



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)	2014-2016					14.09
	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)	2014-2016					1,147.00
	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)	2014-2016					13,000.00
	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)		2014-2016					10.08
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	20,501,662.07	50.07			40,944,000.00
M02	O1 - Total public expenditure	2014-2016	3,684,912.77	47.79			7,709,890.70
M04	O1 - Total public expenditure	2014-2016	1,640,181.18	2.35	0.00	0.00	69,817,646.51
M16	O1 - Total public expenditure	2014-2016					423,527.91
Total	O1 - Total public expenditure	2014-2016	25,826,756.02	21.72	0.00	0.00	118,895,065.12

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

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)		2014-2016					0.68
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	26,196,295.26	964.69			2,715,527.91
M02	O1 - Total public expenditure	2014-2016	468,875.21	47.79			981,020.93
M04	O1 - Total public expenditure	2014-2016	11,457,862.35	24.35	0.00	0.00	47,056,909.30
M16	O1 - Total public expenditure	2014-2016	3,120,927.06	11.96			26,094,118.61
Total	O1 - Total public expenditure	2014-2016	41,243,959.88	53.67	0.00	0.00	76,847,576.75

Priority P4

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)		2014-2016					1.11
		2014-2015					
T11: percentage of forestry land under management contracts to improve water management (focus area 4B)		2014-2016					0.85
		2014-2015					
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)		2014-2016			0.20	2.22	9.00
		2014-2015			0.01	0.11	
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)		2014-2016			4.36	51.50	8.47
		2014-2015					
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)		2014-2016			3.14	6.40	49.06
		2014-2015					
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)		2014-2016			20.94	42.64	49.11
		2014-2015			1.60	3.26	
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	2,644,702.79	48.98			5,400,000.00
M02	O1 - Total public expenditure	2014-2016	1,146,428.59	47.42			2,417,646.51
M04	O1 - Total public expenditure	2014-2016	47,776,681.32	23.96	558,564.27	0.28	199,392,219.69
M08	O1 - Total public expenditure	2014-2016	5,114,286.28	15.26	679,337.92	2.03	33,504,867.44
M10	O1 - Total public expenditure	2014-2016	80,106,639.35	27.98	35,233,964.45	12.31	286,311,139.54
M11	O1 - Total public expenditure	2014-2016	10,415,928.85	20.12	5,087,622.11	9.83	51,764,704.66
M15	O1 - Total public expenditure	2014-2016	150,884.62	42.75			352,941.86
M16	O1 - Total public expenditure	2014-2016					15,341,174.42
Total	O1 - Total public expenditure	2014-2016	147,355,551.80	24.79	41,559,488.75	6.99	594,484,694.12

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)		2014-2016					19,911,765.00
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	298,271.33	99.42			300,000.00
M02	O1 - Total public expenditure	2014-2016	120,642.84	47.71			252,883.72
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	7,964,706.00
M16	O1 - Total public expenditure	2014-2016					6,094,116.28
Total	O1 - Total public expenditure	2014-2016	418,914.17	2.87	0.00	0.00	14,611,706.00

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)		2014-2016					50,401,543.92
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	166,583.44	47.87			348,000.00
M02	O1 - Total public expenditure	2014-2016	102,210.90	51.12			199,941.86
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	1,870,000.00
M07	O1 - Total public expenditure	2014-2016					19,190,481.39
M08	O1 - Total public expenditure	2014-2016					9,679,534.89
M16	O1 - Total public expenditure	2014-2016					14,447,062.79
Total	O1 - Total public expenditure	2014-2016	268,794.34	0.59	0.00	0.00	45,735,020.93

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)		2014-2016			3.11	22.17	14.03
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	2,221,112.54	50.85			4,368,000.00
M02	O1 - Total public expenditure	2014-2016	847,039.64	47.43			1,785,881.40
M04	O1 - Total public expenditure	2014-2016	1,505,882.35	37.81	19,266.14	0.48	3,982,353.00
M10	O1 - Total public expenditure	2014-2016	2,510,212.66	11.91	1,893,754.53	8.98	21,084,883.72
M16	O1 - Total public expenditure	2014-2016					6,094,118.60
Total	O1 - Total public expenditure	2014-2016	7,084,247.19	18.98	1,913,020.67	5.13	37,315,236.72

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)		2014-2016			0.03	23.89	0.13
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	222,111.25	57.84			384,000.00
M02	O1 - Total public expenditure	2014-2016	119,991.20	51.75			231,881.39
M04	O1 - Total public expenditure	2014-2016	1,447,058.82	94.16	2,972.59	0.19	1,536,765.11
M08	O1 - Total public expenditure	2014-2016	1,443,235.64	5.44	1,523,364.57	5.74	26,519,244.18
M10	O1 - Total public expenditure	2014-2016	486,285.02	18.45	160,616.27	6.09	2,635,611.63
M16	O1 - Total public expenditure	2014-2016					6,447,058.14
Total	O1 - Total public expenditure	2014-2016	3,718,681.93	9.85	1,686,953.43	4.47	37,754,560.45

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)		2014-2016					142.00
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M02	O1 - Total public expenditure	2014-2016	244,708.45	47.79			512,000.00
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	1,000,000.00
M06	O1 - Total public expenditure	2014-2016					17,647,060.47
M08	O1 - Total public expenditure	2014-2016	5,041.18	0.19			2,700,590.69
M16	O1 - Total public expenditure	2014-2016					705,881.40
Total	O1 - Total public expenditure	2014-2016	249,749.63	1.11	0.00	0.00	22,565,532.56

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)		2014-2016					100.00
		2014-2015					
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)		2014-2016					45.53
		2014-2015					
T21: percentage of rural population covered by local development strategies (focus area 6B)		2014-2016					45.53
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M07	O1 - Total public expenditure	2014-2016	112,056.47	0.24			46,455,813.95
M16	O1 - Total public expenditure	2014-2016	4,735,589.41	53.67			8,823,530.23
M19	O1 - Total public expenditure	2014-2016	61,020,986.53	108.81			56,077,795.19
Total	O1 - Total public expenditure	2014-2016	65,868,632.41	59.15			111,357,139.37

Focus Area 6C

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)		2014-2016					16.47
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2016	333,166.89	66.10			504,000.00
M07	O1 - Total public expenditure	2014-2016					4,000,000.00
Total	O1 - Total public expenditure	2014-2016	333,166.89	7.40			4,504,000.00

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. The programme represents a seven year investment in rural Wales by Welsh Government (WG) and the European Union (EU). It is a Wales-wide package of EU and WG funded interventions that align the 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.

There is an EC requirement that applications to the 2014-2020 Rural Programme are not selected on a first past the post system. To meet this requirement, most schemes and their associated Measures under the WGRC-RDP 2014-2020 open and close for applications periodically through the life of the Programme through a two stage process of Expression of Interest (EOIs) leading to full applications. The RDP also funds activities delivered through means other than EOI rounds, such as Farming Connect delivery under Measures 1 and 2.

FINANCIAL OVERVIEW

Spend to date and activity data within this report cover 2016 and the final quarter of 2015 (October-December 2015) when payments from the 2014-2020 Programme commenced. Payments of just under €48.02m had been made during 2016 of which €36.87m related to EAFRD. Bringing the total paid since the start of the Programme to €58.95m of which €44.02m was EAFRD. Given the early stage in Programme implementation and the requirement to report on completed operations there is limited data within the accompanying monitoring tables for this reporting period. Information will be available in future reports as operations complete.

By the end of December 2016 there was a total of almost €117.86m in committed funds as shown in Table A of the accompanying monitoring tables. The highest commitments by Focus Area (FA) during 2016 were against P4 (€60.23m) and 3A (€40.3m) with €10.27m committed against the remaining Focus Areas, including €4.85m under FA6B, €2.51m (FA 5D), €1.64m (FA2A) and €1.27m (FA5E). By Measure the highest commitment during 2016 was seen against Measure 10: Agri-environment-climate (€45.92m), Measure 1: Knowledge Transfer (€25.72m) and Measure 4: Investments in physical assets (€22.61m). The remaining €23.6m was recorded against Measure 7 (Basic Services and village renewal, €0.11m), Measure 8 (Forestry, €3.38m), Measure 11 (Organic Farming, €5.2m), Measure 16 (Co-operation, €7.86m) and Measure 20 (Technical Assistance, €7.06m). Other Measures activated within the Programme but not listed above have begun implementation with funding due to be committed during 2017 and beyond.

It should be noted that within the 2015 Annual Report a technical issue has been identified regarding Focus Area data reported - data was provided for Measure 4.4 under Focus Area 5B in error. The data has been corrected within this report and reporting systems amended.

Measure 20: Technical Assistance

Activity funded by Technical Assistance (under Measure 20) is essential for the successful implementation of the WGRC-RDP2014-20. Activities to be funded include technical input to the viability of projects, programme implementation and the development of IT systems. Technical Assistance (TA) will also fund a number of mandatory elements of the RDP such as the Wales Rural

Network and monitoring and evaluation costs of the Programme.

Activity under TA was agreed ‘in principle’ by the WG’s CAP Programme Board during July 2015. All TA funded projects are scored against eight selection criteria. This approach was agreed by the All Wales ESI Programme Monitoring Committee. This will ensure transparency and consistency of the assessment of the deliverability of proposed activities.

During 2016 eight projects were formally submitted for assessment under the Technical Assistance Measure. One project was approved during December 2016 committing a total of €7.5m. No EAFRD was drawn down under TA during 2016. There were no completed operations during the reporting period given the early phase of delivery. TA activities will be delivered under Measure 20.1, with the Wales Rural Network delivered under Measure 20.2.

Technical Assistance:

	Number of applications	Total Value (£m)	Total Value (€m)*
Total allocation for TA	-	£ 38.13	€ 47.67
Committed – Total Public	-	£ 6.00	€ 7.50
Applications received	8	£ 30.67	€ 38.34
Applications under appraisal	7	£ 24.67	€ 30.84
Applications approved	1	£ 6.00	€ 7.50

** Euro conversion of applications under appraisal and approved are based on a 0.8 programme planning 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.

There were no completed operations or expenditure incurred in respect of these Measures during the reporting period. Regarding committed expenditure a total of €25.72m in funding was committed under Measure 1 with €7.86m committed under Measure 16 during 2016. This represents 43.72% commitment against Measure 1 allocation (€58.82m) and 9.31% against Measure 16 allocation (€84.47m). Commitments under Measure 2 will commence during 2017. Information for these Measures has been

provided against Priority 1 only, given the limited data available at this stage to report across the other Focus Areas which these Measures contribute to. Based on commitment funds and ongoing activity Measure 1 is on track to meet the current approved target of 13,000 participants in training.

Measures 1 & 2

Delivery contracts under Measures 1 and 2 covering knowledge transfer, innovation and advisory services (delivered through Farming Connect) were awarded and commenced on 1 October 2015 coinciding with the end of the services delivered under the 2007-2013 RDP. These services will be 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 new Farming Connect Knowledge Transfer Programme. Menter a Busnes are supported by a consortium consisting of IBERS (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%. Eligibility criteria have been widened to include more farmers and foresters with smaller holdings, new categories of self-employed contractors and agricultural students.

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 focusing 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 within Farming Connect, 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 (Vocational training) Farming Connect has developed several vocational training initiatives, including;

1. **One to one mentoring:** This initiative provides farmers and foresters with access to guidance and advice from their peers. It has been designed to benefit new entrants, businesses considering significant strategic change in direction and individuals looking to exit the industry and who are considering share/contract farming possibilities. Up until 31 December 2016, 35 mentees accessed the support on topics ranging from advice on grassland management, establishing an organic dairy enterprise, setting up a soft fruit farm and streamlining a sheep enterprise.
2. **Agri Academy:** The Agri Academy brings together individuals in the agricultural industry in Wales providing training, mentoring, support and guidance through 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). 13 individuals took part in this programme in 2016.

- The Business and Innovation programme – aimed at supporting and inspiring the next generation of farming and forestry innovators and entrepreneurs in Wales. 11 individuals took part in this programme in 2016.

- 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). 12 individuals benefited from this programme in 2016.

One of the intensive weekends for the Rural Leadership programme included a visit to Brussels and London. During this visit the WG EU office was visited and a meeting with a Labour MEP was held. In addition visits were made to Beef and Lamb New Zealand, the British Agricultural Bureau and the NFU informed delegates of the golden rules of lobbying.

3. **Skills and Mentoring:** Through the skills and mentoring 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 to help analyse the business needs and to plan a strategy to strengthen or introduce new skills to the business. A total of 2,509 individuals have accessed 50 different courses. Examples of courses include;

Machine sheep shearing – 88 individuals

Machine sheep shearing – 88 individuals

Financial recording and VAT – 91 individuals

Business planning and development – 80 individuals

Cattle foot trimming – 107 individuals

4. **E-learning:** Up until the end of December 2016 a total of 1,721 e-learning courses were completed, broken down into the following courses:

Health & Safety on farm	1,628
Anthelmintic resistance on sheep farms	3
Grazing Management	16
Liverfluke Management	29
High Sugar Grasses	18
Tree Identification	20
Benefits of trees on upland farms	7

Total

1,721

Measure 1.2

Under Measure 1.2 (Demonstration activities and information actions) of the Programme the following Farming Connect demonstration activities took place during 2016:

1. **Demonstration Network:** The Demonstration Network consists of eight innovation sites, 12 demonstration farms and each year 36 focus sites are recruited. 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 and innovation can be implemented at farm/forestry level. Up until 31 December 2016, 58 open meetings took place with 1,735 attendees and 19 closed progression events took place with 305 attendees. Examples of projects undertaken in the Demonstration network include;

- *Demonstration site project - Digestate as Agricultural Fertiliser:* Digestate is a product of anaerobic digestion and one of the Demonstration farms compared the use of this liquid digestate with conventional compound fertiliser. The digestate was applied to grass plots either with a trailing shoe, disc injection or a splash plate alongside plots receiving compound fertiliser or nothing. The digestate performed as well as the compound fertiliser particularly when disc injected and was financially more economical. The compound fertiliser worked out at £45.40 (€56.75) worth of nutrients/acre compared to the digestate at £18 (€22.5) worth of nutrients/acre. The take home message from this project was that digestate can be used effectively as a fertiliser when applied with consideration to the environment, soil indices and crop demand.

- *Focus site project - Converting a set-stocked beef and sheep unit to a rotational grazing system.* This project looked at the infrastructure required to convert the farm to a rotational grazing system and resulted in the farm being split into paddocks that allowed effective management and organisation of the grazing throughout the season. Regular monitoring and recording of grass growth allowed the grazing platform to be allocated appropriately and surplus grass removed for silage. The farmer found his grass utilisation increased and an additional 220 round bales of silage were made compared to the previous year equating to an extra £3,300k / €4,125k (value of the silage) or the extra grass could allow a 25% increase in stocking rate.

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 2016, 71 groups were recruited with a total of 676 members. All discussion groups are benchmarking their 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. For example, a Sheep Discussion Group has focussed getting soils right and enhancing grass growth in the first year of the group being established. On one of the group member's farm a project was established to compare rotational grazing with set stocking. The results showed that rotational grazing was able to carry more lambs with 1,874kg more lamb produced on the area managed rotationally compared to the set stocked area.
3. **Action Learning (Agrigôp):** Agrigôp 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 six to ten, 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 36 groups, facilitated by local Agrisgôp leaders, have been established across Wales. They hold meetings at regular intervals to focus on their aims and objectives and during this period 227 meetings took place. One group has looked at the opportunities for finishing and marketing native breeds of cattle. They recognised the importance of supplying butchers with a product that met their needs all year round. They have looked at options for working with finishing units to achieve consistency to create confidence in the market with their product.

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 and Marketing and diversification. During this period (up until 31 December 2016) 264 surgeries have taken place with 1,448 beneficiaries and 117 clinics have taken place with 1,101 beneficiaries. The infrastructure clinics provided tailored on-farm support and advice for farmers on building design to improve performance, health and welfare of livestock. Each participating farmer received bespoke advice on their existing or planned farm building design to identify areas for improvement. Feedback on these clinics has been very positive
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. Three events were held with 85 beneficiaries.
6. **Venture:** This initiative is 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 2016, 118 people have engaged with this initiative and out of these 24 potential matches have been identified. Two new joint venture enterprises have been established during this period. The individuals who have found potential business partners are now proceeding to apply for group advice through the advisory service and further legal guidance where necessary.

Measure 1.3

Under Measure 1.3 (Management exchanges and farm visits) of the Programme the following exchanges and farm visits were organised during 2016:

1. **Farm and Forest short term visits:** A valuable way to discover improved methods or ways of working is to spend time visiting other businesses, see best practice in action and then 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. Six 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. In November 2015 the Wales Young Farmers' Clubs Integrated Calf Scheme

group visited County Tyrone in Northern Ireland to investigate how an integrated calf scheme that was operating there improved the supply of calves and the relationship with the processor. The first visit was to a calf rearer who focussed on high health status and targeted live weight gains to ensure a consistent high quality calf. They also visited a finishing unit that relied on high quality animals and strong attention to detail of health and diet. Learning about how this supply chain works together to ensure the processor gets a desirable product has since led to the development of the RDP funded Integrated YFC Beef Scheme Project.

- 2. Farm and Forest exchanges:** Successful candidates 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. Eight successful candidates were awarded funding in 2016 on a variety of topics. All exchange visits will be completed by the end of June 2017.

Measure 2

Under Measures 2.1 (support to help benefiting from the use of advisory services) and 2.2 (supporting the setting up of advisory services) 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. 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. Measure 2.3 (support for training of advisors) has yet to be activated, this Measure will be kept under review, the WG consider changes as appropriate during the programme period.

A total of 444 individual businesses have been approved for support through the Advisory Service by 31 December 2016. Group advice has been approved for 19 groups representing a further 77 individual businesses. Individual businesses have requested the following advice;

- Strategic Business Planning 384
- Strategic Business Planning for New Entrants 3
- Strategic Business Planning for Food SMEs 3
- Technical Grassland & Crop Management 31
- Technical Livestock Management & Performance 15
- Technical Diversification and Added Value 7
- Technical Horticulture 1

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 problems common to their group. Groups are supported by the Farming Connect Knowledge Exchange Hub, a collaboration between Farming Connect and IBERS, Aberystwyth University. The Hub assists the Groups 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. If the project satisfies the requirements, it is referred on to the WG who will invite the group to submit a full application.

The Operational Groups are also able to seek support from an Innovation Broker. The Innovation Brokers are fully funded via the Farming Connect Advisory Service and provide guidance and support to the Operational Group throughout the application process. During this time period Farming Connect has received 37 enquiries from individuals interested in seeking support from EIP. Of these, 21 have gone on to develop project outlines and 14 have been referred to WG to be invited to submit full applications. The range of topics of current groups was diverse and include;

- Reducing antibiotic usage
- Improving horticultural production and practices
- Nutrient management
- Small scale forestry applications
- Improving supply chains

No applications have been received by the WG to date. These are expected from Spring 2017. As projects are awarded funding, Farming Connect and the Knowledge Exchange Hub will 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 across Wales and the EU who are interested in similar topics, and has already made links with the thematic network; EuroDairy and relevant dairy Operational Groups are being put in touch with them to enable information, ideas and training opportunities to be shared. As new thematic networks are developed that are relevant to Operational Groups in Wales the Knowledge Exchange Hub will help to connect them together.

PRIORITY 2: FOCUS AREA 2A and 2B

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.

There is a total of €136.39m of approved programmed funds under Priority 2, with €118.9m under Focus Area A and €17.49m under Focus Area 2B. In the first programme modification submitted in the latter half of 2016 it is proposed to remove Focus Area 2B from the Programme. During the reporting period there were no completed operations or realised expenditure incurred in respect of these Measures against Focus Area 2A. However by close 2016 a total of €0.12m had been paid for ongoing operations under

Measure 4.1 of which 100% were EAFRD funds. Regarding committed expenditure a total of €1.28m in funding was committed under Measure 4 during 2016 against this Focus Area. Progress in implementing Measure 4.1 (investments in agricultural holdings) is provided below;

FOCUS AREA 2A

Measure 4.1

The Sustainable Production Scheme (SPG) under Measure 4.1 (support for investments in agricultural holdings) primarily delivers under Focus Area 2A, but has incidental benefits for Focus Areas 3A, 3B, 4A, 4B, 5B, 5C and 5D. The SPG 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 aims to provide 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 €2.5m with 172 EOIs received of which 12 were invited to submit a full application. The second had an allocation of €7.7m 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 €7.5m. 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. As of December 2016 a total of 41 full applications have been received from the three EOI windows, of these a total of €0.12m has been paid.

Although there were no completed operations or realised expenditure incurred in respect of this Measure during the reporting period, by close 2016 a total of €0.12m had been paid for ongoing operations of which 100% were EAFRD funds. With regard to indicators progress will be provided in future reports as operations complete. Please also see Priority 5 section of this report for information on Measure 4.1.

Measure 4.3

The farm and forestry infrastructure scheme under Measure 4.3 (investments in infrastructure related to development, modernisation or adaption of agriculture and forestry) supports capital investments in a) renewable energy production and b) access to woodland areas for management and amenity. The first modification proposes to remove this Measure from the Wales Rural Development Programme.

FOCUS AREA 2B

Measure 6.1

The Young Farmers scheme under Measure 6.1 (business start up aid for young farmers) supports interventions to provide start up in the form of a grant for working capital to new entrant young farmers and young farmers succeeding as head of holdings. The first modification proposes to remove this Measure and Focus Area from the Wales Rural Development Programme. Measure 6.1 was the only direct contributor to Focus Area 2B: Facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal. New and young entrants will be supported

through wider programme interventions.

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.

There is a total of €76.85m of approved programmed funds under Priority 3, all of which is programmed under Focus Area 3A. During the reporting period there were no completed operations or realised expenditure incurred in respect of these Measures against Focus Area 3A. However by close 2016 a total of €0.18m had been paid for ongoing operations under Measure 4.2 of which 100% were EAFRD funds. Regarding committed expenditure during 2016 a total of €25.72m in funding has been committed under Measure 1 with €8.74m in funding for Measure 4 and €1.11m under Measure 16 against this Focus Area.

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 (support for demonstration activities and information actions) 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 will support food manufacturers over the next five years in Innovation, Efficiency and Strategy.

Project HELIX is due to be launched in early 2017 with a value of €25.72m, with the following core outcomes;

	Impact	No of	New jobs	New markets
	in €'m	Enterprises	created	accessed
Food Industry Centre (FIC)	€ 91.7m	94	200	48
Food Technology Centre (FTC)	€ 49.4m	56	105	23
Food Centre Wales (FCW)	€ 35.2m	31	65	16
Total	€176.5m	181	370	87

There is no data as yet to report within the monitoring tables for this Measure as there were no completed operations during 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

Measure 4.2

Measure 4.2 (support for investments in processing/marketing and/or development of agricultural products) is delivered through the Food Business Investment Scheme (FBIS). This Scheme 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 also 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.

There is no data within the monitoring tables for this Measure as no operations were completed by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion. Although there were no completed operations or realised expenditure incurred during the reporting period by close 2016 a total of €0.18m had been paid for ongoing operations of which 100% were EAFRD funds. Information on expression of interest windows which opened during the reporting period is given below;

FBIS EOI window 1: The first FBIS expression of interest (EOI) window opened on 20 July 2015 closing on 30 September 2015. The window was heavily oversubscribed with a total of 85 EOI's received by the closing date. The total project investment for these was €232.18m with a total grant request of €51.7m. The approved budget for this window was €9.4m. A total of 24 projects were invited to submit full applications following assessment, of these:

- 21 Full applications were received (87.5%) within the six month deadline, with a grant request of €11.5m.
- 17 Applications have been given full approval with a total capital cost of €32.58m and approved grant value of €11.4m, with targets for 310 FTE jobs created, 289 jobs safeguarded, 25 new markets accessed and 93 new products.
- One application has been rejected with three withdrawn and three projects in appraisal.

FBIS EOI window 2: The second EOI window opened on 29 February 2016 closing on 25 April 2016. This window was also heavily oversubscribed with a total of 65 EOI's received by the closing date. The total project investment for these was €132.4m with a total grant request of €42.23m. The approved budget for this window was €16.4m. A total of 21 projects were invited to submit full applications following assessment, of these:

- 18 Full applications were received (85.7%) within the six month deadline with a grant request of €25m.
- Four Applications have been given full approval with a total capital cost of €28.47m and approved grant value €10.9m with targets of 198 FTE jobs created, 155 jobs safeguarded, 12 new markets accessed and 47 new products.
- Three applications have been withdrawn and 15 projects are in appraisal.

FBIS EOI window 3: The third window opened on 2 November 2016 closing on 18 January 2017. The window had a budget for €3.2m and specifically targeted Micro and Small food processors with a €88.2k maximum and €2.8k minimum grant value. A total of 50 EOIs were assessed with proposed expenditure of €6.4m and requested grant of €2.4m.

