIONS ON THE 2017 AIR	Other annex	31-10-2018		Ares(2018)5580245	2368137473	WALES RDP 2014-2020 WG RESPONSE TO OBSERVATIONS ON THE 2017 AIR	31-10-2018	nlewigav

