



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

Annual implementation report

United Kingdom - Rural Development Programme (Regional) - Wales

Annual implementation report	
Period	01/01/2018 - 31/12/2018
Version	2018.2
Status - Current Node	Accepted by EC - European Commission
National reference	
Monitoring committee approval date	03/06/2019

Programme Version in force	
CCI	2014UK06RDRP004
Programme type	Rural Development Programme
Country	United Kingdom
Region	Wales
Programming period	2014 - 2020
Version	2.2
Decision Number	C(2017)4598
Decision Date	28/06/2017
Managing authority	Welsh Government – Agriculture, Fisheries and Marine Group - Rural Development Division
Coordination body	UK Co-ordinating Body

Data and content of Tables F of the Annual Implementation Report on the achievement of milestones is linked with the last Rural Development Programme adopted by the Commission.

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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)	2014-2018			3.76	16.81	22.36
	2014-2017			1.19	5.32	
	2014-2016					
	2014-2015					

Focus Area 1B						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2018			60.00	5.60	1,072.00
	2014-2017			2.00	0.19	
	2014-2016					
	2014-2015					

Focus Area 1C						
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2018			10,079.00	74.66	13,500.00
	2014-2017			5,021.00	37.19	
	2014-2016					
	2014-2015					

Focus Area 2A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)		2014-2018	2.99	29.67	1.47	14.59	10.08
		2014-2017	0.29	2.88	0.07	0.69	
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	21,546,673.23	50.52	11,133,160.97	26.10	42,652,855.84
M02	O1 - Total public expenditure	2014-2018	3,885,075.84	45.97	1,571,521.71	18.59	8,452,241.77
M04	O1 - Total public expenditure	2014-2018	25,295,821.96	36.07	15,110,168.07	21.55	70,125,000.90
M16	O1 - Total public expenditure	2014-2018	618,750.00	136.61	52,698.99	11.63	452,939.76
Total	O1 - Total public expenditure	2014-2018	51,346,321.03	42.20	27,867,549.74	22.90	121,683,038.27

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)		2014-2018					0.73
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	2,240,943.91				
M02	O1 - Total public expenditure	2014-2018	611,771.10				
Total	O1 - Total public expenditure	2014-2018	2,852,715.01				

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)	2014-2018	2.11	308.44	0.41	59.93	0.68
	2014-2017					
	2014-2016					
	2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Planned 2023
M01	O1 - Total public expenditure	2014-2018	53,111,334.04	177.82	5,647,894.40	18.91
M02	O1 - Total public expenditure	2014-2018	255,021.34	29.46	159,186.20	18.39
M04	O1 - Total public expenditure	2014-2018	43,087,141.70	96.28	26,549,417.24	59.33
M16	O1 - Total public expenditure	2014-2018	3,682,366.32	11.10	1,713,194.93	5.17
Total	O1 - Total public expenditure	2014-2018	100,135,863.40	92.16	34,069,692.77	31.36
						108,649,232.48

Priority P4							
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2018					0.31	
	2014-2017						
	2014-2016						
	2014-2015						
T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	2014-2018					0.18	
	2014-2017						
	2014-2016						
	2014-2015						
T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2014-2018			0.75	27.13	2.76	
	2014-2017			0.23	8.32		
	2014-2016			0.20	7.23		
	2014-2015			0.01	0.36		
T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2018			4.46	89.46	4.99	
	2014-2017			4.46	89.46		
	2014-2016			4.36	87.45		
	2014-2015						
T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2014-2018			6.22	44.97	13.83	
	2014-2017			6.22	44.97		
	2014-2016			3.14	22.70		
	2014-2015						
T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	2014-2018			44.72	115.40	38.75	
	2014-2017			44.72	115.40		
	2014-2016			20.94	54.03		
	2014-2015			1.60	4.13		
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023

M01	O1 - Total public expenditure	2014-2018	6,310,603.51	126.58	1,467,282.40	29.43	4,985,398.73
M02	O1 - Total public expenditure	2014-2018	2,436,972.29	37.28	637,903.78	9.76	6,536,482.96
M04	O1 - Total public expenditure	2014-2018	74,001,862.59	68.84	34,782,043.51	32.36	107,491,727.39
M08	O1 - Total public expenditure	2014-2018	8,937,944.88	35.74	10,519,223.69	42.06	25,007,148.98
M10	O1 - Total public expenditure	2014-2018	163,016,953.00	70.62	116,638,497.76	50.53	230,841,570.53
M11	O1 - Total public expenditure	2014-2018	20,108,571.52	75.96	14,408,015.39	54.42	26,474,317.45
M15	O1 - Total public expenditure	2014-2018	0.00	0.00			375,000.00
M16	O1 - Total public expenditure	2014-2018	13,962,429.99	101.46	814,872.62	5.92	13,762,132.59
Total	O1 - Total public expenditure	2014-2018	288,775,337.78	69.51	179,267,839.15	43.15	415,473,778.63

Focus Area 5B							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T15: Total investment for energy efficiency (€) (focus area 5B)		2014-2018	11,587,950.75	56.18	9,380,795.88	45.48	20,625,000.27
		2014-2017	1,586,895.45	7.69	1,586,895.45	7.69	
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.35	25.91	1,107,866.39
M02	O1 - Total public expenditure	2014-2018	109,410.63	45.96	43,776.17	18.39	238,030.36
M04	O1 - Total public expenditure	2014-2018	6,380,062.32	77.33	4,326,061.76	52.44	8,250,000.11
M16	O1 - Total public expenditure	2014-2018	309,375.00	137.72	18,828.06	8.38	224,632.53
Total	O1 - Total public expenditure	2014-2018	7,358,501.80	74.93	4,675,757.34	47.61	9,820,529.39

Focus Area 5C						
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)
T16: Total investment in renewable energy production (€) (focus area 5C)		2014-2018	1,633,794.74	3.72		
		2014-2017				
		2014-2016				
		2014-2015				
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.27	25.91
M02	O1 - Total public expenditure	2014-2018	86,202.48	45.97	34,490.32	18.39
M07	O1 - Total public expenditure	2014-2018	438,828.24	2.29		19,190,481.39
M08	O1 - Total public expenditure	2014-2018	463,797.65	5.56		8,344,131.38
M16	O1 - Total public expenditure	2014-2018	309,375.00	28.32	18,828.05	1.72
Total	O1 - Total public expenditure	2014-2018	1,857,857.22	6.21	340,409.64	1.14
						29,922,297.76

Focus Area 5D						
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)
T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)		2014-2018			4.42	105.23
		2014-2017			4.42	105.23
		2014-2016			3.11	74.04
		2014-2015				
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.30	25.91
M02	O1 - Total public expenditure	2014-2018	770,516.80	33.85	308,290.70	13.54
M04	O1 - Total public expenditure	2014-2018	6,440,096.54	152.69	2,214,747.21	52.51
M10	O1 - Total public expenditure	2014-2018	6,699,254.79	56.96	6,357,660.03	54.06
M16	O1 - Total public expenditure	2014-2018	309,375.00	137.72	18,828.08	8.38
Total	O1 - Total public expenditure	2014-2018	14,778,896.98	75.45	9,186,617.32	46.90
						19,587,705.86

Focus Area 5E							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)		2014-2018			0.13	57.77	0.23
		2014-2017			0.13	57.77	
		2014-2016			0.03	13.33	
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.35	25.91	1,107,866.39
M02	O1 - Total public expenditure	2014-2018	521,155.66	38.88	100,831.43	7.52	1,340,519.39
M04	O1 - Total public expenditure	2014-2018	3,249,416.88	892.75	1,267,814.94	348.32	363,980.10
M08	O1 - Total public expenditure	2014-2018	6,334,014.43	37.99	6,885,651.90	41.30	16,672,343.60
M10	O1 - Total public expenditure	2014-2018	1,139,581.09	107.38	747,405.39	70.43	1,061,224.67
M16	O1 - Total public expenditure	2014-2018	497,939.71	86.21	18,828.07	3.26	577,572.53
Total	O1 - Total public expenditure	2014-2018	12,301,761.62	58.24	9,307,623.08	44.06	21,123,506.68

Focus Area 6A							
Target indicator name		Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
T20: Jobs created in supported projects (focus area 6A)		2014-2018			2.00	0.26	765.00
		2014-2017					
		2014-2016					
		2014-2015					
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M02	O1 - Total public expenditure	2014-2018	220,810.79	45.97	89,318.44	18.59	480,388.55
M06	O1 - Total public expenditure	2014-2018	16,867,573.90	69.17	182,856.10	0.75	24,385,948.12
M08	O1 - Total public expenditure	2014-2018	2,847,740.00	158.73	1,846,054.15	102.90	1,794,076.61
M16	O1 - Total public expenditure	2014-2018	769,501.25	209.30	16,309.72	4.44	367,647.00
Total	O1 - Total public expenditure	2014-2018	20,705,625.94	76.61	2,134,538.41	7.90	27,028,060.28

Focus Area 6B							
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
T23: Jobs created in supported projects (Leader) (focus area 6B)	2014-2018			12.00	12.00	100.00	
	2014-2017						
	2014-2016						
	2014-2015						
T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	2014-2018			1.93	4.24	45.53	
	2014-2017			45.53	100.01		
	2014-2016						
	2014-2015						
T21: percentage of rural population covered by local development strategies (focus area 6B)	2014-2018			45.53	100.01	45.53	
	2014-2017			45.53	100.01		
	2014-2016						
	2014-2015						
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M07	O1 - Total public expenditure	2014-2018	19,591,950.89	38.08	5,515,981.22	10.72	51,455,813.95
M16	O1 - Total public expenditure	2014-2018	67,548,615.95	104.76	11,380,635.59	17.65	64,476,606.75
M19	O1 - Total public expenditure	2014-2018	61,020,986.53	102.48	14,498,704.64	24.35	59,546,476.39
Total	O1 - Total public expenditure	2014-2018	148,161,553.37	84.43	31,395,321.45	17.89	175,478,897.09

Focus Area 6C							
Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023	
T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	2014-2018					16.47	
	2014-2017						
	2014-2016						
	2014-2015						
Measure	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
M01	O1 - Total public expenditure	2014-2018	279,826.93	50.52	144,586.49	26.10	553,933.19
M07	O1 - Total public expenditure	2014-2018	604,244.71	19.47	191,024.49	6.15	3,103,704.66
Total	O1 - Total public expenditure	2014-2018	884,071.64	24.17	335,610.98	9.18	3,657,637.85

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

FINANCIAL OVERVIEW

Activity described within this report covers the period from the final quarter of 2015 (October - December 2015) when payments from the Programme commenced to 31 December 2018. The second Programme amendment was approved on the 14 March 2019, which has resulted in changes to the financial allocations and some indicator targets. The financial allocations shown within this report are based on those agreed within the first Programme modification as these were the approved values in force during the reporting period.

Payments of €139.61m were made for activity undertaken and claimed by the end of 2018, bringing the total paid since the start of the Programme to €302.70m. This represents 31% of the Programme allocation. Of the total cumulative expenditure to date €119.50m came from Pillar 1 transfer funding, of which €44.07m was paid during 2018. The 2018 N+3 target for the Programme was met in November 2017 well in advance of December 2018.

In preparation for submission of the 2018 Annual Implementation Report (AIR) the Welsh Government (WG) has identified an administrative error with historic commitment values provided within the 2017 report (Table A). Cumulative values were entered in error in place of annual values. This has been corrected within Table A of the 2018 report.

By the end of 2018 total cumulative committed funds were €646.31m. The highest cumulative commitments by Priority were against P4 (€288.78m) and P6 (€169.75m) with €187.78m committed under the remaining three Priorities. By Measure the highest cumulative commitment was seen against Measure 10 (€170.86m), Measure 4 (€158.45m), Measure 1 (€83.49m), Measure 16 (€88.01m) and Measure 19 (€58.92) with €86.58m committed under the remaining Measures.

Measure 20: Technical Assistance

Activity funded by Technical Assistance (TA) is essential for the successful implementation of the WGRC RDP 2014-20. Activities funded include technical input to the viability of projects, programme implementation and the development of IT systems. TA funds a number of mandatory elements of the RDP such as the Wales Rural Network (WRN) and monitoring and evaluation costs of the Programme. Technical Assistance also supports actions that support administrative capacity linked to the management of ESI funds. These actions include those associated with supporting the implementation of the programme.

During 2018, one additional project was approved bringing the total number of approved projects to eight. These projects allow the WG to meet the regulatory requirements for the delivery of the Rural Development Programme, activities funded include: Glastir Implementation, NRW Woodland Management Planning, Business Improvements, Managing Authority & Delivery Costs, Monitoring & Evaluation, On the Spot Checks, Technical Appraisal, Analysis & Inspection and the WRN. The total cumulative committed value for Measure 20 by the end of 2018 was €29.03m. The committed value is expected to increase during 2019, as projects will require extensions in line with Programme delivery. Payments of €8.6m were made during 2018 of which €4.6m EAFRD, providing a total cumulative spend of €10.7m of which €5.7m EAFRD by the end of 2018.

TA activities are delivered under Measure 20.1, with the WRN funded through Measure 20.2.

Number of	Total Value (£m)	Total Value (€m) *
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applications

Total allocation for TA		€ 49.10
Committed – Total Public	8	£ 29.03
Total Spend		£ 9.45

**Euro conversion of applications under appraisal and approved is based on a €1 = £0.85 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.

A cumulative total of €19.54m expenditure was incurred in respect of Measure 1, €2.95m under Measure 2 and €14.05m under Measure 16 during the reporting period. For committed expenditure a total of €83.49m in funding was committed under Measure 1, €8.43m committed under Measure 2 and €88.01m under Measure 16 during 2018.

Regarding achievement against Target Indicators under Priority 1 of the Programme a cumulative total of €36.55m expenditure (indicator T1) was recorded for Measures 1 (Knowledge Transfer), 2 (Advisory Services) & 16 (Cooperation), with 60 Cooperation operations were supported through the whole of Measure 16 (indicator T2) and 10,079 participants recorded (indicator T3) by the end of 2018.

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 Welsh Government has developed the **Farming Connect** Framework, which comprises an integrated pan Wales programme of knowledge transfer and innovation support. It is a centrally managed and publicly tendered programme, covering specific activities focussing on lifelong learning & development, demonstration and information actions and support for short-term management exchanges in agriculture and forestry. Contracts under Measures 1 and 2, delivered through Farming Connect, are central in supporting the delivery of other areas of the Programme and form the main mechanism and structure for delivering a co-ordinated and integrated package of knowledge transfer, advice and innovation support services targeting rural communities. In addition to the centrally procured activity taking place, the KT&I Scheme also includes grant-aided projects for sectorial and industry led, bottom-up initiatives targeting agriculture, forestry, food, other rural SMEs and land managers.

Measure 1.1

Under Measure 1.1 (vocational training & skills acquisition) a cumulative total of €7.70m has been spent of which €6.08m was during 2018. During 2018 the two core delivery mechanisms within the Programme delivering Measure 1.1 activity were Farming Connect and Project HELIX.

Project HELIX provides funding support for research into global food production, trends and waste to help small to medium sized food manufacturers across Wales to increase production and reduce waste. Developed by Food Innovation Wales (FIW), a partnership of three food centres, Project HELIX supports food manufacturers in Innovation, Efficiency and Strategy. Further information on Project HELIX can be found under Focus Area 3a section.

Farming Connect has developed several vocational training initiatives under this Measure which deliver to multiple Focus Areas:

1. One to one mentoring

Designed to benefit new entrants, businesses considering a significant strategic change in direction and individuals looking to exit the industry and who are considering share/contract farming possibilities this initiative has been developed by Farming Connect to provide farmers and foresters with peer to peer mentoring. Up until 31 December 2018, a total of 241 mentees have been assigned a mentor. The topics focussed on in 2018 included amongst others performance recording with joint ventures, rearing pedigree stock, grassland management, renewable energy, tourism and diversification.

2. Agri Academy

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

1. The Rural Leadership programme – aimed at inspiring and developing a new generation of leaders in rural Wales (a joint collaboration with the Royal Welsh Agricultural Society). 12 individuals took part in this programme in 2018.
2. The Business and Innovation programme – aimed at supporting and inspiring the next generation of farming and forestry innovators and entrepreneurs in Wales. 12 individuals took part in this programme in 2018.
3. 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 2018.

3. Skills

Through the skills programme, individuals can access up to 80% funding for completing short accredited training courses on key topics. To access the training courses individuals must complete an online Personal Development Plan (PDP) - this helps identify individual as well as business needs and helps identify a mechanism by which to strengthen or introduce new skills to the business. There have been a total of 3,233 instances of completed accredited training, covering 53 courses out of a possible 61 courses now available.

Examples of courses completed include:

- Level 2 Award in the Safe Use of Pesticides (PA1) & (PA2) – 589 individuals
- Rough Terrain Telescopic Lift Truck – 213 individuals
- Responsible and effective control of Commensal Rodents – 178 individuals
- Marketing your business – 114 individuals

4. E-learning

Up until the end of December 2018 a total of 3,307 e-learning courses were completed. Examples of courses include:

- Lambing the Basics – 34 individuals
- Farm Finance – 48 individuals
- Farm Liver fluke management – 51 individuals
- Grazing Management - 45 individuals
- Health and Safety. Compulsory for machinery or equipment courses – 2,541 individuals
- Business Planning - 30 individuals

Measure 1.2

Under Measure 1.2 (demonstration activities and information actions) a cumulative total of €11.71m was spent by the end of 2018. **Farming Connect** are the sole deliverer of demonstration activities under this Measure, activity during 2018 included:

1. The **Demonstration Network** consists of eight Innovation sites, 12 Demonstration farms and each year 36 Focus sites are recruited (114 running total up to 31 December 2018). The sites promote innovation and new technology that is available for farmers and foresters and provides a practical platform to demonstrate how this new technology/technique can be implemented at farm/forestry level. By 31 December 2018, a total of 502 events have been hosted on the demonstration network with 5,798 attendees.
2. **Discussion groups** are made up of approximately 8 beneficiaries who meet regularly according to a structured programme with clear aims and outcomes identified from the outset. Between autumn 2015 until 31 December 2018, 119 groups were recruited with a total of 1,173 individual members representing 1,043 businesses. The groups are collecting data that is relevant to their needs and they are able to make comparisons and learn about the benefits of recording information and using it to make management decisions.
3. **Agrisgôp (Action Learning)** is a fully-funded action learning programme which brings together forward-thinking, like-minded individuals from farm and forestry businesses at a local level. Working together in groups of 6-10, group members can learn new management skills, gain confidence, access specialist information and explore and develop viable futures for their businesses.

Based on the concept of action learning, Agrisgôp provides the opportunity to progress skills and confidence, which will in turn assist the development of ideas and opportunities to move businesses forward. A total of 110 groups have been established across Wales facilitated by local Agrisgôp leaders. They hold meetings at regular intervals; during this period 660 meetings took place.

4. **One to one surgeries** allow the customer to receive bespoke advice on a variety of topics e.g. strategic business planning, succession planning, IT, planning, and marketing and diversification. Since the beginning of the programme there have been 216 clinics that have taken place with 1,489 beneficiaries, likewise some 628 surgeries have taken place with 2,987 beneficiaries.

5. **Diversification and awareness seminars** 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 - ten events were held with 166 beneficiaries.

6. **Venture** is an initiative designed to help match farmers and landowners who are looking to step back from the industry with new entrants looking for a way into farming. The initiative guides people on both sides through the key steps required to find a potential business partner. An integrated package of training, mentoring, specialist advice and business support equips participants with the skills, knowledge and confidence needed to help them achieve their goals. Up until 31 December 2018, there are 315 active members and out of these 115 potential matches have been identified. The individuals who have found potential business partners are now applying for group advice through the advisory service for further support. There have been 14 new joint venture enterprises established since the establishment of the programme.

Measure 1.3

Under Measure 1.3 (management exchanges and farm visits) a cumulative total of €0.16m was spent by the end of 2018. **Farming Connect** is the sole deliverer of demonstration activities under this Measure, activity during 2018 included:

1. **Farm and Forest short term visits;** spending time visiting other businesses can be a valuable way to discover improved methods of working, to see best practice in action and bring home new ideas to innovate your enterprise. Groups are provided with funding to support a study visit within the UK for up to 4 days. A total of 21 groups have undertaken visits to a variety of destinations including Scotland, Northern Ireland and Cumbria. Topics of interest have included improving fertility and performance in the dairy herd, efficient milk production from grass and improving the beef supply chain.

2. **Farm and Forest exchanges;** successful individuals undertake a visit to other farm or forestry situations within the EU to learn about new and improved ways of working in the farming or forestry sectors. They can also host a suitably trained and experienced farm or forest manager to visit their holding and learn about different approaches to business management. The aim is to broaden their knowledge, technical ability and management expertise to provide new development opportunities at both a personal and business level. A total of 27 applications were received during the November 2018 application window. Twenty two applicants are being invited to Stage 2 of the application process which is a presentation day. Another 13 have completed their exchange visits and reports have been published on the Farming Connect website.

Measure 2

Under Measure 2 (Advisory Services, farm management & farm relief services) a cumulative total of €2.95m was spent by the end of 2018 with €8.43m funds committed.

Measures 2.1 & 2.2

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. Up until 31 December 2018, there were 2,136 instances of 1:1 and Group advice have been completed. Individual businesses have requested the following advice:

- Business Planning – 1,092 (including 7 for New Entrants)
- Business Planning – Forestry Management – 19
- Technical Grassland & Crop Management – 1,988
- Technical Livestock Management & Performance 251
- Technical Diversification and Added Value – 89
- Technical Timber processing and added value – 1
- Technical Horticulture – 11

Measure 2.1

In addition to Farming Connect under Measure 2.1, **Glastir** uses 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. Further information on Glastir activity under Measure 2.1 can be found under Priority 4 and 5 sections of this report.

Total cumulative spend under Measure 2.1 by the end of 2018 was €2.63m with €0.31m under Measure 2.2.

Measure 2.3

This Measure (support for training of advisors) was removed during the second Programme amendment approved in March 2019.

Measure 16.1

In Wales, **European Innovation Partnership (EIP)** was launched in January 2016 and applications were, and continue to be, invited from Groups interested in solving common problems. In August 2017, Menter a Busnes was awarded the contract to run the EIP Wales programme which involves the management and

facilitation of every stage from enquiry through to awarding project contracts and execution of the successful projects.

Groups are supported by the Farming Connect Knowledge Exchange Hub, a collaboration between Farming Connect and IBERS, Aberystwyth University. The Hub assists them by undertaking background literature searches into their proposed topic to gain a better understanding of what is already known about the topic and to inform the project of any gaps in the information that may need to be investigated. The Hub also provides support and guidance on project designs and will work with the Groups throughout the lifetime of the projects to assist with the project outcomes and dissemination. The Groups are also able to seek fully funded support from an Innovation Broker, who provides guidance and support to the Group throughout the application process. All full applications are assessed by an Assessment Panel. A total of 17 Groups are currently working on their EoI having had a literature review completed by the KE Hub, and a further four are working on their full application. During 2018 a total of nine projects were approved, bringing the total to 19. Total cumulative expenditure by the end of 2018 was €0.20m under Measure 16.1.

Between the 19 projects, there are 137 Group Members, which consist of 111 Farmer Members, three SME, three NGO's, three Research Institutes, 15 Advisors and two Others. The nine projects approved during 2018 are listed below, more detail can be found on the Farming Connect website:

1. Electrophysical Dock Control
2. Organic Asparagus
3. Organic Ancient Cerial Supply-chain
4. Investigation of the effect of contrasting dairy production systems in West Wales on the profile of milk fatty acids (especially omega-3 and 6)
5. Foliar Feed for Grassland
6. Trace Elements in Sheep
7. Tackling Scab –a farmer led approach
8. Where have ewe moo-ved to? Trialling the use of tracking technology in extensive grazing systems
9. Improving the sustainability of goat meat production in Wales by investigating the efficacy of recommended wormer dose rates for meat goats.