Measure 16.4

The Co-operation and Supply Chain Development Scheme (C&SCDS) delivered under Measure 16 is provides support for a broad range of matters and for all aspects of a project, from the initial stages through to delivery and into dissemination and evaluation. The scheme aims to support the development of new products, practices, processes and technologies in the agriculture, forestry and food sectors, 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 C&SCDS is open to individuals, businesses and organisations involved in the supply chains of the agriculture, forestry, food and hospitality sectors (except for fisheries or aquaculture products) and other actors that contribute to achieving the objectives and priorities of rural development policy. In essence the scheme supports collaboration and is designed to make new things happen, achieving transformational change. As with the other socio-economic schemes C&SCDS has a two stage application process with an Expression of Interest (EOI) stage followed by submission of a full project application.

Measure 16.4 (support for horizontal / vertical co-operation among supply chain actors for establishment / development of short supply chains & local markets, and for promotion activities in a local context relating to development of short supply chains & local markets) programmed under Focus Area 3A only.

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” that could 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.)

There was one EOI round held during 2015 which opened Measure 16.4 with an indicative allocation of £10m. There were 47 EOI applications were received of which 29 progressed. Two EOI rounds were held during 2016 which opened Measures 16.2 and 16.4 in both rounds. Each round had an indicative budget allocation of £6m. Over the two EOI rounds in 2016 the WG received 20 EOIs under Measure 16.4, two of which passed on to the full application stage. Over the three EOI windows a total of 67 EOIs were received under Measure 16.4 of which 31 progressed to full application.

The European Commission informed Member States at their Rural Development Committee (RDC) during 2016 of a Technical Clarification regarding Measure 16.4. This included instruction that Measure 16.4 was only to be used to support horizontal and vertical supply chains in the agricultural sector involving one step between the farmer and the consumer. The text for Measure 16.4 in the original approved version of the Programme identified a range of possible beneficiaries and a wider scope than this technical clarification permitted. As a result of the clarification the WG has proposed amendments to the RDP text as part of the first amendment to the Programme document. This caused some difficulties during the appraisal of the first two EOI windows.

Information on Measure 16 Co-operation and Supply Chain Efficiency Scheme can also be found under Priority 5 & Priority 6 sections of this report.

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.

There is a total of €594.48m of approved programmed funds allocated under Priority 4. During 2016 expenditure incurred for ongoing and completed operations against Priority 4 totalled €45.79m of which €35.57m were EAFRD funds bringing total cumulative funds paid by the end of 2016 to €56.69m (of this €42.72m were EAFRD funds), representing 13.64% spend against the Priority 4 programmed allocation. Regarding committed expenditure under Priority 4 during 2016, a total of €9.52m in funding was committed under Measure 4, €3.99m for Measure 8, with €42.93m under Measure 10 and €5.19m under Measure 11.

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)

Under Focus Area 4A during the reporting period the physical area supported was 298,780 hectares (of which 298,183 ha Agricultural and 597 ha forestry) with 44,768 hectares under Focus Area 4B (all agricultural) and 62,141 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 and 11.1 & 11.2, 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) - 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 - Focus Areas 4A, 5C, 5E and 6A.
- 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 (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. As such there is no data within the monitoring tables. A copy of the evaluation panels report and WG's response can be found at:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/farming/schemes/glastir/glastir-advanced/?lang=en>

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 (non productive investments linked to agri-environment-climate objectives) alongside the capital works elements for Measure 10.1 for Glastir Advanced. 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 because the hay meadow commitment is Focus Area 4A, a fence protecting a streamside corridor commitment in Glastir Advanced would be assigned Focus Area 4B because the streamside corridor is Focus Area 4B.

For Glastir Small Grants, the Focus Area is assigned according to the theme for the individual round of Glastir Small Grants. For the first round of Glastir Small Grants in 2016, the theme was Carbon assigned to Focus Area 5E, the Water theme against Focus Area 4B and, when the Landscape and Pollinators theme is launched in 2017, Focus Area 4A will be assigned.

During the reporting period for Measure 4.4 there were 122 completed operations with €0.58m realised expenditure. It should be noted a breakdown of these figures for NCA, age and agricultural branch in Table C of the monitoring tables will be provided in future reports. Operations support by farm size has been provided within the supporting monitoring tables. A total of almost €11.91m has been paid to date for ongoing operations under Measure 4.4.

Measure 8.1 and 8.2

Schemes delivered under Measure 8.1 include legacy Glastir Woodland Creation contracts 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 funds (75%) allocated to Priority 4. GWC has seen the establishment of 107.59ha of new woodland creation. The majority has been established under Measure 8.1 with only 1ha under Measure 8.2. Total expenditure to date for Measure 8.1 has been €1.2m across both Priority 4 and 5 of which €0.49m is attributed to Priority 4. Total expenditure for Measure 8.2 was €1.9k all of which was under Priority 4. First claims for maintenance and income foregone will not be made until SAF2017 as only complete calendar years for newly established woodland can be claimed. A third round for GWC with a budget of £1.7m (€2.12m), opened on 30 August 2016 closing on 14 October 2016. A total of 95 EOIs were received with a total planting area of 787.45ha submitted and a capital value of €3.29m. A selection process will need to be undertaken to remain within the allocated budget and this will take place in early 2017. During the reporting period for Measure 8.1 establishment there were 34 beneficiaries with 59ha total area supported and for Measure 8.2 establishment there was one beneficiary with one hectare supported. For Measure 8.1 maintenance and 8.2 maintenance in 2016 there were no beneficiaries or area supported under this Focus Area. Data should become available for future reports.

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. 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. There is no activity or expenditure to report during the reporting period under Focus Area 5E for this Measure. Further information on the Scheme 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 (75%) for this Measure sits under Focus Area 5E with remainder allocated to Priority 4. There were no

beneficiaries, area supported or expenditure incurred during the reporting period under Measure 8.4 for Priority 4. Data should become available for future reports. Further information on the Scheme can be found under Priority 5 section below.

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. Presently, there are 268 extant contracts with expenditure paid under this RDP amounting to €2.1m for Measure 8.5. There were 77 operations supported covering an area of 275 ha during the reporting period under Measure 8.5 with a total €0.33m expenditure. The majority of the allocation for this Measure is under Priority 4 (60.38%), with the remainder programmed under Focus Areas 5C, 5E and 6A. Expenditure for ongoing contracts under Priority 4 for this Measure stood at €2.13m of which €2.09m was EAFRD funds.

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. The number of unique contracts under M.10.1 stands at 4,366 (excluding those Advanced contracts linked to Entry) covering an area of 667,755 ha. The 2016 AIR reports all Measure 10 expenditure against Priority 4 due to the necessary development to show expenditure against the applicable Priority 4 and Focus Areas 5D and 5E was not sufficiently robust to produce accurate reporting. 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 against a forecast area of 548,750 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. Glastir Entry participants, whose contracts ended in December 2016, will have the opportunity to apply to Glastir Small Grants, a capital scheme funded through Measure 4.4 that addresses Priority 4 Focus Areas 4A and 4B as well as Priority 5 Focus Areas 5D and 5E. The WG still intends to extend Glastir Entry contracts that underpin Glastir Advanced contracts to finish at the same time. This would see a number of Glastir Entry contracts extended by between one and three years.

Glastir Advanced now comprises 2,082 contracts of which 495 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 €11.91m for Measure 4.4 and €12.81m for Measure 10.1. To date, 55 capital works plans of operations have been completed to a value of €0.31m. An EOI round for applications for Glastir Advanced agreements to commence on 1 Jan 2018 has been agreed and will be announced during 2017. The forecast value for the Glastir Advanced 2018 EOI round is €21.6m.

Glastir Commons which is programmed entirely under Priority 4, Focus Area 4a, is now closed to new entrants and currently amounts to 197 contracts covering 119,069 ha of land. Total expenditure under this RDP has been €1.97m for Measure 10.1. 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.

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. After three rounds of Glastir Organic applications, 499 contracts to maintain organic farming practices have been achieved covering a total area of 62,141ha (8,108ha under Measure 11.1 and 54,033 ha for Measure 11.2). With expenditure for Measure 11 of €4.88m all of which was EAFRD. The third application round for Glastir Organic with a budget of €1.76m closed on 31 October 2016 with 153 EOIs submitted, covering an area of 16,628 ha to a value of €7.32m. Given the numbers received a selection process was undertaken to remain within the allocated budget.

Measure 15.1

It had been intended Measure 15.1 (Forest-environment climate services and forest conservation) to be used within the overall Woodland Management Measures within Measure 8. However it is anticipated there will only be relatively small amounts of uptake. This is due to the two activities included in the programme for funding under this Measure (peatland restoration and delayed replanting to facilitate woodland and water quality outcomes in acid sensitive catchments) are being addressed in other ways and using other funding streams including Measure 16 and LIFE Nature. There is no activity, commitments or expenditure for the Measure under Priority 4 during this reporting period. Measure 15.1 will be kept under review and WG will consider changes as appropriate during the programme period.

Measure 16.5

This Measure (support for joint action undertaken to mitigate or adapt to climate change and for joint approaches to environmental projects and ongoing environmental practices) is delivered through the Sustainable Management Scheme (SMS) primarily under Priority 4 (Focus Areas 4A, 4B & 4C) of the Programme with secondarily contributions under Focus Area 2A, 5B to E and 6A and 6B.

The SMS 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 Act 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. To date, WG has committed to two windows of €6.25 (£5m) for the Scheme totalling €12.5m (£10m) of funding.

The WG opened the first EOI window for SMS on 29 February 2016. By the close of that window (on 7 May 2016) a total of 63 EOIs had been received. Of these 11 were successful and were invited by the WG to work up full applications, supported by the Scheme Management Unit (SMU) within WG. Of the 11 invited to application all are expected to have submitted full applications for assessment by early 2017. These applications will then be formally assessed. The full applications from this window are expected to represent a RC-RDP funding commitment of approx. €6.25m (£5m). These innovative projects range from defined landscape scale projects focussed on an area of rural Wales to several pan Wales strategic interventions.

A second EOI window for SMS ran from 3 October 2016 to the 30 November 2016. The WG received a total of 38 EOIs. Of these 13 were successful and will be invited by the WG to work up full applications. Full applications from this window are estimated to represent a commitment of approx.

€6.25m (£5m).

Many of the applications from both EOI windows are farmer led collaborations and involve collaboration with the rural community of land owners, farmers, graziers, commoners and the local communities. It is anticipated that there will be 24 fully approved operations underway by the end of 2017. This scheme only became operational in 2016 as such there are no completed operations or data to report within the monitoring tables given the early phase of delivery. Future reports will show activity once approved operations are underway.

Measure 16.8

This Measure (support for drawing up of forest management plans or equivalent instruments) will be delivered under the Co-operative Forestry Planning Scheme. The Co-operative Forest Planning Scheme (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 could include the development and co-ordination of collaborative groups, communication and dissemination activities, technical and feasibility studies or monitoring and evaluation activities.

The WG opened the first EOI window for CFPS on the 14 November 2016 with a deadline of 30 April 2017 for receipt of EOIs. It is expected that the appraisal of the EOIs will be completed by Summer 2017. The deadline for the submission of full applications resulting from this EOI window is expected to be mid February 2018.

Adjustments were made to the Selection Criteria for the CFPS which was presented to the Wales ESI Programme Monitoring Committee (PMC) 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.

The CFPS only became operational during 2016. Consequently, no expenditure was incurred during the reporting period under Priority 4. There is no data to report within the monitoring tables for this Measure as there were no completed operations by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

PRIORITY 5: FOCUS AREAS 5B, 5C, 5D and 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).

A total of €135.42m of approved programme funds have been allocated under Priority 5. Of the €130.42m a total of €14.61m has been allocated to Focus Area 5B, €45.74m under Focus Area 5D,

€37.32m under Focus Area 5D and €37.75m under Focus Area 5E. During 2016 expenditure incurred against Priority 5 stood at almost €1.93m of which €0.99m related to EAFRD funds bringing the total cumulative funds paid by the end of 2016 to €1.95m of which just over €1m were EAFRD funds. This represents 2.42% of the Priority 5 programmed allocation. Regarding committed expenditure during 2016 a total of €1.39m funding has been committed under Measure 8 and €3m under Measure 10 against this Priority. Of this the majority (€2.51m) were under Focus Area 5D with the remaining €1.88m were under Focus Area 5E.

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 Priority 2 section for Measure 4.1, 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 Priority 4 section above for Measures 4.4, 8.1, 8.2, 8.3, 8.4 ,8.5 and 16.8.*

FOCUS AREA 5B

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 completed operations or realised 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.

FOCUS AREA 5C

Measure 4.3

The farm and forestry infrastructure scheme under Measure 4.3 (investments in infrastructure related to development, modernisation or adaption of agriculture and forestry) supports capital investments in a) renewable energy production and b) access to woodland areas for management and amenity. The first

modification submitted in 2016 proposes to remove this Measure from the Wales Rural Development Programme.

Measure 7.2

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 7.2 (investments of small scale infrastructure including renewable energy) is programmed under both Focus Area 5C and Focus Area 6B. During 2016 a total of 12 EOIs were received under Focus Area 5C in the first three EOI Rounds of which five progressed to the full application stage. There is no data to report within the monitoring tables for this Measure as there were no completed operations during the reporting period given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion. 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 or area supported under Focus Area 5C for this Measure during the reporting period. The majority of the allocation for this Measure (60.37%) is under Priority 4 with 37.99% programmed under Focus Area 5E. The remaining funds are allocated to Focus Areas 5C and 6A. Please see Priority 4 section above for further information on Measure 8.5.

Measure 8.6

Measure 8.6 (support for investments in forest technologies and processing, mobilising and marketing of forest products) is delivered under Focus Areas 5C and 6A of the Programme through the Timber Business Investment Scheme (TBIS). The majority of the allocation (83%) for this Measure is programmed under Focus Area 5C with the remainder under Focus Area 6A. 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 Expression of Interest (EOI) window for TBIS on 29 February 2016. By the close of the first window on the 23 May 2016 a total of 50 EOIs had been received. Of these 21 EOIs were successful and were invited by the WG to work up full applications with the help of the Scheme Management Unit within WG. Of the 21 invited to application one full application €5,040 / (£4,285) has already been approved with the expectation of a further 15 full applications before the deadline on 31 January 2017 with commitments of approx. €1.76m / £1.5m. A second EOI window for TBIS will run from 1 February 2017 to the 30 April 2017. The WG expects to receive 15-20 full applications by the end of 2017 from this window.

There is no data to report within the monitoring tables for this Measure as there were no completed operations by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion. As this scheme only became operational in 2016 no

expenditure was incurred in respect of this Measure during the reporting period.

Measure 16.6

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) for the Co-operation and Supply Chain Development Scheme (C&SCD) is programmed under Focus Area 5C has yet to open, the WG intend to develop sections for the Scheme guidance to permit this to be opened in future rounds, if appropriate. Further information on Measure 16 C&SCD can be found in Priority 3, 5 and 6 of this report.

Measure 16.8

This Measure (support for drawing up of forest management plans or equivalent instruments) will be delivered under through the Co-operative Forestry Planning Scheme. See Priority 4 section above for further information on activity for this Measure. The CFPS only became operational during 2016. Consequently, no expenditure was incurred during the reporting period. There is no data to report within the monitoring tables for this Measure as there were no completed operations by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

FOCUS AREA 5D

Measures 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 completed operations or realised expenditure incurred in respect of this Measure under Focus Area 5D during the reporting period. Progress against indicators will be provided in future reports as operations complete. Please see Priority 2 section of this report for more information on Measure 4.1 and SPG.

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 2016 there were eight operations supported with €19k in realised expenditure for completed 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 639 contracts covering 133,631 ha under Focus Area 5D for Measure 10.1. As previously explained, for this 2016 AIR reported all Measure 10 declared expenditure was reported against Priority 4 as the necessary development to show expenditure against the applicable Priority 4 and Focus Areas 5D and 5E was not sufficiently robust to produce accurate reporting. Future reports will show declared expenditure for Measure 10 under this Focus Area. See Priority 4 section of

this report for more information on Measure 10.1 and Glastir schemes.

FOCUS AREA 5E

Measure 4.3

The farm and forestry infrastructure scheme under Measure 4.3 (investments in infrastructure related to development, modernisation or adaption of agriculture and forestry) supports capital investments in a) renewable energy production and b) access to woodland areas for management and amenity. The first modification proposes to remove this Measure from the Wales Rural Development Programme.

Measures 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 2016 there were three operations supported with €3k in realised expenditure for completed operations under Focus Area 5E.

Measure 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 has been €1.2m of which €0.71m is attributed to Focus Area 5E. 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 seven beneficiaries with 17 ha total area supported. For Measure 8.1 maintenance in 2016 there were 599 beneficiaries with 2,745 ha area supported. No beneficiaries or area was supported for Measure 8.2 establishment and Measure 8.2 maintenance under this Focus Area during this reporting period. Data should become available for future reports. Please see section on Priority 4 above for further information on these Measures.

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. There was no activity or expenditure during the reporting period for this Measure.

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 first two rounds there was expenditure of €0.88m with an area of 317 ha of woodland undergoing restoration. A further 230ha of planting had been approved in 2016 for completion by April 2017. A further round is planned for Glastir Woodland Restoration in June 2017 with a budget of €1.18m. The fourth round for GWR with a budget of €1.18m opened on 30 August 2016 and closed on 30 September 2016. Under this round 23 EOIs were received with a total re-stocking area of 122.61ha submitted and a capital value of €340k. This low figure could be attributed to current restrictive GWR rules for Plantations on Ancient Woodland Sites (PAWS). For the next round of GWR, a management planning grant of €1,764.70 will be offered to enable the condition of a PAWS to be expertly determined and a re-stock mixture applied that is dependant on the site's ability to recover, rather than the habitat network type for where it is located which should encourage more woodland managers to apply.

The majority of the allocation for this Measure (75%) is under Focus Area 5E with the remaining 25% allocation under Priority 4. During the reporting period there were 35 beneficiaries supported covering an area supported of 264 hectares. Expenditure during the reporting period for ongoing contracts was €0.98m of which €0.42m were EAFRD funds.

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 2016 there were 16 operations under Focus Area 5C for this Measure, covering 28ha with €15k realised expenditure for completed operations. Expenditure for ongoing operations was €63k by December 2016. The majority of the allocation for this Measure (60.37%) is under Priority 4 with 37.99% programmed under Focus Area 5E. The remaining funds are allocated to Focus Areas 5C and 6A. Please see Priority 4 section above for further information on Measure 8.5. Expenditure during the reporting period for ongoing contracts was €0.05m of which €0.02m were EAFRD funds.

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 308 contracts covering 1,071 ha under Focus Area 5E for Measure 10.1. As previously explained, for this AIR all Measure 10 declared expenditure has been reported against Priority 4 as the necessary development to show expenditure against the applicable Priority 4 and Focus Areas 5D and 5E was not sufficiently robust to produce accurate reporting. Future reports will show declared expenditure for Measure 10 under this Focus Area. 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) will be delivered under through the Co-operative Forestry Planning Scheme. See Priority 4 section above for further information on activity for this Measure. The CFPS only became operational during 2016. Consequently, no expenditure was incurred during the reporting period under Focus Area 5E. There is no data to report within the monitoring tables for this Measure as there were no completed operations by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations

come to a conclusion.

PRIORITY 6: FOCUS AREAS 6A, 6B and 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).

There is a total of €138.43m of approved programmed funds allocated under Priority 6 of which €22.57m has been programmed under Focus Area 6A, €111.36m under Focus Area 6B and €4.50m under Focus Area 6C. During the reporting period there were no completed operations or realised expenditure incurred against Priority 6. Regarding committed expenditure during 2016 a total of €0.11m funding has been committed under Measure 7 with €5k in funding for Measure 8 and €4.74m under Measure 16 against this Priority. Of this the majority (€4.85m) were under Focus Area 6B with the remaining €5k under Focus Area 6A.

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 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)
- Focus Area 6C: Measure 7.3 (broadband infrastructure)

FOCUS AREA 6A

Measure 6.2

The Rural Business Start up Scheme will be delivered under Measure 6.2 (business start-up aid for new non-agricultural activities in rural areas). The scheme aims to support micro and small enterprises and sole traders across Wales and farmers or members of a farm household who diversify into non-agricultural activities. RDP intervention has to be additional and complementary to the support offered by the WG Business Wales service. The scheme will not launch until discussions to determine the exact nature of any current gap in provision are concluded. As such there were no completed operations or expenditure incurred in respect of this Measure during the reporting period. As Measure 6.2 is not yet operational there is no data to report within the monitoring tables. Future reports will show activity once

operations are approved and come to a conclusion.

Measure 6.4

There are two Schemes to be launched 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 related to the Tourism sector. These were the main gaps identified in the intervention logic in the Rural Development Programme 2014-2020.

The Tourism Investment Support Scheme – Rural has yet to commence delivery it is anticipated that during Spring/Summer 2017 the Tourism Investment Support Scheme - Rural will launch. Increasing the growth potential and sustainability of small and micro-businesses in rural Wales continues to be a need within Wales. By helping small rural businesses diversify they can broaden their economic base, improve their environmental performance and establish an additional income stream. This scheme will target 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 scheme 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 Tourism Investment Support Scheme – Rural will be delivered by the WG and will complement the other Tourism related interventions in the RDP. These include:

- Small-scale investment in tourism infrastructure under Measure 7, Basic Services and Village Renewal. Support under Measure 16.3 for co-operation among small operators in organising joint work processes and sharing facilities and resources, and for developing and marketing tourism Measure 19 support via LEADER Local Action Groups for tourism-related projects falling mainly under two of the five Welsh LEADER themes:
 1. Adding value to local identity and natural and cultural resources
 2. Facilitating pre-commercial development, business partnerships and short supply chains

There were no completed operations or expenditure incurred in respect of this Scheme during the reporting period.

Measure 6.4

The Rural Business Investment Scheme - Food (under Measure 6.4 support for investments in creation and development of non-agricultural activities) will open in 2017. The Scheme will be delivered by the WG and will complement the other Food and Drink related interventions in the RDP. These include:

- Food Innovation Wales and other support via Measure 1, Knowledge Transfer and Information Actions and Measure 2, Advisory Services
- support under sub-Measure 4.2 via the Food Business Investment Scheme for investments in processing/marketing and/or development of agricultural products
- support for horizontal and vertical co-operation among supply chain actors under sub-Measure 16.4 via the Cooperation and Supply Chain Development Scheme
- Measure 19 support via LEADER Local Action Groups (LAGs) for food and drink related

projects falling mainly under two of the five Welsh LEADER themes:

1. Adding value to local identity and natural and cultural resources
2. Facilitating pre-commercial development, business partnerships and short supply chains

As this Scheme is not yet operational there are no completed operations or expenditure incurred in respect of sub-Measure 6.4 during the reporting period. Future reports will show activity once operations are approved and come to a conclusion.

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. Data should become available for future reports as operations complete. The majority of the allocation for this Measure (60.37%) is under Priority 4 with 37.99% programmed under Focus Area 5E; the remaining funds are allocated to Focus Areas 5C and 6A. Please see Priority 4 section above for information on Measure 8.5.

Measure 8.6

Measure 8.6 (support for investments in forest technologies and processing, mobilising and marketing of forest products) is delivered under Focus Areas 5C and 6A of the Programme through the Timber Business Investment Scheme (TBIS). The majority of the allocation (83%) for this Measure is programmed under Focus Area 5C with the remainder under Focus Area 6A. As this scheme only became operational in 2016 there is no data to report within the monitoring tables as there were no completed operations or expenditure incurred by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

Measure 16.8

This Measure (support for drawing up of forest management plans or equivalent instruments) will be delivered under through the Co-operative Forestry Planning Scheme. See Priority 4 section above for further information on activity for this Measure. The CFPS only became operational during 2016. Consequently, no expenditure was incurred during the reporting period under Focus Area 6A. There is no data to report within the monitoring tables for this Measure as there were no completed operations by the end of 2016 given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

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) of the Co-operation and Supply Chain Development Scheme (C&SCD) has yet to open. The WG intend to develop sections for the Scheme guidance to permit this to be opened in future rounds, if appropriate. Further information on Measure 16 C&SCD can be found in Priority 3 and 5 of this report.

FOCUS AREA 6B

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.

The RCDF Scheme was developed in co-production with the Community-led Local Development (CLLD) Consultation Group which has a membership of key external stakeholders including the Welsh Local Government Association (WLGA), the Wales Council for Voluntary Action (WCVA), Natural Resources Wales (NRW) and regional representatives of the LEADER LAGs. More information on the CLLD consultation Group can be found at Section 8 of this report. For the RCDF, the WG has a transparent two stage application process involving the submission of Expressions of Interest (EOI) followed by full project applications (for those successful at EOI). 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. This is to allow the LAGs to check the proposal fits with their Local Development Strategy (LDS). EOIs submitted by the appropriate deadline will be assessed, scored and ranked in order of merit according to the published selection criteria. From these EOIs full project applications will be invited.

The Rural Development Division in the WG's Agriculture, Food and Marine Group is working in partnership with the Tackling Poverty team in the WG's Equality and Prosperity Department. The two teams have worked together to draft the Scheme documentation and to determine appropriate selection criteria which include four rurally specific "tackling poverty" criteria: Access to services, Fuel poverty, In-work poverty, Digital inclusion. The Tackling Poverty team provide policy comments on all EOIs and also during the appraisal of EOIs they undertake the second scoring of the four "tackling poverty" criteria.

To help potential applicants to RCDF the WG has published a Frequently Asked Questions (FAQ) document and the Wales Rural Network Support Unit (WRNSU) delivered a Periscope Live Streaming training event on the 24 May 2016 (now available on You Tube). The presentations were delivered by the policy leads from both the WG's Rural Development Division and Tackling Poverty team. The event was aimed at potential applicants and covered the EOI application form, process and best practice tips: <http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/events/rural-community-development-fund-live-periscope-event/?skip=1&lang=en>

The LEADER LAGs within Wales operate to a thematic framework (developed in co-production). Activities under LEADER must be consistent with at least one of the five LEADER themes for Wales:

1. Adding value to local identity and natural and cultural resources
2. Facilitating pre-commercial development, business partnerships and short supply chains
3. Exploring new ways of providing non-statutory local services
4. Renewable energy at community level
5. Exploitation of digital technology

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. Having multiple, regular EOI rounds enables this cycle to work.

Under Measure 7.1 (support for the drawing up of development plans and protection and management plans) applicants must have access to a detailed plan to support their application to other elements of Measure 7 for an investment grant. The WG’s CLLD Group has agreed that there is a logical progression from the engagement, capacity building and piloting activities undertaken via Measure 19 (LEADER) by the LAGs to Measure 7.1. The WG therefore proposes to hold one EOI call under Measure 7.1 for the submission of applications from the administrative bodies for LEADER LAGs who, if successful, will commission the drawing up of development plans and protection and management plans within their LAG’s territory. The WG has included proposed changes as part of the first modification to the Programme’s text to permit this approach. This was submitted to the European Commission in November 2016 for consideration.

In each of the three EOI Rounds for RCDF which took place during 2016 the WG opened sub-Measures 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7. 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 window open for them to submit their EOI(s). 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 (support for investments in setting up, improvement or expansion of local basic services) to remodel their village hall to add a room designed to be used by peripatetic healthcare visitors permitting access to those services within the village. They might then come in under Measure 7.2 (investments of small scale infrastructure including renewable energy) to install a biomass boiler in the hall to reduce energy costs. They might also apply under Measure 7.7 (support for investments targeting the relocation of activities and conversion of buildings / other facilities to improve quality of life / environmental performance of the rural settlement) 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. As Measure 7.2 and Measure 7.3 feed different Focus Areas to the other sub-Measures there is a possibility that the WG may under-achieve against targets in relation to FA5C and FA6C. There could be a number of reasons for the low take-up:

- 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 but will observe the outcome of EOI Rounds 4 and 5 scheduled for 2017 before reaching a decision.

To try to encourage and inform the LEADER LAGs the Wales Rural Network held a Renewable Energy thematic event on 15 April 2016 for the LEADER LAGs (hosted by Cadwyn Clwyd Cyfyngedig – the Administrative Body for three LAGs). The event was attended by 42 delegates. Information can be found here: <http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/events/58281996/?lang=en>

During 2016 the WG held three Expression of Interest rounds for the RCDF scheme under Measure 7 with EOI windows closing on the 31 January 2016, 30 June 2016 and 31 October 2016. The indicative budget allocations for the first three EOI Rounds were: €7.5m (£6m), €5m (£4m) and €3.75m (£3m) respectively. A total of 317 EOIs were received in the first three EOI Rounds. The indicative budget allocations for the first two Rounds were heavily oversubscribed. 163 project proposals passed forwards to the full application stage. During 2016 there were 296 EOIs received under Focus Area 6B in the first three EOI Rounds of which 151 progressed to the full application stage. There is no data to report within the monitoring tables for Measure 7 as there were no completed operations during the reporting period given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion.

Measure 7.5

The capital support grant scheme ‘Tourism Amenity Investment Support (TAIS) Scheme – Rural will be delivered under Measure 7.5 (support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure) and report under Focus Area 6B of the Programme. The scheme will offer small-scale investment to improve the signposting of touristic sites, to construct and modernise tourism information centres, to provide visitor information and guidance. Support will also be given 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 with its basic strong features (small scale, locally specific product, local ownership and labour, local business linkages, strong social-cultural affinities, limited negative environmental impact).

Although this scheme has yet been commenced activity under this Measure it is the intention during Spring/Summer 2017 to launch the scheme to develop small scale tourism and recreational infrastructure. Its objective will be to enhance the visitor experience at key tourism destinations through what may be individually small but collectively significant improvements to visitor amenities and the local environment in support of local tourism destination management plans and the national tourism strategy. Applications for the grant will be invited from third and public sector organisations.

This planned activity under Measure 7.5 will complement the tourism business development activity under Measure 6.4. Measure 7.5 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 were no completed operations or expenditure incurred in respect of this Measure during the reporting period.

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 2016 which opened Measures 16.2 and 16.4 only. Each round had an indicative budget allocation of £6m. Over the two EOI rounds in 2016 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. Pilot projects aren't sector specific as long as they contribute towards rural development objectives. This makes it attractive to organisations interested in wider rural development, including the LEADER Local Action Groups (LAG). As Measure 16 was modelled on LEADER it is inevitable that there are similarities between Measure 19 and Measure 16. As LAGs complete pilot activity which proves successful they often look for ways to "roll out" or "scale up" the work. Measure 16 is one of the only parts of the RDP which contains revenue funding and relatively large amounts of money are available to a single project. The WG is starting to receive bids under Measure 16.2 "pilot projects" which are uncovering a grey area between LEADER and Measure 16.2. If a concept has already been successfully piloted via LEADER can it still be considered a pilot under Measure 16.2 when operated over e.g. a larger geographical area or over additional sectors? It is demotivating to LAGs if Measure 16.2 "pilot projects" is seen as a rival scheme. The WG is looking at each example on a case by case basis to try to get the best from both Measures without duplication of funding or activity occurring.

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 will be delivered under Measure 16.2 (support for pilot projects). It is anticipated that this operation will commence activity during 2017. As such there were no completed operations or expenditure incurred in respect of this Measure during the reporting period. As the CTA Community Transport project is not yet operational there is no data to report within the monitoring tables. Future reports will show activity once operations are approved and come to a conclusion.

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. It is the intention during 2017 to launch the Scheme. The principal aim will be 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 will consist 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 will 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. There were no completed operations or expenditure incurred in respect of Measure 16.3 during the reporting period.

Measure 19: LEADER

Measure 19 of the Programme is delivered via the LEADER scheme and directly feeds Focus Area 6B. There are 18 LEADER Local Action Groups (LAGs) in Wales, covering eligible wards in 21 of the 22 Local Authority areas in Wales. Some of these LAGs are very experienced and have delivered LEADER over successive Programme periods (some since the first LEADER initiative), others are new to LEADER in the 2014-2020 period. Preparatory support was made available where required. Some Administrative Bodies service more than one LAG.

The WG opted for LAG Selection of projects including for the Co-operation sub-Measure 19.3 and has approved budgets for the LAGs over the seven year period of their Local Development Strategies (LDS). The WG monitors progress during implementation and attends LAG meetings of each LAG at least once per annum. LAG Implementation began in mid-2015.

The LEADER LAGs in Wales operate to a thematic framework (developed in co-production). Activities under LEADER must be consistent with at least one of the five LEADER themes for Wales:

1. Adding value to local identity and natural and cultural resources
2. Facilitating pre-commercial development, business partnerships and short supply chains
3. Exploring new ways of providing non-statutory local services
4. Renewable energy at community level
5. Exploitation of digital technology

The LEADER Scheme was developed in co-production with the LEADER task and finish Group (active during the development of the Programme) which discussed, for example, how to arrive at an acceptable methodology to create the indicative budget allocations for each LAG area. The LEADER task and finish Group approach was seen as successful so it developed into the current Community-led Local Development Consultation Group which has a membership of key external stakeholders including the Welsh Local Government Association (WLGA), the Wales Council for Voluntary Action (WCVA), Natural Resources Wales (NRW) and regional representatives of the LEADER LAGs. The Group meets regularly to discuss matters mainly relating to Measures 7 and 19 and has an ongoing liaison role during

the implementation period. The WG consulted the CLLD Consultation Group on the draft Scheme Guidance, local-level evaluations, training and development for LAG members and staff. More information on the CLLD Consultation Group can be found in Section 8 of this report.

The LEADER LAGs are a key part of the “pipeline” for community-led project proposals entering other schemes in the RDP. The most obvious example of this is the Rural Community Development Scheme (Measure 7). 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 Expression Of Interest (EOI) can be submitted to the WG under the Rural Community Development Scheme. The WG also shares all EOIs received with the LAGs asking them to check fit with their LDS.

Activities under LEADER must be consistent with at least one of the five LEADER themes for Wales. Fewer project proposals are coming forward naturally in relation to broadband or to energy saving and community-based renewable energy generation. Also, as is usual with LEADER, there are very few inter-territorial or trans-national Co-operation projects yet approved by the LAGs although ideas are being developed.

To try to encourage and inform the LEADER Local Action Groups in the Wales Rural Network held a Renewable Energy thematic event on 15 April 2016 for the LEADER LAGs (hosted by Cadwyn Clwyd Cyfyngedig – the Administrative Body for three LAGs) and also a workshop on the third August focussing on LEADER Co-operation Measure and Theme 5 of the Welsh LEADER Programme “Exploitation of Digital Technology” with presentations by WG officials from the Superfast Broadband Exploitation programme.

The WG decided to deliver the LEADER Scheme in Wales on a “no-Aid” basis. LAGs can animate their territories, engage stakeholders, build their capacity to identify barriers to development and opportunities, network, co-operate, undertake pre-commercial pilots and disseminate the results. The LAGs are not, however, permitted to give a grant to a commercial business for activity which would constitute State Aid. They are, instead, to sign-post those businesses to support which is available from the mainstream or from other schemes under the RDP (which have appropriate State Aid cover in place). This is a change from the way LEADER operated under the 2007-2013 RDP for Wales and some LAG Administrative Bodies have found it hard to understand and to adjust. The Wales Rural Network held a State Aid Workshop on the 23 February 2016 to develop the skills and understanding of LAG Admin Body staff in relation to correct identification of State Aid when developing/considering project ideas. The WG has also issued State Aid Q&As and provided ongoing support to LAG Admin bodies.

Activity has taken place on the ground under the LEADER Scheme but this is not yet reflected in the expenditure. The WG offered the LAG Admin Bodies the opportunity to use Simplified Cost Options and a workshop held for LAG Administrative Bodies on the 21 April 2015. During discussions about the first proposed amendment to the RDP, the WG has been involved in negotiations with DG AGRI about the WG’s Simplified Cost Options Guidance. These discussions have now ended and claims have been invited from the LAGs.

The WRNSU has established a LAG Projects Database and so far the LAGs have provided information on 284 projects to date:

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

The WRNSU delivered events specifically for the LEADER LAGs including a State Aid Workshop, Renewable Energy thematic event hosted by Cadwyn Clwyd Cyfyngedig, along with a LEADER workshop focussing on LEADER Co-operation Measure and Theme 5 of the Welsh LEADER Programme “Exploitation of Digital Technology”. More information on these events can be found under Section 4.

FOCUS AREA 6C

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 2016 nine Expressions of Interest were received under Focus Area 6C in the first three EOI Rounds of which seven progressed to the full application stage. There is no data to report within the monitoring tables for Measure 7.3 as there were no completed operations during the reporting period given the early phase of delivery. Future reports will show activity once approved operations come to a conclusion. Please see Focus Area 6B section above for more information on Measure 7 and the Rural Community Development Fund (RCDF).

European Commission Currency Converter – exchange rates 2016 monthly

<i>MONTH</i>	<i>EUR/GBP</i>
<i>January 2016</i>	<i>0.73799</i>
<i>February 2016</i>	<i>0.76228</i>
<i>March 2016</i>	<i>0.78745</i>
<i>April 2016</i>	<i>0.7858</i>
<i>May 2016</i>	<i>0.77838</i>
<i>June 2016</i>	<i>0.76125</i>
<i>July 2016</i>	<i>0.8255</i>
<i>August 2016</i>	<i>0.8422</i>
<i>September 2016</i>	<i>0.8517</i>
<i>October 2016</i>	<i>0.86138</i>
<i>November 2016</i>	<i>0.89905</i>

December 2016

0.84815

The planning rate of €1 = £0.8 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

The Performance Framework is one of the tools to achieve the result-orientation of the ESI Funds, including the EAFRD. A set of milestones and targets is defined for each priority in a programme. The achievements of milestones are assessed in 2019 (performance review) against achievements as of end 2018. The Performance Framework consists of a set of financial and output indicators mainly issued from the rural development monitoring.

For each of the Measures selected in the Wales' Rural Development Programme a budget is allocated and targets set for each discrete activity (e.g. a Scheme or direct application) within it for what is expected to be delivered under a given Focus Area. These targets are monitored throughout each year and achievements towards them are included in the regular progress reports to the ESI Programme Monitoring Committee. This monitoring ensures that money is being spent in the way which WG planned for the Programme and intended activities are delivered.

It should be noted the first modification to the Programme submitted late 2016 to the European Commission proposed amendments to the Performance Framework in light of funding adjustments and refocus of Programme priorities going forward. This includes the removal of Measures 4.3 and 6.1 along with Focus Area 2B which will have an impact on the targets shown within the Performance Framework.

There is limited progress shown in table F (Performance Framework) for the reporting period due to early phase in delivery for the Programme. As outcomes from EOI windows during 2016 and 2017 are transposed into approved operations and these come to a completion, a more accurate reflection of programme delivery will be reported with future reports demonstrating this progress.

There are apparent divergences for Priorities 4 and 5 values within the Performance Framework table between public expenditure (6.99% and 2.66% respectively) and area (90.08% and 66.71% respectively) under this Programme. The majority of the difference between area covered and spend percentage values is due to the full area recorded as realised when the first annual payment is made, but only the first year of payments being recorded as realised expenditure within the table. Further to this, there are a number of contracts signed under the previous programme, including N+2 to 2015, which were transitioned to the new regulations under the new Programme, now being funded using new Programme money. These 'old' legacy contracts amounted to an area of 417,000ha, 38.58%, for Priority 4 of the total area and an area of 45,000ha, 44.2%, for Focus Areas 5D and 5E of the total area of all 'old' and 'new' contracts now supported under this programme.

Close monitoring of approved operations and agreements will continue to ensure expected outcomes are delivered against the Performance Framework, milestone values will be reviewed in light of any financial adjustment and subsequent impact on delivered activity as part of any future Programme modification. The Welsh Government can confirm, based on EOI windows thus far, that the WGRC- RDP2014-2020 is

currently on course to achieve the milestones as set out in the revised Performance Framework.

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

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

1.e) Other RDP specific element [optional]

NOT APPLICABLE

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 submitted in late 2016 it was proposed that all references made throughout the Evaluation Plan to the '*Research, Monitoring and Evaluation team*' (RME) should be amended to the '*Strategy team*'. The RME Research, Monitoring and Evaluation team was renamed as the Strategy Team in March 2016. 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 submitted in late 2016 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 included 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 modification submitted in late 2016 proposed to amend this section of the Evaluation Plan to reflect that the ESI Programme Board will be reviewing evaluation findings.

The late 2016 modification of the Evaluation Plan proposed to add 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.

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 submitted in late 2016. 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.

The late 2016 Programme modification proposed to remove the triennial surveys of rural businesses, communities and households from the Evaluation Plan. These triennial surveys were undertaken by the former Wales Rural Observatory 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 €340,000.

It is also proposed to remove the text on undertaking evaluation work for future preparations for post-2020

European Programmes, due to EU transitioning.

The section on 'progress made in implementing the Evaluation Plan' in the 2015 AIR outlined plans to undertake an Ex Ante Assessment of Financial Instruments. It should be noted that this study will no longer be undertaken as there are no longer plans to implement Financial Instruments in the WGRC-RDP 2014-2020. Accordingly, the Financial Instruments Ex Ante Assessment has not been included in the modification of the Evaluation Plan.

4. Evaluation activities: The evaluation activities set out in the Evaluation Plan remain the same, with the proposed addition of the Agri-Insurance Feasibility Study, which has been included in the 2016 Programme modification. It has been proposed that the triennial surveys of rural communities, businesses and households are removed from the Evaluation Plan as part of the modification submitted in late 2016.

5. Data and information management: No modifications have been made to this section of the Evaluation Plan.

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 late 2016 Programme modification. This study will report in early 2018. It has also been proposed in the Programme modification that the triennial surveys on rural communities, households and businesses will be removed from this section of the Evaluation Plan.

7. Communication of evaluation results: Changes in the communication strategy; eg targeting recipients to make results of evaluation activities more accessible, in communication channels/means or in the procedures/mechanisms used to follow-up the findings and recommendations from evaluations.

The table on target audiences for evaluation has been amended as part of the late 2016 Programme modification to include the use of the WRN's Twitter account and newsletter as additional communication channels to promote evaluation findings. The table has also been amended to include an Evaluation Log which the Strategy Team will maintain to capture Programme managers' responses to evaluation recommendations. This has been introduced as a mechanism for the team to follow-up actions taken as a result of evaluation recommendations with key staff.

8. Resources: Changes in the resources to implement the evaluation plan, including financial, human, IT, data as well as in the capacity building activities. Amendments have been made in this section as part of the first Programme modification to reflect that the triennial surveys and research and evaluation contingency fund are no longer included in the Technical Assistance (TA) budget for monitoring and evaluation. See Section 9.3 of the Evaluation Plan for an explanation of the removal of the triennial surveys. The TA budget for evaluation has been reviewed to ensure it is sufficient to deliver the evaluation plan.

Some further amendments to this section of the Evaluation Plan have also been proposed in the 2016 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. 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 for the 2016 Annual Implementation Report (AIR). This research has been undertaken in-house as it is 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 had 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.

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. 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 on evaluating NRNs in the 2014-2020 RDP. 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 this Annual Report has 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.

- 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.

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,

There is a need to manage the next programme period to meet the eCohesion requirement (concerning electronic information exchange with beneficiaries). Work continued during 2016 to adapt the Welsh European Funding Office (WEFO) IT based system used to manage Structural Funds entitled Programme and Project Monitoring Information System (PPIMS). PPIMS is a tried and tested system possessing features that will meet many of the programme requirements of the current Pillar 2 socio-economic programme and schemes. 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.

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 allow 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.

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	NOT APPLICABLE
Author(s)	NOT APPLICABLE
Title	NOT APPLICABLE
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, with the exception of the in house research reported for the Common Evaluation Questions within Section 7.
URL	NOT APPLICABLE

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 7.

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 Section 7, therefore no follow up actions have been defined.
Follow-up carried out	NOT APPLICABLE
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)

EC regulations for the ESI funds require each MS to set up a monitoring committee. It is possible to set up individual committees for individual funds or one committee that covers more than one fund. 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 5 December 2014 following approval of the Structural Funds programmes and was formally established for the WGRC-RDP 2014-2020 in May 2015 following the approval by the European Commission of the Programme. The All Wales ESI PMC met four times in total during 2016; on 12 February, 9 September and 2 December. An extraordinary meeting of the PMC was held on 8 July 2016 following the outcome of the EU referendum to advise Members (and through them the wider stakeholder community) of the WG's post-referendum position on EU Funding. The PMC was consulted once via written procedure during 2016 in relation to the approval of the Annual Implementation Reports (AIR) covering 2014 and 2015 activity.

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 February, September and December 2016 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 2017 on the selection criteria as required.

Error Rates

With regard to error rates for the Programme, the final confirmed figures for the analysis of the control statistics shows a reduction in error in the random sample for area based measures at 2.31% (a reduction from 2.69% 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 1.9%, 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 2016 campaign. The error rate in the random sample for investment measures remained low at 0.37% (previous year 0.00%). Whilst the error rate has increased in relative terms it remains below 2%, the level which is considered significant. The increase error relates to a reduction on a single large case (under Measure 124) that contributed over 90% of the total error value for the fund.

The 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 2016 was published in the WG's single farm guidance.

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:

SUB MEASURE	FOCUS AREA	VALUE (€)	VALUES (£)
4.4	P4	7,788.3	6,076.83
8.1	5E	5,778.32	4,770.00
10.1	P4	41,130.91	30,946.29
11.1	P4	130.69	102.70
11.2	P4	39,244.89	30,035.64
TOTAL	-	94,073.15	71,931.46

Total of New RDP (2014-2020) recovered debts only

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 2016 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/170330-list-of-eoi-scheme-windows-en.pdf>

Modification

The first modification for the WGRC-RDP2014-2020 was presented at the September 2016 PMC meeting. This modification included amendments required as a result of changes in Ministerial priorities following the Welsh Assembly election held in May 2016, along with financial re-alignment to the funding derogations as a result of changes made since Programme approval. The modification also provided details of simplified cost methodologies along with correction to minor editorial errors identified within the programme and clarifying activity under the programmed Measures and Focus Areas in light of technical clarification received from the European Commission. WG sought PMC Members opinion on these proposed changes. Members were content with the proposed amendments, with the modification formally submitted to the EC on the 29 November 2016. Discussions with EC officials regarding the changes proposed are ongoing with the intention of gaining approval for the modification during the first half of 2017.

Financial Instruments

The European Investment Bank (EIB) and European Commission (EC) signed a Memorandum of Understanding (MoU) on agriculture and rural development in July 2014. Under the MoU, the EIB piloted a one to one coaching package, which aimed to assist Member States in developing appropriate Financial Instruments (FIs), including conducting required evaluations and negotiating with potential financial intermediaries. Wales was selected as one of three initial Managing Authorities to take part in the initial pilot coaching scheme where WG officials worked closely with EIB to progress with development of initial ideas and the required Ex Ante evaluation. Wales' feedback for this coaching highlighted the benefit and usefulness of the support provided.

Although the WGRC-RDP 2014 – 2020 makes provision for the future use of FIs during 2016 WG officials took the decision that for the foreseeable future 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

Major IT developments and testing were undertaken during 2014 and 2015 to ensure compliance with E-cohesion (the requirement for a system to allow the electronic transfer of data between beneficiaries and the Managing Authority). The decision was taken to adapt the WEFO IT system (PPIMS) to manage the socio-economic elements of the Programme by WG. The external facing system (WEFO Online) will allow beneficiaries to directly enter data, documentation and claims to WG. There has been ongoing development to PPIMS throughout 2016 and 2017; these enhancements and adaptations have resulted in a delay in drawing down EAFRD funds for certain Measures and operations within the Programme whilst this work is undertaken and information recorded onto the system. These enhancements will be completed by mid 2017.

Land based operations will continue to be managed through the CAPIT IT system. Enhancements were made to this system during 2014 and 2015 to ensure compliance with operations database requirements with applications received through RPW online, the customer facing element. 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. Glastir schemes are 100% digital and the Glastir Organic 2016, Glastir Advanced 2016, Glastir Woodland Restoration and Glastir Woodland Creation contracts will all be managed through this system.

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)
Fund specific methods CPR Article 67(5)(e)	655,839,163.00	26.78	4.30

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)	655,839,163.00		
Fund specific methods CPR Article 67(5)(e)	655,839,163.00		

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 Network Support Unit:

- 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.

The team works alongside RDP scheme managers and delivery bodies to identify networking opportunities and to support the wider WRN. During 2016 the remit of the team increased to include the Community Led Local Development (CLLD) delivery work.

On-going development and review of the Webpages and communications methods have been a priority for the team during 2016. 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)

Following consultation with ESI PMC Members a Steering Group recruitment campaign was undertaken during 2016 using the new website, various stakeholder channels and other networks to advertise these

opportunities. A closing date for applications was set for early January 2016.

The WRNSG remit is to:

- Advising and assisting with the development of a work-plan
- Monitoring the delivery of the work-plan and progress towards achieving the objectives and outputs of the WRN;
- Promoting the work of the WRN and advising PMC and other stakeholders of its activities;
- Facilitating training and networking, between RDP stakeholders;
- Supporting co-operation among LAGs and project applicants at Wales, UK and transnational levels;
- Collecting, disseminating and encouraging the adoption of good practice;
- Assisting with evaluations and the sharing and dissemination of monitoring and evaluation findings;
- Contributing to the work of UK and EU networks;
- Additionally, at the discretion of the Managing Authority acting as a sounding board for RDP related policy developments.

The WRNSG met for the first time on the 10 June 2016 and recently approved the Work Plan for 2017, which will be reviewed on an annual basis. The (WRNSU) will work to implement the 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 were delivered in December 2015 and were regularly updated with news, events, publications and case studies throughout 2016.