PRIORITY 2: FOCUS AREA 2A

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

Under Priority 2 a cumulative total of €27.87m expenditure has been incurred, of which €17.98m was for activity undertaken during 2018. This included €11.13m under Measure 1, €1.57m under Measure 2, €15.11m under Measure 4 and €0.05m under Measure 16 during the reporting period. Regarding committed

expenditure a cumulative total of €51.35m in funding was committed under Priority 2 by the end of 2018.

Regarding achievement against Target Indicators under Priority 2 of the Programme the percentage of agri holdings receiving support in investments for restructuring or modernisation (indicator T4) was 1.47% (354 absolute value) by the end of 2018 against a baseline value of 24,120 agricultural holdings in Wales.

Progress in implementing Measure 4.1 (support for investments in agricultural holdings) has been provided below;

Measure 4.1

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

To date there have been four Expression of Interest (EOI) windows opened for the SPG scheme, resulting in 82 full applications invited and received and 72 approvals. Total payments of €15.11m had been made during this period under Focus Area 2a.

The Welsh Government's intention, throughout the delivery of the SPG, is to continually review the performance of the scheme and to evaluate the criteria applied in each of the calls to ensure they are relevant to the industry and individual businesses, as well as the WG's strategic priorities. On-farm pollution, affecting water quality and wildlife, are often due to poor slurry storage and dirty water handling facilities. The future rounds of the SPG will focus on supporting farmers to deliver on Welsh Government objectives including enhanced nutrient management, safeguarding and improving water, soil and air quality by reducing pollution. Financial support for capital items which enhance these objectives will be made available through the SPG, with contributions of up to 40%, with a grant range of £12k to £50k (for projects from £30k to £125k+). This proposal was included within the second programme amendment approved during 2019, as such no payments were made in 2018 for this level of support.

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

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

To date, after five rounds of the FBG, over 2,720 applications have been received, with 2,552 approved

applications under Focus Area 2a.

Please also see Priority 5 section of this report for further information on Measure 4.1 delivery.

Measure 4.3

The Welsh Government re-activated sub Measure 4.3 (support for investments in infrastructure related to development, modernisation or adaptation of agriculture and forestry) within the programme as part of the second programme amendment. Given the second programme was approved in 2019 there is no activity or spend recorded during 2018 for this Measure.

PRIORITY 3: FOCUS AREA 3A

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

Under Priority 3 a cumulative total of €34.07m expenditure was incurred of which €14.23m during 2018. Of the cumulative spend €5.68m was under Measure 1, €0.16m under Measure 2, €23.55m under Measure 4 and €1.71m under Measure 16. Regarding committed expenditure a cumulative total of €53.11m in funding was committed under Measure 1, with €0.25m under Measure 2, €43.09m under Measure 4 and €3.68m under Measure 16.

Regarding achievement against Target Indicators under Priority 3 of the Programme the percentage of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations (indicator T6) was 0.41% (99 absolute value) by the end of 2018 against a baseline value of 24,120 agricultural holdings in Wales.

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) has been provided below;

Measure 1.1

Project HELIX is designed to develop Welsh businesses to enable them to attend UK and International Food and Drink related trade exhibitions and trade development visits, which are key components for increasing growth and improving the competitiveness of companies in Wales.

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

sector. Project HELIX has been developed into three key areas and will be delivered Pan Wales under the Food Innovation Wales brand; Food Innovation, Food Efficiency and Food Strategy. The project was launched in March 2017, core outputs and expected achievements during its lifetime include;

Food Centre	Project value (Millions)	€ Impact in (Millions)	No.of Enterprises assisted	New jobs created	New markets accessed
Food Innovation Centre		€91.7m	94	200	48
Food Technology Centre		€49.4m	56	105	23
Food Centre Wales		€35.2m	31	65	16
Total	€25.72m	€176.5m	181	370	87

Project Helix activity to 31 December 2018:

	Actual	Target
• Number of actions supported:	17	18
• Number of training days given:	273.12	255
• Number of participants in training:	285	445
• Number of Enterprises Assisted:	234	181
• Number of Jobs Created:	225.4	370
• Number of new products supported:	273	423
• Indicative impact in €M/£M:	€96.93m /£82.39m	€133.18m /£129m
• Jobs Safeguarded:	1,150	2,041
• Start-up companies supported:	129	

In addition to Project HELIX the following Strategic Projects are programmed under Measure 1.1 delivering to Focus Area 3a;

Cywain (Menter a Business) delivered under Measure 1.1 is a five year strategic project offering seamless provision for food-oriented food and drink businesses, bringing together the successes of previous Cywain projects and the Fine Food and Drink Cluster. The project aims to support:

- start up (businesses under two years of age) and micro businesses that are scaling up.
- SME's will be account managed and offered targeted interventions
- Businesses of all sizes who want to cluster together or establish a special interest group to address specific business issues affecting sector growth.

To date the project has supported 176 participants in training with 110 training days received.

Wales: A Food Destination (Lantra) is a collaborative project bringing together key stakeholders,

commercial food and tourism businesses to develop and pilot sustainable supply chain solutions for businesses serving and selling Welsh food. Investment will be made in strengthening the supply chain, improving links and promoting Wales as a food destination. Activity during 2018 included;

307 individuals supported in training and raising awareness of Welsh Food and Drink

14 events showcasing Welsh Food and Drink as part of the Hospitality experience

5 Welsh Food and Drink Toolkit available in hardcopy and on-line

Achievements include;

307 participants supported

41 training days given

255 enterprises assisted

Tyfu Cymru (Lantra) is a collaborative project which will bring key stakeholders and commercial horticultural businesses together to support and stimulate environmental and economic horticultural productivity in Wales.

Achievements during 2018 include;

39 participants supported

42 training days given

31 enterprises assisted

Tyfu'r Dydodol - Growing the Future (National Botanic Gardens of Wales) To encourage people within Wales to grow more food, achievements to date include;

1,521 participants in training

1,407 training days given

7 jobs created

By the end of 2018 a cumulative total of €5.05m expenditure was incurred across Measure 1.1 under this Focus Area.

Measure 4.2

Measure 4.2 is delivered under Focus Area 3a of the Programme, through the **Food Business Investment Scheme (FBIS)**. It is designed to help primary producers of agricultural products in Wales to add value to their outputs by providing support to those businesses that do first and/or second stage processing activities. It is also designed 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. During the reporting period the fifth and sixth EOI windows for this Scheme opened. These resulted in;

The fifth EOI window closed on 30 June 2018. There were 69 EOIs received with 18 invited to submit full applications. To date three have been received and are under appraisal. The sixth EOI window closed on 29 November 2018. There were eight EOIs received with all invited to submit full applications.

FBIS has resulted in nearly €133.18m (£113.2m) new capital projects being developed, achievements include;

Number of Operations Supported – 66

Number of new products – 274

Number of jobs created – 859

Number of jobs safeguarded – 704.5

Number of new markets accessed – 267

By the end of December 2018 a cumulative total of €23.55m in expenditure has been incurred through the FBIS, of which €7.24m was during 2018.

Measure 16.4

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

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

The scheme supports collaboration and is designed to make new things happen, achieving transformational change. By the end of December 2018 a cumulative total of €1.69m was spent under Measure 16.4, with four operations supported.

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.

Under Priority 4 a cumulative total of €179.11m was incurred by the end of 2018. Regarding committed expenditure during 2018 a cumulative total of €6.31m in funding was committed under Measure 1, €2.44m for Measure 2, €74.00m for Measure 4, €8.94m for Measure 8, €163.02m under Measure 10, with €20.11m under Measure 11 and €13.96m under Measure 16.

Regarding achievement against Target Indicators under Priority 4 of the Programme by the end of 2018 the percentage realised against 'forest / other woodland area under management contracts supporting biodiversity' (indicator T8) was 0.75% (2,342.67 absolute value) against a baseline value of 311,050 ha for forest and other woodlanded land (FOWL) in Wales. Achievement for Indicator T9 'percentage of agri land under management contracts supporting biodiversity and / or landscapes' was 102.81% (1,463,919.38 absolute value) against a baseline of 1,423,910 UAA in Wales. Achievement for T10 'percentage of agri land under management contracts to improve water management' was 14.65% (208,650.59 absolute value) against a baseline of 1,423,910 UAA in Wales. For Indicator T12 'percentage of agri land under management contracts to improve soil management and / or prevent soil erosion' was 12.38% (176,296.08 absolute value) against a baseline of 1,423,910 UAA in Wales by the end of 2018.

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)
- 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): activity against this Focus Area was removed as part of the second programme amendment
- 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): activity against this Focus Area was removed as part of the second programme amendment

Glastir

Woodland creation & agro-forestry, woodland restoration & management, agri-environment and organic support provided under Measures 2.1, 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 1.1 (Vocational training), 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 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 1.1

Forest Focus First under Measure 1.1 aims to deliver transformational change to the timber sector through a professional skilled workforce by;

- Business Planning – training plans and access to further business management courses; Skills Development – funded training to raise the skills of the sector; Professional Pathways – enable and promote higher level qualifications
- Knowledge Transfer - raise background knowledge and understanding in the workforce; Mentoring – provide a framework to access mentoring within the sector; Innovative Training Solutions – develop and publish old or new resources to maintain access to traditional skills and underpin new techniques and technology

Achievements by the end of 2018 included; 278 participants in training, 675 training days received and three jobs created under Forest Focus First.

By the end of 2018 a cumulative total of €0.40m was spent in total under Priority 4 through Measure 1.1.

Measure 2.1

In addition under Measure 2.1 **Glastir** uses advisory support to have water management plans carried out and woodland plans verified against the UK Forestry Standard by Natural Resources Wales;

Natural Resources Wales (NRW) under this Measure provide the verification of Forest Management Plans by registered forest management planners, supporting:

- Recruitment of seven FTE dedicated to the Glastir Woodlands verification project.
- Writing and supporting Farming Connect, Welsh Government and Forest Management Planners with forestry training and associated documents.
- Evaluation and reporting on progress for Woodland Strategy indicators.
- Drawing up verification monitoring documents e.g. verification checklist, VFM document.
- Supporting liaison with external stakeholders for scheme consultation e.g. RSPB, CADW, and programme promotion e.g. CONFOR, ICF, Woodland Trust, Coed Cymru, Llais y Goedwig.
- Verification of 344 Glastir Woodland Creation plans. This has supported the creation of over 1,600 hectares of new woodland in Wales since the project start date.

Verification of 42 Glastir Woodland Restoration schemes (on PAWS sites) in sixth EOI round that comply with UKFS and felling licence terms and conditions. This has supported the restoration of 414ha of ancient woodlands in Wales in planted ancient woodland sites under Glastir Woodland Restoration.

In addition Glastir requires use of the expertise of Wales' archaeological trusts to give Contract Managers advice on the most suitable management for Glastir Advanced contracts. This covers the provision of archaeological advice for applications received and assessment of applications to ensure activities included in a Glastir contract do not damage or have an adverse impact on the historic environment. This also includes a provision for general advice to be provided for Glastir Entry, Glastir Commons and Glastir Woodland Management.

By the end of December 2018 a cumulative total of €0.59m was spent through Measure 2.1 under Priority 4, with 171 actions supported and 198 beneficiaries advised.

Measure 4.4

Investments that contribute toward Focus Area 4a and 4b objectives are provided through capital works in Glastir Advanced and Glastir Small Grants under Measure 4.4. In **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 as the hay meadow commitment is Focus Area 4a, a fence protecting a streamside corridor commitment in Glastir Advanced would be assigned Focus Area 4b as the streamside corridor is Focus Area 4b.

For **Glastir Small Grants (GSG)**, the Focus Area is assigned according to the theme for the individual round of Glastir Small Grants. The Carbon theme is assigned to Focus Area 5e, the Water theme against Focus Area 4b and, the Landscape and Pollinators theme to Focus Area 4a. There have been four EOI rounds of GSG to date.

By the end of 2018 there were 8,506 operations under Measure 4.4 with €34.78m cumulative expenditure incurred. It should be noted a breakdown of these figures for NCA, age and agricultural branch in Table C of the monitoring tables has been provided, however figures shown in table C2.1 are lower than those in table B, this will be corrected in future reports once relevant data has been fully captured. Operations support by farm size has been provided within the supporting monitoring tables.

Measure 8.1 and 8.2

The new **Glastir Woodland Creation (GWC)** contracts are delivered under Measure 8.1 (support for afforestation/creation of woodland) and 8.2 (support for establishment and maintenance of agro-forestry systems) and includes Glastir Woodland Creation Maintenance and Premium. A total of six EOIs have been opened to date with a further two proposed for 2019.

GWC is programmed Priority 4, Focus Area 4a and 5e, with the majority of funding allocated to Priority 4. GWC has established 1,457 ha of new woodland creation, 1,110.54 ha under Priority 4 and 347.05 ha under 5e against a target of 3,300 ha. Cumulative expenditure by the end of 2018 was €7.08m, with €4.02m under P4 and €3.06m under Focus Area 5e. A total of 182 beneficiaries have been supported since the start of the programme, 76 of which during 2018.

Measure 8.3

The **Forest Monitoring & Risk Management Scheme** is delivered under Measure 8.3 (prevention of damage to forests) by Natural Resources Wales (NRW). The objective of the Scheme is 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.

The application from NRW was approved in December 2018. Therefore no expenditure was incurred through the Programme during the reporting period for this Measure under Priority 4. Further information on Measure 8.3 can be found under Priority 5 section below.

Measure 8.5 and 10.1

The **Glastir Woodland Management (GWM)** scheme includes only legacy contracts from the previous 2007-2013 Programme and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest eco-systems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area based payments. At the end of the reporting year there were 101 contracts remain with an area of 2,862 ha supported under P4. Cummulative expenditure from current plan is €4.56m.

Measures 10 & 11

Measures 10 and 11 are now closed to new contracts. It is the intention to extend Glastir Advanced agreements, including underlying Glastir Entry elements where they are in place, all current Glastir Commons agreements and all current Glastir Organics contracts to 2021 to aid the transition between current schemes and the new land management schemes post Brexit. This approach will help maintain environmental outcomes during the interim period and ensure continued support for organic farmers. It will assist the industry in facing the upcoming challenges of Brexit alongside the immediate and ongoing problems associated with agriculture pollution. Importantly as well, the extensions will help farmers transition to future Land Management Programmes.

Measures 10

Glastir Entry has achieved a total of 4,603 contracts, amounting to a total area of 543,496 ha. No further Entry contract offers will be made as the WG considers that more targeted interventions, such as those in Glastir Advanced and Glastir Small Grants are more appropriate to achieve its objectives. Under Glastir Entry the total expenditure incurred by end 2018 was €46.29m of which the majority was paid from Priority 4 (€43.93m).

Glastir Advanced now comprises 2,403 contracts of which 895 are stand-alone contracts with 1,508 contracts underpinned by Glastir Entry and a further 79 contracts in Glastir Commons. Expenditure under this RDP has been €22.55m for Measure 4.4 and €27.83m for Measure 10.1. The EOI for Glastir Advanced 2019 opened on 18 September 2017 and closed at midnight on 20 October 2017. A total of 360 EOIs were submitted and 121 were selected for Contract Manager visits during 2018. The WG has offered 156 contract renewals to eligible Glastir Advanced beneficiaries to 31 December 2019.

Although no new rounds are planned for Glastir Advanced to ensure Measure 10 can continue to be successfully implemented during the remaining years of the Programme new short terms contracts are being used to extend existing contracts. There were 327 Glastir Entry extensions and 619 Advanced Renewals for 2019.

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

prospectuses. There were 10 Commons extensions and 34 Commons Renewals for 2019. During 2018, a total of €6.86m was paid out under the Glastir Commons scheme.

Measures 11

The **Glastir Organics Scheme** under Measure 11 supports farmers to convert to (Measure 11.1) or maintain (Measure 11.2) organic farming practices. There have been three windows for this Scheme under the 2014-2020 RDP. This Scheme is now closed, there will be no further windows during this Programme.

There were 560 active contracts in place at the end of 2018 covering a total area of 67,699 ha (2,359 ha under 11.1 and 65,339 ha under 11.2). Expenditure of €4.55m was achieved during 2018 bringing cumulative expenditure to date under Measure 11 to €14.23m, the majority of which was for maintenance under Measure 11.2 (€11.37m).

Measure 15.1

This Measure (payment for forest-environmental and climate commitments) was removed as part of the second Programme amendment approved in March 2019.

Measure 16.5

The **Sustainable Management Scheme (SMS)** is delivered under Measure 16.5 (support for joint action undertaken re: climate change and environmental projects and practices). The SMS has a focus on landscape-scale, collaborative action delivering economic and social benefits to our rural communities through the sustainable management of our natural resources. It encourages projects to consider the natural resources priorities for action outlines in the Natural Resources Policy as well as the local level opportunities and challenges to deliver lasting social and economic benefits to rural communities supporting and delivering for the future generations act.

The SMS supports a collaborative approach rather than single applicants to develop proposals for projects with a three year planned delivery of collaborative actions. These projects must contribute to the longer term ability of the landscape to support continuing social, economic and environmental benefits. Innovative approaches are being explored from diversification of business, multiple usage of the land through to Payment for Ecosystem Services mechanisms.

The projects approved by the scheme are required to deliver actions that enhance and improve the resilience of ecosystems and the benefits & services they provide to the rural communities linked to them. The projects are also required to deliver mitigation or adaptations to climate change.

By the end of the Programme it is estimated that 60 cooperation operations will be supported. The lead time to establish collaborations and develop projects on a scale capable of delivering against the focus areas within this sub-measure is considerable.

This scheme has had four EOI windows to date, three EOI windows opened during 2016 & 2017 with the fourth window in 2018. Twenty three projects are currently under way with a further eleven projects in appraisal and a further nine currently developing full applications.

Of the four EOI windows to date; the first window received 63 EOIs of which 11 were successful and submitted full applications. The second window received 38 EOIs, with 13 successful and submitted full application. The third window received 26 EOIs, of which 11 were successful and 10 submitted full

applications. The fourth window received 54 EOI's with nine were successful and invited to submit full application.

Several projects from the EOI windows are farmer led collaborations, and all significantly involve collaboration with the rural community of land owners, farmers, graziers, commoners and the local communities themselves. A cumulative total of €0.76m in expenditure under Measure 16.5 was paid by the end of December 2018.

Measure 16.8

Measure 16.8 (Support for the drawing up of forest management plans or equivalent instruments) is delivered through the **Co-operative Forestry Planning Scheme (CFPS)**. The CFPS provides 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 second EOI window for this Scheme closed in April 2018 with two EOIs received, both of which were invited to submit full applications. The deadline for submission is July 2019. Changes to the selection criteria were made prior to the second EOI window, in order to allow applications for projects that will help deliver the objectives of the WG's Environmental and Rural Affairs Monitoring and Modelling Programme (ERAMMP).

There is no data to report within the monitoring tables for this Measure as there was no reported activity or expenditure during 2018 under this Measure, future reports will show activity once approved operations submit claims for activity undertaken. The CFPS also delivers to Focus Areas 5c, 5e and 6a within the Programme.

PRIORITY 5

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).

During 2018 expenditure incurred against Priority 5 totalled €10.30m bring total cumulative expenditure under P5 to €20.70m. The highest cumulative spend was under Measure 4 (€7.72m) and Measure 10 (€5.05m) by the end of 2018. Regarding committed expenditure a cumulative total of €16.07m in funding was committed by the end of 2018 under Measure 4, €0.44m for Measure 7, €6.80m under Measure 8, with €7.84m under Measure 10, and €1.43m under Measure 16. Bringing total committed funds under Priority 5 to €36.30m.

Regarding achievement against Target Indicators under Priority 5 of the Programme for Indicator T15 'total

investment for energy efficiency' a cumulative total of €9.38m was achieved against a target of €20.63m by the end of 2018. For Indicator T18 'percentage of agri land under management contracts targeting reduction of GHG and / or ammonia emissions' achievement was 12.07% (171,902.63 absolute value) against a baseline of 1,423,910 UAA in Wales by the end of 2018. For Indicator T19 'percentage of agri and forest land under management contracts contributing to carbon sequestration and conservation' achievement by the end of 2018 was 0.32% (5,598.43 absolute value) against a baseline of 1,734,960 total agri and forest land area in Wales.

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

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under Focus Area 5b a total of €4.59m has been paid, of this €3.75m was during 2018. By the end of 2018 there was a cumulative total of €7.55m in committed funds, the majority of which was under Measure 4 (€6.38m).

Measure 4.1

The **Sustainable Production Grant (SPG)** under Measure 4.1 provides support to help farmers improve the economic and environmental performance of their agricultural holding in line with the WG's and agriculture industry in Wales' vision for more sustainable, profitable and resilient farm businesses. The **Farm Business Grant Scheme (FBG)** programmed under Measure 4.1 aims to help farmers in Wales to improve the economic and environmental performance of their agricultural holdings. In total Measure 4.1 under Focus Area 5b had supported 226 holdings, with €9.38m investment and €4.24m cumulative expenditure incurred by the end of 2018. See Priority 2 section of this report for more information on Measure 4.1, also Focus Area 5d below.

FOCUS AREA 5C

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under Focus Area 5c a total of €0.34m had been paid by end 2018, of which 0.15m was in 2018. Cumulative committed funds under FA5c by the end of 2018 was €1.86m.

Measure 4.3

Measure 4.3 (Support for investments in infrastructure related to development, modernisation or adaptation of agriculture and forestry) was reactivated as part of the second programme amendment approved in 2019. As such there has been no expenditure or activity during 2018 under this Measure.

Measure 7.2

Measure 7 (Basic services and village renewal in rural area) was delivered via a WG operated grant scheme called the **Rural Community Development Fund (RCDF)**. There are no future new windows planned for the RCDF scheme for the remainder of the programming period. Under RCDF the WG offered 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. The RCDF scheme is programmed under three Focus Areas: 5c, 6b and 6c with the majority of the financial allocation for the Measure programmed under Focus Area 6b. There was no expenditure or operations supported during the reporting period under this Focus Area for this Measure. 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).

Measure 8.5

The **Glastir Woodland Management (GWM) Scheme** includes only legacy contracts from the previous 2007-2013 RDP and is paid through Measure 8.5 (support for investments improving resilience and environmental value of forest ecosystems) for capital payments and Measure 10.1 (agri-environment climate) for multi-annual, area-based payments. There were no operations, expenditure or land supported under FA 5c for this Measure during the reporting period, as the second Programme amendment approved during 2019 removed Measure 8.5 from Focus Area 5c. Please see Priority 4 & Focus Area 5e sections for further information on Measure 8.5.

Measure 8.6

Measure 8.6 is delivered under Focus Areas 5c and 6a through the **Timber Business Investment Scheme (TBIS)**. TBIS provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and / or timber processing. The scheme is open to private forest owners, local authorities, certain other public sector forest owners and small/medium-sized enterprises (SMEs) and community organisations or forestry contractors. There were no operations or expenditure under Focus Area 5c for this Measure during the reporting period

Measure 16.2, 16.6 & 16.9

Measure 16.2 (support for pilot projects and for the development of new products, practises, processes and technologies) Measure 16.6 (support for cooperation among supply chain actors for sustainable provision of

biomass for use in food and energy production and industrial processes) are delivered as part of the **Co-operation and Supply Chain Development Scheme (C&SCD)** and are programmed under Focus Area 5c. There were no operations or expenditure made Measure 16 under FA5c in the reporting period. Further information on Measure 16 C&SCD can be found in Priority 3, 5 and 6 of this report.

Measure 16.8

Measure 16.8 is delivered under Focus Areas 4a, 5c, 5e & 6a through the **Co-operative Forestry Planning Scheme (CFPS)**. The CFPS provides financial support for a range of activities to encourage planning for the creation of broadleaved and conifer woodland to improve the management of natural resources and contribute to the well-being of rural communities within Wales.

The second EOI window for this Scheme closed in April 2018 with two EOIs invited to submit full applications. The deadline for submission is July 2019.

There is no data to report within the monitoring tables for this Measure as there was no reported activity or expenditure during 2018 under this Measure, future reports will show activity once approved operations submit claims for activity undertaken. The CFPS also delivers to Focus Areas 5c, 5e and 6a within the report.

FOCUS AREA 5D

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under Focus Area 5d, a total of €7.29m had been paid by end 2018, of which €4.12m was in 2018. There was €14.78m in cumulative committed expenditure of which the majority was under Measure 4 (€6.44m) and Measure 10.1 (€6.70m).

Measure 4.1

The **Sustainable Production Grant (SPG)** and the **Farm Business Grant Scheme (FBG)** are programmed under Measure 4.1 (support for investments in agricultural holdings) providing support to agricultural holding in line with the WG's and agriculture industry in Wales' vision for more sustainable, profitable and resilient farm businesses. There were 44 operations with €1.5m in cumulative expenditure incurred in respect of this Measure under Focus Area 5d during the reporting period. Please see Priority 2 section of this report for more information on Measure 4.1 delivery.

Measure 4.4

The capital works element of the **Glastir Advanced** scheme is delivered under Measure 4.4 (non-productive investments linked to agri-environment-climate objectives) alongside Measure 10.1 for Glastir Advanced. By end of December 2018, there was €0.72m in cumulative expenditure for 272 ongoing operations under Focus Area 5d. See Priority 4 section of this report for more information on Measure 4.4 and Glastir.

Measure 10.1

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

reporting period there were 648 contracts covering 70,088.83 ha under Focus Area 5d for Measure 10.1.

By the end 2018, a total of €4.46m was paid under M10.1 FA 5d. See Priority 4 section of this report for more information on Measure 10.1 and Glastir Schemes.

FOCUS AREA 5E

Please see Priority 1 section above for information on Farming Connect delivery of Measures 1 (Knowledge Transfer) and 2 (Advisory Services) and also Measure 16.1 (EIP) during the reporting period. Under Focus Area 5e a total of €7.85m (€2.28m during 2018) had been paid by end 2018. There was €12.30m in cumulative committed expenditure by the end of 2018, the highest commitments were under Measure 8 (€6.33m) and Measure 4 (€3.25m).

Measure 2.1

Under Measure 2.1 **Glastir** intends to use advisory support to have water management plans carried out and woodland plans verified against the UK Forestry Standard by Natural Resources Wales (NRW). It also requires use of the expertise of Wales' archaeological trusts to give Contract Managers advice on the most suitable management for Glastir Advanced contracts. See Priority 4 section of this report for further information.

Measure 4.4

The capital works element of the **Glastir Advanced** scheme is delivered under Measure 4.4 (non-productive investments linked to agri-environment-climate objectives) alongside Measure 10.1 for Glastir Advanced. By end of December 2018, there was €1.23m in cumulative expenditure for 855 ongoing operations under Focus Area 5d. See Priority 4 section of this report for more information on Measure 4.4 and Glastir.

Measures 8.1 & 8.2

Schemes delivered under Measure 8.1 include legacy contracts under 2007-13 Forestry schemes and also **Glastir Woodland Creation** under both Measures 8.1 (support for afforestation / creation of woodland) and 8.2 (support for establishment and maintenance of agro-forestry systems). See Priority 4 section above for further information on these Schemes. Total cumulative expenditure for Measure 8.1 under Focus Area 5e was €3.06m by the end of 2018. There has been no expenditure for Measure 8.2 during 2018 under this Focus Area. During the reporting period for Measure 8.1 establishment there were 47 beneficiaries with 340.23 ha total area supported. For Measure 8.1 maintenance for the 2018 calender year only there were 29 beneficiaries with 103.52 ha area supported.

Measure 8.3

The **Forest Monitoring & Risk Management Scheme** is delivered under Measure 8.3 (prevention of damage to forests) by 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.

As the application from NRW was only approved in December 2018, no activity or expenditure was

incurred under the RDP during the reporting period for this Measure under Focus Area 5e.

NRW has carried out activities as required under this Measure since April 2017, following formal approval of this Scheme NRW intends to claim for all eligible work in 2019. Activities undertaken include carrying out aerial and ground surveys. Aerial surveys have covered 112,000 ha in 2017 and 138,000 ha in 2018, with a cumulative total 175,000 ha. During 2017, NRW carried out 2,150 ha of ground surveys and issued Statutory Notices on 1,200 ha of larch infected with Phytophthora ramorum. In 2018, NRW carried out field surveys on 2,682 ha and issued Statutory Notices on 1,246 ha. NRW have carried out additional surveys in 2017 and 2018 due to increased findings of Phytophthora ramorum.

NRW has carried out minor survey work for Chalara Dieback of ash within minor findings. Expenditure and monitoring data will be provided in future reports as claims are submitted and paid.

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. There have been six EOIs opened to date with a total cumulative expenditure of €2.43m spent in the reporting period.

By the end of December 2018 a total of 497.90ha of woodland has been restocked, with 86 beneficiaries supported by the end of December 2018.

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 2018 there were 62 operations under Focus Area 5e for this Measure, covering 548.85 ha with €0.11m in cumulative expenditure paid. The majority of the allocation for this Measure is under Priority 4 with remainder programmed under Focus Areas 5e, 5c and 6a. Please see Priority 4 section above for further information on Measure 8.5.

Measure 10.1

Delivery under Measure 10.1 (Agri-environment-Climate) includes the Glastir Entry, Advanced and Commons schemes. It also includes multi-annual, area-based payments for existing farm woodlands in Glastir Woodland Management. See Priority 4 section above for information on these Schemes. During the reporting period there were 528 contracts covering 1,880 ha under FA5e for Measure 10.1. By the end of 2018 a total of €0.59m in cumulative expenditure had been paid under M10.1 Focus Area 5e. See Priority 4 section of this report for more information on Measure 10 and Glastir.

Measure 16.8

This Measure (support for drawing up of forest management plans or equivalent instruments) is delivered under through the Co-operative Forestry Planning Scheme. There is no data or expenditure incurred under this Measure during the reporting period. See Priority 4 section above for further information on activity for this Measure.

PRIORITY 6

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

During the reporting period expenditure incurred under Priority 6 stood at €33.90m of which €26.44m was for activity undertaken during 2018. Committed expenditure under this priority totalled €171.18m during 2018, with the highest commitments under Measure 16 (€68.32m), Measure 19 (€58.92m) and Measure 6 (€16.87m).

Regarding achievement against Target Indicators under Priority 6 of the Programme for Indicator T20 ‘jobs created in supported projects’ a cumulative total of 2 was achieved against a target of 765 by the end of 2018. For Indicator T23 ‘jobs created in supported projects LEADER’ achievement by the end of 2018 was 12 against a target of 100. For Indicator T22 ‘percentage of rural population benefitting from improved services / infrastructures’ 1.93% (58,592 absolute value) was achieved against a baseline of 1,381,745 net population by the end of 2018.

Measures programmed under Priority 6 include;

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

FOCUS AREA 6A

Please see Priority 1 section above for information on Measure 2 (Advisory Services) through Farming Connect during the reporting period. During the reporting period under Focus Area 6a a cumulative total of €2.13m had been paid, of which €1.66m was for activity undertaken during 2018. There was €20.71m in cumulative committed expenditure by the end of 2018.

Measure 6.2

This Measure (Business Start Up Aid for non agri activities in rural areas) was removed as part of the second programme amendment approved during 2019.

Measure 6.4

There are two Schemes delivered under Measure 6.4 (support for investments in creation and development of non-agricultural activities) one relates to the Food and Drink sector and one for the Tourism sector.

These were the main gaps identified in the intervention logic in the Rural Development Programme 2014-2020.

The **Rural Business Investment Scheme - FOOD (RBISF)** is a capital investments scheme to support projects that offer clear and quantifiable benefits to the food and drink industry in Wales. The Scheme is open to existing and start up micro & small food and drink processors and manufacturers throughout Wales. This is a capital investment Scheme for food and drink processing or manufacturing activities currently not eligible under the Food Business Investment Scheme (FBIS).

The maximum grant for an individual investment project is 40% of the total eligible cost with a maximum of £50k (€58k) for any individual investment project. The second EOI window for this Scheme closed January 2018 with 19 EOIs received. Nine of these were invited to submit full applications with six approved by the end of 2018. The third window closed in April 2018 and resulted in 17 EOIs received. Of these 11 were invited to submit full application, two projects were approved by the end of 2018. The fourth window closed in June 2018 with eight EOIs received. Seven of which were invited to submit full applications, five were been approved by the end of 2018. The fifth window closed in September 2018 with nine EOIs received, all of which were invited to submit full applications with one approved by the end of 2018. A sixth window closed in December 2018 with four EOIs received and three invited to submit full applications by April 2019. A seventh EOI round will close in Febuary 2019. These windows have resulted in a total of 71 jobs being created.

The second Scheme under Measure 6.4 is the **Micro Small Business Fund MSBF** delivered by Visit Wales (VW). This Scheme targets private sector businesses to support priority tourism products, including: high quality serviced, self catering, camping and caravan park accommodation products, destination restaurants; visitor attractions and activity products. The MSBF targets viable and sustainable private sector tourism capital projects that will: support the development of priority tourism products and create and safeguard jobs in rural areas. The Scheme opened mid 2017. To date a total of 27 projects have been approved by Visit Wales totalling €3.17m (£2.7m).

By the end of 2018 under Measure 6.4 as a whole a cumulative total of €0.18m in expenditure had been paid with two operations approved under Focus Area 6a of the Programme.

Measure 8.6

Measure 8.6 is delivered under Focus Areas 5c and 6a of the Programme through the **Timber Business Investment Scheme (TBIS)**. TBIS provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and / or timber processing. The Scheme is open to private forest owners, local authorities, certain other public sector forest owners and small/medium-sized enterprises (SMEs) and community organisations or forestry contractors. By the end of 2018 there had been three EOI windows for TBIS resulting in 30 projects approved. By the end of 2018 a cumulative total of €1.85m had been paid with 19 operations supported.

Measure 16.8

Measure 16.8 is delivered under Focus Area 4a, 5c, 5e & 6a through the **Co-operative Forestry Planning Scheme (CFPS)**. There were no outputs or expenditure incurred for this Measure under FA6a during the reporting period. See Priority 4 section above for further information on this Measure.

Measure 16.9

Measure 16.9 (support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food) is delivered as part of the **Co-operation and Supply Chain Development Scheme (C&SCD)**. There was no expenditure or cooperation operations supported by the end of 2018 under this Measure. For further information on M16 C&SCD scheme see Priority 3 and 5 sections of this report.

FOCUS AREA 6B

Under Focus Area 6b a cumulative total of €31.43m had been paid during the reporting period, of which €24.53m for activity undertaken by the end 2018. There was €148.16m in committed expenditure during 2018 with the highest commitments under Measure 16 (€67.59m) and Measure 19 (€61.02m).

As part of the second programme amendment agreed during 2019 Measure 1 was introduced under FA6b. There has been no activity or expenditure incurred during 2018 although €3.53m in funds have been committed.

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. There have been seven EOI windows of the Scheme to date resulting in 142 approved applications. A total of 42 EOIs were received during the one window which opened in 2018 of which 12 progressed to the full application stage. There are no further windows of the RCDF Scheme planned.

By the end of 2018 a cumulative total of €0.14m was paid under Measure 7.2; €3.65m under Measure 7.4; €0.25m under Measure 7.6 and €0.44m under Measure 7.7.

See Focus Area 6c for Measure 7.3 (broadband infrastructure) and Focus Area 5c for Measure 7.2 (investments of small scale infrastructure including renewable energy).

The capital support grant scheme '**Tourism Amenity Investment Support (TAIS) Scheme – Rural**' is delivered by Visit Wales (VW) through Measure 7.5 (support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure) under Focus Area 6B of the Programme. The TAIS scheme offers small-scale investment to improve the signposting of touristic sites, to construct and modernise tourism information centres, to provide visitor information and guidance.

Funding is also provided for the support of the construction of shelters and safety facilities linked to soft-tourism and the establishment of e-booking systems for tourist services. Investments will be supported for

the development of soft tourism (small scale, locally specific product, local ownership and labour, local business linkages, strong social-cultural affinities, limited negative environmental impact). This activity under Measure 7.5 will complement the tourism business development activity under Measure 6.4.

There have been two rounds of TAIS supporting 47 projects. A cumulative total of €1.02m had been paid under Measure 7.5 for activity undertaken during the reporting period.

Measure 16

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)**. There were no EOI Rounds during 2018. Measure 16.2 covers two subjects "pilot projects" and "development of new processes, techniques". The latter is restricted to agriculture, food and forestry sectors. Further information on Measure 16 C&SCD can be found in Priority 3 and 5 this report

The CTA Community Transport Solution ('Connecting communities in Wales') under Measure 16.2 aims to develop pan-Wales, demand responsive community transport solutions in partnership. It seeks to develop sustainable CT networks and build the resilience and capacity of the community transport sector in Wales, recognising that in doing so it can assist in tackling transport issues and challenges faced by rural communities. There have been 10 cooperation operations supported by the end of 2018, with 160 stakeholders engaged and 12 feasibility studies.

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** is delivered by Visit Wales (VW). The principal aim of the Scheme is to increase the profitability and resilience of the individual SME businesses engaged. This scheme consists of two separate projects providing two distinct types of activity:

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

The WG currently deliver two revenue non RDP funds that support the tourism industry (private and public sectors) to align their marketing activity to the WG national campaigns including the Themed Years and Wales Way.

Visit Wales is boosting this regional tourism development via the **Regional Tourism Engagement Fund (RTEF) and Tourism Product Innovation Fund (TPIF)** which is part funded via the RDP to support proposals from October 2017 to March 2021. The RTEF is a revenue fund aimed at regional destination development while TPIF is aimed at working with private sector partnerships and networks top develop new innovative tourism products, this is also revenue funded.

There are currently a total of 21 approved projects for 2018/2019, with 11 under RTEF at €1.14m (£0.97m) and 10 under TPIF at €0.60m (£0.51m), with a total value of €1.74m (£1.48m).

Under Measure 16 a cumulative total of €11.38m had paid during the reporting period through Focus Area

6b with 28 cooperation operations supported.

Measure 19

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

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

Implementation is progressing well and the Wales Rural Network Support Unit (WRNSU) has loaded information on over 470 LAG projects from the 18 LAGs (approved under this Programme period) onto their database, available on the website;

<https://businesswales.gov.wales/walesruralnetwork/local-action-groups-and-projects>

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

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

Under the LEADER Scheme (Measure 19.3) the Welsh LAGs have the opportunity to engage in inter-territorial and Trans-national Co-operation with LAGs or similar bodies. Co-operation can involve exchanges of best practice, mentoring, staff exchanges and/or joint projects. In Wales LEADER Co-operation operates on a LAG-led basis (rather than a series of Managing Authority bidding rounds). This means that Welsh LAGs have committed budgets for Co-operation projects. Trans-national Co-operation includes co-operation with LAGs in other EU Member States, however LAGs are also able to co-operate with “Third Countries” outside of the EU membership. Welsh LAGs have approved a number of inter-territorial projects to date in this Programme period and more are in the pipeline with Welsh LAGs continuing to discuss potential partners and ongoing discussions at meetings.

During the reporting period a cumulative total of €14.50m was paid under Measure 19, the majority of which was under Measures 19.2 (€8.23m) and 19.4 (€5.79m). All of the LEADER allocation under

Measure 19 has been committed for the lifetime of the Programme.

FOCUS AREA 6C

Please see Priority 1 section above for information on Measure 1 (Knowledge Transfer) through Farming Connect during the reporting period. Under Focus Area 6c a cumulative total of €0.34m had been paid, of which €0.24m was for activity undertaken during 2018. There was €0.42m in cumulative committed expenditure by the end of 2018.

Measure 7.3

Measure 7 is delivered via a WG operated grant scheme called the Rural Community Development Fund (RCDF). Under the RCDF the Welsh Government offered 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 2018 eleven EOIs were received under Focus Area 6c in the one EOI Round held with ten progressed to the full application stage. There were a total of ten operations supported with €0.19m in cumulative expenditure by the end of 2018. There are no further windows of the RCDF Scheme planned. Please see Focus Area 6b section above for more information on Measure 7 and the RCDF.

European Commission Currency Converter – exchange rates 2018 monthly

MONTH	EUR/GBP
<i>January 2018</i>	0.88768
<i>February 2018</i>	0.8793
<i>March 2018</i>	0.884
<i>April 2018</i>	0.87605
<i>May 2018</i>	0.877
<i>June 2018</i>	0.875
<i>July 2018</i>	0.8852
<i>August 2018</i>	0.8907
<i>September 2018</i>	0.89758

<i>October 2018</i>	0.88973
<i>November 2018</i>	0.89148
<i>December 2018</i>	0.89135

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

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

UPDATE ON PROGRESS AGAINST THE PERFORMANCE FRAMEWORK MILESTONES

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 at the end 2018. The Performance Framework consists of a set of both financial and output indicators. 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 as a set agenda item and regular reports to the Wales ESI Programme Monitoring Committee (PMC). 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 second modification to the Programme approved in March 2019 amended the Performance Framework in light of funding adjustments and refocus of Programme priorities going forward. This included the introduction of an additional indicator under Priority 2 to reflect funding adjustments and activity which has impacted on the targets shown within the Performance Framework.

A Priority will be deemed to have achieved its milestone in the following cases:

- if there are no more than two indicators in the performance framework related to a priority, all indicators have achieved at least 85% of their milestone value by the end of 2018

Or

- if there are three or more indicators in the performance framework related to a priority, all indicators except for one have achieved at least 85% of their milestone value by the end of 2018 and the one indicator which has not achieved 85% of its milestone value has achieved at least 75% of its milestone value.

Close monitoring of approved operations and agreements will continue in the remaining years of the Programme 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.

1.e) Other RDP specific element [optional]

Not applicable

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

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

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

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

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

2. THE PROGRESS IN IMPLEMENTING THE EVALUATION PLAN.

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

1. Objectives and purpose:

The objectives and purpose of the Evaluation Plan both remain the same; no additional Programme-specific objectives have been added. There were some amendments made to the evaluation plan through the second programme amendment to reflect changes since its approval such as WG delivery structures and the introduction of the GDPR.

2. Governance and coordination: There were minor changes to this part of the evaluation plan as part of the second programme amendment to reflect changes to MA / PA structures during 2018.

3. Evaluation topics: There have been no changes to this part of the evaluation plan. It is still the intention of the Strategy team to prioritise evaluation activities on schemes funded through the Rural Development Programme which will in turn inform later evaluation activity. Higher level programme evaluations will be done towards the end of the programme and will be broken down into the thematic areas.

4. Evaluation activities: There were changes made as part of the second programme amendment to this part of the evaluation plan to include the internal research undertaken for the evaluation work as part of the first enhanced AIR along with effectiveness of programme implementation.

5. Data and information management: Primary methods for collecting and collating data for the RDP are through PPIMS and RPW online IT platforms. The majority of activity for Socio economic measures is collected through WEFO online and stored on PPIMS. Land based measures managed by RPW are collected through RPW online and stored on CAPIT. These section was updated as part of the second programme modification to reflect the introduction of General Data Protection Regulation (GDPR).

6. Timeline: There have been no changes to this part of the evaluation plan.

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

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

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

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 Strategy Team has designed and commissioned an evaluation of the Knowledge Transfer and

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

The Strategy Team has designed the specification for the evaluation of the Sustainable Management Scheme. The evaluation will run for the duration of the scheme until 2022. In order to assess the environmental outcomes of the scheme, this evaluation will use secondary data analysis of project level evaluation and monitoring activity which will be focused on the environmental changes achieved as part of project activity. The evaluation will also seek to make use of the environmental data captured by the Environment and Rural Affairs Monitoring and Modelling Programme (ERAMMP) to assist in assessing the environmental contribution of the scheme. In addition to the assessment of environmental contributions the evaluation will seek to provide an assessment of the value of landscape scale collaborative approaches to land management in terms of improving the sustainability and effectiveness of land management and how working collaboratively may be able to leverage wider social objectives through better collaboration. It is expected that the evaluation will principally employ a longitudinal case study approach to gather information on the perceived value of collaboration and the wider outcomes that such collaborative action may be able to lead to. It is anticipated that his case approach will be supplemented with survey work to develop a typology of different types of collaborative action and the relative merits of types of collaboration. The specification for this work was advertised in December 2018 but as no bids were received it will be reviewed and retendered in 2019.

The Strategy Team has been working with policy colleagues to develop the specification for a midterm evaluation of the suite of schemes offered through the RDP that support the tourism sector in Wales. Using a sectoral approach the evaluation is looking to assess four schemes in particular: The Micro Small Business Fund under Measure 6.4, the Tourism Amenity Investment Scheme under Measure 7.5, and the Regional Tourism Engagement Fund and the Tourism Product Innovation Fund both delivered under Measure 16.3. It is expected that the evaluation will commence in mid-2019 and will be due to finish in early 2020. As a mid term evaluation it is expected that the evaluation will mainly focus on issues of implementation looking at the management of the schemes, the delivery and implementation of projects, the progress towards outputs and outcomes and the contributions towards the cross cutting themes. It is expected that the evaluation will employ a variety of research methods including reviewing existing monitoring data, interviews and focus groups with WG delivery staff and grant recipients and a wider survey of scheme beneficiaries. It is important to note that this will not be the only evaluation activity for the Tourism schemes and the Strategy Team intend to undertake future evaluation work to assess the impact of the schemes on the tourism sector more broadly.

The Strategy Team has also been working on a piece of research looking at the uptake of the Farm Business Grant (FBG) which offers capital grants to farmers. The research aims to better understand the reasons behind the uptake and non uptake of the farm business grant amongst farming connect users. In particular the research seeks to identify the reasons why some farmers do not choose to access the scheme and whether

this reflects an issue with the design or implementation of the scheme. The research aims to take place during 2019 and it is expected that the research will encompass a quantitative survey supplemented by interviews with both applicants and non applicants to the farm business grant. This research will inform any refinements to the support offered to farmers in the future and will be followed by an evaluation later in the programme period.

The evaluation of LEADER is also being developed by the Strategy Team. Working with WG policy colleagues an early draft of the specification has been developed looking to provide an interim assessment of the delivery of the LEADER approach in Wales. Following advice from the Evaluation helpdesk event in Helsinki during 2018, an evaluation during 2019 will look to assess the value of LEADER in terms of its contribution to increasing social capital, improving local governance arrangements and its ability to leverage enhanced results and impacts through the projects it funds. The evaluation is expected to begin in early summer 2019 and will run until the beginning of 2020. Although dependent upon proposals offered from potential bidders to the work it is expected that the evaluation will adopt of a theory of change approach principally drawing upon data collected through a case study research design. It is anticipated that the case studies will employ a mixed methods approach utilising interviews with Local Action Group (LAGs) members, beneficiaries of LEADER funding and broader stakeholders, observations of governance meetings and surveys of wider community stakeholders involved with LEADER.