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). During 2016 the project form was amended to include additional information. These amendments required a web re-build and testing. This work will be completed in the first quarter of 2017 and it will be a priority to publish a full list of approved projects. This list will be updated on a regular basis.

WG 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, its communities and beneficiaries.

• 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. During 2016 it was decided to move to an on-line fortnightly version of Gwlad thus reducing publication costs, this is one of the key tools for communicating RDP Scheme information and updating to stakeholders and customers. 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 2,953 subscribers to the English version and a further 754 to the Welsh language version.

PUBLICATION DATES

INFORMATION PROVIDED

January / February 2016	Two page spread regarding the new Welsh LEADER scheme
March / April 2016	Article about RDP start of term event Article about DG Agri visit to an RDP project
8 September 2016	New EOI Windows for: - Sustainable Production Scheme - Rural Community Development Fund
20 September 2016	Future EOI for: - Sustainable Management Scheme - Co-operation & Supply Chain Development Scheme
6 October 2016	EOI windows now open:

- Sustainable Management Scheme
- Rural Community Development Fund
- Sustainable Production Scheme

18 October 2016

EOI Window now open:

- Co-operation and Supply Chain Development

EOI Window due to close:

- Sustainable Production Grant

4 November 2016

EOI Window now open:

- Food Business Investment Scheme
- Sustainable Management Scheme
- Co-operation and Supply Chain Development Scheme

EOI Window due to open:

- Co-operative Forest Planning Scheme

24 November 2016

EOI Windows now open:

- Co-operative Forest Planning Scheme

EOI Windows due to open:

- Rural Community Development Fund
- Food Business Investment Scheme

EOI Windows due to close:

- Sustainable Management Scheme
- Co-operation and Supply Chain Development Scheme

9 December 2016

EOI Windows now open:

- Rural Community Development Fund
- Co-operative Forest Planning Scheme
- Food Business Investment Scheme

EOI Windows due to close:

- Co-operative and Supply Chain Development Scheme

22 December 2016

EOI Windows now open:

- Rural Community Development Fund

- Co-operative Forest Planning Scheme

- Food Business Investment Scheme

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

During 2016, the WRNSU has been responsible for successfully organising a number of events to support and promote the RDP 2014-2020. These have included;

Start of Term conference: The conference was held at the Liberty Stadium, Swansea on 11 February 2016 and was attended by 192 delegates. The event included an exhibitor zone where 12 LAGs, Stakeholders, funding partners and other relevant organisations had information tables providing individual advice and answering questions. The event was addressed by the WG Deputy Minister for Farming and Food and DG Agri. representatives. Speakers included previous, successful beneficiaries from the Food Sector; Communities; Fisheries and Farming & Agriculture.

State Aid Event: On 23 February 2016 WRNSU facilitated a State Aid Event for LAGs/State Aid Finance Officers in Newtown. This was aimed at raising LAG staff's understanding of state aid when developing and considering project ideas. The event focused on case studies, scenarios and open discussions.

Collaboration events: A number of collaboration events have been held to support the Cooperation & Supply Chain Development Scheme:

- *Red meat, pork, dairy and horticulture sectors:* The first event was held on 25 February 2016 in the WG Offices in Newtown, Powys. This event focused on the red meat, pork, dairy and horticulture sectors. Its aim was to encourage further collaboration between the proposed projects under the first Expression of Interest window. There were 32 attendees comprising LAGs and other relevant contacts such as WCVA. Attendees received clarity on State Aid requirements and guidance papers. Official responses and case studies were circulated following the meeting.
- *Food and Drink Sectors:* The second event was held on the 10th March 2016 in Builth Wells, Powys, this focused on the food and drink sectors, again to encourage further collaboration between the proposed projects under the first EOI window. A total of 37 delegates attended. They included successful and unsuccessful applicants under the first EOI window of the Co-operation & Supply Chain Development scheme plus key stakeholders from the sector.
- *Renewable Energy:* WRNSU facilitated a "Renewable Energy at a Community Level" event in the WG Offices, Newtown, Powys on the 15 April 2016. This was attended by 42 delegates comprising LAGs; Energy Trusts and Communities. Project ideas, training, feasibility and pilots were tabled.

Periscope Event: On 24 May 2016 the WRNSU conducted a live Periscope event to promote and provide guidance on the application process for the RCDF Scheme for LAGs and Pan Wales Stakeholders. The Event was aimed at potential applicants and covered the EOI application process. This event was open to

anyone wishing to participate /view via their computer or mobile device and could be viewed after the event via a link on the WG website. Individuals were able to participate live via Twitter.

Royal Welsh Show: WG staff attended the Royal Welsh Show (RWS) in Builth Wells, Powys during July 2016. 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. WRNSU also demonstrated the new PPIMS online system for applying for RDP socio economic schemes.

LEADER workshop: On 3 August 2016 the WRNSU hosted a LEADER workshop at the WG Offices, Newtown for LAG Admin staff. There were 35 attendees at the event which was arranged at the request of the LAGs as a follow-up to the event in February 2016. During the morning session, there was a presentation on LEADER Co-operation demonstrating successful projects from three LAG areas. The afternoon saw a presentation on the Superfast Broadband Exploitation programme providing up to date information on the scheme. A Question & Answer session provided guidance with LEADER theme five potential project ideas or issues – Exploitation of Digital Technology.

Community Led Local Development (CLLD) Steering Group: The CLLD Steering Group held three meetings / events during 2016, supporting LAGs in the creation of Cooperation Projects. Scheme guidance was created along with web pages for the WRN website.

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

During 19-21 April 2016, a WG representative attended an EIP workshop in Legnaro, Italy and gave a short presentation on the approach to EIP in Wales. The presentation referred to both the organisational and structural aspects of Wales EIP and activities and actions undertaken to raise awareness of the support provided in Wales.

- **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 in July 2016. WG staff also attended the UKNRN meeting in Birmingham in December 2016, where it was decided that Scotland would continue as UKNRN secretariat. 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-RDP2014-2020.

- **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 / events as they provide useful networking opportunities and information sharing. The following are some examples of events attended during 2016:

- EIP First Experience of Operational Groups attended by WG, 19-21 April 2016.
- ENRD LEADER/CLLD Sub-Group – WG represented by CLLD Policy Lead and regular updates are received by the WRN and circulated to the UKNRN.
- Simplified cost options workshop for LEADER/CLLD (Brussels) 19 January 2016.
- DG Agri conference – unlocking the potential of RDPs (Brussels) 1 February
- Fifth NRN meeting – stakeholder involvement, urban-rural and “agri-culture” (ENRD, Amsterdam) 11, 12 May 2016
- Monitoring and Evaluation FLAGS Helsinki 24-27 May 2016
- FARNET MA Meeting 23, 24 November 2016
- ENRD/DG AGRI – Achieving Results the CLLD Way event in Bastad, Sweden 7/8 December 2016
- The ENRD/EIP Networking for Innovation event in Tallin, Estonia 27, 28 October 2016
- **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;

- Community Woodland groups - Llais y Goedwig 23 March 2016 – RDP Scheme Support
- PAVS - Pembrokeshire Funding Fair - Narbeth – 15 November 2016 – the WRNSU was invited to provide a stall at the Pembrokeshire Association of Voluntary Services (PAVS) annual Funding Fair with the WG's policy lead for RCDF delivering a presentation at the event alongside the resident LEADER LAG.
- LEADER Cooperation North and South conference in Newry – Networking, LEADER Cooperation Ideas sharing. 8/9 Nov 2016 – This was a joint conference exploring the theme of LEADER Co-operation within the context of their current Rural Development Programmes.
- EIP First Experience of Operational Groups attended by WG 19-21 April 2016.

WRN makes every effort to re-tweet 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.

To take forward the activities set out in the WRN communication/work plan, meetings are regularly held with the RDP scheme owners 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. During 2016 several EOI windows were publicised on the website e.g. FBIS, Sustainable Production Grant, SMS, RCDF, Glastir Schemes, Cooperation and Supply Chain Development, TBIS and CFPS.

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.

Periscope

On 24 May 2016 the WRNSU conducted a live Periscope event to promote and provide guidance on the application process for the RCDF for LAGs and Pan Wales Stakeholders. This event received 94 hits on the day and a further 192 on YouTube following the live streaming.

The Event was aimed at potential applicants and covered the EOI application process. This event was open to anyone wishing to participate /view via their computer or mobile device and could be viewed after the event via a link on the WG website. People were able to participate live via Twitter. A bilingual presentation was later made available on the website.

The WRN assisted in organising two LAG LEADER events The WRN will continue to work with Scheme Managers in identifying future communication needs and requirements for inclusion in the work plan as well as supporting LAG and scheme project beneficiaries with publicity and press release requirements and guidelines.

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 Project directory form has been updated to obtain information on Theme / Measure which will be

published bilingually on the WRN Pages.

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 2017. 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.

Twitter followers continue to significantly increase:

WRN Twitter – 2015

Tweets – 185

Followers - 702

WRN Twitter - 2016

Tweets - 580 + 395 +214%

Followers - 1,100 + 361 +51%

5. ACTIONS TAKEN TO FULFIL EX ANTE CONDITIONALITIES

5.a) Unfulfilled criteria of general ex-ante conditionalities

General ex-ante conditionality	Criterion
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5.b) Actions taken to fulfil applicable general ex-ante conditionalities

General ex-ante conditionality	Criterion	Actions to be taken	Deadline	Body responsible for fulfilment	Actions taken	Date of fulfilment of the action	Commission position	Comments
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5.c) Unfulfilled criteria of priority-linked ex-ante conditionalities

Priority-linked ex-ante conditionality	Criterion
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5.d) Actions taken to fulfil applicable priority-linked ex-ante conditionalities

Priority-linked ex-ante conditionality	Criterion	Actions to be taken	Deadline	Body responsible for fulfilment	Actions taken	Date of fulfilment of the action	Commission position	Comments
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5.e) (Optional) additional information to complement the information provided on the 'actions taken' table

NOT APPLICABLE

6. DESCRIPTION OF IMPLEMENTATION OF SUB-PROGRAMMES

NOT APPLICABLE

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

7.a) CEQ01-1A - To what extent have RDP interventions supported innovation, cooperation and the development of the knowledge base in rural areas?

7.a1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures (M):

M1.1, M1.2, M1.3. M2.1, M2.2, M2.3, M16.1, M16.2, M16.3, M16.4, M16.5, M16.6, M16.8, M16.9

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 1A

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.a2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
RDP projects have been innovative and based on developed knowledge	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)	Percentage of innovative projects out of all RDP supported projects
Operational groups have been created		
Variety of partners involved in EIP operational groups		Number and types of partners involved in cooperation projects
Innovative actions have been implemented and disseminated by the EIP operational groups		Number of supported innovative actions implemented and disseminated by EIP operational groups

7.a3) Methods applied

Quantitative methods:

Quantitative methods have not been utilised for Focus Area (FA) 1A as there are no completed operations under this FA and therefore no results to calculate quantitative data. Qualitative methods were used, adopting a theory based approach to produce evidence for the Common Evaluation Questions (CEQs). Details and rationale of this approach are presented below.

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional indicators, or other indicators used (output, common context indicators)**

3. Challenges in the application of described methods and solutions encountered

Due to the early stage of programme implementation and lack of data, a quantitative assessment of programme performance has not been undertaken as part of this research. For this reason, sub-sections 4 and 5 have gaps in their completion.

For the 2019 AIR a comprehensive piece of research, to be undertaken by external evaluators, will be procured to address these gaps and answer the CEQs. It is anticipated that at this stage of implementation sufficient monitoring data will be available from which to draw robust results.

Qualitative methods:

1. Reasons for using the method

Due to the early stage of programme implementation in Wales, there has been little or no uptake in the majority of Measures. Completed operations are under Priority 4, FAs 5D, and 5E. The WG as the Managing Authority has adopted a methodological approach in line with the European Evaluation Helpdesk for Rural Development Guidance document titled 'Assessment of RDP Results: How to Prepare for Reporting on Evaluation in 2017'. Specifically the approach was designed according to the guidance in Section 1.3 'Reporting in cases of low uptake and small programmes'.

The research therefore employed a theory-based evaluation approach using qualitative methods to compile evidence on Measure level implementation. Theory-based evaluation approaches provide an overarching framework for understanding, systematically testing and refining the assumed connections (i.e. the theory) between an intervention and the anticipated impacts.

This approach facilitates an investigation of the vertical relationship between intervention logic through to Measure level implementation, and also horizontal relationships related to the complementary nature of Schemes' design and interaction between delivery staff and stakeholders.

This qualitative assessment is relevant and appropriate at this stage of the programme to examine the processes currently in place to administer RDP funds. Interviews provide data on attitudes, opinions and experiences of the delivery staff. Common experiences, challenges and opportunities for improvement can be identified across the Programme. Programme and scheme manager interviews were favoured over interviews with wider delivery staff, as these interviewees were best placed to provide evidence on strategic linkages between Schemes, in addition to experience of the implementation of activity in their relevant policy area.

Where appropriate secondary sources are available, findings are used to triangulate the results from interviews together with wider desk-based research. Specific details of the methods used within these secondary sources and their merit have been presented and discussed in the corresponding FA CEQ.

Quantitative methods to calculate results indicator totals are not deemed appropriate due to the early stage of Programme delivery. The lack of data available on completed operations would mean robustness of results could not be guaranteed.

2. Description of methods used

Semi-structured interviews were undertaken with Measure level policy leads and key Programme delivery

staff within Welsh Government (WG). 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. 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, are 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.

Following the collection of the data, the interviews were then transcribed to assist in analysis. The analysis entailed the coding of the data in a manner which drew out evidence of Measure level implementation experience. These findings were then grouped and reported at the FA CEQ level which delivery was primarily mapped to, e.g. Measure 4.2 delivery is primarily mapped to FA 3A so findings are presented in the corresponding CEQ. Evidence that maps across multiple FAs has been written up once in the most relevant CEQ and then referenced in the additional CEQs that it also relates to. Where appropriate, findings relevant to secondary FAs have been included.

Where secondary sources have been consulted and their findings presented, the respective methods to reach these results are presented in the relevant FA CEQ.

3. Challenges in the application of described methods and solutions encountered

The most prevalent challenge has been to disaggregate the process orientated, Sub-measure level findings and to report these at Focus Area scale. In particular, identifying the attribution of effects to one intervention (unless explicitly stated) is not possible through this methodological approach.

At this stage of implementation, this methodological approach is limited when used with the Commission template and proposed quantitative approach for reporting against CEQs. However, it is judged to be the most appropriate approach at Managing Authority level to collect the most relevant data for this stage in Programme implementation. To address this, feedback was written up in the FA CEQ which delivery was primarily mapped to, as described in Section 3(ii), above.

An additional limitation of the study has been the inherent scheduling conflicts between the availability of indicator data and the timings of the fieldwork for CEQs. In the majority of cases, Measure level narrative and data for inclusion in the other AIR sections could not be collated in time to inform the CEQ evaluation methods. To counter this, assumptions were made about the Schemes based on anecdotal evidence, for example the number of completed operations.

7.a4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	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)	Yes				Not applicable at this stage of programme delivery
Additional result indicator	Number and types of partners involved in cooperation projects	No				Not applicable - no data to report
Additional result indicator	Number of supported innovative actions implemented and disseminated by EIP operational groups	No				Not applicable - no data to report
Additional result indicator	Percentage of innovative projects out of all RDP supported projects	No				

7.a5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery

7.a6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

Activity delivered through Measures 1.1, 1.2, 1.3, 2.1, 2.2, 2.3, 16.1 – 16.9 cut across the Programme. The results relating to these Measures have been reported in Section 6 FA 1A. The qualitative findings on delivery of these Measures however can be assumed to apply to the FA which those Measures map to, as presented in Section 1 FA 1A. For the purposes of presentation, the findings have only been written up in the most appropriate FA.

Measures 1 and 2 are delivered through the Farming Connect (FC) Scheme. Delivery of this activity is unique in the Wales RDP as the Scheme is delivered through external contractors, commissioned via four Lots. Lots 1, 2, and 3 were procured and are being delivered. No bids were received for Lot 4 which focussed on accredited training and support for advisors in Lot 3, and Farming Connect quality assurance. A lack of interest from suppliers for Lot 4 is attributed to the scope of the specification being too broad. Options are currently under consideration.

The procurement exercise was complicated by the timescales associated with procuring contracts above the OJEU threshold. However, this delay did not reportedly affect beneficiaries as transitional funding ensured concurrent service provision.

Up-take of FC activity by farm businesses is high. However, attracting forestry and food businesses has

presented a challenge. Food businesses were not targeted by Farming Connect in the 2007-2013 Programme period so these sectors are less aware of the support available. Forestry businesses were targeted in the previous programme however more tailored identification of specific businesses in this sector is occurring in the current period. Evidence of marketing exercises to further integrate forestry businesses into Farming Connect is available in the section on the CEQ for FA 5C.

Lessons learnt from the 2007-2013 Programme have been applied to the current round. The recommendations from the 2014 external Farming Connect Review were also noted as informing the design of the four Lots' specifications. In addition, a review of Lot 2 has been undertaken, titled 'Independent Review of the Farming Connect Lifelong Learning and Development Programme' and these findings have subsequently led to some changes in delivery.

An upcoming challenge for Farming Connect is to tailor the support to benchmarking activities undertaken by the Agricultural Strategic Initiative (SI). The SI aims to set performance indicators for specific sectors with the view that these are used as a benchmark for farmers to help identify the key issues affecting their business. Farming Connect aims to then use this data to improve its targeting of support.

Farming Connect Development Officers are kept up-to-date on wider RDP developments and are able to signpost beneficiaries to appropriate support available under other Measures. An additional signposting function is undertaken by Business Wales; a WG portal for businesses to request support and be directed to the most appropriate funding opportunity.

The links between scheme leads and Business Wales need to be strengthened to provide a better and improved service. It should be noted, that this research did not have the scope to contact Business Wales for their perspective.

Activity under Measure 16.1, European Innovation Partnerships (EIP) was launched in January 2016 and applications were, and continue to be, invited from Groups interested in solving problems common their group. No applications have been received by WG to date. They are expected from Spring 2017.

Activity under Measure 2.1 is also delivered through the Rural Business Advisory Scheme. This support was introduced as a result of a recommendation of the Glastir Advanced Evaluation. To date, under Measure 16, the WG has opened Sub-Measures 16.2 and 16.4 (Co-operation and Supply Chain Development Scheme).

Lessons learnt from the initial Expression of Interest (EOI) windows have been applied to subsequent rounds. Initial windows were seen include too much guidance on over-arching strategy which served to confuse applicants. This has been amended.

Unsuccessful applicants are reportedly re-submitting EOI's for the same project in successive rounds. Scheme guidance documents are therefore being amended following each round to reflect feedback. For example, guidance for subsequent rounds stipulates projects must not duplicate existing activity from previous rounds. The ability for projects to submit applications over multiple EOI windows is seen as a positive from a WG perspective as applications are increasingly more focussed when re-submitted based on the feedback provided.

To assist with signposting and collaboration, all successful and unsuccessful EOI's are published online for prospective projects to review and identify opportunities for joint project submission if project aims are similar. Deadlines set for the EOI windows in 2016 have been met. The selection criteria for Measure 16 are reportedly very open to interpretation which has created problems when scoring applications but on the

other hand, has produced applications from very innovative projects.

To assist applicants, additional clarity on strategic objectives is being provided. There has also been confusion around the objectives of Measure 16 with projects submitted believing that their proposed activity seeks to improve capacity and stimulate co-operation, but in reality is closer aligned to Measure 1 or Measure 2 and is therefore ineligible.

Measure 16.8 includes activity delivered through the 'Co-operative Forest Planning Scheme' which aims to complement the capital investment schemes available for foresters by stimulating co-operation. A stakeholder workshop to promote this proved successful at producing collaborations between partnerships which otherwise would not have existed.

7.a7) Conclusions and recommendations

7.a7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.a7.b) Conclusion / Recommendation 2

Conclusion:

Despite the longer than expected timescales for procuring contracts related to Measures 1 & 2, these delays did not reportedly affect beneficiaries.

Recommendation:

Not applicable at this stage of programme delivery.

7.a7.c) Conclusion / Recommendation 3

Conclusion:

Up-take of Farming Connect activity by farm businesses is high. However, attracting forestry and food businesses has presented a challenge. There is evidence of marketing activities to help integrate forestry businesses into Farming Connect.

Recommendation:

Future research should look into any particular barriers to attracting food or forestry businesses to the farming Connect scheme.

7.a7.d) Conclusion / Recommendation 4

Conclusion:

Through the Co-operation and Supply Chain Development Scheme, the ability for projects to submit applications over multiple EoI windows is seen as a positive, as applications are increasingly more focused when re-submitted.

Recommendation:

There may be value in future evaluation work to assess the benefits of this approach for project applicants.

7.b) CEQ02-1B - To what extent have RDP interventions supported the strengthening of links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance?

7.b1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M16.1, M16.2, M16.3, M16.4, M16.5, M16.6, M16.8, M16.9

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 1B:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs has not been identified through Common Evaluation Question research.

7.b2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
		Number and types of partners involved in cooperation projects
Long term collaboration between agriculture, food production and forestry entities and institutions for research and innovation has been established	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)	Percentage of cooperation operations continuing after the RDP support including for the purpose of improved environmental management and performance
Cooperation operations between agriculture, food production and forestry and research and innovation for the purpose of improved environmental management and performance have been implemented		

7.b3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

See Section 7.a3 for discussion of challenges encountered when collecting data to address Sub-sections 4 and 5 for all CEQs. This response applies to all CEQ responses.

Qualitative methods:

1. Reasons for using the method

2. Description of methods used

3. Challenges in the application of described methods and solutions encountered

7.b4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	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)	No				Not applicable - no data to report
Additional result indicator	Number and types of partners involved in cooperation projects	No				Not applicable - no data to report
Additional result indicator	Percentage of cooperation operations continuing after the RDP support including for the purpose of improved environmental management and performance	No				Not applicable - no data to report

7.b5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.b6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.b7) Conclusions and recommendations

7.b7.a) Conclusion / Recommendation 1

Conclusion:

Not applicable at this stage of programme delivery.

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Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.c) CEQ03-1C - To what extent have RDP interventions supported lifelong learning and vocational training in the agriculture and forestry sectors?

7.c1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 1C:

Due to the early stage of Programme implementation, evidence of secondary contributions to other Focus Areas, has not been identified through Common Evaluation Question research.

7.c2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
The number of rural people who have finalised lifelong learning and vocational training in the agriculture and forestry sectors has increased	T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	Percentage of trainees receiving certificates from recognized educational and training institutions via activities supported by RDP out of the total number of participants

7.c3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used
3. Challenges in the application of described methods and solutions encountered

7.c4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator	Calculated gross	Calculated	Data and information sources
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			value	value	net value	
Common result indicator	T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	No				Not applicable - no data to report
Additional result indicator	Percentage of trainees receiving certificates from recognized educational and training institutions via activities supported by RDP out of the total number of participants	No				Not applicable - no data to report

7.c5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.c6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.c7) Conclusions and recommendations

7.c7.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.d) CEQ04-2A - To what extent have RDP interventions contributed to improving the economic performance, restructuring and modernization of supported farms in particular through increasing their market participation and agricultural diversification?

7.d1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.2, M2.3, M4.1, M16.1

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 2A:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.d2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
		Economic farm size structure of supported farms
Agricultural output per annual working unit of supported agricultural holdings has increased	R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)*	
Farms have been modernized	R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	Percentage of agriculture holdings with RDP support for investments regarding modernization
Farms have been restructured	R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	Percentage of agriculture holdings with RDP support for investments regarding modernization

7.d3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used - For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the

research.

3. Challenges in the application of described methods and solutions encountered.

7.d4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated gross value out of which Primary contribution	Calculated gross value out of which Secondary contribution, including LEADER/CLLD contribution	Calculated net value	Data and information sources
Common result indicator	R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)*	No						Not applicable - no data to report
Common result indicator	R2: Change in Agricultural output on supported farms (focus area 2A)*	No						Not applicable - no data to report
Common result indicator	R2: AWU (Annual Work Unit) (focus area 2A)	No						Not applicable - no data to report
Common result indicator	R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	Yes						Not applicable - no data to report
Additional result indicator	Economic farm size structure of supported farms	No						Not applicable - no data to report
Additional result indicator	Percentage of agriculture holdings with RDP support for investments regarding modernization	No						Not applicable - no data to report

7.d5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.d6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported

in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.d7) Conclusions and recommendations

7.d7.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.e) CEQ05-2B - To what extent have RDP interventions supported the entry of adequately skilled farmers into the agricultural sector and in particular, generational renewal?

7.e1) List of measures contributing to the FA

No delivery mapped to Focus Area.