Alongside the scheme level evaluations the Strategy Team has also been preparing for the 2019 enhanced annual implementation report through designing a specification to answer the Common Evaluation Questions (CEQs). The work was advertised in late 2018 and was awarded to a consortium of research organisations familiar with the Wales Rural Development Programme in December 2018. The work began in January 2019. To answer the Common Evaluation Questions the research made use of existing data and resources collected through the programme monitoring system, existing evaluation activity across the programme in addition to primary research. The primary research consisted of interviews with WG policy leads at programme and scheme levels, staff involved with the delivery of the programme as well as other key individuals in the managing authority. Due to the lack of existing research evidence around the impact of the RDP given the stage of the programme in delivery the researchers sought to conduct a series of thematically driven focus groups with agricultural and rural stakeholders to assess the contribution of the RDP to increasing the competitiveness of the agricultural sector, contributing to agri-environmental management and developing the rural economy and rural communities. See Section 7 of this report for response to the CEQs.

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 (GMEP) – the Environment and Natural Resources Monitoring and Modelling Programme (ERAMMP) will provide evidence on the cross-cutting issues of sustainable development and climate change. The Environment and Natural Resources Monitoring

and Modelling Programme (ERAMMP) was commissioned in late 2017. Fieldwork is due to commence in 2019. Evidence on areas of innovation in the Programme will be captured on an ongoing basis in the evaluations named in the evaluation plan. Questions to address the cross cutting issues of sustainable development, climate change and innovation will be included as part of evaluations at scheme and programme levels.

- 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 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.

In addition, as part of the CEQ work for the 2019 AIR there has been an assessment of the work of the WRN in the WGRC-RDP 2014-2020.

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

The Strategy Team continues to provide guidance and support to the LAGs on their monitoring and evaluation arrangements. This has included advice and comments on draft specifications sent to the Strategy team as well as meeting with LAG officials to discuss their plans.

The Strategy Team attended a workshop organised by the ENRD evaluation helpdesk in May 2018 on assessing the added value of LEADER. The discussions of this training have been incorporated into the Strategy teams plan for evaluation of LEADER and have helped define the scope of future evaluation work.

As part of this the Strategy Team, alongside the WRN, worked with members of the European Evaluation Helpdesk to organise a capacity building event on how to assess the impact of the LEADER approach in September 2018. This event was designed primarily for LAGs rather than for the managing authority to assist them in their evaluations. Delegates were also invited from other UK managing authorities, with representatives from England, Scotland and Northern Ireland in addition to the Welsh delegates.

As above, in addition to LAG level evaluation work the Strategy Team are also working on developing a mid term evaluation of the LEADER approach in Wales to commence in 2019.

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 continue to manage eCohesion requirements (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. The Strategy Team has continued to meet with LAGs to discuss evaluation approaches as well as organising the capacity building event in Llandudno for LEADER groups alongside the WRN and the European Evaluation helpdesk.

The Strategy Team is continuing to liaise with the ERAMMP project team to ensure that Farms surveys carried out as part of the ERAMMP will be able to collect data that will assist in mapping changes in farm behaviour as a result of participation with RDP schemes to help inform future evaluation work. It is hoped that this data will be used to inform the evaluations of Glastir and Farming Connect principally. The strategy team is also in contact with the ERAMMP project team to discuss their work may be able to support other schemes funded through the RDP such as the Sustainable management scheme.

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 is used in conjunction with other IT solutions. Business objects allows 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. The Strategy Team has produced some guidance in relation GDPR that has been distributed through the Wales Rural Network and outlines the basis for data collection under the RDP.

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 – how these surveys will be delivered are under review. Rather than doing separate survey contracts it is likely that survey work will be incorporated into scheme level evaluation activity.

Where survey work is not possible it is the intention of the Strategy Team to use more qualitative methods with relevant stakeholders to provide assessments of support offered through the RDP.

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

No completed evaluations defined

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

No evaluations have been completed during 2018.

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)

No follow-up defined

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

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

Programme Monitoring Committee (PMC)

The WG has established a single Programme Monitoring Committee (PMC) for Wales European Structural and Investment (ESI) Fund programmes. The All Wales ESI PMC was officially constituted on 5 December 2014 following approval of the Structural Funds programmes and was formally established for the WGRC-RDP 2014-2020 in May 2015 following EC approval of the Programme. During 2018 the PMC met twice times in total; on 4 May and 13 December.

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 May 2018 meeting (changes to M16.5 Sustainable Management Scheme – SMS and also M4.1 Sustainable Production Grant - SPG) to seek Members opinion and in compliance with the regulatory requirement. The 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 2019 on the selection criteria as required.

Error Rates

With regard to error rates for the Programme, the final figures for the analysis of the control statistics shows an increase in error in the random sample for area based measures at 3.25% (up from 2.31% in the previous year). The WG undertook a detailed analysis of the errors leading to the increase as follows:

78 Cases (for a value of €304,656.10) were inspected randomly and a total of €9,902.84 error was found, leading to the 3.25% error rate. Of those, cases inspected, sixteen had an error of over €100, fifteen of which were Measure 10 and one which was Measure 11. Three Measure 10 cases had an error of over €1,000, for a total error of €6,195.05.

Those cases are presented in more detail below.

Case 1

Claim in Year: €12,574

Reduction in year: €1,314.30

The beneficiary holds an entry (lower level) and advanced (higher level) Glastir (AEM) agreement that commenced in 2014. The inspection identified four separate non-compliances with contractual commitments on four of the 61 land parcels subject to the agreement. The noncompliance's included supplementary feeding where it was prohibited, cutting grass where it was prohibited and grazing two parcels where it was prohibited. The total area of affected by the non-compliance was 8.79ha. Using the Welsh Government's Penalty matrix these breaches amounted €1,314.30 penalty for the Entry and Advanced annual payment, and is also applied retrospectively to all previous payments.

Case 2

Claim in Year: €11,322.89

Reduction in year: €2,212.90

The beneficiary holds an entry (lower level) and advanced (higher level) Glastir (AEM) agreement that commenced in 2014. The inspection identified three separate non-compliances with contractual commitments that affected five of the 47 land parcels subject to the agreement. The non-compliances included building of road through a woodland protected under the commitment, not managing the sward height through grazing and not planting a required crop by the required date. The total area of affected by the non-compliance was 3.91ha. In addition an over declaration penalty was applied to the land removed from the contract through the building of the road. Using the Welsh Government's Penalty matrix these breaches amounted to a €103.84 area reduction and a €2,109.06 penalty that is applied to the Entry and Advanced annual payment, and is also applied retrospectively to all previous payments.

Case 3

Claim in Year: €33,348.05

Reduction in year: €2,667.85

The beneficiary holds an advanced (higher level) Glastir (AEM) agreement that commenced in 2017. The cases was selected for inspection in the first year of the contract. The inspection identified a single non-compliance related to the whole farm code. One veteran tree was felled on the property without permission Using the Welsh Government's Penalty matrix these breaches amounted to a €2,667.85 penalty that is applied to the Advanced annual payment. As this was the first year of the contract no retrospection was appropriate.

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 2018 campaign. The error rate in the random sample for investment measures reduced significantly to 0.37% (previous year 2.74%). The Welsh Government has continued to communicate with farmers via farm outreach services to improve their understanding of Agri Environment Scheme rules and to minimise irregularities. The planned training events and drop in surgeries have been delivered as planned. An article informing farmers of the 'most common errors' for 2017 was published in the single farm guidance.

Aid Recovered

The Welsh Government'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 2018 under Article 56 of Regulation (EC) No 1306/2013 is summarised in the following table:

New RDP Aid Recovered and reallocated during 2018 Calender Year

Sub Measure	Focus Area	Value €	Value £

	2a	-	68,432.75	-	60,363.69
4.1	5b	-	31,195.23	-	27,636.66
<i>4.1 Total</i>		-	99,627.98	-	88,000.35
4.2	3a	-	79,529.35	-	68,663.72
4.4	5e	-	131.12	-	113.00
4.4	P4	-	212,700.94	-	175,384.36
<i>4.4 Total</i>		-	212,832.06	-	175,497.36
8.1	5e	-	1,736.20	-	1,501.94
8.1	P4	-	8,263.43	-	7,083.44
<i>8.1 Total</i>		-	9,999.63	-	8,585.38
8.5	5e	-	964.40	-	848.00
8.5	P4	-	7,102.57	-	6,162.77
<i>8.5 Total</i>		-	8,066.97	-	7,010.77
10.1	5d	-	3,327.58	-	2,883.27
10.1	5e	-	2,780.68	-	2,378.09
10.1	P4	-	261,324.01	-	215,220.20
<i>10.1 Total</i>		-	267,432.27	-	220,481.56
11.1	P4	-	8,302.56	-	7,056.96
11.2	P4	-	12,439.22	-	10,074.65
16.5	P4	-	1,501.81	-	1,325.99
Grand Total		-	699,731.85	-	586,696.74

Notes: Total of New RDP (14-20) recovered debts only. All debt recoveries from 01/01/2018 to 31/12/2018

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. The WG have opened numerous EOI windows through 2018 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: <https://gov.wales/rural-development-programme-2014-2020-application-dates>

Programme Modification

The second modification for the WGRC-RDP2014-2020 were presented at the December 2017 PMC meeting. These amendments include the re-introduction of Measure 4.3, withdrawal of Measures 2.3, 6.2 and 15.1, change in financial and indicator plans, amendment to performance framework values along with change in description of some Measures. This modification was formally adopted on the 14 March 2019. Work on the third programme amendment will take place during the second half of 2019, further information on this will be provided to the PMC during 2019.

Financial Instruments (FI)

Although the WGRC-RDP 2014 – 2020 makes provision for the future use of Financial Instruments (FIs) in 2016 the Welsh Government took the decision that FIs would not be introduced within the programme. This decision was taken due to the lead in time needed to develop and implement FIs before the close of the current Programming period and the uncertainty beyond this period. Therefore Financial Instruments will not be used within the Wales Rural Development Programme 2014-2020.

Data management systems

Further IT developments and testing to IT systems used to manage the RDP were undertaken during 2018 to ensure compliance with Ecohesion (the requirement for a system to allow the electronic transfer of data between beneficiaries and the Managing Authority). These enhancements and adaptions to the PPIMS system have resulted in a delay in drawing down EAFRD funds for certain socio-economic Measures and operations within the Programme whilst this work was undertaken and information recorded onto the system. These enhancements are complete. Land based operations continue to be managed through the CAPIT IT system. The majority of the Direct Aid and Rural Development schemes and processes managed by the WG's paying agency (Rural Payments Wales) are now fully digital.

3.b) Quality and efficient delivery mechanisms

Simplified Cost Options (SCOs)¹, proxy automatically calculated

	Total RDP financial allocation [EAFRD]	[%] planned SCO coverage out of the total RDP allocation ²	[%] realised expenditure through SCO out of total RDP allocation (cumulative ³)
Fund specific methods CPR Article 67(5)(e)	651,590,163.00	32.94	14.49

¹ Simplified Cost Options shall be intended as unit cost/flat rates/lumps sums CPR Article 67(5) including the EAFRD specific methods under point (e) of that article such as business start-up lump sums, flat rate payments to producers organisations and area and animal related unit costs.

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

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

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

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

E-management for beneficiaries [optional]

	[%] EAFRD funding	[%] Operations concerned
Application for support		
Payment claims		
Controls and compliance		

Monitoring and reporting to the MA/PA		
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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 see below.

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 WRNSU comprises a Head of Wales Rural Network, three Rural Network Managers, a Finance & Systems Coordinator and a Website Coordinator. The team works alongside RDP scheme managers and delivery bodies to identify networking opportunities and to support the wider WRN. The team also work closely with the Managing Authority and Monitoring and Evaluation (M&E) colleagues in the Welsh European Funding Office (WEFO) within the Welsh Government (WG).

The WRN makes a significant contribution to the RDP adding value to funding available:

- Communicate, share and exchange information and news
- Organise and promote free events and study visits encouraging co-operation and sharing of knowledge
- Showcase funded project examples and case studies
- Communicate and promote funding opportunities
- Connect businesses, community groups, and others interested in Rural Development
- Share best practices and EU supporting information
- Facilitate links within the UK and Europe

A new website was a priority for 2018. This is an important aspect of the WRNSU's role in maximising awareness of the Programme. See section 4b for details. Further information on our work can be found on the WRN web pages; www.businesswales.gov.wales/walesruralnetwork

WALES RURAL NETWORK STEERING GROUP (WRNSG)

The WRNSG is specifically tasked with advising and assisting with the development of a work-plan, which in turn involves stakeholders, improves the quality of RDP implementation, informs the broader public and potential beneficiaries about the RDP, and fosters innovation. Three meetings were held in 2018:

- March – WRN Work Plan 2018, update on spend, and future role of WRNSG
- July – LEADER Cooperation event, update on spend and upcoming projects.
- October – Update on spend and WRNSU work. New website demonstration.

Further information on the Steering Group can be found at

<https://businesswales.gov.wales/walesruralnetwork/wrn-support-unit/steering-group>

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)

Launched in December 2018 the new WRN web pages promote all the RDP socio – economic measure approved projects. A current list of approved RDP projects (excluding LEADER) can be found at:
<https://beta.gov.wales/rural-development-plan-money-allocated-committed-and-spent>

LEADER projects are available via an interactive map. All LEADER groups in Wales must complete a project form once a project has been approved by the Local Action Group (LAG) and upload details onto the website. The projects can be viewed by themes and/or areas. The projects also provide contact details, further information and a link to case study if applicable.

<https://businesswales.gov.wales/walesruralnetwork/local-action-groups-and-projects>

WRN dedicated website coordinator regularly updates the site with news, events, publications and case studies: <https://businesswales.gov.wales/walesruralnetwork/news-events-and-case-studies>.

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

See section 4b for information on publications, website and social media strategy.

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

The WRNSU managers have responsibility for LAGs on a geographical basis and have successfully organised a number of events to support and promote the RDP 2014-2020.

These included;

- LEADER Theme 1 & 2 Event – February 2018 – Presentations were given by scheme leads specialising in tourism and food, along with presentations from LAGs on Themes 1&2. Networking opportunities followed along with a cooperation café.

- LEADER Co-operation Event – October 2018 – This event ran in conjunction with PLANED LAG. A Finnish LAG gave a presentation, along with Welsh LAGS. Workshops were held on The Value of Cooperation (what are the benefits?) and Transnational Cooperation (what's stopping you?).
- ‘Taste of Wales Event’, OECD Conference, Edinburgh – The WRNSU hosted an evening of best Welsh produce and showcased WRN activities at the Market Place. See also 4b.

The WRNSU has also had representation at the following;

- Regional LAG Officers Group Meetings - WRNSU provide an update on RDP schemes and WRN activity, answer LAG queries and ensure LEADER publicity is maximised.
- Creative Rural Vale, Green Energy Event – April – WRNSU provided details of RCDF and other open schemes.
- Vale of Glamorgan Agricultural Show – August 2018 – WRNSU promoted available RDP schemes. Showcased study videos and engaged with the public to increase RDP visibility
- Arwain Powys LAG - Best Practice Day - October 2018 – WRN in attendance, showcasing the best practice and exemplar projects using RDP funding in rural Mid Wales.

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

WRNSU works closely with policy leads to promote and disseminate information to advisors. Lead officers within the WRNSU have been identified for RDP schemes. Dividing responsibility for networking and communications in this way improves the overall service provided to stakeholders as well as developing WRNSU managers' understanding of the programme. This understanding is built up by regular communications and attending meetings with the scheme leads. In 2018 this included:

- Sustainable Management Scheme (SMS) Event at Royal Welsh Agricultural Show – An open event in conjunction with the SMS policy leads to promote the upcoming funding round. WRNSU met with SMS facilitators and their groups to discuss potential bids.
- EIP-AGRI, Italy - Seminar “From operational group project to impact” - EIP Policy Lead attended and fed back to the WRNSU.

See also section 4b

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

WRNSU actively participate in all UKNRN meetings and work closely with other NRNs to ensure agreed processes and sharing of information/best practice. The UK NRN also hold shared stakeholder networking and training events. In order to facilitate this we:

- Organised a European Evaluation Helpdesk workshop for LEADER/CLLD - The workshop

provided an opportunity to exchange information and discuss issues faced with delegates from all parts of the UK. EU evaluation experts presented case studies and led discussions on evaluation in practice. WG also prepared and published a LEADER evaluation guidance document to assist LAGs. <https://businesswales.gov.wales/walesruralnetwork/news-events-and-case-studies/event/evaluation-leaderclld>

- Attended The European Evaluation Helpdesk - Yearly Capacity Building Event for UK on assessing RDP achievements and impacts in 2019. Event included presentations, interactive sessions and workshops and was attended by regional NRNs and MAs.

Information and findings are also shared via the WRNSU newsletter and Website see section 4b and <https://businesswales.gov.wales/walesruralnetwork/wrn-support-unit/evaluation-and-research>

- **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 has been very active in participating and contributing to ENRD activities in order to improve the quality of RDP implementation. Events attended in 2018 include:

- LINC 2018 Conference “Nature and the Blue Economy”, Finland – WRNSU attended the conference and made strong links with Finnish counterparts. A Finnish LAG was then invited to present at our Cooperation Workshop which subsequently led to cooperation projects being formed between Welsh and Finnish LAGs.
- ENRD “How is the RDP supported by NRNs”, Italy — Actively participated in workshops looking at NRNs structure and sharing of best practice including cooperation.
- 10th NRN Event “Rural development - Building the future”, Germany – This event focused on the networks themselves and future-orientated initiatives and projects.
- 11th NRN Event “NRN Communication”, Czech Republic – Actively participated in a workshop sharing best practice, lessons learnt and creating networking opportunities. Head of WRNSU gave a presentation on “How WRN collect good practice projects”
- 12th NRN Event “Design of ERND website and toolkit; Planning 2019 conference”, Estonia – WRNSU actively contributed to the design and redefine the ENRD website, toolkit and planning of the 2019 conference and a thematic workshop on bio economy.
- European Economic and Social Committee Study Visit ‘Contribution of rural areas to 2018 European year of cultural heritage and the contribution of cultural heritage to rural areas’ wellbeing’ – July - Supported Tom Jones’ study visit which involved 12 representatives from several countries. Keynote speech by the Minister Culture, Sport and Tourism, visits to projects around Cardiff and the Royal Welsh Agricultural Show.

- ENRD Good Practice Examples Workshop, Belgium - Discussed approaches for collection and dissemination of Case Studies and sharing of best practice.

- **OTHERS**

- Community Lead Local Development Meetings – This is a consultation group which advises the WG and collectively promotes the best means of securing or achieving the objectives of the funding programmes.

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 WRNSU supports a forum to promote the exchange of expertise in rural development. In order to achieve this the WRN Communication/Work Plan 2018 forms a vital part of the Wales RDP Communications Strategy. The role of the WRNSU has evolved over the course of the programme to provide a greater emphasis on promotion of received funding and sharing of best practice. The work plan was approved by the WRNSG and the Programme Monitoring Committee (PMC).

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 and through social media. All schemes are further publicised in the fortnightly WG Gwlad magazine, WRN Newsletter and relevant RDP scheme newsletters. (See publications section.)

All EOI windows and downloadable scheme documents are accessible from the WG website and carry the EAFRD logo, programme name and relevant wording for the programme. During an open EOI window social media is widely used to maintain interest and engagement around the schemes and to ensure stakeholders are aware of the opening and closing dates. The WRNSU encourage the responsible Welsh Minister to make an announcement in plenary, via a news story and/or using social media. Additionally the WRNSU actively encourage other WG and stakeholder channels to publicise further.

Communications

The new website has received very positive feedback from stakeholders and received 5,283 unique visits in the first month of launch (December 2018). Stakeholders were particularly impressed with the interactive map showing LEADER projects (currently over 450 projects). A big difference to the previous site is that LAGs will have ‘ownership’ of their own projects and be able to upload directly to the website.

The website was built to provide a one-stop-shop for RDP communications within Wales and beyond. Regular updates to the site and continuing work ensure it is kept relevant and up-to-date in accordance with the RDP 2014-2020. The website also highlights the successes of the programme which brings together different rural schemes to deliver tangible benefits for people in Wales’ rural areas.

www.businesswales.gov.wales/walesruralnetwork

Social media plays an active part in our communications strategy. A Facebook page was launched in November 2017 and the number of followers has grown steadily throughout 2018. Twitter followers have also increased along with the amount of traffic directed to our website. In addition to the WRNSU writing their own material they highlight funded projects and disseminate other stories which could be of interest to followers. Funded projects are encouraged to tag the WRNSU so that they can share them.

The WRN engagement table for 2017 and 2018 is attached

<https://twitter.com/WalesRuralNet> and <https://www.facebook.com/walesruralnet>

The WRNSU has entered nine case studies into the ENRD Rural Inspiration Awards. Results will be announced in April 2019 at the Network X Inspiring Rural conference.

Publications

The WRNSU produces its own newsletter as well as contributing to other publications. These include:

- WRNSU e-newsletter provides information regarding schemes, EOI window dates, news stories and case studies from Wales, UK, Europe and beyond. The newsletter currently has 6,210 subscribers to the English version and a further 334 to the Welsh version (10 published in 2018)
<https://businesswales.gov.wales/walesruralnetwork/wrn-support-unit/newsletter>
- Gwlad is WG's fortnightly e-newsletter for farm and forestry businesses and all those involved with agriculture in Wales. The WRN supplies details on schemes and news stories that target this sector. Gwlad magazine which has 10,191 subscribers to the English version and a further 647 to the Welsh version. (Two publications and 25 newsletters)
<https://content.govdelivery.com/accounts/UKWALES/bulletins/22890a3>
- Natural Resources e-Bulletin: Includes the latest legislative and policy updates on the WG's commitment to our climate, energy, waste, water and land in ways that will protect our natural environment for future generations. WRN feed in relevant stories/schemes. (three issues)
<https://content.govdelivery.com/accounts/UKWALES/bulletins/21d0672>

Videos

The WRNSU produced five videos (duplicated in Welsh/English) to provide an overview of the RDP programme as part of its evaluation and advocacy. They explain in simple, powerful, terms the value of the RDP to organisations, communities and individuals including improving productivity and the impact it has on people's lives. Separate films were produced for the following themed areas of the programme:

- Food
- Forestry, Agriculture and Environment
- Tourism
- People and Communities
- The Journey (from LEADER to larger funded projects)

These films can be viewed on the RDP funding page
<https://www.businesswales.gov.wales/walesruralnetwork/wrn-support-unit/rural-development-programme-funding>

Raising the Profile with Welsh Ministers

The WRNSU along with the MA and scheme leads ensure that the Welsh Ministers are kept up to date with EAFRD funding. Funded projects are highlighted to Welsh Ministers at every opportunity. These are some the Welsh Ministers who visited schemes in 2018:

- WG Cabinet Secretary for Environment, Planning and Rural Affairs visits included Official Opening of Corwen Hydro Scheme (LEADER); Royal Welsh Agricultural Show and Royal Welsh Winter Fair visiting numerous schemes including those support by Cooperation and Supply Chain Development, Food and Agricultural schemes
- WG Leader of the House visits included LoRAWAN, Internet of Things LEADER project
- Minister for Environment visits included Pumlumon Project (Sustainable Management Scheme); Gelligaer and Merthyr Common (LEADER Cooperation); The Green Shed (LEADER project).
- Minister for Culture, Sport and Tourism visited many Tourism Projects including Rib Ride and Coed y Brenin

Working with UK National Rural Network (UKRN)

All the UK network support units (England, Scotland, Northern Ireland & Wales) meet face to face biannually. This encourages cross working and sharing of new methods and challenges therefore improving ways of working. Regular UKRN teleconferences are also held throughout the year along with the sharing of information via the online platform, Huddle. This ensures that information, publicity and communication guidelines are interpreted consistently across the UK and each Support Unit is aware of the latest developments in the adjoining administrations.

Examples of this are:

- OECD conference Edinburgh – Although the event was held in Scotland the organisation was a joint effort between all the UK NRNs. The WRNSU were present in The Exhibition area, promoting the work in Wales; provided video and graphic case studies; provided workshop speakers and facilitators. WRNSU organised ‘A Taste of Wales’ showcasing the best Welsh products which had received RDP support in various forms.
- UK Evaluation Helpdesk Workshop for LEADER/CLLD – See section 4a.

Well-being of Future Generations Act (2015)

As do all public bodies in Wales listed in the act, the WRNSU as part of the WG, must follow the above act which is about improving the social, economic, environmental and cultural well-being of Wales. The Act is integral to all that the WRNSU do.

<https://gov.wales/topics/people-and-communities/people/future-generations-act>

	2017	2018	Difference 2017-2018
No of Twitter Followers	1234	1412	178
Tweets	532	741	209
Engagement	824	791	-33
Profile visits	96	888	792
No of Facebook Followers	N/A	134	N/A
Posts	N/A	578	N/A
Engagement	N/A	769	N/A
Profile visits	N/A	927	N/A

WRN Engagement Table

5. ACTIONS TAKEN TO FULFIL EX ANTE CONDITIONALITIES

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

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) Evaluation questions

7.a1) CEQ01-1A - To what extent have RDP interventions supported innovation, cooperation and the development of the knowledge base in rural areas?

7.a1.a) Answer to evaluation question

Some €19.54 million has been spent to the end of 2018 under Measure 1 €2.95 million under Measure 2 and €14.05 million under Measure 16, in all cases allocated under the relevant Focus Areas where it is presented in this report.

No outputs are recorded under Focus Area 1a because the activity is programmed horizontally across the other Focus Areas.

Qualitative assessment

The main contributor under this Focus Area is **Farming Connect** which has horizontal relevance across the 2014-2020 WRDP; specific aspects are addressed in detail under the CEQs to which they particularly relate.

Farming Connect supports the development of a more professional, profitable and resilient land-based sector. There is an integrated programme of knowledge transfer, innovation and advisory services designed to deliver greater sustainability, improved competitiveness, and improved environmental performance.

The programme enhances links with innovative research and development; industry priorities led by Levy Bodies; and expert knowledge. These links should ensure that the latest innovations and best practice can be applied.

The **Knowledge Transfer Programme** and the **Advisory Service** is delivered by Menter a Busnes. Lantra Wales delivers the **Lifelong Learning and Development Programme**. The Institute of Biological, Environmental and Rural Sciences (IBERS) is a partner for the delivery of the **Knowledge Exchange Hub**.

The Advisory Service provides one-to-one and group advice to improve sustainability, economic and environmental performance. This is delivered by eight sub-contracted advisory companies. Frameworks are in place for the delivery of Animal Health Planning and Specialist Veterinary Advice; Energy, Water Efficiency, Renewable Energy and Processing Efficiency; and Strategic Business Planning for Food SME's.

The Agriculture & Horticulture Development Board (AHDB) - Dairy and Hybu Cig Cymru (HCC) (Meat Promotion Wales) are also key strategic partners.

Farming Connect comprises a large number of specific activities in the following areas:

- Developing businesses
- Skills and mentoring
- Innovation

- Information provision

As of August 2018, 17,714 individuals were registered with Farming Connect (8,922 unique businesses), although only 11,723 (66%) had received support under the programme. Most (7,761) have only taken part in activity under one of Farming Connect's three Lots, but 507 have accessed support under all three Lots.

The main mechanism for communicating research needs to the scientific community and the output of research to farmers is the ***Knowledge Exchange Hub***. WG officials told the evaluators that the Hub helps to “translate” research into something which can be more easily understood. Menter a Busnes explained that staff respond to queries which can come from farmers as well as the Farming Connect team. The Hub produces technical articles and is involved in Continuous Professional Development events, including for Farming Connect advisors (see CEQ 2).

The evaluators were told that there is greater emphasis on cooperation and sharing ideas between farmers under Farming Connect in this programming period. Menter a Busnes explained that support is 100% funded if provided on a group basis, thereby providing an incentive to collaborate; the Interim Note from the ongoing Farming Connect evaluation states that 809 of the 1,538 claimed advisory applications are for group activity (53%) and 21 (1% are joint ventures). ***Agrisgôp*** is a key cooperative initiative. ***Venture*** is designed to match farmers and landowners who are looking to step back from the industry with new entrants looking for a way into farming (see CEQ 5). The ***Sustainable Management Scheme Support Service*** was introduced to help bring groups of farmers together to apply for Sustainable Management Scheme (SMS) funds; applications to the SMS were originally dominated by organisations such as the National Parks who had the capacity and skills to put together the Expression of Interest (EoI) and subsequent applications. Under this service a facilitator provides support in developing ideas and submitting EoIs and, if successful, full proposals. The ***EIP Operational Groups*** also provide a forum for farmers to cooperate to look at problems and issues and find innovative ways of tackling these (see CEQ 2). Support of up to £15,000 can be provided for consultants to help coordinate the EIP process.

Specific efforts have been made to attract food and forestry businesses into Farming Connect. Menter a Busnes informed WG that there is now a dedicated technical forestry officer within Farming Connect with responsibility ranging from demonstration sites to events. Forestry mentors have been appointed and foresters are participating in the Management Exchange Programme. The focus of woodland activity within Farming Connect remains on farmers with woodland. For example, there are on-farm clinics to maximise use of woodland on farm. Foresters can access advice through forestry and woodland events which promote WG forestry schemes and a Master Forestry event has been organised for June 2019. The Interim Note from the ongoing evaluation of Farming Connect states that only 2% of registered businesses classify themselves as forestry. Forestry was specified as a specific category of advice under the original Farming Connect contract, but this has since been removed to avoid overlaps with other, more specific advice provision (through ***Forestry Focus First*** for example) to which forestry businesses are directed.

Forestry Focus First was established in 2010 and offered the sector the opportunity for business development, providing up to 75% funding towards skills training and 100% for knowledge transfer activities. The objective was to help operators update and develop their skills for work. A WG official told the evaluators that the intention was to address a gap in knowledge provision with respect to schemes such as Glastir Woodlands. The funding application window closed at the end of May 2015 with all project activity ceasing by the end of June 2015. A successor project, Forestry Focused Future, is now open for applications. This offers a range of training and advice to help increase competitiveness and sustainability.

There have also been difficulties in drawing food businesses into Farming Connect, although it is noted that there is also provision for support to food businesses under the ***Food Centres Project HELIX, Food Skills***

Project and **Cywain** (see CEQ 6); food companies are sometimes covered within Farming Connect under **Agrisgôp** projects. The evaluators were told that the way food producers operate is quite different from primary producers (they operate in a complex legislative environment, for example) and meeting eligibility criteria can be a challenge for them, even though these have been broadened to facilitate their entry. There has been some joint working with the WG Food Division and advice for food companies is offered under Farming Connect, but the uptake has been low; in practice (the evaluators were told) food companies are likely to be directed towards Business Wales for more generic business support. It has been concluded that only on-farm food businesses should be targeted through Farming Connect.

Lantra implements the **Food Skills Project**, which includes the **Wales a Food Destination** workstream. This is an online skills diagnostic tool which is used to target accredited training for food manufacturing companies. The use of an online tool is innovative, as is the use of bespoke training courses which can meet specific needs. Wales a Food Destination supports hospitality businesses to access Welsh food and explain its story using five toolkits, again an innovation in the delivery of information.

The 2016 Enhanced Annual Implementation Report stated that a challenge for Farming Connect would be to tailor support to benchmarking activities undertaken by the **Agricultural Strategic Initiative**. However, WG staff told the evaluators that these are not being used because the two initiatives have been delayed. Instead, Farming Connect uses a set of Key Performance Indicators which has been developed under benchmarking projects.

Communicating ideas on innovation, cooperation and for developing the knowledge base in rural areas is important to the success of the 2014-2020 WRDP. The evaluators were told by WG officials that a lot of work has been done by Farming Connect and Business Wales on IT platforms. Farming Connect shares some Business Wales platforms and the Business Wales database is used for gathering scheme data. This has been useful for Farming Connect because Business Wales has a lot more IT experience and is better funded. There is much greater focus on doing things online in this programming period and it appears to be working. This includes more use of social media channels and video clips to disseminate information and better use of digital media.

The **Glastir Historic and Water Quality Service** has taken advice from Natural Resources Wales to help inform the development of Glastir contracts. The implementation of Glastir is supported by Farming Connect through the provision of advice and training. In essence, being in Glastir might identify areas where a farmer might need new or improved skills, and Farming Connect may be able to provide these. A Welsh Official told the evaluators that, anecdotally, the advice provided has been viewed positively, but that it has not been essential to the success of Glastir.

Cywain is delivered by Menter a Busnes and is designed to help develop new products or markets for primary agricultural producers or fisheries. The intention is to add value through developing new products and markets; facilitating collaboration between producers, processors and retailers; providing expert advice, knowledge and mentoring; and, improving distribution.

Collaboration is a key focus, with specific effort devoted to advising and assisting the creation of connectivity within the supply chain. This can facilitate collaboration between producers to add value to Welsh produce. One-to-one sessions and study tours in the UK and the EU are offered. The scheme also supports the testing of new products by helping clients attend trade shows. There is an intelligence aspect, in revealing where research can be undertaken. There is also some funding for expertise on issues such as branding, legal and accountancy.

The **Food Centres Project Helix** and Lantra, who deliver the **Food Skills Project**, are partners with Cywain. The scheme also works closely with the **Knowledge Exchange Hub** and draws on academic input

where necessary.

Cywain uses cluster methodology where businesses come together to solve specific problems. There has been a study visit to Catalonia to see clustering in action; there has also been a visit to Sweden to learn how to evaluate the clustering methodology. Three Clusters (sea food, fine food and Welsh honey) are operated to provide a platform for joint action.

The information set out above makes clear that the structure of the activities assembled should enable the 2014-2020 WRDP to support innovation, cooperation and the development of the knowledge base in rural areas. However, there is very little evidence on the impact that has been delivered. The 2016 Enhanced Annual Implementation Report recommended that further evaluation work be conducted as implementation progresses to feed into this present evaluation. There have been some small reviews on skills, but no evaluations as such beyond the main Farming Connect evaluation, from which only an ‘Interim Note’ is available. This includes some preliminary information on the impacts, but at this stage this is anecdotal. An evaluation of Cywain has also just been initiated. More information on outcomes and impacts will be available by the time of the *ex-post* evaluation.

Efforts are being made within Farming Connect to assess the impact that engagement brings. These follow-ups include a twelve-month review of users of the *Advisory Service* to see whether they have implemented their Action Plans. There is also follow up after initiatives relating to specific campaigns after which attendees are surveyed to assess impact.

Innovation, central to this question, can also apply to the delivery process itself. Several aspects of the 2014-2020 WRDP can be thought of as ‘innovative’, including new types of support to the sector (Knowledge Exchange Hub) and new ways of delivering support (online skills diagnostic tools and digital surgeries). However, stakeholders were sceptical, with one noting that there has been a general failure to innovate throughout the 2014-2020 WRDP. This stakeholder felt that Farming Connect is largely the same as it has been for some time, although is now harder to access. Opportunities to learn from the approach taken in Scotland and Ireland have not been taken.

This view does though need to be balanced against a long list of new activity under Farming Connect which was provided to the evaluators. This includes the Agri-Lab Forum which is specifically designed to bring together forward-thinking individuals to identify and consider new technologies and innovations that could benefit Welsh farmers and foresters. There are also events with a specific focus on innovation (Innovation & Diversification Wales – 26 September 2019, for example).

Some observations on implementation

The WG was unable to award a contract to deliver training for advisors because no bids were received. The training needs of advisors are met through other parts of Farming Connect’s **CPD** programme. The full Farming Connect team meets once a year and advisors attend CPD within Farming Connect before they can deliver advice; this includes an induction process. This programme includes training delivered by WG policy staff to explain how grants work to ensure that advisors are up to date with the necessary information to provide advice. Advisors must also undertake 20 hours of external CPD. The lead advisors within each partner company must provide evidence of this other CPD training.

A stakeholder noted that no end users are represented on Farming Connect’s Strategic Advisory Board, a point also made in the evaluation’s Interim Note. This is not seen as being especially problematic in the evaluation, but a stakeholder explained that this has not allowed the views of end users to be taken into account in the design of schemes which has hampered effectiveness. Another stakeholder said that farmer

feedback on Farming Connect had been mixed.

Although Farming Connect is the main scheme with relevance under this Focus Area, several other schemes also make a contribution.

National Botanic Garden of Wales – Growing the Future promotes Welsh horticulture, plants for pollinators, the protection of wildlife and the virtues of growing plants for food, fun, health and well-being. This project provides training, information and support.

No further information has been made available to the evaluators at the time of writing.

Several projects/schemes are operated under Measure 16, cooperation in addition to EIP Wales and the Agriculture Strategic Initiatives. These are set out below.

One aspect of the £1.1 million RDP funding for **CTA Community Transport in Wales** is to develop innovative solutions that will enhance the transport offer. This will be done by establishing ‘Transport Innovation Networks’ to foster collaboration and develop new transport solutions. This project also delivers training and support to help adaptation to changing needs and circumstances. No information is available on the impact of this initiative.

Eradicating BVD is a three-year £10 million programme managed by Coleg Sir Gâr in partnership with the Royal Veterinary College. The programme intends to remove BVD from the national herd for the benefit of all cattle farmers in Wales. Some 7,000 farms in Wales are now part of the programme. No information is available on the success of the project.

Regional Tourism Network & Marketing Support is split into two revenue funds. No information has been provided by the WG, although one of these revenue funds is the Regional Tourism Engagement Fund which comprises several projects across Wales, all with a focus on developing and promoting specific initiatives, many of which are collaborative. A mid-term evaluation of the tourism sector activities is planned for completion in 2020.

The **Sustainable Management Scheme** (SMS) supports collaborative landscape-scale projects to improve natural resources in a way that delivers benefits to farm and rural businesses and rural communities. A key aspect is the support for coordination with other schemes to undertake actions needed to improve resilience of farm, rural businesses and rural communities to climate impacts. The SMS is collaborative in that successful projects will need to engage and involve local communities. New innovative approaches are encouraged and emerging markets identified that will help the longer-term viability of rural communities, individual farm holdings and local businesses. An evaluation will start in mid-2019 to be completed by the end of 2022.

A number of initiatives operate under the **Co-operation & Supply Chain Development Scheme** (including some of those dealt with separately above such as EIP Wales and the SMS). The scheme helps to build capacity and confidence. The scheme is innovative in that it cannot support joint activities which are already taking place. Support can be provided for the creation of new networks and clusters. The scheme also contributes to the exchange of knowledge and expertise, as well as contributing to knowledge transfer, networking and information dissemination among the undertakings in the cluster. Supported activities require evaluation, so information on the impact of the scheme should become available in due course.

Though an overarching evaluation is envisaged this will draw on the separate evaluations which are expected to be carried out. Results are not expected before the end of the programming period.

Conclusions

There has been considerable effort in the design of the 2014-2020 WRPD to support innovation, seen most clearly in the set of Farming Connect initiatives brigaded under this specific heading. Of greatest note is the European Innovation Partnership (EIP) and the Knowledge Exchange Hub. Despite these new elements, stakeholders do not feel that the scheme as a whole is particularly innovative at the sector level, although it is accepted that a great deal depends on how narrowly the word ‘innovation’ is understood; a broader definition to include introducing things that may be new to individual farms would provide a more positive impression. There are also examples of innovative approaches to the process of knowledge transfer, particularly the greater use of online platforms.

It is easier to conclude definitively that the WRPD interventions are designed to support cooperation. There are specific schemes which are intended deliberately to bring people together, both horizontally and vertically along the supply chain. These include the promotion of cooperation between the primary product sector and the research community (see CEQ 2). Cooperation is further supported through variable funding rates with 100% support available for groups under the Advisory Service.

It is also possible to conclude that the WRPD is intended to support the development of the knowledge base through the provision of a wide range of advice for farmers, foresters and food businesses.

A key problem is a lack of evidence at this stage with which to understand outcomes and impacts. There is little evidence available (beyond case studies) which considers impacts. This lack of evidence means that while it is possible to conclude that the 2014-2020 WRPD should have positive impacts under this Focus Area, it is not possible to conclude that it has. That said, efforts are being made through specific evaluations, and through internal efforts within Farming Connect, to gather an evidence base for future use.

Recommendations

Greater emphasis should be placed on establishing outcomes and impacts. Whilst important in the context of the Commission’s reporting requirements, evidence of impact is likely to take on greater importance when the UK has left the EU in order to allow the WG to understand where best to focus limited resources which will face competition from other policy areas.

7.a2) 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.a2.a) Answer to evaluation question

No financial data is recorded against this Focus Area because spending is programmed under Focus Area 1a.

Data made available by WEFO states that 11 EIP Operational Groups have been supported to date under Measure 16.1 and this Focus Area from a target/forecast for the programming period of 45. However, this number appears to relate to claims only; the evaluators have been told that 21 Operational Groups have been established. Measures 16.2-16.9 have supported 43 cooperation operations under this Focus Area against a target of 433 (revised down as part of the second modification); again, this figure is likely to relate to claims

made rather than all activity.

Qualitative assessment

According to the WG RDP website, the aim of ***European Innovation Partnership (EIP)*** Wales is to solve common agricultural and forestry problems by bringing people from practical and scientific backgrounds together. It is thus directly relevant to this CEQ.

The EIP is implemented by Operational Groups (OGs) which are facilitated and funded by Menter a Busnes, a company contracted to the WG and that also provides, through the ***Farming Connect*** suite of activities, knowledge transfer, one-to-many advice and other services (see CEQ 1). The evaluators were told that the intention of the EIPs is to take outcomes from research and implement them at a practical level within farm and forestry businesses. OG members can consist of a range of people or organisations, such as farmers, foresters, researchers involved in agriculture or food, agriculture/forestry advisers, agricultural or agri-food businesses, and non-governmental organisations. Thus, by definition, OGs involve strengthening the links with the research and innovation communities. As a minimum, an OG must consist of at least two active farmers/foresters, who are based in Wales, and who are registered with Farming Connect., i.e. the expectation is that the EIPs are well linked in to wider knowledge transfer and training activities. Each farmer/forester must come from a separate business thus ensuring a degree of cooperation. There is no limit to the size of an OG, but all members must have a unique and active role. The group can be newly formed or be based on an existing group that would like to investigate a new challenge or project.

Activities take the form of projects which take the outcomes of research and disseminate these to farmers; it is not possible to fund primary research. Each project that is approved has access to a maximum of £40,000 in support and can run, with support, for a maximum of three years. EIP Wales is also supported by the ***Farming Connect Knowledge Exchange Hub*** (see below). The intention is to disseminate the wider agricultural and forestry sector benefits from EIP through the Farming Connect and EIP-AGRI programme. The evaluators were also told that the EIP Wales team regularly engages with the Horizon 2020 team in the WG to share progress and identify groups which might be interested in seeking further funding opportunities through Horizon 2020.

According to the RDP website, to date the following 20 projects have been approved (but we have been told by Menter a Busnes that there are in fact 21 projects).

1. Potato blight control using components of indigenous non-food waste plants
2. Pasture for pollinators
3. Feasibility study on Squill Production in North Wales
4. Developing the Cambrian Mountains Beef group to manage and expand their short supply chain
5. Reducing antibiotic use on sheep farms at lambing time through best practice management, by improving nutrition and hygiene
6. Assessing the potential of genomic testing dairy heifers to increase genetic gains and financial returns
7. An analysis of the use of a computerised robotic weeder in small scale horticultural operations at two locations in South Wales

8. Alternative forage systems for marginal land
9. Comparison of the relative environmental benefits of low impact machinery in small scale farm woodlands
10. Night Milk - Assessing the reliability and economic benefit
11. An examination of the practical and financial potential for growing small scale asparagus organically at two locations in South Wales
12. Electrophysical Dock Control
13. Organic Ancient Cereal Supply-chain
14. Investigation of the effect of contrasting dairy production systems in West Wales on the profile of milk fatty acids (especially omega-3 and 6)
15. Foliar feed for grassland
16. Implementing advanced nutritional management in the Welsh sheep industry
17. Tackling Scab - a farmer led approach
18. Where have ewe moo-ved to?Trialling the use of tracking technology in extensive grazing systems
19. To improve the sustainability of goat meat production in Wales by investigating the efficacy of recommended wormer dose rates for meat goats.
20. Managing dairy ewes to produce a better outcome for cheese production

It should be noted that these projects cover a range of issues, including environmental ones; Menter a Busnes classify seven of the above projects as being in the field of environmental management and performance. No obvious quantitative indicators are available of the strength of the links between, on the one hand, agriculture, food production and forestry and, on the other, the generators of research and innovation.

So far, no information on the impact of these projects on the economic, social or environmental performance of the agriculture, food production and forestry sectors is available. However, the evaluators have been told by Menter a Busnes that groups are already benefiting from new ways of working and the ability to try out new technologies and techniques. According to Menter a Busnes, the key factors contributing to effective cooperation are the understanding of:

- the benefits to business and wider society;
- cost implications or cost benefit of implementing improved environmental management;
- the requirements of the supply chain; and,
- Government policy.

An evaluation of the implementation of the EIP was carried out for the European Commission (dated November 2016). This evaluation notes that the internal coherence of the EIP with wider farming and

innovative support is particularly strong in Wales, although external coherence with wider (non-farming specific) innovation programmes such as Horizon 2020 is weak. The evaluation concluded that the EIP in Wales appears to have the right foundations in place to be successful, including a well-established, strong farm advisory and innovation support network, provision for innovation brokers to facilitate access, an existing culture of innovation across the sector, strong networks and mechanisms to reach ‘mainstream’ farmers and strategies in place to ensure that EIP lessons are implemented.

It is anticipated that *ex-post* evaluations or reports on completion of projects would provide detailed information on the impacts of these new technologies and techniques. It is anticipated that the on-going evaluation of Farming Connect will be relevant here.

It should be noted that some of the supported groups were already established before they received support under the EIP. Menter a Busnes consider it likely that some of the groups will continue after the period of funding, although there is no requirement that this should happen.

Stakeholders representing farmers have been critical of some elements within EIP. On the one hand the evaluators have been told that the concept is good, that it is logical that Farming Connect delivers this element of the RDP, and that there are a lot of mobilised and engaged farmers who want to contribute. However, the process of the EIP delivery has come under criticism and is cited as the reason for a perceived lack of success. The process has been described as energy-sapping, with farmers feeling thwarted. We have been told that it is so hard to access funds that people give up. Stakeholders noted that farmers cannot afford to give up time for no end-product (if initiatives are not taken forward). There is also an element of farmers not wanting to promise things to the local community and then not be able to deliver them. In other words, the perceived high risk of failure stops people trying.

This same critical stakeholder noted that, under the EIP, farmers have to work with innovation brokers. The projects are then checked with academics. The threshold to demonstrate innovation is perceived to be too high and many projects are turned down for not being sufficiently innovative. The 12-18 month timeframe for applications to be approved is considered to be too long. The two-stage application process is also considered to be disproportionate given the (relatively small) sums of money involved. There is a feeling that consultants are the only ones benefiting from the scheme. This stakeholder feels that a more proportionate and user-friendly approach is needed.