7.e2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
The share of adequately skilled young farmers in the agricultural sector has increased	R3 / T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	
Adequately skilled farmers have entered into the agricultural sector		Percentage of adequately skilled farmers in the agricultural sector of the RDP territory

7.e3) Methods applied

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used
3. Challenges in the application of described methods and solutions encountered.

7.e4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R3 / T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	Yes				Not applicable - no data to report
Additional result indicator	Percentage of adequately skilled farmers in the agricultural sector of the RDP territory	No				Not applicable - no data to report

7.e5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable.

7.e6) Answer to evaluation question

Not applicable.

7.e7) Conclusions and recommendations

7.e7.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable.

Recommendation:

Not applicable.

7.f) CEQ06-3A - To what extent have RDP interventions contributed to improving the competitiveness of supported primary producers by better integrating them into the agri-food chain through quality schemes, adding value to the agricultural products, promoting local markets and short supply circuits, producer groups and inter-branch organization?

7.f1) List of measures contributing to the FA

Primarily programmed measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M4.2, M16.1, M16.4

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 3A:

Due to the early stage of Programme implementation, evidence of secondary contributions to other Focus Areas, has not been identified through Common Evaluation Question research.

7.f2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Implementation of quality schemes by primary producers has increased	R4 / 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)	Percentage of primary producers introducing quality schemes with RDP support
Participation of primary producers in short circuit schemes, quality-oriented producer group and/or interbranch organization has increased	R4 / 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)	Percentage of primary producers introducing quality schemes with RDP support
Competitiveness of supported primary producers has improved		Agricultural output on supported farms
The share of the final price of agriculture products retained with primary producers has increased		Margin of primary producers in the final price of agricultural products
The added value of agricultural products of primary producers has increased		

7.f3) Methods applied

See Common Evaluation Question Focus Area 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used

For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.

3.Challenges in the application of described methods and solutions encountered.

7.f4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R4 / 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)	Yes				Not applicable - no data to report
Additional result indicator	Margin of primary producers in the final price of agricultural products	No				Not applicable - no data to report
Additional result indicator	Agricultural output on supported farms	No				Not applicable - no data to report
Additional result indicator	Percentage of primary producers introducing quality schemes with RDP support	No				Not applicable - no data to report

7.f5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.f6) Answer to evaluation question

It is too early to identify specific contributions of interventions to competitiveness. The evaluation thus focussed on related processes and approvals supporting this objective.

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

Activity under FA 3A is primarily delivered through Measure 4.2 which, in Wales, is administered through the Food Business Investment Scheme (FBIS), and Measure 1.1, Food Centres.

An evaluation of Measure 123 Activity in the 2007-2013 Rural Development Plan for Wales called for a continuation of 'facilitated access for potential businesses seeking for grant support'. There is evidence of this continued support through the WG's regional business managers engaging with food and drink businesses, but in addition, 'Business Wales' has taken on functionality as a signposting function for businesses seeking support. The evaluation identified some communication issues between scheme managers and Business Wales with irregular communication, resulting in inefficient information flow in both directions. For example, Business Wales, at times have not had awareness of policy changes to RDP Schemes, or scheme managers have not been made aware of sector specific events being run by Business Wales. A benefit of the service has been their ability to signpost support to businesses which scheme managers may not be currently aware of. For example, businesses that have recently moved to Wales or only recently started trading.

Feedback from the policy leads suggests the application process for businesses has created more challenging timing and resourcing management issues in comparison to the 2007-2013 programme period. In particular, when compared to applications received on a rolling basis, EOI windows were reported to have created a 'stop-start' process which results in intense periods of resource pressure at critical stages of the process, causing difficulties in managing other workflows.

EOI Windows have been oversubscribed for the budget available. The scoring criteria are noted as being robust, and facilitate the effective scoring of projects to invite to full application. This, in part, is attributed to the discretion of policy leads allowing for the introduction of criteria best aligned to the activity in the FBIS. For example, the requirement to provide evidence of growth and turnover. There are no plans to redesign the scoring criteria.

To attract a range of different sized businesses, an EOI window with a smaller budget and reduced maximum grant, was run. Although demand for this window has been high, some businesses invited to full application have withdrawn due to an onerous application process for a relatively small grant (lack of proportionality).

Activity through the Measure 1.1 Food Centres (Project Helix), is a continuation of the Knowledge Transfer & Innovation projects under Axis 1 of 2007-2013 RDP. For 2014-2020, implementation has changed so that the three Food Centres are delivered under one umbrella project, rather than individually. The aim of this revised approach is to improve interaction between the Centres and ensure beneficiaries can benefit from the specialist technologies available across Wales, rather than regionally. There is evidence that businesses applying for FBIS have also been engaged with the Food Centres.

7.f7) Conclusions and recommendations

7.f7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

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Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.f7.b) Conclusion / Recommendation 2

Conclusion:

There is some emerging evidence of communication issues between scheme leads and Business Wales which may be affecting delivery.
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Recommendation:

The links between scheme leads and Business Wales needs to be strengthened to provide a better and improved service. Furthermore future evaluation work should look at the success of the business wales mechanism for scheme delivery.

7.f7.c) Conclusion / Recommendation 3

Conclusion:

EOI windows were reported to have created a ‘stop-start’ process which results in intense periods of resource pressure at critical stages of the process, causing difficulties in managing other workflows
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Recommendation:

It is recommended that where relevant EOI window process should be reviewed to assess its impact on delivery. It is further recommended that the EOI process be considered as part of future evaluation work at a scheme level.

7.g) CEQ07-3B - To what extent have RDP interventions supported farm risk prevention and management?

This question is marked as not relevant for this AIR version

Focus Area has not been programmed in Wales.
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7.h) CEQ08-4A - To what extent have RDP interventions supported the restoration, preservation and enhancement of biodiversity including in Natura 2000 areas, areas facing natural or other specific constraints and HNV farming, and the state of European landscape?

7.h1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M4.4, M8.1, M8.2, M8.4, M8.5, M10.1, M11.1, M11.2, M15.1 M16.1, M16.5. M16.8.

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 4A:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FA, has not been identified through Common Evaluation Question research.

7.h2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Biodiversity on contracted land has been restored, preserved and enhanced	R6 / T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	
Biodiversity on contracted land has been restored, preserved and enhanced	R7 / T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	

7.h3) Methods applied

Quantitative methods:

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)**
3. **Challenges in the application of described methods and solutions encountered**

Qualitative methods: Secondary Source analysis

1. **Reasons for using the method**

In addition to primary evidence collected through interviews (See Common Evaluation Question FA 1A Section 5), secondary source evidence is also presented. The source of these findings is the Glastir Monitoring and Evaluation Programme (GMEP), which is designed, in part, to collect evidence related to key agri-environment indicators. The methodological approach below provides a summary of the methods used to collect Biodiversity data through GMEP. Discussion of these methods in full is not possible here due to word count restrictions. Detailed information on these methods is available through the GMEP data portal (<https://gmep.wales/>). The answer to the Common Evaluation Question is based on findings reported in ‘Glastir Monitoring and Evaluation Programme, Final Year Report (2012-2016)’. This report is

not yet published, but will be available through the GMEP portal in due course.

2. Description of methods used

For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3, which provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.

High level Indicators have been selected which cover different elements of biodiversity both for the countryside as a whole and for Priority Species and Habitats. It is important that the wider countryside is included to ensure conditions are not so hostile as to prevent the movement of species as conditions change e.g. due to climate change. The indicators also cover different elements of biodiversity which could contribute to resilience of our Natural Resources i.e. diversity, extent, connectivity and condition.

Due to the rare nature of some Priority Species and Habitats and the many thousands of parcels of land involved, a subset of 12 Priority Habitats have been selected for reporting using the survey data, together with a subset of Priority birds and butterflies. For all other Priority species, GMEP is developing metrics quantifying improvement in habitat specifically required for each species.

This approach reflects the rationale behind Glastir farmer payments for creating or improving the condition of habitat within areas with known populations of the Priority species. GMEP can report on the success of those payments by detecting whether changes in habitat area and condition resulting from the impact of options has actually occurred.

As the sampling and analytical methodology used for plant biodiversity assessment in GMEP is identical to that used in Countryside Survey these datasets can be combined to look for long-term national trends. Data is also provided from the British Trust for Ornithology, Royal Society for the Protection of Birds, and Joint Nature Conservation Committee, Breeding Bird Survey and the UK Butterfly Monitoring Scheme to give an indication of other high quality long term trends.

3. Challenges in the application of described methods and solutions encountered.

7.h4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R6 / T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	Yes				Not applicable - due to qualitative approach to data collection (as described in Section 3 'methods applied' above), gross and net figures have not been calculated.
Common result indicator	R7 / T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	Yes				Not applicable - due to qualitative approach to data collection (as described in Section 3 'methods applied' above), gross and net figures have not been calculated.

7.h5) Problems encountered influencing the validity and reliability of evaluation findings

A limitation of the data presented below is that its source (GMEP) covers a time period which includes the 2007-2013 RDP Programme period. Therefore, while results may be attributed to successive rounds of European fund interventions, they cannot be disaggregated or attributed to 2014-2020 RDP funds specifically. It is argued, however, that impacts related to Agri-environment Measures typically take considerably longer to become evident than the Programme cycle period of the RDP.

7.h6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

Evidence presented in CEQ response for FA 4A primarily relates to the implementation of the Glastir suite of Measures. Findings should therefore be assumed to apply to all respective Measures, unless otherwise stated. Measure specific evidence is also presented where directly attributable at Measure level.

Programmed Measures delivered through Glastir include: Measures 4.4, 8.1, 8.2, 8.4, 8.5, 10.1, 11.1, and 11.2. Glastir is a large, multifaceted Scheme which continues from the 2007-2013 Programme. Scheme design was noted by policy leads to be particularly challenging when attempting to map Measure level activity to Focus Areas. However, the activity under Glastir is noted as continuing to meet its proposed objectives as set out in the intervention logic.

Different elements of Glastir are run through multiple EOI windows at varying periods throughout the year. Windows were staggered to minimise stress on WG resources, and to fit with farmers' peak periods. Schemes have therefore been timed to take into consideration, resources, and Paying Agency (Rural Payments Wales - RPW) requirements. This balance has led to some minor scheduling disruptions, e.g. when policy wished to open a window but RPW were unable to deliver due to their own existing resource pressures. However, excellent working relationships between policy staff and RPW were noted as meaning effective compromises are reached.

Difficulties with IT systems have hampered the effective delivery of some Schemes. The current system does not allow for policy teams to engage with programme data to the level they had initially anticipated. However, IT issues have not affected the application process for Glastir. No major disruption or delay to payments to beneficiaries is reported. Further discussion on IT system performance is available in the Technical Assistance CEQ.

The promotion of Glastir through the Gwlad magazine is reportedly a good mechanism for updating farmers with current information. However, since the publication shifted from monthly hard-copies to bi-monthly online subscription, farmers have sometimes missed EOI Windows. To help counter-act this delay, customer contact centres are briefed weekly by Glastir policy and RPW.

The Glastir Entry Scheme is delivered through M10.1. During the 2007-2013 RDP period, applicants for Glastir Advanced were required to have pre-existing Glastir Entry agreement. In this current period, these elements have been de-coupled. The aim of this separation is to provide easier access for applicants into Glastir Advanced, the higher level, targeted element of Glastir. Applicants to Glastir Advanced (Measure 4.4 & 10.1) are assigned a support officer (Glastir Contract Managers) to assist in the negotiation of

farmers' applications, a feature which has reportedly been valuable given the complexity of the Scheme.

Through Measures 11.1 and 11.2, Glastir Organic provides support to new entrants, who want to convert to organic production, and existing certified organic farmers, respectively.

The Sustainable Management Scheme delivered through M16.5 is focussed on landscape-scale, collaborative action, with the aim of delivering economic and social benefits to rural communities through the sustainable management of natural resources.

There have been no reported issues with adapting the delivery of the Scheme to fit with EOI windows, however a noted challenge is managing the balance of policy and administrative teams' work commitments.

A roadshow was held to promote the Sustainable Management Scheme, explaining to potential applicants what the priorities are, and what policy leads are looking for in a strong EOI application. Supplementary guidance has been produced for applicants to ensure that full applications explain in detail how a project will meet the objectives it identified in their EOI. This guidance and support is cited by policy as a reason behind projects' full applications including clearer evidence of approach to implementation.

No issues with low up-take of the Scheme are reported. The second EOI window project grant cap was lowered from £1million to £750,000 because it was deemed prospective projects could deliver landscape scale change with the reduced sum. Due to the scale of the Scheme, the majority of project applications were towards the higher end of grant value, however, smaller projects have also been successful in the EOI window.

All unsuccessful applicants received detailed feedback on how their application may be improved for future funding windows. This is noted as a valuable exercise (although resource intensive) and the importance of such feedback is evidenced by projects' resubmissions in the second EOI window which reportedly applied the advice provided in the feedback.

No projects had been approved as at the end of 2016, however this is not seen as a concern as the process is running to schedule. This is a similar theme experienced across the socio-economic schemes.

Lessons learnt from the first window have been applied to upcoming rounds. For example, policy staff now hold inception meetings with projects at the EOI stage and award stage (for the first EOI window, inception meetings were only held at award stage), so requirements for the application can be clearly stipulated.

Positive feedback about the application process has been received from applicants, including those who were unsuccessful. Specific positives include the feedback received, clarity of communications, and engagement from WG officials during the process. Future challenge is identified as the continuing to provide the level of support existing projects receive, given resource intensive nature of the scheme.

Findings from the Glastir Monitoring and Evaluation Programme, specific to FA 4A, report that the overall picture of biodiversity in Wales is complex with some habitats stable or improving whilst others appear to be in decline.

Modelling using the Multimove model suggests a long lag period of 10-23 years for habitat to become suitable for 21 common and rare species associated with target habitats. This highlights the importance of consistency (and patience) for the benefits of changes in management practices to be realised.

Long term national trends suggest stable overall plant species richness in woodland and arable land. A decline in species indicating good condition in improved and habitat land. Some metrics of soil condition

also indicates a decline in the condition of improved and habitat land. A decline in habitat diversity and an increase in mean patch size over the last 20 years which suggests reduced/fragmentation. Breeding Bird Survey data indicates a decline (15 years) in lowland farmland bird species; a recent increase in upland farmland species (five years), and an increase in woodland species (10 years). Butterfly Monitoring Scheme data indicates a historic decline in specialist butterfly species but no further decline over the last 10 years

7.h7) Conclusions and recommendations

7.h7.a) *Conclusion / Recommendation 1*

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.h7.b) *Conclusion / Recommendation 2*

Conclusion:

Glastir schemes have been timed to take into consideration, resources, and Paying Agency requirements. This balance has led to some minor scheduling disruptions. However, excellent working relationships between staff were noted as meaning effective compromises have been reached.

Recommendation:

It is recommended that any issues relating to the timing of schemes continue to be monitored to assess their affect on programme delivery.

7.h7.c) *Conclusion / Recommendation 3*

Conclusion:

The promotion of Glastir through Gwlad is, reportedly, a good mechanism for updating farmers with current information, however some farmers have missed potential EOI opportunities.

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Recommendation:

It is recommended that uptake of EOI opportunities is monitored to ensure that certain types of farmer are not being missed following the move of the Gwlad magazine to a web based service and the changes to the customer contact centre.

7.h7.d) Conclusion / Recommendation 4

Conclusion:

Receipt of detailed feedback for unsuccessful applicants to the Sustainable Management Scheme (M16.5) is noted as a valuable exercise and has reportedly led to improved re-submissions in successive EoI windows.
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Recommendation:

Future evaluation work should look at the EOI window process to assess the perceived value of the feedback to scheme applicants.
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7.i) CEQ09-4B - To what extent have RDP interventions supported the improvement of water management, including fertilizer and pesticide management?

7.i1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M4.4, M8.1, M8.2, M8.5, M10.1, M11.1, M11.2, M15.1 M16.1, M16.5

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 4B:

Due to the early stage of Programme implementation, evidence of secondary contributions to other Focus Areas, has not been identified through Common Evaluation Question research.

7.i2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Water quality has improved	R8 / T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	Additional information on water quality of the land under management contracts
Water quality has improved	R9 / T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	Additional information on water quality of the land under management contracts

7.i3) Methods applied

See Common Evaluation Question Focus Area (FA) 1A Section 5, for a discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)**
3. **Challenges in the application of described methods and solutions encountered**

Qualitative methods: Secondary Source Analysis

1. **Reasons for using the method**

In addition to primary evidence collected through interviews (See Common Evaluation Question Focus Area 1A Section 5), secondary source evidence is also presented. The source of these findings is the Glastir Monitoring and Evaluation Programme, which is designed, in part, to collect evidence related to key agri-environment indicators. The methodological approach below provides a summary of the methods used to collect water quality data through GMEP. Discussion of these methods in full is not possible here due to word count restrictions. Detailed information on these methods is available through the GMEP

data portal (<https://gmep.wales/>).

The answer to the Common Evaluation Question is based on findings reported in ‘Glastir Monitoring and Evaluation Programme, Final Year Report (2012-2016)’. This report is not yet published, but will be available through the GMEP portal in due course.

2. Description of methods used

A small subset of indicators was selected to capture the condition of streams (first or second Strahler order flowing water bodies within 2.5 km of their sources), ponds (standing water bodies between 1 m² and 2 ha in area, that hold water for at least four months of the year), and the amount of land helping to slow down the amount of rainfall running off the land which contributes to flood waters.

For streams, ecological indicators were used based on macroinvertebrate diversity and an indicator of habitat condition, examining long term Natural Resources Wales records as well as GMEP field results. For ponds, GMEP field data were used in conjunction with the PSYM model, a multimetric tool to classify pond condition based on habitat structure, plant and invertebrate communities. Indicators for ponds are also presented in the Priority Habitat table. Glastir agreements and farmer management changes by the Farmer Practice Survey were used to project the likely impacts of Glastir on water quality and flood mitigation using the Farmscoper and LUCI models.

3. Challenges in the application of described methods and solutions encountered.

7.i4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R8 / T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	Yes				Not applicable - due to qualitative approach to data collection (as described in Section 3 ‘methods applied’ above), gross and net figures have not been calculated.
Common result indicator	R9 / T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	Yes				Not applicable - no data to report
Additional result indicator	Additional information on water quality of the land under management contracts	No				Not applicable - no data to report

7.i5) Problems encountered influencing the validity and reliability of evaluation findings

A limitation of the data presented below is that its source (GMEP) covers a time period which includes the 2007-2013 RDP Programme period. Therefore, while results may be attributed to successive rounds of European fund intervention, they cannot be disaggregated or attributed to 2014-2020 RDP funds specifically. It is argued, however, that impacts related to Agri-environment Measures typically take considerably longer to become evident than the Programme cycle period which Rural Development

Programmes adhere to.

7.i6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

The net impacts of Glastir, on pollutant losses from all agricultural land (i.e. including land not in Glastir) calculated by the Farmscoper model based on farmer to be reductions of up to 1%. Reductions are approximately double (i.e. 2%) on the land managed by farms in Glastir with greater reductions possible at more localised scales. The projections are based on changes reported by farmers in the Farm Practice Survey and information from Glastir Scheme agreements to determine changes in farm practices or land management. Projections are lower than those reported in GMEP Year 1 report due to the much lower implementation rates suggested from Year 4 work and the smaller reductions in livestock and fertiliser found by the survey than those predicted in 2013.

Glastir agreements do not correlate with areas where losses of nutrients, particularly nitrate, are most intensive (e.g. Pembrokeshire, Anglesey). The most effective mitigation methods according to the Farmscoper model are establishing cover crops (1.4%, 2.7% and 6.5% reductions in nitrate, phosphorus and sediment respectively), in-field and riparian buffer strips (c. 2% reductions in sediment) and fencing off streams from livestock (1.5% reduction in phosphorus). The reductions for these individual methods are high despite estimates of current implementation already being high (e.g. 50% for fencing off streams from livestock). The overall combined impact of all of these methods being raised to 100% implementation are reductions in national agricultural loads of 4.3% for nitrate, 8.4% for phosphorus and 11.1% for sediment.

Modelling using the LUCI model projected a potential increase of 11,641 ha in mitigated land for flood risk, nitrogen and phosphorus delivery to rivers, due to land use changes included in Glastir contracts which created a 4,120 ha increase in mitigating land. This represents 3.25% more land potentially mitigated from flood risk. Modelling also showed a 6,066 ha (1.6%) reduction in the area classified as having high concentration of overland flow i.e. potentially contributing to flash flood risk. These benefits are delivered at the cost of reduced intensity on 0.44% of higher agricultural intensity land; this area was downgraded from high and very high production to moderate production or less.

7.i7) Conclusions and recommendations

7.i7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.j) CEQ10-4C - To what extent have RDP interventions supported the prevention of soil erosion and improvement of soil management?

7.j1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M8.1, M8.5, M11.1, M11.2, M15.1, M16.1, M16.5

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 4C:

Due to the early stage of Programme implementation, evidence of secondary contributions to other Focus Areas, has not been identified through Common Evaluation Question research.

7.j2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Soil management has improved	R10 / T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	
Soil management has improved	R11 / T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	
Soil erosion has been prevented		Additional information on soil erosion of the land under management contracts.

7.j3) Methods applied

Quantitative methods:

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)**
3. **Challenges in the application of described methods and solutions encountered**

Qualitative methods: Secondary Source analysis

1. **Reasons for using the method**

In addition to primary evidence collected through interviews (See Common Evaluation Question Focus Area 1A, Section 5), secondary source evidence is also presented. The source of these findings is the Glastir Monitoring and Evaluation Programme, which is designed, in part, to collect evidence related to key agri-environment indicators. The methodological approach below provides a summary of the methods used to collect **soil management** data through GMEP. Discussion of these methods in full is not possible here due to word count restrictions. Detailed information on these methods is available through the GMEP data portal (<https://gmep.wales/>). The answer to the Common Evaluation Question is based on findings reported in the 'Glastir Monitoring and Evaluation Programme, Final Year Report (2012-2016)'.

This report is not yet published, but will be available through the GMEP portal in due course.

2. Description of methods used

Soil properties measured are related to soil and ecosystem function and are important for determining the soil resilience and the impact any environmental or Glastir changes may have on broad habitats and biodiversity. Specifically, through assessment of carbon storage in soils which helps mitigate greenhouse gas emissions, nutrient and acidity levels which are important for maintaining productivity, impacting on water quality and contributing to the decline in Wales's native biodiversity and soil biodiversity which are thought to benefit a range of soil functions and underpin resilience to stresses. All soil properties selected are indicators which were proposed and tested by the UK Soil Indicators Consortium for specific functions, including environmental interactions which include hydrological filtering by soils, habitat support and carbon gas exchanges with the atmosphere.

As the sampling and analytical methodology used for topsoil in GMEP is identical to that used in the Countryside Survey, these datasets can be combined to look for long-term national trends and in future years, the impacts of Glastir payments. Data have been summarised for Whole Farm Code habitat groups. Data for individual Broad Habitats will be available once the complete four year baseline cycle has been completed.

3. Challenges in the application of described methods and solutions encountered.

7.j4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R10 / T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	Yes				Not applicable - due to qualitative approach to data collection (as described in Section 3 'methods applied' above), gross and net figures have not been calculated.
Common result indicator	R11 / T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	Yes				Not applicable - no data to report
Additional result indicator	Additional information on soil erosion of the land under management contracts.	No				Not applicable - no data to report

7.j5) Problems encountered influencing the validity and reliability of evaluation findings

A limitation of the data presented below is that its source (GMEP) covers a time period which includes the 2007-2013 RDP Programme period. Therefore, while results may be attributed to successive rounds of European fund interventions, they cannot be disaggregated or attributed to 2014-2020 RDP funds specifically. It is argued, however, that impacts related to Agri-environment Measures typically take considerably longer to become evident than the Programme cycle period which Rural Development

Programme adheres to.

7.j6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

Baseline assessment of soil condition of land entering into the scheme, relative to out of scheme, is on-going and is therefore unable to be reported. National trends are presented below.

Soil carbon has been stable in improved land for 30 years. There has been significant decline in soil carbon in habitat land over the last 10 years. This is primarily due to a reduction in soil carbon in acid grassland. Further work is needed to identify possible reasons for this. Soil acidity declined for all habitats up until 2007, reflecting the rapid reductions in acidic deposition over the last three decades. This has now reversed in improved land, with increased acidity observed perhaps reflecting low levels of lime usage. However on average soil pH remains above recommended levels for sustained production in improved land. Soil nitrogen levels are stable in improved land and woodland. A decline in soil N in habitat land is likely to be beneficial for native vegetation. After recent declines in soil phosphorus, levels in improved land are stable and within the zone appropriate for sustainable production, whilst low risk to waters. There is no consistent pattern in soil mesofauna numbers. Values are now back to those observed in 1998. Further work is needed to understand inter-annual variation, together with an analysis of the species present. A significant increase in *Sphagnum* cover since 1990 has been seen, suggesting a trend toward gradually improving conditions in Welsh blanket bog.