Another stakeholder representing farmers pointed out that the initiative has not directly connected farmers to researchers, although it is acknowledged this is not an easy task; dissemination and connection are different things. This stakeholder stated that this is partly the fault of the culture of researchers, but acknowledged there are also problems on the farmer side; these are not easy groups to put together. This stakeholder felt that the EIP was of greater benefit to some sectors than to others. For example, the horticulture sector is relatively well off and can afford to invest time and money in research and to invest in the products of research. Sheep farms in the Less Favoured Area on the other hand are not well off and there is therefore less interest in developing research for this sector.

The other schemes which the WG feels are relevant to this Focus Area (CTA Community Transport, Agriculture Strategic Initiatives; Eradicating BVD, Regional Tourism Network and Marketing Support, Sustainable Management Scheme and the Co-operation and Supply Chain Development Scheme) have been profiled under CEQ 1. While activity under these schemes is collaborative, it is not clear that it explicitly links agriculture, food production and forestry to research and innovation in the manner implied by this CEQ.

Although not listed by the WG as contributing to the objectives of this Focus Area, the evaluators feel that the following elements of Farming Connect are relevant and do make a contribution to linking agriculture,

food production and forestry to research and innovation.

The **Farming Connect Knowledge Exchange Hub** is a joint collaboration between Farming Connect and the Institute of Biology, Environmental and Rural Science (IBERS), Aberystwyth University. Thus the creation of this Hub itself represents a strengthening of the links between, on the one hand, agriculture, food production and forestry and, on the other, the sources of research and innovation; flows of information in both directions are covered. Its purpose is to:

- provide an interface between researchers, advisory professionals and farmers/foresters;
- increase the uptake of research outcomes in land-based businesses across Wales; and,
- increase researchers' awareness of ground-based issues and solutions.

The Hub aims to distribute information from the latest worldwide research which will then be available to the Farming Connect programme. This information is disseminated through various knowledge transfer activities, ensuring that it can be taken up in practice on farm and forestry businesses throughout Wales.

It does this through the following activities:

- Technical articles provide the latest thinking on a specific topic; these are published in the Knowledge Exchange Hub technical article library. These high-level articles are aimed at farmers and foresters who would like to dig deeper into the latest thinking and at consultants and knowledge exchange professionals. They provide a snapshot of the latest research on specific topics. Suggestions are invited by Farming Connect for topics of new articles forming a feedback loop between farmers and the research community. The library, which is available online, is classified into twelve broad categories with multiple articles in each. For example, at the time of writing, under the Red Meat heading 39 separate articles have been posted since April 2016. The implication of the existence of these articles is that they strengthen the link between the users of research and innovation and the science and innovation community that generates this extension of knowledge.
- Providing technical input and guidance which enables the Farming Connect Demonstration Network to develop projects that can be implemented on farms to showcase innovative ideas and best practice. This pan-Wales network of Innovation, Demonstration and Focus Sites focuses on the integration of new technology and/or new approaches to management; raising standards of on-farm efficiency, decreasing inputs, increasing outputs, and ways of increasing profitability. It aims to cascades new technology and best practice in the industry. Again, these demonstrations depend on the link between the users and the generators of research and innovation.
- Supporting Operational Groups that wish to submit projects for EIP funding. The Hub can undertake literature searches to ensure that projects are evidence based.

In addition, the **Agri Lab** initiative is expected to involve strengthening of the links relevant to this CEQ. The Agri-Lab Forum aims to bring together forward-thinking individuals to identify and consider new technologies and innovations that could benefit Welsh farmers and foresters. Important to this CEQ, the Forum may also bring in experts from the UK's leading research institutions and relevant industry stakeholders. Their role, through the Agri-Lab, is to:

- identify and review innovative technologies and practices; and,
- disseminate knowledge on latest technological advances to the industry using a range of

communications channels.

Conclusions

The conclusion of the evaluators is that RDP interventions have been designed to strengthen links between, on the one hand, agriculture, food production and forestry and, on the other, the community that generated research and innovation, including for the purpose of improved environmental management and performance. Flows along the links can be in both directions. While quantitative information is available on the number of cooperation operations (common result indicator, though not for the additional results indicators), no metrics exist by which the impact of research and innovation flowing along this link on the performance of agriculture, the food industry or forestry can be assessed, or the difference these operations have made to the environment.

Recommendations

Evaluation should be commissioned on the way in which RDP activities impact on the links between agriculture, the food industry and forestry and the community that carries out research and innovation. In particular, issues associated with the performance of EIP delivery identified by stakeholders should be followed up. The performance of projects should be assessed and the information on lessons learned should be collated.

7.a3) CEQ03-1C - To what extent have RDP interventions supported lifelong learning and vocational training in the agriculture and forestry sectors?

7.a3.a) Answer to evaluation question

No financial data is recorded against this Focus Area because spending is programmed under Focus Area 1a.

Data made available by WEFO states that 10,537 participants have received training under this Focus Area against a target for the programming period of 34,716 (increased as part of the second modification).

Qualitative assessment

WG officials point out that lifelong learning and vocational training is supported by the Knowledge Transfer and Innovation Scheme (KTIS), which includes **Farming Connect**, using a comprehensive array of instruments. Lantra has specific responsibility for delivering lifelong learning elements within Farming Connect (Lot 2), although it has been pointed out to the evaluators by the WG and the organisations responsible for delivery that lifelong learning takes place generally within Farming Connect and applies to all aspects, not just training. Menter a Busnes drew the evaluators' attention in particular to the Continuous Professional Development (CPD) events for training staff and advisors delivering the Farming Connect programme. Other elements specifically mentioned include Agri Academy, the mentoring programme and the Master Class activities.

There are four key lifelong learning initiatives:

- On-line Farming Connect Personal Development Plan (PDP) (completion of which is necessary in order to access funding for training)

- Framework for CPD for the Farming and Forestry sectors
- Development and delivery of accredited eLearning packages to the farming and forestry sectors
- Delivery of subsidised accredited training and assessment through a network of Training Providers

We have been told that the annual targets for 1,500 individuals to be trained; 30 new eLearning models to be developed; and, delivery of 800 Personal Development Plans are being exceeded. For example, there are currently 55 eLearning courses which are either 80% or 40% funded, depending on the course, and from which participants can choose those which are relevant.

Specific aspects of lifelong learning are promoted via the Farming Connect database, by Farming Connect Development Officers and through Demonstration Farms.

Within Farming Connect more generally, there is a pyramid of learning with one-to-many knowledge transfer attracting a lot of people to events which provide a good understanding, and then one-to-one advice and training which take this further and goes deeper into specific problems and issues. Farming Connect has a programme approach so that, for example, a farmer completing an online course on lameness may then go on to join a discussion group, undertake specific training, etc. The new Master Classes take people on to a higher level of learning. There is no age cut off for taking part in Farming Connect. According to a stakeholder representing farmers, the skills and training aspect of Farming Connect is one of the most appreciated elements of the WRDP.

Lifelong learning also applies to the Farming Connect advisors where the CPD process encourages advisors to continue their learning.

Stakeholders have suggested that the skills training hierarchy, with transformation courses (time management, leading people) at the top and basic machinery and equipment skills at the bottom, has evolved with the assumption that people will move up this hierarchy over time as they continue their learning journey. The result is that lower-level training has received lower emphasis. However, this assumes no newcomers (young people) come into the industry. In practice there are newcomers, and we have been told that these people no longer have access to the skills training and safety courses that they need.

Stakeholders also told the evaluators that, while the concept of an online Personal Development Plan is good, the application process is not easy. This is corroborated by the findings of an independent review of the Farming Connect lifelong learning and development programme (August 2016) which noted that the challenging application process is exacerbated by poor broadband, limited IT skills and confidence and an application process which is not user friendly. A stakeholder representing farmers commented that Farming Connect staff have had to go out on farm to help people (some of whom are highly qualified) complete the online form. According to this stakeholder, the government has failed to listen to stakeholder organisations in the design of the scheme who would have pointed out potential application difficulties. The WG response to the independent review findings suggested that the applicant experience would be improved, but any improvement made does not seem to be recognised by stakeholders.

A WG official explained that **Cywain** tries not to get involved with accredited learning because lots of organisations already offer this. Instead, Cywain clients are referred to accredited courses where it is thought they would benefit. Lantra focuses on the skills element of the scheme (**Food Skills Project**) and has developed a suite of training programmes specifically for food and drink producers. A range of one-off courses are also provided covering issues such as property development, business skills and marketing skill.

While lifelong learning appears to be embedded within Farming Connect both generally and specifically, it is difficult to assess outcomes. However, the evaluators were told by Lantra that there is high demand to enter lifelong learning programmes from younger participants looking to invest in their future in the industry. Data included in an independent review of the Farming Connect lifelong learning and development programme showed that 52% of the 1,128 successful unique beneficiaries in the first three application windows (to the end of June 2016) were under 40 with 27% under 25; 6% were aged over 65. The evaluators were told that to date, some 75% of participants in Lantra initiatives are aged under 40, and a high percentage are under 25. In its response to the independent review, the WG reiterated the importance of encouraging young people to join/continue in the industry and broadened the programme to enable more students and contractors to take part. The number of instances of training available were increased from three to five annually for young farmers.

The ongoing evaluation of Farming Connect covers all Lots and should therefore address the lifelong learning element. However, as a mid-term evaluation this will largely focus on issues of process and perceptions of the scheme, although we have been told that there will be some initial assessment of whether Farming Connect is having an impact on those accessing its services. The WG explained that a more robust impact assessment of Farming Connect will take place later in the programme. Lantra told the evaluators that they would find it useful to develop more data on the benefits of their activities, including estimating the Return on Investment.

Conclusions

It is clear that there have been specific efforts to provide lifelong learning through dedicated initiatives, especially under Farming Connect. It is also clear that the opportunity for farmers, foresters and food manufacturers to undertake lifelong learning is present in the array of training schemes which offer progressive learning from basic skills up to more in-depth and higher-level training. However, at this stage there is no evidence base to conclude on the impact that lifelong learning has had. Despite this, it is possible to conclude that RDP interventions do support lifelong learning and vocational training in the agriculture, food manufacture and forestry sectors.

Recommendations

It is recommended that the planned impact assessment of Farming Connect specifically includes a focus on lifelong learning. *Inter alia*, this should examine the way in which beneficiaries access different elements of Farming Connect over time to assess (a) whether participants do appear to engage in lifelong learning; and, (b) the way in which participants move up the pyramid of learning provision from basic skills to more advanced courses.

7.a4) 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.a4.a) Answer to evaluation question

Data provided by WEFO show that the target for total expenditure on Measure 1 under Focus Area 2a is €40.26 million over the lifetime of the 2014-2020 WRDP. Forecast expenditure is 25% higher at €50.33 million, while expenditure to date is €11.11 million, i.e. 22% of forecast. Some €1.99 million of this total

expenditure is allocated specifically to training and skills.

The target for total public expenditure under Measure 2 under Focus Area 2a is €7.98 million by the end of the programming period. Forecast expenditure is similar at €7.91 million with spending to date at €1.57 million, i.e. 20.9% of forecast.

The target for total public expenditure under Measure 4 under Focus Area 2a is €66.20 million, although forecast expenditure during the 2014-2020 WRDP is 30% lower at €46.49 million. Expenditure to date amounts to €15.11 million, i.e. 29.0% of forecast. These figures represent 40% of total investment under this Measure.

Finally, the target for total public expenditure on Measure 16 under Focus Area 2a is €0.42 million for the 2014-2020 programming period, although forecast expenditure is 40% higher at €0.59 million. Expenditure to date stands at €0.05 million, just 7% of forecast for the period.

Some 84% of the forecast number of participants have been involved in training under Measure 1.1 which is relevant to Focus Area 2a (8,452/10,010). A total of 6,304 training days have been provided, almost three-quarters of the 8,008 forecast; the forecast number of training days is less than half the original target (16,160).

Some 1,850 demonstration operations/information actions have been supported to date under Measure 1.2, substantially more than the forecast/target of 1,395. Some 30 farm exchange operations have been supported under Measure 1.3 against a forecast/target of 39 for the 2014-2020 programming period.

Advice has been provided to 1,370 beneficiaries under Measure 2.1 (target/forecast 2,963), although no advisors have been trained under Measure 2.3 because this Lot was not awarded; the original intention had been to provide training to 260 advisors (see below).

Some 354 holdings have been supported under Measure 4 against a target for the 2014-2020 WRDP of 2,431.

Qualitative assessment

A range of activities which can help farmers improve their economic performance are offered under the **Farming Connect** umbrella (see CEQ 1 for details). Many of these are targeted at the improvement of economic performance. For example, **Business Review Surgeries**, one of a suite of one-to-one surgeries, offer strategic business planning for the long-term development of strategies to increase the competitiveness and profitability of farm and forestry businesses. Other activities have a specific focus on improving economic performance in certain areas such as grassland management (**Master Grass**). Skills and training are all geared towards enhancing human capital. In many cases the ultimate intention is to equip participants with the necessary skills to allow them to improve economic performance.

A range of case studies document the way in which activities under Farming Connect have been used to improve economic performance. For example, an **event** held on-farm allowed established and new producers of goat milk to discuss strategies for improving efficiency in goat rearing. The **Farming Connect Knowledge Exchange Hub** produces a range of technical articles, organised by sector, many of which offer advice on how to improve economic performance.

The WG told the evaluators that **Agrisgôp** provides the starting point for diversification under Farming Connect. A case study shows how North Wales sheep farmers used the scheme to target new markets through producing sheep milk for cheese production. Following participation in Agrisgôp, a small-scale

single-sided herringbone milking parlour was built with the potential for future expansion. Other case studies reported six jobs created through the development of new retail businesses in Pembrokeshire via a butcher's shop, a café and delicatessen and a new tea room; the creation of a new market for wool for Snowdonian sheep farmers, which also provides tourists with a unique reminder of their visit to Wales; and, the creation of free range egg enterprises creating three full-time jobs.

Diversification is also supported under other aspects of Farming Connect, such as the **Management Exchange** programme. A case study documents one farmer who intends to begin breeding edible outdoor snails following an exchange visit to France. Another participant took advantage of a subsidised marketing course to investigate new ideas on how to brand and market raw milk.

While there is considerable evidence that suggests Farming Connect activities are geared towards improving economic performance, there is no evidence, beyond case studies, at this stage to demonstrate that economic performance has actually improved. However, Menter a Busnes told the evaluators that steps have been put in place to attempt to gather information on outcomes. For example, participants are asked whether they intend to make any changes following their engagement with Farming Connect activities. A review takes place one year later to establish whether these changes were in fact made. There are also smaller initiatives which shed some light on what beneficiaries do after receiving training and advice. Data from the benchmarking tools, such as **Measure to Manage**, provides baseline data for the red meat sector which can be used to assess changes made, although this is unlikely to be able to demonstrate causality without supporting investigations.

The WG explained that the mid-term evaluation of Farming Connect will make an initial assessment of the impact of Farming Connect and a more robust impact assessment, planned for later in the programming period should take the analysis further. Menter a Busnes added that data from **Measure to Manage** will become available over the next few years, as will baseline reviews from **Demonstration Sites**. Data will also be available from the 12 month evaluations of **Advisory Service** action plans and it will be possible to model the economic performance of forestry businesses following the provision of support. However, the point was made that the impact of establishing green infrastructure on farm will not be apparent within the timetable for the evaluation of specific RDP programming periods.

Stakeholders were clear that Farming Connect has made a contribution to improving economic performance, although one added that the WRDP as a whole may have undermined economic performance by focusing too much on agri-environment measures. This stakeholder felt that Glastir has been promoted to farmers at the expense of developments in the farming business. The perception is that once Glastir contracts have been signed, farmers have to focus on the rules and compliance to avoid breaches which distracts them from focusing on the rest of their business. Overall, this stakeholder felt that the impact of the WRDP on economic performance at the sector level had been minimal, although it was conceded that there will be examples where individual farmers receive advice through Farming Connect that improves their performance.

The **Sustainable Production Grant** (SPG) was introduced, as originally conceived and designed, to bring about transformational change in farming businesses. Under the first three application rounds the scheme could provide support of up to 40% in the range of £16,000 to £400,000, i.e. projects with total costs from £40,000 to £1,000,000 could be supported. Some 73 projects of various sizes were supported in these application rounds. These investments need to take place within two years of funding award and, at this stage, it is too early to say if there has been any impact on farm economic performance. Some of these projects are now underway, but none have yet been completed. However, some information on expected impacts has been collected as part of the application process. In addition to an 80-word description of the project, indicators and outcomes need to be specified, and whether the investment will have a significant

impact in seven areas including flora and fauna, soils and cultural heritage.

Many applications for support under the SPG were unsuccessful and, as a result, there were calls from the industry for a smaller grant scheme which could be accessed by a wider range of farmers. The **Farm Business Grant** (FBG) was introduced to meet this need. The objective of the FBG was to improve technical performance and thereby help farmers in Wales improve the economic and environmental performance of their agricultural holdings. The FBG could also act as pump priming for more transformational projects in the future.

Increasing economic performance and modernising farms sometimes comes at the cost of negative impact on the environment. The Wales Land Management Forum (WLMF) established an agri-pollution sub-group in January 2017 in order to focus on tackling agricultural pollution. Following consultations on agricultural pollution issues, and the publication of the interim report of the WLMF consultation on Nitrate Vulnerable Zones (NVZs), the WG decided an all-Wales regulatory approach should be taken to address agricultural pollution, i.e. responsible nutrient management and storage needed to be addressed by everyone, not just within specified zones. To meet these challenges, the SPG was adapted to provide support specifically for nutrient management and storage, offering grants of up to 40% in the range of £12,000 to £50,000 to support projects with a total investment of between £30,000 and £125,000 (**SPG Nutrient Management**). To be eligible for support, storage has to be new and additional to any existing storage. Capacity must go beyond the storage capacities required both inside and outside NVZs, thus the SPG requires 190 days storage for pig and poultry units and 160 days for sheep and cattle units).

As with the SPG and FBG, the application process is lengthy, requiring an Expression of Interest which, if accepted, is followed by a full application. Approved projects then have two years in which to deliver the supported investment. Again, it is too early to make any assessment of impact.

Despite the lack of evidence on impact at the time of writing, the FBG and the SPG – Nutrient Management scheme are likely to contribute to improving the economic performance, restructuring and modernisation of supported farms. The original SPG is likely to have contributed to increasing market participation and diversification. Business Plans are submitted as part of the application process and, as a condition of support, the WG has to be satisfied that there will be an impact (transformational in the case of the SPG). However, data from the applications has not been collated to reveal the outcomes expected and it is too soon for any evaluation work to be able to examine actual outcomes. Stakeholders agreed that these schemes had been useful in targeting money towards specific issues.

An additional benefit is likely to have been produced from the way in which these schemes are delivered. As a condition of eligibility for support, beneficiaries have to attend appropriate knowledge transfer events. Applicants to FBG must attend a Farming for the Future event, while applicants to SPG must attend a Sustainable Farming Event, regardless of attendance at a Farming for the Future event. According to the WG, this requirement has resulted in approximately 10,000 people attending knowledge transfer events (Menter a Busnes told the evaluators that 7,357 people have attended the Farming for the Future roadshow, for example). Many of these attendees will have had the intention to then apply to one of these grants, but not all actually did so because other solutions to the problems driving their interest in the grants, often simpler and cheaper, were provided. This approach would therefore appear to have led to potentially greater change on-farm than could have been achieved otherwise; it is also likely to have reduced the total cost associated with changes made.

The WG acknowledged that there has been some animosity about having to attend an event to access support. Stakeholders held different views on the linkage between attendance at knowledge transfer events and access to grants. One explained that the meetings had not been viewed positively; specifically, there

was a perception that linking the two was designed more to boost attendance at knowledge transfer events than to provide something of benefit to farmers. However, a different stakeholder felt that this linkage has been useful. In practice, the utility of attending these events will be different for individual farmers.

One stakeholder noted that there have been cases where potential applicants have missed knowledge transfer events and have therefore not been able to apply for support under SPG and FBG. We were also told that if the business owner cannot attend an event, then the business suffers simply because eligibility criteria cannot be successfully met. However, a WG official explained that anyone listed as a member of the business can attend to make the business eligible for support, so the fact that one person is not able to attend does not necessarily preclude support for the business.

Stakeholders also raised concerns about the two-stage application process which they say has been time consuming and problematic. One added that there is high demand for support under these schemes which cannot be met with the allocated budget; the resources made available were compared unfavourably with those made available to Farming Connect.

The **European Innovation Partnership** (EIP) has played a role in improving economic performance (also see answer to CEQ 1 above). The EIP projects are quite varied in terms of their likely impact, but some could clearly help farmers to diversify into new markets. For example, one Operational Group examined the feasibility of producing white squill (*Drima maritima*), a perennial herb that is native to the Mediterranean region, in Wales. Squill contains several steroid glycosides (Bufadienolides) which are key compounds in many anti-cough syrups and for which demand is increasing. If results are positive, it is possible that growing squill could be a diversification option for Welsh farmers. Other Operational Groups worked on developing a short supply chain for beef and on the practical and financial potential for growing organic small-scale asparagus in South Wales.

Beyond short online description of the Operational Groups, there is no evidence at this stage to allow an assessment of the impact of the EIPs in improving economic performance; Menter a Busnes told the evaluators that it is too soon for farmers to be implementing the outcomes. The WG informed the evaluators that discussions need to be held with the EIP policy leads to consider the evaluation requirements, approach and timings.

The levy-body Agri Strategic Initiative projects, which are supported using 2014-2020 WRDP resources, are geared towards improving economic performance. The AHDB's **Dairy Improvement Programme Wales** will focus on improving profitability and performance by focusing on improved herd health management and disease control. The programme includes "strategic farms" which are designed to encourage 'farmer to farmer' learning through regular on-farm meetings. These farms will also share their figures against key performance indicators to show what can be achieved.

Hybu Cig Cymru (HCC) has launched the **Red Meat Development Programme** to help Welsh farming prepare for a post-Brexit world. The intention is to increase farm productivity through three strategic projects that will focus on animal health, genetics and meat quality.

According to stakeholders, both these projects were launched later than anticipated and not as originally intended. The activities provided seem rather similar to activities offered under Farming Connect and, at least at this stage, it is difficult to see how they offer something additional to farmers. It is not possible to comment further on these initiatives at this stage in the programme.

In terms of impact on structure, raising the economic performance of individual businesses is likely to be associated with the growth of the most successful, though there are other factors to be considered such as the stage of the family cycle of farm operators. Menter a Busnes explained to the evaluators that a **Farming**

Connect campaign on succession in 2018 encouraged businesses to start having this conversation. This awareness raising was followed by workshops, succession surgeries and the appointment of mentors. Some 30 families have received succession monitoring to date. The Farming Connect Venture programme also has an impact on structure. To date 20 new venture businesses have been created.

Conclusions

It is clear that many of the activities available under the Farming Connect umbrella will contribute to improving economic performance through improving human and social capital; the SPG and FBG schemes are likely to make a contribution through improving physical capital. Contributions can also be expected from the EIP and, eventually, from the Agri SI projects, although there is a concern that these might duplicate activity already offered under Farming Connect. However, at this stage in the programme there is a notable lack of evidence with which to demonstrate the actual impact of the various activities.

Recommendations

The efforts made under Farming Connect to put in place systems to monitor changes made following participation in activities is welcomed. It is also noted that the WG has plans in place to evaluate the impact of Farming Connect later in the programming period and that discussions will be held on evaluating the EIP. It is recommended that greater attention be paid to ways in which the impact on economic performance might be assessed to allow the WG to understand the relative impact of the different activities contributing in this area. This will provide useful information in deciding the most effective ways of helping the industry improve economic performance.

7.a5) 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.a5.a) Answer to evaluation question

Although not programmed in Wales, it should be noted that one of the activities under Farming Connect, **Venture**, is designed to match farmers and landowners who are looking to step back from the industry with new entrants looking for a way into farming. This activity 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 is designed to equip participants with the skills, knowledge and confidence needed to help them achieve their goals.