7.j7) Conclusions and recommendations

7.j7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.k) CEQ11-5A - To what extent have RDP interventions contributed to increasing efficiency in water use by agriculture?

This question is marked as not relevant for this AIR version

Focus Area has not been programmed in Wales.

7.l) CEQ12-5B - To what extent have RDP interventions contributed to increasing efficiency in energy use in agriculture and food processing?

7.11) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M4.1, M16.1

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 5B:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.12) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Efficiency of energy use in agriculture and food processing has increased	R14: Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (focus area 5B)*	
Efficiency of energy use in agriculture and food processing has increased	T15: Total investment for energy efficiency (focus area 5B)	

7.13) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used - For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.
3. Challenges in the application of described methods and solutions encountered

7.14) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated gross value out of which Primary contribution	Calculated gross value out of which Secondary contribution, including LEADER/CLLD contribution	Calculated net value	Data and information sources
Common result indicator	R14: Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (focus area 5B)*	No						Not applicable - no data to report
Common result indicator	T15: Total investment for energy efficiency (focus area 5B)	No						Not applicable - no data to report

7.15) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.16) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.17) Conclusions and recommendations

7.17.a) Conclusion / Recommendation 1

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.m) CEQ13-5C - To what extent have RDP interventions contributed to the supply and use of renewable sources of energy, of by-products, wastes, residues and other non-food raw material for purposes of the bio-economy?

7.m1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M7.2, M8.5, M8.6, M16.1, M16.6, M16.8

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 5C:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.m2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
The supply of renewable energy has increased	R15: Renewable energy produced from supported projects (focus area 5C)*	
The supply of renewable energy has increased	T16: Total investment in renewable energy production (focus area 5C)	
The use of renewable energy has increased		Renewable energy used in supported holdings
The use of renewable energy has increased		Total investments for the use of renewable energy supported by the RDP;

7.m3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used - For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the

research.

3. Challenges in the application of described methods and solutions encountered

7.m4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated gross value out of which Primary contribution	Calculated gross value out of which Secondary contribution, including LEADER/CLLD contribution	Calculated net value	Data and information sources
Common result indicator	R15: Renewable energy produced from supported projects (focus area 5C)*	No						Not applicable - no data to report
Common result indicator	T16: Total investment in renewable energy production (focus area 5C)	No						Not applicable - no data to report
Additional result indicator	Total investments for the use of renewable energy supported by the RDP;	No						Not applicable - no data to report
Additional result indicator	Renewable energy used in supported holdings	No						Not applicable - no data to report

7.m5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.m6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

The Timber Business Investment Scheme (TBIS), delivered through Measure 8.6 provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and / or timber processing.

Of the 21 successful projects in the first EOI window, 15 submitted full applications with six projects missing the deadline. An attributing factor is reported as unclear delegated responsibility between policy staff and Scheme Management Unit (who deal with full applications) as to who maintained contact with

projects during the phase between EOI and full application. A similar finding is evidenced in CEQ for FA 6B, where the RCDF policy lead telephoned applicants to remind them of an upcoming deadline. Additional information on this is available in the aforementioned Section.

TBIS is noted as complementing the support available through other woodland Schemes available in the wider Glastir suite. No specific examples are reported.

The current selection criteria for EOI windows continue to remain relevant and allow policy staff to score projects appropriately, and that match to the aims of the Scheme as a whole. In addition, it is reported that TBIS helps foresters to manage woodland, covered by Glastir agreements, more effectively. For example, through investing in low impact harvesters, foresters can access trees previously unmanageable with existing heavy machinery. However, it is reported that smaller businesses are currently less attracted to the Scheme due to the income forgone as a result of the time taken to complete the application form.

As noted in CEQ response to FA 1A, Farming Connect has taken on additional responsibility by incorporating forestry businesses into its delivery scope. The policy lead for TBIS notes that animation work is currently underway to promote this widened focus. Specifically, forestry policy aims to link plant and tree health into Glastir / forestry policy and incorporate this into Farming Connect support.

As reported by other scheme leads, a notable future challenge is anticipated to be the WG staff resources required to deliver the Scheme, as in most cases, it is only one element of staff roles.

7.m7) Conclusions and recommendations

7.m7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.m7.b) Conclusion / Recommendation 2

Conclusion:

The current selection criteria for EOI windows continue to remain relevant and allow policy staff to score projects appropriately, and that match to the aims of the Scheme as a whole.

Recommendation:

The EOI process should be continue to be monitored to ensure that project applications continue to be relevant to the intervention logic of the scheme and are not subject to drift.

7.m7.c) Conclusion / Recommendation 3

Conclusion:

It is reported that smaller businesses are currently less attracted to the Scheme due to the income forgone in time taken to complete the application form.

Recommendation:

Future evaluation work should look into potential options for encouraging applications from smaller business while retaining a rigourous approach to application assessment..

7.n) CEQ14-5D - To what extent have RDP interventions contributed to reducing GHG and ammonia emissions from agriculture?

7.n1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M1.2, M1.3, M2.1, M2.3, M4.1, M4.4, M10.1, M16.1

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 5D:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.n2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
GHG and ammonia emissions from agriculture has been reduced	R18: Reduced emissions of methane and nitrous oxide (focus area 5D)*	
GHG and ammonia emissions from agriculture has been reduced	R19: Reduced ammonia emissions (focus area 5D)*	
GHG and ammonia emissions from agriculture has been reduced	R16 / T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)	
GHG and ammonia emissions from agriculture has been reduced	R17 / T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	

7.n3) Methods applied

Quantitative methods:

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)**
3. **Challenges in the application of described methods and solutions encountered**

Qualitative methods: Secondary source analysis

1. **Reasons for using the method**

In addition to primary evidence collected through interviews (See Common Evaluation Question FA 1A Section 5), secondary source evidence is also presented. The source of these findings is the Glastir Monitoring and Evaluation Programme, which is designed, in part, to collect evidence related to key agri-environment indicators. The methodological approach below provides a summary of the methods used to

collected GHG emissions data through GMEP. Discussion of these methods in full is not possible here due to word count restrictions. Detailed information on these methods is available through the GMEP data portal (<https://gmep.wales/>).

The answer to the Common Evaluation Question is based on findings reported in the ‘Glastir Monitoring and Evaluation Programme, Final Year Report (2012-2016)’. This report is not yet published, but will be available through the GMEP portal in due course.

2. Description of methods used

The Land Use, Land Use Change and Forestry (LULUCF) and Agriculture Greenhouse Gas Emission Inventories provide a good national overview of ongoing trends but are relatively insensitive to changes in land management supported under Glastir, although this is slowly changing. GMEP therefore reports the overall trends from the Inventories as background information, along with more relevant and sensitive metrics. These include embodied emissions for ‘typical’ farm types in Wales which includes indirect greenhouse gas emissions associated for example, with fertiliser production and an assessment of the condition of peat soils due to their importance as a carbon store. Future metrics will also include mitigation associated with woodland expansion and creation. Metrics are already available on extent and condition under the Woodland Outcome section but these need converting into greenhouse gas metrics relevant for this climate change outcome. GMEP will work with Natural Resource Wales to agree a methodology for this which captures small scale woodlands and hedges/riparian features encouraged by Glastir.

The Bangor Carbon Footprinting Tool was used to calculate the impact of the Glastir Efficiency Scheme on greenhouse gas emissions. To explore baseline greenhouse gas emissions and carbon storage from Welsh farms, a subset of farms were selected from a database of Welsh farms used in previous carbon footprinting studies at Bangor University. Farms were selected to represent a number of farming typologies representative of those found in Wales (in terms of size, altitude, stocking rates *etc*).

The model ECOSSE was applied to determine if future climate change scenarios would significantly increase the direct emissions of greenhouse gas emissions from soil and vegetation. The model ran spatially (1km²) for the whole of Wales using baseline climatic data (1961 to 1990), national soil data (2005), and the land cover map for 2007. Maps of estimated greenhouse gas emissions and carbon storage for different management and land use (arable, grass and forest) were produced and compared.

3. Challenges in the application of described methods and solutions encountered.

7.n4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated gross value out of which Primary contribution	Calculated gross value out of which Secondary contribution, including LEADER/CLLD contribution	Calculated net value	Data and information sources
Common result indicator	R18: Reduced emissions of methane and nitrous oxide (focus area 5D)*	No						Not applicable - no data to report

Common result indicator	R19: Reduced ammonia emissions (focus area 5D)*	No						Not applicable - no data to report
Common result indicator	R16 / T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)	Yes						Not applicable - no data to report
Common result indicator	R17 / T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	Yes						Not applicable - no data to report

7.n5) Problems encountered influencing the validity and reliability of evaluation findings

A limitation of the data presented below is that its source (GMEP) covers a time period which includes the 2007-2013 RDP Programme period. Therefore, while results may be attributed to successive rounds of European fund intervention, they cannot be disaggregated or attributed to 2014-2020 RDP funds specifically. It is argued, however, that impacts related to Agri-environment Measures typically take considerably longer to become evident than the Programme cycle period which Rural Development Programme adheres to.

7.n6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

Over a three-year period following receipt of Glastir Efficiency Scheme (GES) grants, there was an average reduction of 4.9% in greenhouse gas emissions per hectare across 15 farms for which detailed repeat “carbon footprints” were calculated. The average carbon footprints expressed per kg of lamb live weight and milk produced on surveyed farms declined by 9.5% and 18%, respectively, indicating an improvement in production efficiency. These results include embedded emissions resulting from the production and transport footprints of materials bought and used by the farm (such as animal feeds, fertilisers and plastic sheeting).

In addition to GHG emissions, livestock farms are a major source of ammonia emissions to air and nutrient losses to water. Across the 15 surveyed farms, nitrogen and phosphorus footprints per kg of product were reduced by an average of 18% and 8%, respectively, in the three years to 2015. Ammonia emissions declined by 11% over the same period. 77% of respondents stated farm viability increased as a consequence of receiving the grant.

The results from the ECOSSE model indicate the change was insignificant (ca. 2%) relative to the likely indirect effect from change in land use and management and animal numbers due to economic and policy

change.

7.n7) Conclusions and recommendations

7.n7.a) *Conclusion / Recommendation 1*

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.o) CEQ15-5E - To what extent have RDP interventions supported carbon conservation and sequestration in agriculture and forestry?

7.o1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M.1.2, M1.3, M2.1, M2.3, M4.4, M8.1, M8.3, M8.4, M8.5, M10.1, M16.1, M16.8

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 5E:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.o2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Carbon conservation and sequestration in agriculture and forestry has increased	R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	Additional information on carbon conservation and sequestration of the land under management contracts
Agricultural and forestry land under enhanced management contract contributing to carbon sequestration has been enlarged	R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	Additional information on carbon conservation and sequestration of the land under management contracts

7.o3) Methods applied

Quantitative methods:

1. **Reasons for using the method**
2. **Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)**
3. **Challenges in the application of described methods and solutions encountered**

Qualitative methods: Secondary source analysis

1. **Reasons for using the method**

In addition to primary evidence collected through interviews (See Common Evaluation Question FA 1A, Section 5), secondary source evidence is also presented. The source of these findings is the Glastir Monitoring and Evaluation Programme, which is designed, in part, to collect evidence related to key agri-environment indicators. The methodological approach below provides a summary of the methods used to collect Carbon conservation and sequestration data through GMEP. Discussion of these methods in full is not possible here, due to word count restrictions. Detailed information on these methods is available through the GMEP data portal (<https://gmep.wales/>). The answer to the Common Evaluation Question is based on findings reported in the ‘Glastir Monitoring and Evaluation Programme, Final Year Report (2012-2016)’. This report is not yet published, but will be available through the GMEP portal in due

course.

2. Description of methods used

A range of data are available in the GMEP portal, including modelling work to look at co-benefits and trade-offs with other services. Presented here is a selection of indicators as a high level summary of ongoing change in this important ecosystem. As the sampling and analytical methodology used for woodland assessment in GMEP is identical to that used in the Countryside Survey these datasets can be combined to look for long-term national trends and in future years, the impacts of Glastir payments. Difference with other data sources such as Forestry Commission data is due to the capture of small woodland parcels by GMEP (< 0.5ha) which are not currently included in Forestry Commission data but are important when considering Glastir options and impacts. Countryside Survey / GMEP data categorises an area to be woodland if it is more than 20m x 20m in area and 25% of the vegetation is above 1 m high. There are various other methodological differences, therefore, it is recommended both datasets are considered together to get a complete picture.

3. Challenges in the application of described methods and solutions encountered.

7.04) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	Yes				Not applicable - no data to report
Additional result indicator	Additional information on carbon conservation and sequestration of the land under management contracts	No				Not applicable - no data to report

7.05) Problems encountered influencing the validity and reliability of evaluation findings

A limitation of the data presented below is that its source (GMEP) covers a time period which includes the 2007-2013 RDP Programme period. Therefore, while results may be attributed to successive rounds of European fund intervention, they cannot be disaggregated or attributed to 2014-2020 RDP funds, specifically. It is argued, however, that impacts related to Agri-environment Measures typically take considerably longer to become evident than the Programme cycle period which Rural Development Programme adheres to.

7.06) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported

in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A, Section 3) is reported.

The source of the following findings in the Glastir Monitoring and Evaluation Programme (GMEP). Two Glastir prescriptions ('Create streamside corridor on improved land with tree planting'; and 'Allow woodland edge to develop out into adjoining fields') have the potential to create an additional 12,100ha of woodland under the 'High' scenario of scheme participation. The projections of community change from an improved grassland starting point resulted in an 83 to 100% (*i.e.* complete) progression towards the target broadleaved woodland for representative plant species, following conversion of grassland. Projected changes from an arable starting point suggested less progression, reflecting initial soil conditions that are less like broadleaved woodland. The vast majority of the land area converted will be improved grassland. On this basis, it is estimated that 10,000ha of suitable woodland habitat could be created. This represents 10% of the WG commitment to achieve a 100,000ha increase in woodland cover in Wales, from the present 14% of the land area, to 20% by 2030 (Year 1 report; Appendix 2.5).

Modelling work using the LUCI model projected a 2.8% increase in area accessible to broadleaved woodland species in response to prescriptions included in Glastir contracts by the end of 2016. Projections for Glastir's impact on greenhouse gas emissions and long term trends are presented in the Climate Change Section.

On a national scale, the overall picture is that some stability has emerged for Welsh woodlands. This does not appear to reflect the ambitious targets for expansion of woodlands set by the WG, nor the multiple benefits woodlands can bring for biodiversity, carbon sequestration and water regulation. No overall change in small woodland extent has been detected since 1990. Large broadleaved woodlands became shadier up until 2007, after which no change has been observed. This appears to have benefitted ancient woodland indicator plant species which have increased in the last 10 years. This is not seen in small woodlands.

7.o7) Conclusions and recommendations

7.o7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.p) CEQ16-6A - To what extent have RDP interventions supported the diversification, creation and development of small enterprises and job creation?

7.p1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M2.1, M2.3, M6.2, M6.4, M8.5, M8.6, M16.8, M16.9

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 6A:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.p2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Jobs have been created	R21 / T20: Jobs created in supported projects (focus area 6A)	
Small enterprises have been created		Percentage of new small enterprises created with RDP support
Small enterprises have diversified their economic activity		Percentage of small enterprises in the nonagricultural sector created with the RDP support

7.p3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used

For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.

3. Challenges in the application of described methods and solutions encountered.

7.p4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R21 / T20: Jobs created in supported projects (focus area 6A)	No				Not applicable - no data to report
Additional result indicator	Percentage of small enterprises in the nonagricultural sector created with the RDP support	No				Not applicable - no data to report
Additional result indicator	Percentage of new small enterprises created with RDP support	No				Not applicable - no data to report

7.p5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.p6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.p7) Conclusions and recommendations

7.p7.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.q) CEQ17-6B - To what extent have RDP interventions supported local development in rural areas?

7.q1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M7.1, M7.2, M7.4, M7.5, M7.6, M7.7, M16.2, M16.3, M16.9, M19.1, M19.2, M19.3, M19.4

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 6B:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.q2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
		Percentage of RDP expenditure in Leader measures with respect to total RDP expenditure
		Number of projects/initiatives supported by the Local Development Strategy
Employment opportunities have been created via local development strategies	R24 / T23: Jobs created in supported projects (Leader) (focus area 6B)	
Rural territory and population covered by LAGs has increased	R22 / T21: percentage of rural population covered by local development strategies (focus area 6B)	
Access to services and local infrastructure has increased in rural areas	R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	
Services and local infrastructure in rural areas has improved	R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	
Rural people have participated in local actions		
Rural people have benefited from local actions		

7.q3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)

3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used

For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.

3. Challenges in the application of described methods and solutions encountered.

7.q4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R22 / T21: percentage of rural population covered by local development strategies (focus area 6B)	Yes				Not applicable - no data to report
Common result indicator	R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	Yes				Not applicable - no data to report
Common result indicator	R24 / T23: Jobs created in supported projects (Leader) (focus area 6B)	No				Not applicable - no data to report
Additional result indicator	Number of projects/initiatives supported by the Local Development Strategy	No				Not applicable - no data to report
Additional result indicator	Percentage of RDP expenditure in Leader measures with respect to total RDP expenditure	No				Not applicable - no data to report

7.q5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.q6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A

Section 3) is reported.

Measures 19.1, 19.2, 19.3, and 19.4 (hereafter referred to as Measure 19) deliver local development via the LEADER Local Development Fund and are mapped primarily to FA 6B. The approach to LEADER for the 2014-2020 Programme Period has experienced notable changes in Wales since the 2007-2013 RDP, including providing LAGs with seven year approval to deliver and a shift away from competitive bidding towards placing a focus on the Local Development Strategy (LDS) as a tool to target interventions. Both of these changes are noted as being useful moves to help LAGs focus on animation in their local areas.

Activities under LEADER must be consistent with at least one of the five LEADER themes for Wales: adding value to local identity and natural cultural resources; facilitating pre-commercial development, business partnerships and short supply chains; exploring new ways of providing non-statutory local services; renewable energy at community level and exploitation of digital technology. To date, the latter two themes have received the fewest number of projects aligned to these objectives. This lack of up-take is not considered to be a concern as LAGs are encouraged to focus on the themes which best match their local needs.

To date, one cooperation project has been approved which links across three Local Authority areas. Given the additional freedoms afforded to LAGs (e.g. indicative budget allocation) it is hoped that more cooperative projects will be undertaken as the Programme progresses.

Similar to other Measures (see FA 3A, and FA 1A), Business Wales acts as a signposting mechanism for potential projects in Wales. In the context of LEADER this function experienced the same problems as reported in the Sections referenced above. It should be noted however, that this research did not have the scope to contact Business Wales for their perspective.

The Local Development Strategies (LDS) set up by LAGs at the start of the 2014-2020 Programme period act as a guide to focus project interventions on the needs of the local areas they cover. It is important, therefore, that these strategies are viewed as 'live' documents and continue to reflect local priorities. To ensure this is the case, each year there are set points where Local Action Groups (LAGs) can have proposed changes formalised. The Wales Rural Network meets with LAGs to discuss these changing priorities. For example, an upcoming study titled 'Migrant and Refugees' Support Feasibility Study' will explore migrants and refugees' skills needs and aspirations. This is in terms of providing support so that migrants and refugees can practice their existing skills in Wales and also identifying areas where these groups would like to develop new skills to access opportunities in Wales. A formal assessment of implementation of Local Development Strategies is planned for later in the Programme.

Following the last annual LDS review which was conducted over the summer months of 2016, it was generally felt that the overarching aims and objectives (short and long term) of the 18 LDS's still represented the same issues of the LAG areas. Some LAGs have recently reviewed their LDS by appointing a consultant to facilitate a project idea session with their LAG members on the 5 RDP key themes. A useful communication tool in place for the 2014-2020 Period is the Community Led Local Development (CLLD) consultation group. This is an advisory group which aims to meet quarterly and comprises of key stakeholders from LAGs across Wales, the Welsh Local Government Association (WLGA), Wales Council for Voluntary Action (WCVA), Natural Resources Wales (NRW), and two independent consultants. The purpose is to enable the WG to engage with key stakeholders when making decisions about the Schemes. A key strength of the group was reported to be its role in communicating key messages about LEADER due to the representativeness of its members. For example, the application form required at EOI stage has undergone three improvement amendments directly based on discussions with the CLLD group.

No State Aid cover for the LEADER programme has been a challenge for most LAG areas. The WRNSU

have supported LAG's by responding to Project State Aid queries via the LEADER/Rural Network Inbox and by holding a State Aid Workshop.

The WG has activated all Sub-Measures (Measures 7.1, 7.2, 7.4, 7.5, 7.6, and 7.7) under Measure 7. This activity is delivered through the Rural Community Development Fund (RCDF); a grant fund designed to work alongside LEADER activity to provide investment funding for a wide range of activities to help meet local needs and strengthen communities.

In practice, LEADER LAGs build local capacity and pilot activities through Measure 19, then, if continuation capital investment is identified as appropriate, projects may apply for RCDF funding. Similarly to M19 activity, activity around the themes of broadband and community based renewable energy has been least subscribed. Conversely, Measure 7.4 is receiving most interest from prospective projects. This is not viewed as a reflection on alignment of RCDF to the intervention logic.

A key delivery issue currently facing WG staff is resourcing. Every EOI window has been oversubscribed, which causes pressure for the Scheme Management Unit (SMU) undertaking full application appraisal. For this reason, the EOI sift stage is noted as helping to relieve some of this pressure as projects can be evaluated prior to full application. This serves to reduce the burden further down the appraisal process. On the other hand, the EOI policy sift stage has caused some frustration due to limited amount of backing documentation (e.g. financial breakdowns) provided at this stage leading to approvals based on policy fit but then having applicants rejected due to ineligibility. This has been addressed through over programming each EOI round for RCDF by 20%, with the expectation some projects will be rejected at full application stage.

An additional issue with the EOI windows has been the inherent timescales. It was anticipated that applications would be received periodically over the course of an EOI window's opening dates so as to help manage staff workloads. However, the reality has been that the majority of applications are submitted on the final day before the deadline, leading to a choke point. This issue has been exacerbated by domestic budget commitment timing delays leading to the requirement of back to back EOI windows rather than staggering their opening periods. This is also frustrating for potential applicants who require EOI window release dates in advance to assist with project planning.

In the 2007-2013 RDP, Measure 341 provided support for running costs of local Partnerships. An equivalent Measure is no longer available in the 2014-2020 RDP. This has reportedly left Local Authority stakeholders feelings disenfranchised as the WG has taken on the function they previously provided locally under equivalent measures in the last programme.

A specific strength of RCDF has reportedly been the interaction between RCDF policy staff and the Tackling Poverty team within the WG. The partnership is noted as an excellent use of internal expertise as the team is checking appraisals of the tackling poverty criteria and have fed into guidance documents for applicants and EOI selection criteria.

7.q7) Conclusions and recommendations

7.q7.a) Conclusion / Recommendation 1

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study,

it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.q7.b) Conclusion / Recommendation 2

Conclusion:

Following the last annual LDS review which was conducted over the summer months of 2016, it was generally felt that the overarching aims and objectives (short and long term) of the 18 LDS's still represented the same issues of the LAG areas.

Recommendation:

It is recommended that Local Development Strategies continue to be reviewed on an annual basis to ensure that they continue to represent the requirements of LAG areas.

7.q7.c) Conclusion / Recommendation 3

Conclusion:

The Community Led Local Development consultation group is noted as a useful communication tool in the 2014-2020 Programme period.

Recommendation:

Not applicable at this stage of programme delivery.

7.q7.d) Conclusion / Recommendation 4

Conclusion:

Projects focussing on the themes of broadband, and community based renewable energy are the least subscribed in both LEADER and RCDF projects.

Recommendation:

Future research may be beneficial to examine the barriers to uptake of broadband and community based renewable energy initiatives.

7.r) CEQ18-6C - To what extent have RDP interventions enhanced the accessibility, use and quality of information and communication technologies (ICT) in rural areas?

7.r1) List of measures contributing to the FA

Primarily programmed Measures/sub-Measures:

M1.1, M7.3

Measures/sub-Measures programmed under the other FAs which show secondary contributions to FA 6C:

Due to the early stage of Programme implementation, evidence of secondary contributions to other FAs, has not been identified through Common Evaluation Question research.

7.r2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Access of rural households to ICT has increased	R25 / T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	Percentage of rural households accessing ICT with the RDP support

7.r3) Methods applied

See Common Evaluation Question FA 1A Section 5, for discussion of methodological approach to data collection for all other relevant CEQ.

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and additional result indicators, or other indicators used (output, common context indicators)
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used

For a discussion of the primary research undertaken to address this CEQ please refer to Section 7.a3. This section provides a detailed discussion of the over-arching methodological approach taken to researching the CEQs, including the inherent limitations to the research.