If a suitable match is found, the Farming Connect Advisory Service can be used to develop a new joint business plan (100% funded to a maximum of €3,000 for a new Joint Venture). Specialist legal support can also be obtained to ensure that the formal joint venture agreement is suitable for all involved.

This aspect of Farming Connect is likely to have supported the entry of farmers into the agricultural sector, although no information is available at the time of writing to comment on how many farmers have been assisted (a case study of a successful joint venture is contained in the online guidance document). The fact that a package of training, mentoring, specialist advice and business support is provided should ensure that new entrants are adequately skilled.

Farming Connect also ran a succession campaign in 2018. Some 30 families have now received succession

mentoring (see CEQ 4).

7.a6) 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.a6.a) Answer to evaluation question

Data supplied to the evaluator by WEFO shows that the target for total public expenditure under Measure 1 under Focus Area 3a is €28.20 million for the duration of the 2014-2020 WRDP. Forecast expenditure is €46.80, some 66% higher than budget. Expenditure to date amounts to €5.65 million, i.e. 13% of forecast for the period. The target for expenditure under Measure 1.1 allocated specifically at training and skills relevant to this Focus Area is €25.77 million, with forecast expenditure of €45.67 million and expenditure to date of €5.05 million.

The target for total public expenditure under Measure 2 with relevance to Focus Area 3a is €0.82 million over the programming period, with forecast expenditure 23% higher at €1.01 million; expenditure to date amounts to €0.16 million.

A target of €42.24 million was set for total public expenditure under Measure 4 under this Focus Area, with forecast expenditure 49% higher at €62.78 million. Expenditure to date stands at €26.55 million, i.e. 39% of total forecast. Public support amounts to around 40% of total investment, although expenditure to date shows that public support accounts for just 33% of total investment suggesting greater leverage of non-public funds.

In terms of outputs, there have been 725 participants in training under Measure 1.1 against a target of 16,996. This equates to 935 training days against a target of 520. Some 101 demonstration operations/information actions have been supported to date under Measure 1.2, slightly more than the 91 target/forecast.

Measure 2.1 has provided advice to 74 beneficiaries against a target/forecast of 303 (24%) and no advisors have been trained under Measure 2.3 as this contract was not awarded (CPD is provided through other means).

Support has been provided to 80 operations under Measure 4.2 against a target/forecast of 120 for the programming period (66%).

Measure 16.4 has provided support for 99 agricultural holdings against a target for the programming period of 165. Measure 16 has provided support to 4 cooperation operations against a target of 165.

Qualitative assessment

The 2016 Enhanced AIR states that activity under this Focus Area is primarily through the Food Business Investment Scheme (FBIS) and the Food Centres Project HELIX.

The **Food Business Investment 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 undertake first and/or second stage processing activities. It is also designed to improve the performance and competitiveness of

supported businesses; to respond to consumer demand; to encourage diversification; and, to identify, exploit and service new emerging and existing markets.

The scheme covers capital investments in processing equipment along with some associated costs and supports projects that offer clear and quantifiable benefits to primary producers, either directly or indirectly, in the agriculture sectors providing the raw materials. Inputs must be at least 90% eligible agricultural products as defined by Annex 1 of the Treaty on the Functioning of the EU.

Applicants to the scheme must demonstrate either direct or indirect benefits to the primary producers or growers providing the raw materials that are the inputs for the processing and that an adequate and lasting share of the wider economic benefits will accrue to primary producers. They must also demonstrate that a viable market has been identified for their product(s) and that the project would not proceed without the grant (to ensure deadweight is minimised). The scheme is discretionary and the amount of grant offered relates to individual circumstances, but is always the minimum amount necessary to allow the investment to go ahead, thus ensuring that the leveraging of private funds is maximised.

The grant can be used to improve and develop processing facilities, e.g. to erect new buildings; refurbish old premises and to buy eligible new or second-hand equipment.

Although programmed under Focus Area 3a, the application guidance notes state that supported projects can contribute to any one of a number of Focus Areas. In addition, supported projects must make a contribution to the overarching Food Strategy Action Plan - Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014-2020 and one or more of the following thematic objectives:

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

To date 48 projects have been approved with support ranging from €11,461 for a gin distillery start-up to purchase equipment and fit out premises to €5,861,665 for a dairy company making substantial investments in its facilities to allow it to take on additional high value milk processing for major UK multiples. A WG official explained that each project will be evaluated one year after completion to assess whether the expected impacts have been delivered. It was noted, however, that there is usually a lag time before the impacts of investments manifest and some impacts may not be captured in this assessment. This assessment process is not yet underway given the stage at which the projects are at, but there are cases where there have already been impacts, although these have not been recorded in a systematic way.

The **Food Centres** provide a continuation of activity from the 2007-2013 programming period, but the three Food Centres (Food Centre Wales, Ceredigion, Grŵp Llandrillo Menai's Food Technology Centre and Zero2Five Food Industry Centre, based at Cardiff Metropolitan University) are now delivering this activity under one umbrella project, known as Project HELIX, rather than individually. The intention in changing the implementation was to improve interaction between the centres and to ensure that beneficiaries can gain

from specialist technologies across Wales rather than regionally.

According to Food Innovation Wales (2018),^[1] Project HELIX was launched in June 2016 and delivers academic and practical knowledge transfer activity to food and drink producers and manufacturers across Wales that is focused on innovation, efficiency and strategy. Project HELIX provides food and drink businesses with access to a range of short, medium and longer-term interventions that aim to increase production and reduce waste in the supply chain. Support available under Project HELIX can be categorised into 18 different actions, each of which falls under the three strategic areas of:

- Food innovation: Fast-tracking new innovative products and food company start-ups.
- Food efficiency: Assisting businesses to reduce waste during food processing thereby securing costs savings and waste reduction.
- Food strategy: Seeking to ensure a world-class industry through advanced skills in key areas, such as food technology.

The following activities have been delivered.

Start-up Surgeries. A series of monthly start-up surgeries have been delivered for entrepreneurs looking to establish new food and drink businesses. The surgeries provide an overview of the key technical and business issues that need to be considered before launching a business. The sessions provide new businesses with an opportunity to discuss their ideas with a food technologist, view the manufacturing and innovation facilities available at the centres, and find out about the range of support available through other providers.

Going for Growth. An event was held for food businesses in Mid and West Wales in 2017 which focused on growing businesses to reach new markets. Over 30 different food producers, varying from start-up businesses to SMEs and national companies, attended the event. Speakers covered market trends and data, supermarket buyer requirements and two food companies shared their business growth journeys. A series of one-to-one sessions followed with food technologists, partner organisations and business support providers. A similar event was held in Powys in October 2018.

Farm Business Innovation Show. Food Innovation Wales attended the Farm Business Innovation Show, a UK-wide farm diversification event in Birmingham, where they promoted the support available for farm businesses looking to diversify through adding value to their primary produce. Around a third of the visitors to the show came from Wales.

Project HELIX is expected to create 370 new jobs across the different centres, while safeguarding a further 2,000 and contributing over £100 million to the Welsh economy. Outputs to the end of May 2018, a period which includes the establishment of the necessary operational, measurement and validation systems prior to project delivery, are:

Number of Actions Supported:	16
Number of Training days given:	173
Number of Participants in Training:	217
Enterprises Assisted ^[2] :	172

Impact[3]:	£44,254,875[PL(-W1)]
Number of New Markets Accessed[4]:	77
Number of Jobs Created[5]:	147.4
Number of New Products:	203
Jobs Safeguarded[6]:	869
New Businesses:	92
<p>Various activities under Farming Connect are also likely to make a contribution under this Focus Area by helping farmers to meet market specifications, through working with processors and focusing on specific topics such as animal health and grassland management. One specific example is the Measure to Manage programme which, amongst other applications will measure the performance of lamb production, including how specified grades are met and how performance is improving year-on-year. The Prosper from Pasture programme has links through to food processors so the impact of pasture management on output can be understood. The evaluators were told that farmers in some Discussion Groups are working with processors to help meet their product specifications, although no further details were provided.</p> <p>The evaluators were also told that some Agrisgôp groups have been examining ways to improve competitiveness by better integrating producers with the supply chain. One case study documents four Welsh family farms who together have invested a total of £3 million diversifying into free range egg production. One couple wanted to create an enterprise that would allow one of them to work on the farm full time. Although this couple would have diversified into free range egg production even in the absence of support, involvement in Agrisgôp brought forward their plans. This farm has secured a contract with Lloyd's Animal Feeds, who will supply the pullets and feed for a multi-tiered system and buy the eggs. Two other farming families in the group were also able to create a full-time position on-farm following the investment. Another Agrisgôp project has supported eight North Wales farmers to supply lamb for 'ready meals'. The collaboration links the producers to a multi-million pound food processing company, Roberts of Port Dinorwic[7] and should provide access to the UK market for products containing top quality PGI (Protected Geographical Indication) Welsh lamb. Although the relationship is in its infancy, there has been a positive reaction to trials of the new range of pre-cooked meals from a number of UK buyers.</p> <p>Agrisgôp has also facilitated the creation of producer groups. For example, a group of dairy farmers have used the scheme to investigate the possibility of creating a Dairy Producers Organisation (DPO) which would allow producers to work closely together and form stronger relationships with other key businesses in the dairy supply chain. The group successfully secured funding to commission a feasibility study to assess the potential value of having a Welsh DPO or a number of smaller DPOs in Wales. However, it is not known whether the group went on to create a Welsh DPO.</p> <p>A stakeholder cautioned that while there are examples of groups being brought together under Farming Connect, there is no substantial movement to cooperate in Wales. Where cooperation does take place, it is felt to be more horizontal than vertical, i.e. the cooperation is between producers rather than between producers and other parts of the supply chain. In the opinion of this stakeholder, producers in other parts of the EU selling single commodities such as grapes, apples, etc. lend themselves much better to cooperation.</p> <p>Other aspects of the WRDP have relevance under this Focus Area. For example, the evaluators were told that a lot of skills-related activity underpins involvement in farm assurance schemes through covering issues such as animal health and welfare, safety, etc. There is growing interest in other skills which relate to WG</p>	

initiatives such as Brand Wales and which cover best practice for farmers and contractors in relation to pollution, etc. The perception is that there is likely to be a need for more environmental training in the future to enhance brand security and recognition.

Specific initiatives also play a role. The ***Wales a Food Destination*** project is concerned with increasing access, visibility and awareness of local food in the hospitality sector. The project therefore helps in the creation of short supply chains, although, according to a WG official, the opportunity to create short supply chains in a sparsely populated country such as Wales is limited. This scheme is expected to improve the competitiveness of farmers, but it is not possible to demonstrate this at this stage in the programming period. Lanta, which delivers this activity, stated that it will be important to develop a strong brand identity to help secure supply chains in the future, especially in the context of leaving the EU.

The ***Tyfu Cymru*** scheme is designed to build the capacity and capability of the Welsh horticulture industry. Under the scheme, growers and producers work with supply chain partners to adapt to future environmental challenges and to allow them to capitalise on market opportunities for business development and growth. Cluster groups have been established in a range of horticultural sub-sectors such as soft fruit, top fruit, Christmas trees, etc. Producers are keen to work together in these sectors to collectively improve their competitiveness. There is less focus on adding value, although there are links with Farming Connect, Cywain, the Food Centres, etc. to allow producers to do this too.

One **EIP** Operational Group is relevant to this Focus Area. This is helping the Cambrian Mountains Beef group to manage and expand their short supply chain. This was established in 2015 when the group initiated a short supply chain with a large catering butcher who supplies hotels and high-end restaurants. The Operational Group is helping the farmers to develop the skills and knowledge they need to sustain the short supply chain in the long-term. It is anticipated that the project will encourage the next generation of primary producers to develop their business skills and encourage self-sufficiency.

Conclusions

Whilst there is activity designed to improve the competitiveness of supported primary producers by better integrating them into the agri-food chain, there is no hard evidence from monitoring data or evaluation work to date of the impact that this activity is having. If monitoring data were available for the additional result indicators, it should be borne in mind that this would not actually provide information on the competitiveness of primary producers as this is a relative and not an absolute concept.

Recommendations

It is important that the planned evaluations take place and that they are designed to provide the information that is required under the Commission's monitoring and evaluation framework.

[1] Food Innovation Wales (2018) Food Innovation Wales Report 2016-18.

[2] A company is only classed as assisted when all contract documents are in place and a minimum of seven hours of the identified knowledge transfer intervention has been delivered.

[3] Impact is defined as the combination of new and retained sales and anything else that can be proven to have had a financial impact on a company (e.g. cost savings, waste reductions and efficiencies) as a result of the intervention of Project HELIX.

[4] These new markets accessed have made a significant contribution to new sales, jobs created and company growth.

[5] This figure includes both validated and non-validated jobs created. Project guidelines require that new jobs are validated after 12 months and must be full time equivalents.

[6] This refers to jobs that are retained through knowledge transfer activity with client companies within Wales.

[7] This company has received support of just under €0.5 million for capital investment to improve resource efficiency and expand capacity under the ***Food Business Investment Scheme***.

7.a7) 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

This question is not relevant as Focus Area 3B has not been activated under the Wales Rural Development Programme.

7.a8) 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.a8.a) Answer to evaluation question

Data supplied to the evaluator has not been broken down by the three Focus Areas within Priority 4 and so is reported under this CEQ which relates to the first Focus Area under Priority 4.

The revised target for total public expenditure under Priority 4 is €375,039,831 of which €179,109,656 has been spent to the end of 2018. The original target was €415,473,779.

Total funding for Measure 1 under the agriculture theme has increased from €4,431,466 to €6,201,816 to align with the extension of Farming Connect contracts and the provision of support to the SMS scheme. Some of the change also reflects exchange rate movements. There has also been increase in allocation to Measures 1 under forestry (€1,025,227 vs. €553,993) which has the same explanation. The number of participants expected to be trained has increased to reflect the new SMS commitment (an increase of 336 participants in agriculture and 144 in forestry). 698 people have been trained across both themes to date (42% of the target) representing 811 actions/operations (61% of the target).

Measure 16 funding has increased under the agriculture (€9,467,690 to €25,438,008) and forestry (€4,297,443 to €10,377,481) themes to reflect the additional funds made available for the SMS scheme to strengthen the collaborative approach to environment activities. Overall the SMS seeks to support 37 operations, of which 10 have been funded to date.

Allocations to other Measures are all lower than originally planned in EUR terms. Some of this reflects

exchange rate movements but other reasons are also given. For Measure 2 the drop of €2,113,526 from the original €5,007,665 target (agriculture) also reflects that land management advice is now being delivered in-house and is no longer funded by the Programme. The impact of this drop is partly offset by the larger allocation to Farming Connect but the number of beneficiaries expected to be advised under Measure 2.1 has dropped from 3,344 to 1,684 for agriculture. The number of beneficiaries expected to be advised in forestry remains the same (851) but the public fund allocation has dropped to €1,466,345 against the previous €1,528,818.

For Measure 4, there has been a 41.7% reduction in planned public expenditure from €107,491,727 to a new figure of €62,638,168. Most of this has come from a cut to the Glastir Advanced Capital Items budget but some of the reduction reflects a re-profiling of the Glastir Small Grant scheme to correct an allocation error in favour of Focus Area 5e. Total spend to date is €34,782,044 or 56% of the revised target. The total number of operations expected to be funded under this Measure for Priority 4 has reduced from 14,590 to 11,120. Of the 3,470 reduction, some 2,957 have moved with the Glastir Small Grant scheme to Focus Area 5e, whilst a further 513 reflect Glastir Advanced items that are no longer programmed. 41% of the new target has been met to date (4,506 actions/operations).

Expenditure under Measure 8 for agriculture reflects afforestation (8.1) and agro-forestry (8.2) initiatives. Planned expenditure is slightly lower for agriculture, but spatial targets for the area target for afforestation (2,498 ha) and agro-forestry (50 ha) remain unchanged. Planned expenditure under Measure 8 for forestry reflects the Forest Monitoring and Risk Management Scheme (8.3), Glastir Woodland Restoration (8.4) and Glastir Woodland / Forest Management Plans (8.5). Funding for Measures 8.3 is slightly lower due to exchange rate movements. However, the €305,883 budget (revised from €325,000) has yet to be spent with only one beneficiary still planned. The allocation for Measure 8.4 under this Priority has been reduced to zero (from €1,674,174) as the funding has now been earmarked to Measure 4.3 (forestry delivery). Glastir Woodland / Forest Management Plans are no longer deemed to contribute to Focus Areas 4b and 4c and the expected requirements of historic contracts have reduced. The number of operations supported remains the same (403) but the 475 ha (Focus Area 4b) and 570 ha (Focus Area 4c) have been removed from the spatial target (now 8,400 ha). As such the financial allocation has reduced from €5,132,743 to €3,778,905.

There has actually been an expenditure increase of £1.6m to Measure 10 (agri-environment-climate commitments) for this Priority, but the EUR commitment (€219,317,200) appears lower than before (€230,841,571) due to the movement in the exchange rate. The spatial target remains the same (635,399 ha) and has been slightly exceeded (656,288) in terms of uptake. The measure is now closed to new contracts. The funding allocated to Measure 15.1 (forest environment contracts) and the area targeted have been reduced to zero as WG plans to remove this Measure from the Programme. The money has been allocated to Measure 16 to enable further investment in forest collaborative planning.

Qualitative assessment

Common Result Indicator R6 / T8 shows that the proportion of forest/other wooded area under management contracts supporting biodiversity is 0.75%. This is rather low compared to the target of 38.75% (551,816 ha). However, the maximum theoretical value for this indicator would be 46.17%, if all of the agreements under Measures 10 (656,288 ha) and all of the agreements under Measure 8.1 (1,231 ha) and 8.2 (1 ha) are making a contribution.[LC(-W1]

Measure 11 has not been programmed under this Focus Area but some land management contracts under the Glastir Organic scheme could potentially be contributing, and there is 67,191 ha currently under management.

Common Result Indicator R7 / T9 shows that 102.81% of agricultural land under management contracts

supports biodiversity and/or landscapes. However, if all the contracts currently under Measure 8.5 are deemed to contribute then the current indicator value would be 1.18% against a Programme target of 2.70%. [LC(-W2] This target has been slightly revised from its original 2.76% to reflect the planned removal of Measure 15.

The GMEP work in relation to this Focus Area that is relevant to the CEQ included a Field Survey, a modelling exercise and the Farm Practice Survey. The time horizon for this work does not match the RDP period but nonetheless provides a relevant evidence base from which findings can be inferred.

The field survey took place over a four year period (2012 – 2015) which captured statistics that represent biodiversity including: the percentage of High Nature Value (HNV) Farmland Type 1 and 2, Habitat Diversity (number of habitats), mean patch size, habitat condition, plant species richness, bird diversity, pollinator abundance, butterfly abundance, priority species habitat suitability and priority bird species presence. Although data are recorded over a four-year period, the GMEP report does not attempt to compare 2015 and 2012 data points to measure the effect of the scheme, largely because a three-year time window is considered to be too short to capture any meaningful change in these indicators as a result of the management regime. Instead, the GMEP data is reported as an overall average for the monitoring period. This has been used to make a comparison between the indicators for farms that are in scheme versus farms that are not. On an overall basis (for scheme and non-scheme farms) the GMEP data also form an evidence base to compare against historical monitoring to establish the direction of national trends.

A re-survey of the biodiversity indicators under ERRAMP is planned but is yet to take place. This will provide a comparison point over a longer time horizon, but even then changes in some indicators may not be detected for 10 or even 20 years, so the actual effect of the scheme may not be known for some time (and will also be dependent on farmers maintaining management beyond the end of their current agreements). As such, modelling work was also conducted under GMEP using the Multimove model to predict likely outcomes.

Comparing the results for farms in Glastir against farms which are not reveals no significant difference in any of the above indicators with the exception of HNV farmland, which represents a significantly higher proportion of Glastir land compared to the national average. The fact that there are no significant differences for other indicators does not mean that the scheme is not having an effect, as the data observed reflect more the cumulative management over the previous 10 to 20 years rather than what has occurred in the past three.

The modelling work, by contrast does suggest that habitat suitability will improve for the majority (75%) of the 21 target plant species they are intended to benefit in scheme. The modelling also projects a 2.8% increase in area accessible to broadleaved woodland species. Other modelling findings are not discussed in the main report.

The Farm Practice Survey ($n = 600$) also found that 19% of farms in the Glastir scheme took other action to combat biodiversity loss as compared to just 6% of farms outside the scheme. Similarly, there was an 11% (Glastir Entry) and 20% (Glastir Advanced) greater proportion of farms restoring or creating woodland as compared to non-scheme farms. Woodland was also more likely to be managed for 'wildlife habitat' rather than 'shelter for livestock' if a farm was in Glastir Advanced.

In terms of landscapes, the field survey captured similar data for a visual quality index and public rights-of-way condition. This found that the visual quality index and the percentage of public rights-of-way that are easy to use are both significantly higher for land in the scheme versus land outside it. Again, this does not mean that Glastir itself has had this effect, as these would both represent the cumulative effect of historical

management.

The Land Use Steering Group (LUSG) is a committee representing a variety of stakeholders in the agri-environment and forestry sectors including farm bodies, conservation NGOs and government bodies. When consulted on this topic, this committee felt that the agri-environment climate options have in general slowed the decline of high nature value areas but that the effect on the habitats and species they were designed to protect has been negligible. Indeed, some members said that they had noticed declines in certain species which Glastir was designed to benefit.

The reasons given for these perceived failings by stakeholders are varied. Some expressed the opinion that targeting and inflexibility in option prescription were problematic. Options were not always suitable for the sites on which they were being applied, but once agreed landholders had no ability to alter the management accordingly. Examples were cited of farmers with Breeding Waders which had been present on their site that subsequently departed when the farmer adopted the new agreement, though no evidence was provided to definitively attribute this change to the agreement. A more general critique of the inflexibility was that stocking densities required in agreements were sometimes felt to be too low to maintain the habitat. There was also felt to be inflexibility in the targeting and points-based system where indicative maps used to inform agreements were often taken as definitive even though local ground-truthing revealed otherwise. A more bespoke farm-by-farm approach was thought to be a better model for future scheme delivery.

Committee members also felt that the 2014-2020 WRDP was not operating at a sufficient scale to achieve a meaningful ecological impact for species populations and habitat coverage. They did however, state that the Glastir Commons scheme should be considered a strong positive in this Focus Area because it has helped invigorate existing and create new Grazing Associations which will have materially improved the chance of ecological enhancement on common land at a larger scale.

The SMS was seen as good innovation by most interviewees with the possibility to address some of Glastir's shortcomings discussed above by turning farmers into designers as well as participants. However, interviewees also felt that the scheme should have allowed more on-the-ground work to take place that would have directly addressed declines in biodiversity, rather than just capacity building.

The LUSG also felt that the monitoring programmes (GMEP and ERRAMP) should also provide indicator data showing change in populations and conditions for target habitats and species rather than broader indicator data. This would better enable an evaluation of the effect of the scheme on these species.

Conclusions

The extent of the impact of the 2014-2020 WRDP on biodiversity and landscapes is not currently known. This reflects the fact that there is currently no baseline or comparison statistic for the various GMEP indicators in question. This reflects the long lag in biodiversity and landscape indicators between action and results. However, other evidence points towards a positive outcome. Notwithstanding the different between the GMEP period and the RDP period, the modelling work suggests there will be a positive effect for the majority of plant species indicators and for woodland connectivity, the GMEP has not yet reported on modelled predictions for other biodiversity indicators. At the current time, a small number of indicators (HNV Farmland, Visual Quality Index, and Public Rights of Way) are significantly higher for in-scheme farms, but this reflects more the effectiveness of historic schemes rather than Glastir itself.