3. Challenges in the application of described methods and solutions encountered

7.r4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Common result indicator	R25 / T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	Yes				Not applicable - no data to report
Additional result indicator	Percentage of rural households accessing ICT with the RDP support	No				Not applicable - no data to report

7.r5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.r6) Answer to evaluation question

For qualitative evidence of implementation related to Measures programmed under this FA (if not reported in this FA), please see the relevant CEQ to which results of primary research (as outlined in CEQ FA 1A Section 3) is reported.

7.r7) Conclusions and recommendations

7.r7.a) Conclusion / Recommendation 1

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.s) CEQ19-PE - To what extent have the synergies among priorities and focus areas enhanced the effectiveness of the RDP?

7.s1) Programme synergies and transverse effect

Programme synergies (positive transverse effects) between measures, between FAs and between priorities:

The WG approach to the development of the RDP programme is viewed strategic from the ESI perspective and there is a drive to ensure the delivery of the programmes are as integrated as possible particularly at Priority/ Focus level. Evidence of this is the adopted programme structure which offer opportunities for synergies and complementarity in delivery even through to the sub measure and operations.

As explained in the CEQ responses above, many of the socio economic measures have not reached completion stage however evidence of FA specific synergies are identified in the relevant CEQ evaluation question answers. It is deemed too early to report extensively on extent of Programme synergy in this CEQ.

7.s2) Methods applied

Quantitative methods:

1. Reasons for using the method
2. Description of the method to assess synergies between FAs and between RD priorities, taking in consideration the primary and secondary contributions of operations to FAs.
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used

As part of the wider qualitative research undertaken to address the other CEQs, a programme of qualitative interviews were undertaken with programme and scheme level delivery staff. A detailed discussion of this approach is available in Section 7.a3. As part of this interview framework, all interviewees were asked questions which explored the linkages between the sub-measures they deliver their activity under, and other areas of the programme.

3. Challenges in the application of described methods and solutions encountered.

In the majority of cases, respondents reported it to be too early to make these connections. Where complementary delivery has been identified these findings are presented in the corresponding CEQ to which the measure relates.

A comprehensive piece of research will be procured to address the CEQs in the 2019 AIR. This will include a detailed review of programme synergy. It is anticipated that at this stage of implementation, additional numbers of operations will be complete, and a richer data set will be available from which to draw robust results.

7.s3) Quantitative findings based on the calculation of secondary contributions of operations to focus areas

Not applicable at this stage of programme delivery.

7.s4) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.s5) Answer to evaluation question

As discussed in 7.s4, specific examples of programme synergy have been included the CEQ answers to which the sub-measure primarily maps to. However, it was not considered robust to include a programme-wide assessment of synergistic effectiveness at this stage as it was considered too early in programme implementation

7.s6) Conclusions and recommendations

7.s6.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.t) CEQ20-TA - To what extent has technical assistance contributed to achieving the objectives laid down in Art. 59(1) of Regulation (EU) No 1303/2013 and Art. 51(2) of Regulation (EU) No 1305/2013?

7.t1) Support for technical assistance (other than NRN)

Technical Assistance in the 2014-2020 Programme period is split through seven projects (not including the NRN). These are listed below, the progress of these is discussed in detail within the answer to the evaluation question.

- Glastir Woodland Delivery Project
- Business Improvement
- Glastir Implementation
- Monitoring and Evaluation
- On The Spot Checks
- Technical Appraisal, Analysis and Inspections
- Managing Authority and Delivery costs

7.t2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Institutional and administrative capacities for the effective management of the RDP have been strengthened		Number of staff involved in RDP management
Institutional and administrative capacities for the effective management of the RDP have been strengthened		Skills of staff involved in RDP management
Institutional and administrative capacities for the effective management of the RDP have been strengthened		Functionality of the IT system for programme management
Capacities of relevant partners as defined by the Regulation (EU) No 1303/2013, Art. 5(1) have been reinforced		Types and number of capacity building activities
RDP has been communicated with the public and information has been disseminated		Number of RDP communication and dissemination activities
RDP has been communicated with the public and information has been disseminated		Number of people receiving information about the RDP
RDP has been communicated with the public and information has been disseminated		Information on the use of evaluation results
Monitoring has been improved		
Evaluation methods have been improved and have provided robust evaluation results		

The RDP implementation has been improved		The length of the application and payment process
Administrative burden on beneficiaries has been reduced		

7.t3) Methods applied

Quantitative methods:

1. Reasons for using the method
2. Description of method
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method

As explained in Section 1 (C) of this AIR, TA funds have not yet been drawn down. Therefore, a qualitative approach was adopted to collect evidence on the delivery of TA projects.

This qualitative assessment is relevant and appropriate at this stage of the programme to examine the processes currently in place to administer RDP funds. Interviews provide data on attitudes, opinions and experiences of the delivery staff. Common experiences, challenges and opportunities for improvement can be identified across the Programme.

2. Description of methods used

A semi-structured interview was conducted with Head of RDP Finance to investigate TA budget delivery. In addition, evidence from the wider suite of interviews was incorporated to this response where findings were relevant e.g. the IT system.

3. Challenges in the application of described methods and solutions encountered.

7.t4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Additional result indicator	Number of people receiving information about the RDP	No				Not applicable - no data to report
Additional result indicator	Types and number of capacity building activities	No				Not applicable - no data to report
Additional result indicator	Functionality of the IT system for programme management	No				Not applicable - no data to report

Additional result indicator	Number of staff involved in RDP management	No				Not applicable - no data to report
Additional result indicator	Skills of staff involved in RDP management	No				Not applicable - no data to report
Additional result indicator	Number of RDP communication and dissemination activities	No				Not applicable - no data to report
Additional result indicator	The length of the application and payment process	No				Not applicable - no data to report
Additional result indicator	Information on the use of evaluation results	No				Not applicable - no data to report

7.t5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.t6) Answer to evaluation question

The research findings on the general implementation of Technical Assistance in pursuit of achieving the objectives laid down in Article 59 of Regulation (EU) No 1303/2013 and Art. 51(2) of Regulation (EU) No 1305/2013, is presented below.

As explained in Section 1 (C) of this AIR, no spend has been drawn down for Technical Assistance. Therefore, this section focusses on reporting the progress of the eight Technical Assistance Projects being delivered in Wales.

Glastir Woodland Delivery Project

NRW will support the creation of Forest management Plans by registered forest management planners. Through Technical Assistance funding NRW will provide the management and oversight required for the verification of these plans. Welsh Ministers and NRW enter into this work pursuant to Section 83 of the Government of Wales Act 2006. Costs include administrative elements limited to staff salaries and travel and subsistence.

Glastir Implementation

The project contributes to the delivery of the Glastir element of the Welsh Government Rural Communities - RDP 2014-20. Specifically agri-environment, carbon, afforestation and creation of woodlands as well as Investment in Forest Area Development and Improvements of viability of Forest measures. The project covers some of the staffing resources needed for the implementation and delivery of Glastir.

Monitoring and Evaluation

The project will monitor and evaluate the RDP to assist in its effective management and delivery, in compliance with EC Regulations. These activities will include: Collection of evidence and provision of

information for Programme steering and regulatory reporting;

- Monitoring and evaluation requirements for enhanced AIRs in 2017 and 2019;
- Assessing progress towards Programme and Priority objectives; and
- Provision of data required for evaluation at the right time and in the appropriate format.

On The Spot Checks

The project will employ staff of various agreed grades to allow the following activities to be delivered.

- Implement regulative OTSC on the RDP schemes which are part of the set-up of systematic checking of all aid applications and payment claims.
- RIW will run a selection process for beneficiaries. Inspections will require an onsite visit to beneficiary's premises to ensure compliancy with scheme rules.

Technical Appraisal, Analysis and Inspections

The project will employ staff of various agreed grades to allow the following activities to be delivered.

- Evaluate business plans and development proposals from grant applications.
- Undertake desk based research to inform advice and recommendations to grant managers about whether grants should be approved, modified or rejected.
- Contribute to the design of new grant schemes and support actions for the food supply chain, sustainable farming and rural development issues.
- Visiting delivery bodies, businesses and farm premises to discuss project proposals, including judging and discussing technical issues concerning food production and sustainable land management.
- Inspecting project delivery bodies, businesses and farm premises to quality assure and evaluate works and activities undertaken with grant support.
- Ensuring the regulatory requirements is adhered to and the programme delivery at a practical level is compliant.

Managing Authority and Delivery costs

The purpose of this project is to fund actions related to the preparation, management and control of the programme and its implementation. Specifically, the project will enable sufficient staffing to fulfil the Managing Authority functions required by the regulations and for effective and compliant delivery of the socio economic measures in the RDP 14-20.

Wales Rural Network

In accordance with EU regulations, a WRN Support unit has been established to organise networking, training and information exchange opportunities to support the implementation and delivery of the RDP

and its associated schemes. The activities WRN Support Unit undertakes on behalf of the WRN are outlined in a work plan and designed to facilitate the important multiplier effects that networking and knowledge exchange can achieve.

Business Improvement

To deliver an IT system fit for purpose, working in partnership with WEFO, Cap Gemini and RPW, for the successful implementation of the Rural Development Programmes 2014-2020 in Wales; including responsibility for enhancing PPIMS, WEFO Online and the reporting tool Business Objects to meet the needs of the business.

Broadly, management of Technical Assistance is viewed as an improvement upon the process compared to the 2007-2013 Programme. During the Programme's inception, proposals for TA were submitted to the Common Agricultural Policy Programme Board alongside recommendations for eligibility and assessment of value for money. This has resulted in the secondary effect of improved rigour in understanding of eligibility of the TA budget.

No EAFRD funding was drawn down in 2016. This is not anticipated to be an issue as it is systematic of wider issues surrounding the creation of an appropriate IT system (discussed below in more detail). This issue is currently being managed internally and claims will begin in the near future.

Anticipated upcoming challenges include the requirement to have claims processed by Scheme Management Unit which is causing delays due to the resourcing issues they face (See CEQ FA 6B). In addition, amendments to the control plan will be required prior to claims being processed.

Since the approval of the 2014-2020 RDP, a considerable expenditure through Technical Assistance has been to devise and implement a suitable IT system for programme monitoring and reporting, in accordance with EU reg. 1303/2013 Art.122(3). Feedback from interviewees on the effectiveness of this system is presented below. There are presented at Measure level to evidence the experience across the Programme.

Feedback regarding Measure 7 and Measure 19 implementation cites long waiting times to become registered on the system as a primary criticism. Also, Measure 7 applicants have been confused by the requirement to complete a 'Customer Reference Number' (CRN) form which is designed for farm businesses. Some positive findings are being reported specifically from beneficiaries who were reported to have complimented Scheme Management Unit (SMU) staff and the help they have been providing. However, this is an endorsement of staff assistance not of the system itself.

Businesses funded through Measure 4.2 report repeated system crashes when uploading application documents. A lack of communication between the IT system administrators and policy leads led to an instance where the IT System was un-operational due to maintenance during the same period an EOI window deadline was closing. This resulted in applicants being required to submit documents via email, ready to be uploaded onto the system when it went live. These problems are particularly acute for smaller businesses who are less able to deal with administrative complexity.

Activity delivered through Measures 1 and 2 are currently being financed by domestic funds as a result of lack of IT functionality. When the invoice is submitted to reconcile these costs, the policy lead anticipates a large financial review, given the scale of the claim.

A move to an integrated IT system cannot yet be said to be adding benefit to the financial management of the Programme. Evidence presented above suggests the opposite is in fact occurring and that issues with

the IT system are causing delays and frustration amongst WG staff and beneficiaries.

7.t7) Conclusions and recommendations

7.t7.a) *Conclusion / Recommendation 1*

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.t7.b) *Conclusion / Recommendation 2*

Conclusion:

No EAFRD funding was drawn down in 2016. This is not anticipated to be an issue.

Recommendation:

Not applicable at this stage of programme delivery.

7.t7.c) *Conclusion / Recommendation 3*

Conclusion:

A move to an integrated IT system cannot yet be said to be adding benefit to the financial management of the Programme.

Recommendation:

Not applicable at this stage of programme delivery.

7.u) CEQ21-RN - To what extent has the national rural network contributed to achieving the objectives laid down in Art. 54(2) of Regulation (EU) No 1305/2013?

7.u1) Intervention logic of the NRN

Common objectives and linked group of activities (both common and NRN specific):

Group of activity:

- Activity 1 – Increase the involvement of stakeholders in the implementation of rural development
- Activity 2 – Improve the quality of RDP implementation
- Activity 3 – Inform the broader public and potential beneficiaries on rural development policy and funding opportunities
- Activity 4 – Foster innovation in agriculture, food production, forestry and rural areas

7.u2) Link between judgment criteria, common and additional result indicators used to answer the CEQ

Judgment criteria	Common result indicator	Additional result indicator
Number and types of stakeholders involved in RDP implementation has increased		Number of stakeholders (by type) participating in the implementation of the RDP due to activities of the NRN (including those through LAGs)
The quality of implementation of the RDP has been improved through the activities of the NRN, e.g. Improved capacity of RDP beneficiaries Improved evaluation awareness Lessons from evaluations are taken into account in programme implementation		Number of RDP modifications based on evaluation findings and recommendations from thematic working groups organized by the NRN)
Broader public and potential beneficiaries are aware of the rural development policy and funding opportunities through activities of the NRN		Percentage of RDP implemented projects encouraged by NRN(P) activities)
Broader public and potential beneficiaries are aware of the rural development policy and funding opportunities through activities of the NRN		Number persons that have been informed about the rural development policy and funding opportunities through the NRN communication tools)
Innovation in agriculture, food production forestry and rural areas has been fostered by the NRN opportunities		Percentage of innovative projects encouraged by NRN out of the total number of innovative projects supported by the RDP(s)

7.u3) Methods applied

Quantitative methods:

1. Reasons for using the method
2. Description of methods used
3. Challenges in the application of described methods and solutions encountered.

Qualitative methods:

1. Reasons for using the method

A qualitative approach, in the form of interviews, was adopted to collect evidence on the delivery of TA projects, within the Welsh Government. This qualitative assessment is relevant and appropriate at this stage of the programme to examine the processes currently in place to administer RDP funds.

The interviews provided data on the attitudes, opinions and experiences of the delivery staff. Through this approach it was possible to identify common experiences, challenges and opportunities for improvement across the Programme.

2. Description of methods to assess additional indicators

To assess this specific CEQ, an interview was conducted with the Head of the Wales Rural Network. They were selected on a purposive basis as they were best placed to provide information to answer this question. The interview was conducted in line with a pre-designed interview schedule designed to elicit findings relevant to this CEQ.

3. Challenges in the application of described methods and solutions encountered

7.u4) Quantitative values of indicators and data sources

Indicator type	Indicator code and name (unit)	Ratio	Indicator value	Calculated gross value	Calculated net value	Data and information sources
Additional result indicator	Number persons that have been informed about the rural development policy and funding opportunities through the NRN communication tools)	No				Not applicable - no data to report
Additional result indicator	Percentage of innovative projects encouraged by NRN out of the total number of innovative projects supported by the RDP(s)	No				Not applicable - no data to report
Additional result indicator	Percentage of RDP implemented projects encouraged by NRN(P activities)	No				Not applicable - no data to report
Additional result indicator	Number of stakeholders (by type) participating in the implementation of the RDP due to activities of the NRN (including those through LAGs)	No				Not applicable - no data to report
Additional result indicator	Number of RDP modifications based on evaluation findings and recommendations from thematic working groups organized by the NRN)	No				Not applicable - no data to report

7.u5) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery.

7.u6) Answer to evaluation question

The Wales Rural Network (WRN) is a partnership of organisations, enterprises, administrations and individuals; open to any stakeholder with an interest in rural development and the RDP. Stakeholders will be involved in the Governance and activities of the WRN through the external Steering Group. The role of the WRN Support Unit is to facilitate the networking process and the engagement of stakeholders, by sharing of information, best practice and experience across Wales, UK and Europe.

In comparison to the 2007-2013 RDP period, the delivery of WRN activities has changed and improved. Improvements to online presence of the WRN have been monitoring. This has identified a far reaching online presence and increased engagement of social media by stakeholders. The WRN webpages saw page views increase 1036% from 1,835 to 20,845. The WRN Twitter account has increased tweet output by 214%, and gained a 51% increase in number of followers. These enhancements have been noted as creating faster access to better information for stakeholders and improving the publicity of good practice.

The WRN has sought to attract different and new stakeholders to engage with the RDP. The new WRN Newsletter / Twitter / WRN – RDP Web Pages are cited as assisting in attracting wider engagement. This has reportedly led to a wider network with an enhanced sense of ownership of schemes. Additionally, improved publicity and a range of good practice examples have been disseminated via joint stakeholder channels. No formal feedback has been received yet regarding the WRN newsletters, however it is understood they attract and provide information to a wider audience, outside familiar farming / agri stakeholders. The newsletter focussed on articles linked to socio-economic Schemes, LEADER and European level news.

Notable successes and challenges for the WRN have begun to emerge. Improvements to the website and its increased usage (see above) have been valued, as have the roadshow events and presence at the Royal Welsh Agricultural Show. Also, Welsh projects have been included in EU best practice publications. On the other hand, staff changes and poor WG technology resources are referenced as key challenges. These have been addressed through actions such as amalgamating the staff from other RDP teams into the WRNSU.

The Wales Rural Network has shown evidence of complementing the activities of the UK National Rural Network (UKNRN) by participating in joint, cross-border UKNRN meetings. In addition, working methods and examples of best practice are shared at these events, leading to a joined up approach across the National Network.

A steering group for the WRN was formed in early 2016. The advice of this group has influenced the WRNSU through advising on how best to implement recommendations from wider rural networks and providing feedback to influencing the development of Schemes. Processes are in place to ensure gender equality on the WRN Steering group including ensuring a 50:50 gender balance. Positions on the group were re-advertised to achieve this objective.

7.u7) Conclusions and recommendations

7.u7.a) *Conclusion / Recommendation 1*

Conclusion:

Due to the early stage of Programme implementation, and the methodological approach taken for this study, it is not possible to draw conclusions specifically to answer the evaluation question. Where appropriate, conclusions and recommendations have been made based on the evidence which has been collected.

Recommendation:

It is recommended that further evaluation work be conducted as implementation progresses to feed into the 2019 AIR.

7.v) PSEQ01-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

There are no specific Focus Area evaluation questions.

7.w) PSEQ02-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

There are no specific Focus Area evaluation questions.

7.x) PSEQ03-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

There are no specific Focus Area evaluation questions.

7.y) PSEQ04-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

There are no specific Focus Area evaluation questions.

7.z) PSEQ05-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

There are no specific Focus Area evaluation questions.

7.aa) PSEQ01-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

Evaluation topic:

Programme specific evaluation question:

7.aa1) Link between judgment criteria, common and additional result indicators used to answer the CEQ

There are no links defined for this question

7.aa2) Methods applied

Quantitative methods:

1. Reasons for using the method
2. Description of methods to calculate ratios, gross or net (if applicable) values of common and programme specific indicators
3. Challenges in the application of described methods and solutions encountered

Qualitative methods:

1. Reasons for using the method
2. Description of methods used
3. Challenges in the application of described methods and solutions encountered.

7.aa3) Quantitative values of indicators and data sources

There are no indicators defined for this question

7.aa4) Problems encountered influencing the validity and reliability of evaluation findings

Not applicable at this stage of programme delivery

7.aa5) Answer to evaluation question

Not applicable at this stage of programme delivery

7.aa6) Conclusions and recommendations

7.aa6.a) *Conclusion / Recommendation 1*

Conclusion:

Not applicable at this stage of programme delivery.

Recommendation:

Not applicable at this stage of programme delivery.

7.bb) PSEQ02-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

NOT RELEVANT FOR WALES RURAL DEVELOPMENT PROGRAMME

7.cc) PSEQ03-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

NOT RELEVANT FOR WALES RURAL DEVELOPMENT PROGRAMME

7.dd) PSEQ04-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

NOT RELEVANT FOR WALES RURAL DEVELOPMENT PROGRAMME

7.ee) PSEQ05-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

NOT RELEVANT FOR WALES RURAL DEVELOPMENT PROGRAMME

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

8.a) Promotion of equality between men and women and non-discrimination (Article 7 of Regulation (EU) No 1303/2013)

Under the Common Strategic Framework all of the European Structural and Investment (ESI) funds must integrate the Cross Cutting Themes (CCT's) of Equality of Opportunity and Gender Mainstreaming and Sustainable Development. These mandatory CCTs are integrated into the design and development of the European Structural and Investment Funds and the activity supported through the funds. This includes the WG Rural Communities – Rural Development Programme 2014-2020.

Scheme applications are required to be open to anyone with guidance application forms available in English and Welsh on the WG web pages for each scheme. As part of the WG's guiding principles, equality and inclusion were considered in the development and implementation of all WG schemes, as together with sustainability and wellbeing, they underpin all WG policies.

The Well-being of Future Generations (Wales) Act 2015 came into force in April 2016. The Act requires public bodies, including the Welsh Government, to think more about the long-term, to work better with people, communities and each other, look to prevent problems and take a more joined-up approach. The Well-being Goals and Principles provide a clear framework for government decision-making and must underpin everything the Welsh Government does now and in the future. The aim is to have a single set of values which guide how the Welsh Government works. The selection criteria, scheme guidance and EOI guidance/application forms, were all devised subject to and including consideration of the principles as set out in the Well-being of Future Generations (Wales) Act 2015. For example the RCDF Scheme enables social inclusion, poverty reduction and economic development in rural areas and therefore contributes to the Well-Being Goals of 'A More Equal Wales', 'A Wales of Cohesive Communities' and 'A Resilient Wales'. The LEADER scheme contributes to all of the Well-Being Goals, particularly those of "A More Equal Wales" and "A Wales of Cohesive Communities".

The Farming Connect Knowledge Transfer and Innovation Programme recognise the important role that women play in rural businesses. Activities and opportunities have been put in place to encourage women to come to the fore to demonstrate the contributions they can make. In September, 2016 a "Women in Agriculture Forum for Wales" took place which included presentations and workshops to inspire, motivate and empower women. The Cabinet Secretary for Environment and Rural Affairs gave the keynote address which acknowledged the important role that women play in many farm and forestry businesses as drivers for change, business development and modernisation. As a result of this event, three regional forums have been developed to allow women to come together to influence the future development of agriculture policy in Wales.

In addition many women actively engage in discussion groups, for example, a Farm Secretaries discussion group came together to collectively learn new skills and develop their knowledge of the legislation they encounter in their roles. Another group investigated diversification opportunities as well as business planning to future-proof their businesses. Other women's discussion groups have been established to address and monitor animal health issues on their farms as well as benchmarking their businesses to move forward the sheep enterprises on their farms.

The skills and training support funded through Measure 1 has been attractive to many women farmers with 522 applying to take advantage of what Farming Connect can offer them. There has been a relatively equal split of applications across the three training categories with 164 applicants seeking Business Improvement

courses, 158 applying for Technical courses and 200 improving their skills through the Machinery and Equipment courses.

The WG has clear and robust equal opportunities policies which must be adhered to. It is a requirement that the recruitment of all staff is in accordance with this policy and all staff receive the appropriate training as part of their personal development.

During the early part of 2016 a formal application process was conducted to recruit up to ten external members to the WRNSG with an appropriate geographical and gender balance. The initial recruitment process did not result in the required male/female split and therefore a second recruitment exercise was completed to actively recruit female candidates. This proposal ensured a better sector and geographical spread and a fair gender balance with 12 members successfully appointed.

8.b) Sustainable development (Article 8 of Regulation (EU) No 1303/2013)

Under the Common Strategic Framework all of the European Structural and Investment (ESI) funds must integrate the Cross Cutting Themes (CCT's) of Equality of Opportunity and Gender Mainstreaming and Sustainable Development. These mandatory CCTs are integrated into the design and development of the European Structural and Investment Funds and the activity supported through the funds. This includes the WG Rural Communities – Rural Development Programme 2014-2020.

The selection criteria, scheme guidance and EOI guidance/application for the WG schemes were all devised subject to and including consideration of Sustainable Development principles as set out in the Environment (Wales) Act 2016.

The RCDF scheme through its activities enables social inclusion, poverty reduction and economic development in rural areas. The TBIS and CFPS schemes target woodland creation or improved sustainable management of existing forests and as such both have the potential to deliver positive actions in support of WG climate change objectives. The LEADER scheme also upholds the Sustainable Development principles as set out in the Environment (Wales) Act and the Well-being of Future Generations (Wales) Act 2015.

The SMS is fundamentally about delivering sustainable development and fully delivers against the Union's aim of preserving, protecting and improving the environment including support for climate change objectives. This scheme is designed to deliver projects that demonstrate the Sustainable Management of Natural Resources (SMNR) and are built on and adhere to the principles of SMNR. The projects approved by the scheme inherently 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. All projects supported by the SMS Scheme have potential to deliver positive actions in support of WG climate change objectives.

The Glastir suite of schemes have at their core the need to address the long term challenges of a changing climate, the need for economic sustainability and declining biodiversity. The wider consequences and costs of depleted or polluted natural resources, higher insurance premiums, higher risk of residential and commercial flooding or the decline in the services provided by our natural environment is felt by all of Wales and land managers have far greater scope than any other sector of Welsh society to deliver benefits that support economic growth while increasing the resilience of rural communities and the quality and

health of our environment.

8.c) The role of the partners referred to in Article 5 of Regulation (EU) No 1303/2013 in the implementation of the programme

Stakeholders, organisations and institutions play a vital role in the development and delivery of the WGRC-RDP 2014-2020. A single Programme Monitoring Committee (PMC) has been set up to oversee the implementation of the RDP and the other European Structural and Investment (ESI) funds in Wales, to ensure they achieve maximum impact. The All Wales ESI PMC is chaired by an Assembly Member, with the committee comprising 27 members, meeting three to four times a year. Members are derived from six public appointments and 21 Members drawn on a representative basis from partners including statutory bodies, from business, education, local government, land-based industries and the third sector. During 2016 a representative of the LEADER LAG was selected to join the membership of the PMC. A specially convened extraordinary meeting of the All Wales ESI PMC was held on 8 July 2016 to provide partners and stakeholders with an opportunity to consider and discuss the implications of the EU Referendum outcome for ESI programmes in Wales.

The Wales Rural Network Support Unit (WRNSU) supports a forum to promote the exchange of expertise in rural development, it is open to anyone interested in rural development or involved with the WGRC-RDP 2014-2020 and the projects it funds. The Network exists to share knowledge and is facilitated by the WRNSU. Please see Section 4 of this report for more information on the WRN.

Key stakeholders, organisations and institutions play a pivotal role in the development and delivery of the Farming Connect KT&I Programme. IBERS (Aberystwyth University) is the lead delivery partner in the KT&I programme, it is responsible for hosting the Knowledge Exchange Hub which translates the latest UK-wide and appropriate global research findings to deliver accessible knowledge via multiple distribution channels in the Farming Connect Programme and EIP. Other key sub contractors; ADAS and Kite consulting are responsible for delivering specific elements of the programme and are responsible for completing baseline studies for the demonstration network. Levy Bodies (Agriculture & Horticulture Development Board – Dairy and Hybu Cig Cymru are key strategic partners and help ensure the programme provides an integrated approach to addressing sector needs whilst also providing guidance on themes and key messages that need to be communicated to the industry.

The Strategic Advisory Board for the Farming Connect programme provides overarching guidance and collaboratively sets direction for the programme and engages with the programme sub-groups. The Board brings together expertise from across the relevant sectors identifying and proactively promotes the research, knowledge and information delivered to meet the needs of the industry. Members of the Board include agricultural colleges, Levy Bodies, supermarkets, an agricultural Solicitor and IBERS University.

The Rural Community Development Fund (RCDF) under Measure 7 and LEADER under Measure 19 were developed in co-production with the Community-led Local Development (CLLD) Consultation Group which has a membership of key external stakeholders including the Welsh Local Government Association (WLGA), the Wales Council for Voluntary Action (WCVA), Natural Resources Wales (NRW) and regional representatives of the LEADER LAGs. The CLLD Group started during the development of the Welsh Government Rural Communities – Rural Development Programme 2014-2020 as a LEADER Task and Finish Group and was given an ongoing role following approval by the European Commission of the Welsh Government Rural Communities – Rural Development Programme 2014-2020.

The CLLD Consultation Group meets regularly, usually quarterly, to discuss and progress matters arising with regard to Measures 7 (RCDF) and 19 (LEADER). The WG consulted the CLLD Consultation Group on the draft RCDF Scheme Guidance and successive versions of the EOI Criteria and Form. Group members have provided useful feedback and expertise which has led to improvements to the documentation and the dialogue with the WG has helped to ensure mutual understanding of policy intentions and decisions. Where operational difficulties arise, at any part of the process, the CLLD Group is a useful forum to seek to agree the best way forward. The CLLD Consultation Group was also consulted on the selection of Wales-specific Indicators to add to the European Commission's Indicators and aid domestic WG reporting. It was important to strike the correct balance, collecting enough information to accurately show the benefit of the intervention without over-burdening the system or the beneficiary.

With support from the Food industry, the WG established a Food and Drink Wales Industry Board to bring the sector together and to help drive sustainable growth. The Board is industry-led and provides direction, encourages networking and shares market development information. It takes joint ownership of the WG Food and Drink Action Plan with WG and helps implement it. The Board was established in July 2014 and is chaired by a member from the industry supported by two Vice Chairs who share responsibility in leading this key industry body. The WG has supported the Board in its early phases, with it eventually becoming independent of government. In 2014 the WG launched and published 'Towards Sustainable Growth: an Action Plan for the Food and Drink Industry 2014-2020'. There are 48 actions which show the WG as an active and supportive partner to industry, providing clarity, certainty, and confidence. The Board met quarterly during 2016 on 17 March 2016, 30 June 2016, 28 September 2016 and 15 December 2016. Future meetings are scheduled quarterly. The Board identified three main work streams as key areas which include, People & Skills, Customers and Markets and Business and Investment.

The Food Division within WG has developed a 'Cluster' group. The Cluster activity was initially driven by a number of main drivers.

- to adopt a real and practical approach of being a Pro Business Government.
- the development and then launch of the Food and Drink Action Plan, with a mission of increasing growth in the sector by 30%.

The following Clusters were developed; Fine Food Cluster, NutriWales Cluster, High Impact Cluster, Seafood Cluster and Export Cluster.

The Food Business Development team within WG will also participate in three Pan Wales Funding Fairs organised by WRN during early 2017. These events are open to the public so that WG can promote the opportunities available to businesses, communities, farm and other enterprises. Representatives from the Food Policy division within WG will participate in Food Tourism Network events organised by WG and Visit Wales. Three events have been arranged during March 2017 at North, Mid & South Wales venues. The aim of these events will be to provide those working within the Food Tourism sector with an update on the Year 2 Food Tourism Action Plan for Wales.

The SMS scheme under Priority 4 has been promoted through Stakeholder Workshops and Information events throughout 2016. The SMS scheme is based on delivering collaborative actions across communities and landscapes and so individual projects will be monitored to ensure this happens. Similarly, in order to promote the CFPS and TBIS schemes, the WG has a stakeholder workshop scheduled for 24 January 2017 at Coed Y Brenin with an independent facilitator procured to run the day. These events provide an opportunity to explain the schemes in detail to stakeholders, while also

encouraging prospective applicants to explore how they can work together collaboratively to produce meaningful applications with the best chance of being successful. Schemes will be promoted at future WRN events, and whenever the opportunity presents itself at WG or Partner events.

The Strategy Team within WG has overall responsibility for Monitoring and Evaluation of ESI funds. The Strategy Team set up the Monitoring and Evaluation Advisory Group (MEAG) which met for the first time on 8 September 2016. Made up of internal and external stakeholders the role of the MEAG is to support the Strategy Team to produce robust monitoring and evaluation evidence on the ESI funds in Wales. The MEAG will cover all ESI Funds, including ERDF (including the Ireland-Wales European Territorial Co-operation Programme), ESF and EAFRD (RDP). MEAG will focus mainly on the 2014-2020 programming period but some evaluations discussed at MEAG will cover earlier programming periods (for example ex post evaluations and evaluation of ERDF infrastructure investment). It is anticipated that the MEAG will meet two to three times a year, with the intention of meeting a month in advance of the ESI Programme Monitoring Committee to aid discussions with PMC Members in their role of overseeing implementation of ESI funds in Wales.

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)	2014-2016					14.09
		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)	2014-2016					1,147.00
		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)	2014-2016					13,000.00
		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)	2014-2016					10.08
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2A	O1 - Total public expenditure	2014-2016	25,826,756.02	21.72	0.00	0.00	118,895,065.12
M01	O1 - Total public expenditure	2014-2016	20,501,662.07	50.07			40,944,000.00
M01.1	O1 - Total public expenditure	2014-2016					3,970,400.00
M01.1	O12 - Number of participants in trainings	2014-2016					8,560.00
M02	O1 - Total public expenditure	2014-2016	3,684,912.77	47.79			7,709,890.70
M02.1	O13 - Number of beneficiaries advised	2014-2016					5,160.00
M04	O1 - Total public expenditure	2014-2016	1,640,181.18	2.35	0.00	0.00	69,817,646.51
M04	O2 - Total investment	2014-2016					174,544,118.00
M04.1	O1 - Total public expenditure	2014-2016					67,700,000.00
M04.1	O4 - Number of holdings/beneficiaries supported	2014-2016					2,431.00
M04.3	O1 - Total public expenditure	2014-2016					2,117,646.51
M16	O1 - Total public expenditure	2014-2016					423,527.91

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)	2014-2016					0.73
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2B	O1 - Total public expenditure	2014-2016	2,852,715.01	16.31			17,492,941.00
M01	O1 - Total public expenditure	2014-2016	2,240,943.91	58.06			3,860,000.00
M01.1	O1 - Total public expenditure	2014-2016					380,000.00
M01.1	O12 - Number of participants in trainings	2014-2016					840.00
M02	O1 - Total public expenditure	2014-2016	611,771.10	47.79			1,280,000.00
M02.1	O13 - Number of beneficiaries advised	2014-2016					840.00
M06	O1 - Total public expenditure	2014-2016					12,352,941.00
M06.1	O1 - Total public expenditure	2014-2016					12,352,941.00
M06.1	O4 - Number of holdings/beneficiaries supported	2014-2016					177.00

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)	2014-2016					0.68
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
3A	O1 - Total public expenditure	2014-2016	41,243,959.88	53.67	0.00	0.00	76,847,576.75
M01	O1 - Total public expenditure	2014-2016	26,196,295.26	964.69			2,715,527.91
M01.1	O1 - Total public expenditure	2014-2016					271,550.00
M01.1	O12 - Number of participants in trainings	2014-2016					1,000.00
M02	O1 - Total public expenditure	2014-2016	468,875.21	47.79			981,020.93
M02.1	O13 - Number of beneficiaries advised	2014-2016					600.00
M04	O1 - Total public expenditure	2014-2016	11,457,862.35	24.35	0.00	0.00	47,056,909.30
M04	O2 - Total investment	2014-2016					117,000,000.00
M04.1	O3 - Number of actions/operations supported	2014-2016					120.00
M04.2							
M16	O1 - Total public expenditure	2014-2016	3,120,927.06	11.96			26,094,118.61
M16.4	O9 - Number of holdings participating in supported schemes	2014-2016					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)	2014-2016					1.11	
		2014-2015						
	T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	2014-2016						0.85
		2014-2015						
	T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2014-2016			0.20	2.22		9.00
		2014-2015			0.01	0.11		
	T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2016			4.36	51.50		8.47
		2014-2015						
	T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2014-2016			3.14	6.40		49.06
		2014-2015						
	T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	2014-2016			20.94	42.64		49.11
		2014-2015			1.60	3.26		
	FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
	P4	O1 - Total public expenditure	2014-2016	147,355,551.80	24.79	41,559,488.75	6.99	594,484,694.12
M01	O1 - Total public expenditure	2014-2016	2,644,702.79	48.98			5,400,000.00	
M01.1	O1 - Total public expenditure	2014-2016					500,000.00	
M01.1	O12 - Number of participants in trainings	2014-2016					1,100.00	
M02	O1 - Total public expenditure	2014-2016	1,146,428.59	47.42			2,417,646.51	
M02.1	O13 - Number of beneficiaries advised	2014-2016					1,400.00	
M04	O1 - Total public expenditure	2014-2016	47,776,681.32	23.96	558,564.27	0.28	199,392,219.69	
M04	O2 - Total investment	2014-2016					199,392,219.69	
M04.4	O3 - Number of actions/operations supported	2014-2016			111.00	0.68	16,425.00	
M08	O1 - Total public expenditure	2014-2016	5,114,286.28	15.26	679,337.92	2.03	33,504,867.44	
M08.1	O1 - Total public expenditure	2014-2016			347,381.48	2.57	13,517,644.44	
M08.1	O5 - Total area (ha)	2014-2016			59.04	2.73	2,160.00	
M08.2	O1 - Total public expenditure	2014-2016			1,938.22	0.39	491,800.00	
M08.2	O5 - Total area (ha)	2014-2016			1.00	0.68	147.00	
M08.3	O1 - Total public expenditure	2014-2016					305,883.00	
M08.3	O4 - Number of holdings/beneficiaries	2014-2016					0.25	

	supported						
M08.4	O1 - Total public expenditure	2014-2016					1,458,823.00
M08.5	O1 - Total public expenditure	2014-2016			330,018.22	1.86	17,730,717.00
M08.5	O3 - Number of actions/operations supported	2014-2016			77.00	4.41	1,745.00
M08.5	O5 - Total area (ha)	2014-2016			274.64	0.84	32,850.00
M10	O1 - Total public expenditure	2014-2016	80,106,639.35	27.98	35,233,964.45	12.31	286,311,139.54
M10.1	O5 - Total area (ha)	2014-2016			667,755.59	97.06	688,000.00
M11	O1 - Total public expenditure	2014-2016	10,415,928.85	20.12	5,087,622.11	9.83	51,764,704.66
M11.1	O5 - Total area (ha)	2014-2016			8,108.19	16.89	48,000.00
M11.2	O5 - Total area (ha)	2014-2016			54,032.87	75.05	72,000.00
M15	O1 - Total public expenditure	2014-2016	150,884.62	42.75			352,941.86
M15.1	O5 - Total area (ha)	2014-2016					700.00
M16	O1 - Total public expenditure	2014-2016					15,341,174.42

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)	2014-2016					19,911,765.00
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5B	O1 - Total public expenditure	2014-2016	418,914.17	2.87	0.00	0.00	14,611,706.00
M01	O1 - Total public expenditure	2014-2016	298,271.33	99.42			300,000.00
M01.1	O1 - Total public expenditure	2014-2016					28,000.00
M01.1	O12 - Number of participants in trainings	2014-2016					64.00
M02	O1 - Total public expenditure	2014-2016	120,642.84	47.71			252,883.72
M02.1	O13 - Number of beneficiaries advised	2014-2016					98.00
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	7,964,706.00
M04	O2 - Total investment	2014-2016					19,911,765.00
M04.1	O3 - Number of actions/operations supported	2014-2016					286.00
M04.2							
M04.3							
M16	O1 - Total public expenditure	2014-2016					6,094,116.28

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)	2014-2016					50,401,543.92
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5C	O1 - Total public expenditure	2014-2016	268,794.34	0.59	0.00	0.00	45,735,020.93
M01	O1 - Total public expenditure	2014-2016	166,583.44	47.87			348,000.00
M01.1	O1 - Total public expenditure	2014-2016					32,000.00
M01.1	O12 - Number of participants in trainings	2014-2016					68.00
M02	O1 - Total public expenditure	2014-2016	102,210.90	51.12			199,941.86
M02.1	O13 - Number of beneficiaries advised	2014-2016					98.00
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	1,870,000.00
M04	O2 - Total investment	2014-2016					4,675,000.00
M04.1 M04.3	O3 - Number of actions/operations supported	2014-2016					187.00
M07	O1 - Total public expenditure	2014-2016					19,190,481.39
M07.2	O3 - Number of actions/operations supported	2014-2016					197.00
M07.2 M07.3 M07.4 M07.5 M07.6 M07.7 M07.8	O2 - Total investment	2014-2016					23,028,577.67
M08	O1 - Total public expenditure	2014-2016					9,679,534.89
M08	O5 - Total area (ha)	2014-2016					250.00
M08.5	O1 - Total public expenditure	2014-2016					44,125.00
M08.6	O1 - Total public expenditure	2014-2016					9,635,409.89
M08.6	O2 - Total investment	2014-2016					22,697,966.25
M16	O1 - Total public expenditure	2014-2016					14,447,062.79

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)	2014-2016			3.11	22.17	14.03
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5D	O1 - Total public expenditure	2014-2016	7,084,247.19	18.98	1,913,020.67	5.13	37,315,236.72
M01	O1 - Total public expenditure	2014-2016	2,221,112.54	50.85			4,368,000.00
M01.1	O1 - Total public expenditure	2014-2016					404,000.00
M01.1	O12 - Number of participants in trainings	2014-2016					884.00
M02	O1 - Total public expenditure	2014-2016	847,039.64	47.43			1,785,881.40
M02.1	O13 - Number of beneficiaries advised	2014-2016					1,120.00
M04	O1 - Total public expenditure	2014-2016	1,505,882.35	37.81	19,266.14	0.48	3,982,353.00
M04	O2 - Total investment	2014-2016					9,955,882.00
M04.1 M04.3 M04.4	O3 - Number of actions/operations supported	2014-2016			8.00	5.59	143.00
M10	O1 - Total public expenditure	2014-2016	2,510,212.66	11.91	1,893,754.53	8.98	21,084,883.72
M10.1	O5 - Total area (ha)	2014-2016			133,630.52	66.89	199,766.00
M16	O1 - Total public expenditure	2014-2016					6,094,118.60

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)	2014-2016			0.03	23.89	0.13
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5E	O1 - Total public expenditure	2014-2016	3,718,681.93	9.85	1,686,953.43	4.47	37,754,560.45
M01	O1 - Total public expenditure	2014-2016	222,111.25	57.84			384,000.00
M01.1	O1 - Total public expenditure	2014-2016					38,000.00
M01.1	O12 - Number of participants in trainings	2014-2016					84.00
M02	O1 - Total public expenditure	2014-2016	119,991.20	51.75			231,881.39
M02.1	O13 - Number of beneficiaries advised	2014-2016					84.00
M04	O1 - Total public expenditure	2014-2016	1,447,058.82	94.16	2,972.59	0.19	1,536,765.11
M04	O2 - Total investment	2014-2016					4,224,265.00
M04.4	O3 - Number of actions/operations supported	2014-2016			3.00	0.06	5,090.00
M08	O1 - Total public expenditure	2014-2016	1,443,235.64	5.44	1,523,364.57	5.74	26,519,244.18
M08.1	O1 - Total public expenditure	2014-2016			713,652.92	7.92	9,011,765.00
M08.1	O5 - Total area (ha)	2014-2016			17.31	1.20	1,440.00
M08.2	O1 - Total public expenditure	2014-2016					508,200.00
M08.2	O5 - Total area (ha)	2014-2016					147.00
M08.3	O1 - Total public expenditure	2014-2016					917,646.00
M08.4	O1 - Total public expenditure	2014-2016			794,543.68	18.15	4,376,471.00
M08.5	O1 - Total public expenditure	2014-2016			15,167.97	0.13	11,705,162.18
M08.5	O3 - Number of actions/operations supported	2014-2016			16.00	0.86	1,850.00
M10	O1 - Total public expenditure	2014-2016	486,285.02	18.45	160,616.27	6.09	2,635,611.63
M10.1	O5 - Total area (ha)	2014-2016			1,071.25	183.12	585.00
M16	O1 - Total public expenditure	2014-2016					6,447,058.14

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)	2014-2016					142.00
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6A	O1 - Total public expenditure	2014-2016	249,749.63	1.11	0.00	0.00	22,565,532.56
M02	O1 - Total public expenditure	2014-2016	244,708.45	47.79			512,000.00
M02.1	O13 - Number of beneficiaries advised	2014-2016					336.00
M04	O1 - Total public expenditure	2014-2016			0.00	0.00	1,000,000.00
M04	O2 - Total investment	2014-2016					2,500,000.00
M06	O1 - Total public expenditure	2014-2016					17,647,060.47
M06	O2 - Total investment	2014-2016					32,352,940.00
M06.2 M06.4	O4 - Number of holdings/beneficiaries supported	2014-2016					140.00
M08	O1 - Total public expenditure	2014-2016	5,041.18	0.19			2,700,590.69
M08	O5 - Total area (ha)	2014-2016					44.00
M08.5	O1 - Total public expenditure	2014-2016					706,000.00
M08.6	O1 - Total public expenditure	2014-2016					1,994,590.69
M08.6	O2 - Total investment	2014-2016					4,655,989.23
M16	O1 - Total public expenditure	2014-2016					705,881.40

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)	2014-2016					100.00
		2014-2015					
	T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	2014-2016					45.53
		2014-2015					
	T21: percentage of rural population covered by local development strategies (focus area 6B)	2014-2016					45.53
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6B	O1 - Total public expenditure	2014-2016	65,868,632.41	59.15			111,357,139.37
M07	O1 - Total public expenditure	2014-2016	112,056.47	0.24			46,455,813.95
M07.1	O3 - Number of actions/operations supported	2014-2016					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)	2014-2016					1,381,745.00
M07.2	O3 - Number of actions/operations supported	2014-2016					56.00
M07.4	O3 - Number of actions/operations supported	2014-2016					168.00
M07.5	O3 - Number of actions/operations supported	2014-2016					100.00
M07.6	O3 - Number of actions/operations supported	2014-2016					80.00
M07.7	O3 - Number of actions/operations supported	2014-2016					50.00
M16	O1 - Total public expenditure	2014-2016	4,735,589.41	53.67			8,823,530.23
M19	O1 - Total public expenditure	2014-2016	61,020,986.53	108.81			56,077,795.19
M19	O18 - Population covered by LAG	2014-2016					1,381,745.00
M19	O19 - Number of LAGs selected	2014-2016					18.00
M19.1	O1 - Total public expenditure	2014-2016					100,000.00
M19.2	O1 - Total public expenditure	2014-2016					37,958,347.19
M19.3	O1 - Total public expenditure	2014-2016					4,000,000.00
M19.4	O1 - Total public expenditure	2014-2016					14,019,448.00

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)	2014-2016					16.47
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6C	O1 - Total public expenditure	2014-2016	333,166.89	7.40			4,504,000.00
M01	O1 - Total public expenditure	2014-2016	333,166.89	66.10			504,000.00
M01.1	O1 - Total public expenditure	2014-2016					50,400.00
M01.1	O12 - Number of participants in trainings	2014-2016					400.00
M07	O1 - Total public expenditure	2014-2016					4,000,000.00
M07.3	O15 - Population benefiting of improved services/infrastructures (IT or others)	2014-2016					500,000.00
M07.3	O3 - Number of actions/operations supported	2014-2016					49.00

Annex III

Summary table of quantified results

Result indicator name and unit (1)	Target value (2)	Main value (3)	Secondary contribution (4)	LEADER/CLLD contribution (5)	Total RDP (6)=3+4+5
R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	10.08	0.00	N/A	0.00	0.00
R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)*	N/A				
R3 / T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	0.73		N/A	0.00	0.00
R4 / 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)	0.68		N/A	0.00	0.00
R5 / T7: percentage of farms participating in risk management schemes (focus area 3B)			N/A	0.00	0.00
R6 / T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	9.00	0.20	N/A	0.00	0.20
R7 / T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	49.11	20.94	N/A	0.00	20.94
R8 / T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	49.06	3.14	N/A	0.00	3.14
R9 / T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	0.85	0.00	N/A	0.00	0.00
R10 / T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	8.47	4.36	N/A	0.00	4.36
R11 / T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	1.11	0.00	N/A	0.00	0.00
R12 / T14: percentage of irrigated land switching to more efficient irrigation system (focus area 5A)			N/A	0.00	0.00
R13: Increase in efficiency of water use in agriculture in RDP supported projects (focus area 5A)*	N/A				
R14: Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (focus area 5B)*	N/A				
R15: Renewable energy produced from supported projects (focus area 5C)*	N/A				

R16 / T17: percentage of LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (focus area 5D)		0.00	N/A	0.00	0.00
R17 / T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	14.03	3.11	N/A	0.00	3.11
R18: Reduced emissions of methane and nitrous oxide (focus area 5D)*	N/A				
R19: Reduced ammonia emissions (focus area 5D)*	N/A				
R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	0.13	0.03	N/A	0.00	0.03
R21 / T20: Jobs created in supported projects (focus area 6A)	142.00		N/A	0.00	0.00
R22 / T21: percentage of rural population covered by local development strategies (focus area 6B)	45.53		N/A		
R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	45.53	0.00	N/A	0.00	0.00
R24 / T23: Jobs created in supported projects (Leader) (focus area 6B)	100.00		N/A		
R25 / T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	16.47	0.00	N/A	0.00	0.00

Documents

Document title	Document type	Document date	Local reference	Commission reference	Checksum	Files	Sent date	Sent By
AIR Financial Annex 2014UK06RDRP004	Financial annex (System)	17-08-2017		Ares(2017)5065282	1700747370	AIRfinancialAnnex2014UK06RDRP004_en.pdf	17-10-2017	nlewigav
WGRC-RDP2014-2020 AIR 2016 Citizens Summary	Citizens' summary	09-10-2017		Ares(2017)5065282	336375663	WGRC-RDP2014-2020 AIR 2016 Citizens Summary	17-10-2017	nlewigav
Wales RDP2014-2020 - resubmission letter 2016 Annual Progress Report	Other annex	16-10-2017		Ares(2017)5065282	542569572	Wales RDP2014-2020 - resubmission letter 2016 Annual Progress Report	17-10-2017	nlewigav