Recommendations

The evaluators have raised several issues about the monitoring data currently available, mentioned in the

text above. It would be helpful if the WG resolved the issues they represent.

The WG should investigate the issues raised regarding flexibility of option design, inappropriate uptake of options and missed opportunities. Some of the concerns of stakeholders regarding provision of useful information from GMEP and ERRAMP may be addressed when the re-survey is completed and actual changes in habitat condition and species populations can be produced. In the meantime, publication of Multimove modelling work may address some of these concerns, if the modelling is being carried out at species and habitat level.

7.a9) CEQ09-4B - To what extent have RDP interventions supported the improvement of water management, including fertilizer and pesticide management?

7.a9.a) Answer to evaluation question

The scheme monitoring data indicates that 14.65% of the UAA is under management to improve water quality against a Programme target of 13.83%. This has been achieved by the uptake of relevant options within the Glastir Entry, Advanced and Commons schemes. The breakdown of the contribution by individual option has not been provided to evaluators. The indicator fiche guidance notes suggest there may also be a contribution from Organic Farming options which programmed under Measure 11 but this has not been included as WG has not linked these to this Focus Area.

The contribution of afforestation options (Measure 8.1) to this Focus Area is not known but WG data does not currently include this. Agro-forestry could also potentially have an impact but uptake has been negligible and funds have been reallocated to other options.

For the forestry sector, according to scheme data there is no land currently under management to improve water management, but equally no target was set for this indicator as WG has deemed that Glastir Woodland Management / Forestry Management Plans are not programmed against this Focus Area. Indeed the target has been revised from 0.18% to zero. This does not necessarily mean that these options are not contributing to management of water quality in some way, but this information is not currently captured in monitoring data or in the scheme logic.

The GMEP work in relation to this Focus Area comes from three sources: a modelling exercise carried out using the Farmscoper tool to predict the effects of Glastir agreements on pollutant losses from land in and outside the scheme; the Farm Practice Survey; and, the Field Survey discussed above, which also monitored the current ecological condition of watercourses (in particular ponds and streams). The time horizon for this work does not match the RDP period but nonetheless provides a relevant evidence base from which findings can be inferred.

The modelling work estimated for Glastir agreements up to 2015 that, as implemented, the percentage reductions in pollutant loads on farms in Glastir would be 2.24% for nitrate, 2.17% for phosphate, and 0.37% for sediment. In terms of the effect on national loads, the effect of these agreements would be 1.00%, 0.94% and 0.11% respectively. These values are lower than those reported in the Year 1 GMEP report because the Farm Practice Survey revealed that actual implementation of Glastir options was not complete, so the modelling calculation in Farmscoper was adjusted accordingly.

The modelling work also investigated a scenario where the 17 most effective options were 100% implemented across all the available land in Wales, and found that the total effect on national loads would

be 4.26% for nitrate, 8.43% for phosphate, and 11.14% for sediment. This suggests that a more significant effect would have been achieved if marginal uptake and implementation of Glastir options had been higher. GMEP also reports on analysis done of the pattern of uptake of Glastir agreements against the location of greatest need for water quality interventions. There does not appear to a correlation, and the areas of Wales with the highest leaching and run-off issues (e.g. Pembrokeshire and Anglesey) are relatively under-represented in Glastir.

The Farm Practice Survey ($n = 600$) also observed some differences between scheme and non-scheme farmers in terms of nutrient management. Glastir farms had a 10% higher likelihood of calibrating fertiliser spreaders (72% vs 62%) and carrying out soil nutrient testing (61% vs 51%). They were also more likely to have completed nutrient reviews (59% vs 41%), manure reviews (76% vs 64%) and soil protection reviews (58% vs 52%). 7% more farms in the Glastir scheme covered manure heaps and 8% more used calibration spreaders. They were also 29% more likely to have fenced off streams and 15% more likely to have left overwinter stubble in fields. The survey found a difference in phosphate use (9.4% lower for grassland fields in scheme) but not for nitrate use (which showed the same reduction across all farms) and was attributed to external factors such as cost and reduction in stock numbers[1].

The field survey found that there was a higher proportion of streams near natural or predominately unmodified on land in scheme and that there were lower levels of anthropogenic enrichment where streams were downstream of Glastir as compared to non-scheme. However, streams were more likely to show effects of acidification, though this is attributed to more Glastir agreements being located in acid-prone upland catchments. There was no difference in pond quality in scheme and non-scheme areas. Given that the time-lag between changes in management and change in downstream ecological water quality indicators can be more than 10 or even 20 years, these differences where present more likely reflect the cumulative effect of previous management regimes.

The LUSG attendees interviewed as part of this evaluation commented on the role played by Glastir Small Grants. They felt that these would have had some effect on improving water quality in farmyards and farm streams. However, others noted that although the scheme had the potential to improve water quality, the lack of underpinning data available to stakeholders on localised water quality (e.g. in specific streams) meant that it was not possible to apply the scheme as effectively as possible to address this Focus Area. Stakeholders also felt that some of the SMS grant awards may have also led to the provision of facilities to improve water quality though the complexity of the application process may have deterred some potentially beneficial projects.

Attendees agreed with the GMEP report's predictions that some Glastir interventions which significantly reduce inputs will have reduced nutrient losses to watercourses. However, they suggested that uptake of these options may have been lower than ideal due to the manner in which advice was given. According to stakeholders, this was targeted to a specific area of North Wales where it may well have delivered an effect, but as a result opportunities may have been missed elsewhere. Some attendees felt that the scheme had enabled larger landlords such as the National Trust to gain a lever to better implement cross-compliance conditions across their tenant farmers. However, representatives of the Tenant Farmer Association did not agree, arguing that the requirement of the scheme to seek landowner consent may have limited participation.

Conclusions

Uptake of water quality options is currently meeting Programme targets for area under management. The modelling data suggest that Glastir agreements as taken up between 2012 and 2015 had small but positive effects in terms of reductions in on-farm and national nutrient and sediment loads. The Farm Practice

Survey reflects these findings, with in-scheme farms more likely to have taken action to address nutrient inputs and subsequent leaching. It is likely that the effect of the agreements funded during the current RDP would be of a similar magnitude, though the data is not available to verify this. The ecological impact of the agreements in terms of water quality will not be known for some time and will depend on a continuity of management beyond the current programming period.

The GMEP work also indicates that there may be some missed opportunities. Uptake of the scheme was not optimally located in terms of where the greatest need was. If all the available land had taken up the most effective mitigation options, the reductions could have been expected to have been considerably higher. Ultimately the scale of reductions achievable under agri-environment schemes as programmed is constrained, and further reductions would likely only be achievable through more significant land use change. Nevertheless, agri-environment schemes may still be playing a valuable role in maintaining improvements achieved in practice over the past couple of decades.

Qualitative feedback from stakeholders largely corroborates the GMEP findings. Glastir Small Grants were perceived as an opportunity to offer interventions targeting water quality to farmers who had little incentive to participate in the main Glastir scheme. As with biodiversity, there was also a sense of missed opportunity to address some local water quality issues due to the lack of local scale data to inform targeting of Glastir Small Grants.

Recommendations

Glastir is a multi-objective scheme and it may not be possible to ideally target one theme (i.e. water quality) if there are conflicting demands from another theme (i.e. biodiversity) that may not necessarily be spatially coincident. Rather than an area under management target, which is not necessarily always meaningful for water quality, a target for explicit reduction or avoided increase in nutrient loading should be considered. Again, it may be better to break this down to catchment rather than national level given that this is the relevant scale for water quality. The WG should also consider if and how the Glastir Small Grant scheme or other interventions could be targeted more effectively to address local issues.

[1] The GMEP report notes that national nitrate fertiliser consumption declined by 42% between 1990 and 2014.

7.a10) CEQ10-4C - To what extent have RDP interventions supported the prevention of soil erosion and improvement of soil management?

7.a10.a) Answer to evaluation question

Indicator R10 / T12 shows that 12.38% (tbc by WG) of agricultural land in Wales is under management contract to improve soil management and/or prevent soil erosion. If the total area under Measures 8.1, 8.2 and 11 were all deemed to be contributing then the contribution would be 4.81% which is more or less in line with the target (4.99%).

The scheme logic does not currently recognise the contribution of agri-environment-climate commitments of some of the options under Measure 10, which may be relevant to this Focus Area. However, the potential

contribution is not provided in the monitoring data.

For the forestry sector, according to scheme data there is no land currently under management to improve soil management, but equally no target was set for this indicator as WG has deemed that Glastir Woodland Management / Forestry Management Plans are not programmed against this Focus Area. This does not necessarily mean that these options are not contributing to management of soils in some way, but this information is not currently captured in monitoring data or in the scheme logic.

The GMEP work in relation to this Focus Area that is relevant to the CEQ included a Field Survey and the Farm Practice Survey. The time horizon for this work does not match the RDP period but nonetheless provides a relevant evidence base from which findings can be inferred.

Indicator values captured in the field survey for soils include soil carbon content (g / kg), pH, nitrogen (g / 100g dry soil), phosphorus (Olsen P mg/kg), and soil biota (total invertebrate catch). Across the three habitat types surveyed (improved land, semi-natural habitat, woodland, peatland) there were no significant differences between the values measured for Glastir against the national average for any of these indicators.

This does not imply that Glastir has not or will not have an effect on any of these indicators as, like biodiversity and water quality indicators, there is a time lag effect from the change in management. The lack of significant difference between the scheme and non-scheme farms represents cumulative historic management. It also reflects a large variability in the type of soil sampled for each habitat.

The Farm Practice Survey (n = 600) does provide some insight because it shows that Glastir farms had a 10% higher likelihood of calibrating fertiliser spreaders (72% vs 62%) and carrying out soil nutrient testing (61% vs 51%). They were also more likely to have completed nutrient reviews (59% vs 41%), manure reviews (76% vs 64%) and soil protection reviews (58% vs 52%). Some 15% were more likely to have left overwinter stubble in fields. The survey found a difference in phosphate use (9.4% lower for grassland fields in scheme) but not for nitrate use (which showed the same reduction across all farms) and was attributed to external factors such as cost and reduction in stock numbers.[1]

No modelling work has been done to predict the impact of Glastir on any of these indicators, aside from the carbon sequestration calculations reported in the response to CEQ 15. Therefore it is not possible to infer any kind of effect.

Stakeholders spoken to as part of this evaluation generally did not respond to queries regarding CEQ 10. Only a couple (one from WG and one from a farm body) provided any comment on this area. Both felt that, although many interventions had scope to improve soil management, the 2014-2020 WRDP was not particularly focused on soils as a thematic issue and that there was very little which was explicitly targeted at this Focus Area, perhaps because Wales has a very small arable cover. Some of the items available within the Farm Business Grant scheme would have potential for lower impact on soil structure and erosion (e.g. minimum tillage) but data on their uptake has not been provided to evaluators.

Conclusion

The evidence available does not allow for the inference of a quantitative estimate at biophysical level of the effect of the RDP on prevention of soil erosion and improved soil management. Currently there is no significant difference between the scheme and the national average on these indicators. However, survey data suggests an improvement in the uptake of activities associated with better soil management for farmers who have Glastir agreements. These differences are of the order of 10 to 15% greater likelihood of uptake.

Recommendations

There are issues relating to the indicators that need resolving by the WG, but these are common to other CEQs in this Priority.

[1] The GMEP report notes that national nitrate fertiliser consumption declined by 42% between 1990 and 2014.

7.a11) 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

This question is not relevant as Focus Area 5A has not been activated under the Wales Rural Development Programme.

7.a12) CEQ12-5B - To what extent have RDP interventions contributed to increasing efficiency in energy use in agriculture and food processing?

7.a12.a) Answer to evaluation question

The target for public investment in this Focus Area has increased to €14,576,278 from €9,820,529. The changes to the targets are explained as follows. Measure 1 and Measure 2 increases reflect the decision to extend Farming Connect contracts (hence the objectives for the number of participants trained and beneficiaries advised remains the same). Current expenditure is only €287,091 for Measure 1 and €43,776 for Measure 2.

The increase to Measure 4 funding (€12,637,201 from €8,250,000) also reflects reallocation of Measure 4.1 funds towards this Focus Area though the target for the number of actions / operations supported has not changed. The budget for the Farm Business Grant (€4,406,823) has largely been spent whilst the budget for the Sustainable Production Grant (€8,230,377) allocated is yet to be used in relation to this Focus Area. The proportion of public expenditure has increased for this Measure. There has also been a small increase in the allocation to Measure 16 to account for additional funds of €0.07 million to be allocated to EIP projects relevant to this Focus Area.

Qualitative assessment

Target indicator T15 measures the total investment in energy efficiency across grants funded under the SPG and FBG schemes and WG has calculated this at €9,380,796 which is 46% of the Programme target (€20,219,521). The target has been slightly reduced from the original €20,625,000 to reflect the introduction of a new scheme and the reallocation of Measure 4.1 funds by Focus Area.

Complementary Results Indicator R14 measures the increase in efficiency of energy use in agriculture and food-processing in RDP supported projects. This statistic (predicted or actual) has not been captured in the scheme monitoring data for relevant projects.

There is some ancillary data from GMEP which can shed some light on this area. A survey ($n = 15$) was conducted to quantify change in production efficiency for beneficiaries of the Glastir Efficiency Grant (GEG) programmed under the previous RDP. For farms in receipt of the GEG there was a 9.5% decrease in the average carbon footprint (per kg lamb liveweight) and an 18% decrease in the average carbon footprint (per kg milk).

Extrapolating these changes to grants funded in the current RDP is not straightforward as information on the type and uptake of specific grants within Measure 4 schemes has not been provided to evaluators, and of course the sample size of the survey was very small. Moreover, carbon footprints are not strictly a measure of fuel / energy efficiency as emissions can come other aspects of farming. Qualitatively, the GMEP team have informed us that the majority of participants in GEG were receiving funding for items associated with more efficient slurry or manure storage as well as more efficient slurry spreaders. It is therefore unlikely that the change in carbon footprint as a result of these grants reflects much in the way of energy or fuel efficiency gains.

The GMEP Farm Practice Survey ($n = 600$ of which 508 are in Glastir) also provides some insight into this area. Overall, the survey found that 59% of Glastir participants in the dairy sector and 28% of Glastir participants in the beef and sheep sector had taken action to improve fuel and energy efficiency. However, there was no significant difference between the number of fuel and energy efficiency actions taken up by scheme and non-scheme farms. Interpreting this finding in the context of this Focus Area is not straightforward as participation in Glastir is not a pre-requisite for participation in the various grant schemes and advice and knowledge transfer activities.

Most stakeholders interviewed as part of this evaluation did not comment on this Focus Area, except to note that it was a weaker area of the 2014-2020 WRDP. One stakeholder representing farmers felt that high energy users such as the dairy sector had already increased efficiency as far as they could. However, Farming Connect (under the KTIS) has carried out energy review clinics and parlour efficiency clinics, and improving the use of energy has been the subject of Demonstration Site Projects.

Conclusions

There is activity designed to improve the efficiency of energy use programmed within the scheme, but the uptake of grants programmed under Measure 4 that form the bulk of the investment in this Focus Area will fall some way short of the original target.

There is no evidence from monitoring data or evaluation work to date of the extent of the effect that this activity is having in terms of actual energy use in agriculture and food processing. It is also not clear if farms would have participated in these activities in the absence of the programme, but there is an absence of evidence that the Glastir scheme has influenced behaviour in energy use, as reflected in the number of actions taken.

Recommendations

Consideration should be given to how evaluations could assist in generating appropriate evidence to assess performance against this priority area. The amount of money spent is not a particularly useful indicator in the context of answering the CEQ. Statistics in terms of ktoe saved could be estimated for relevant projects and then collected. This will enable a better estimate of progress towards national and EU targets for energy efficiency.

7.a13) 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.a13.a) Answer to evaluation question

The total investment in renewable energy production target (arising from Measures 7.2 and 8.6) was originally targeted to be €43,862,328 but this has been substantially reduced to €29,848,232. This reflects a change in the delivery approach of the Programme strategy in the light of Brexit uncertainty. No future windows are planned for the Rural Community Development Fund though none of the previous windows had included any projects marked against this Focus Area). The ambition of the Timber Business Investment Scheme has also been scaled back with only €6,156,705 of public money expected to be spent on this Focus Area versus €8,333,500 originally. All of the existing spend on this scheme has been allocated to Focus Area 6a and there is as yet no spend recorded against the supply of renewable energy theme. The allocation to Measure 8.5 has been removed with woodland management deemed to be more relevant to other Focus Areas (biodiversity, carbon sequestration).

Some money has been reallocated to Measures 1 and 2 to provide additional advice and knowledge support for the forestry sector. However, the numeric targets for these two areas remain unchanged. Funding has increased for Measure 16 to reflect the introduction of Measure 16.2 under this Focus Area (excluded in error in the first amendment to the Programme) and to reflect an increase to the EIP budget.

Qualitative assessment

Target indicator T16 measures the total investment in renewable energy production associated with the Rural Community Development Fund and the Timber Business Investment Scheme. However, as no projects in either of these schemes are associated with FA 5c the value of this indicator is zero.

Complementary Results Indicator R15 measures the renewable energy produced from RDP supported projects. This statistic (predicted or actual) has not been captured in the scheme monitoring data for relevant projects. Given that T16 is recording zero, the default value for R15 is also likely to be zero. However, renewable energy could be potentially produced from existing woodland that may be under Measure 8.5 Glastir Woodland Management and Forest Management Plans. The GMEP Farm Practice Survey found that 44% of farms in the survey with woodland used some of the wood produced for fuel or firewood either on-farm or externally. So, if Measure 8.5 is conserving woodland that might either become un-managed or else replaced with other land uses, then there may be an indirect contribution.

Unfortunately, the scheme data does not appear yet to attribute any Glastir Woodland Management funding to this FA. Even if it did, attributing the amount of renewable energy produced would be very challenging given the lack of data on domestic woodfuel use and sources in rural communities. This shortcoming will be addressed in the upcoming ERAMMP study that will capture data on woodfuel production from scheme and non-scheme woodlands.

Interestingly the GMEP Farm Practice Survey found a significant difference in the proportion of farmers investing in on-farm renewable energy production between Glastir (36%) and non-Glastir (21%) participants. However, the authors do not believe that the scheme itself is directly encouraging the greater uptake. Rather, they argue that the type of farmer who is likely to take up Glastir is also likely to take up renewable energy production.

Even if it were possible to quantify the scale of renewable energy production associated with the RDP, it is important to recognise that the scale of impact is somewhat limited. According to the GMEP report, the

current level of on-farm renewable energy production across all farms in Wales amounts to an offset of about 1.1% of national grazed livestock emissions. A very optimistic modelling analysis conducted by the GMEP team, where two thirds of farms would have installed wind turbines amongst other renewable energy interventions found that this would only increase the offset to 6.6%.

Most stakeholders interviewed as part of this evaluation did not comment on this Focus Area though some did note that it was a weaker element of the 2014-2020 WRDP, in part because State Aid rules limit the ambition of what kind of renewable energy initiative can be funded.

However, Farming Connect (under the KTIS) has pointed out that in the former WRDP many events were organised on renewable energy. However, the reduction of feed-in tariffs has reduced the financial return from such investment, and interest among farmers has fallen. Attention by Farming Connect has switched to events and clinics on energy efficiency to encourage attendees to review their own energy efficiency (see answer to CEQ 12 above).

Conclusions

There does not appear to be any activity to date in schemes that are intended to increase the supply and use of renewable energy or other non-food raw materials for the bio-economy, despite targets and forecasts having been set for this. It is not clear if this reflects non-uptake or difficulty in attributing uptake to this Focus Area. There may be an indirect effect on the supply of woodfuel as a result of Glastir Woodland Management but again this has not been quantified. Ultimately, even if the data does become available and it turns out that the scheme has met its target, the quantity of renewable energy that would actually be produced would still be very small in comparison to the current level of GHG emissions from the sector.

Recommendations

Consideration should be given to how evaluations could assist in generating appropriate evidence to assess performance against this priority area. The amount of money spent is not a particularly useful indicator in the context of answering the CEQ. Statistics in terms of ktoe generated or supplied could be estimated for relevant projects and then collected. This will enable a better estimate of progress towards national and EU targets for renewable energy used and supplied.

7.a14) CEQ14-5D - To what extent have RDP interventions contributed to reducing GHG and ammonia emissions from agriculture?

7.a14.a) Answer to evaluation question

Output data provided by WG does not indicate the achievement to date for all the indicators, only the summed value across Priority 5 given in the table above. The breakdown of achievements is only known where it is provided as Common Result Indicator.

The total public expenditure targeted against Focus Area 5d has increased from an original target of €19,587,706 to €27,003,654. In part this reflects exchange rate adjustments that apply across all Measures but there are some other reasons for the increased anticipated spend in this area. For Measure 1 this reflects the extension of Farming Connect contracts though only a small proportion of the budget has been spent to date (€287,091 versus. €1,344,572). Measure 4 has increased substantially in ambition (€4,217,650 to €9,220,918) because the projected spend is now spread across three schemes (SPG, FBG and “SPG-lite”).

Most of the spend to date for this Measure has been in the FBG (€1,496,694) but there has also been contribution from Glastir grants (€718,053).

The target for Measure 10 is largely the same, though this scheme is now closed to new entrants. The exact spatial contribution of the current agreements is discussed below. The significant increase in Measure 16 target (€224,633 to €1,887,438) reflects the reprogramming of Measure 16.2 against this Focus Area. Measure 2 by contrast has decreased in budget slightly because the mechanism of delivery for Glastir advice is now being carried out in-house, with a reduced beneficiary target (588 versus 988 originally programmed).

Qualitative assessment

Result/Target indicator R16/T17 measures the percent of livestock units (LU) affected by investments in livestock management with the aim of reducing GHG and/or ammonia emissions. In the case of this Focus Area, it applies specifically to grant schemes programmed under Measure 4. However, the evaluators were told that the WG and DG AGRI agreed during the approval of the programme that a target value of 0 would be set for this indicator as it was not deemed relevant for the delivery of the WRDP.

Result/Target indicator R16/T17 measures the percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions and reflects the physical area under agri-environment-climate agreements targeting this Focus Area. Indicator data provided by WG is being clarified, but if all the Glastir agreements flagged as Priority 5 in the table above (71,969 ha) were deemed to be contributing to GHG and/or ammonia abatement then, at 5.05% of the UAA, the scheme would have exceeded its 4.20% target.

Complementary Results Indicators R18 and R19 would provide a more direct answer to the CEQ as they measure the reduction in emissions of methane / nitrous oxide and ammonia respectively. However, this statistic (predicted or actual) has not been captured in the scheme monitoring data for relevant projects.

As part of the GMEP work, the Farmscoper tool was applied to Glastir agreements up to and including 2016. The tool predicts reduction in methane and nitrous oxide due to options taken up, including an adjustment which reflects the extent to which the options are fully and correctly implemented. These predict overall reduction of emissions of 1.4% and 1.8% for methane and nitrous oxide respectively across the scheme. Unfortunately, these values cannot be simply allocated to R18 because they capture data from the previous programming period and they do not capture 2017 or 2018. However, they do give a useful indication of the scale of effect of the scheme.

The Farmscoper study also considered a simulation which assumed that all of the relevant options are taken up and fully implemented on all the farms in Wales. The net reduction in GHG emissions would be 2.2% only. Ultimately, the range of options available within agri-environment-climate schemes is constrained in its effectiveness in reducing GHG emissions. In the opinion of the GMEP leads, larger scale reductions are only feasible with more significant land use changes (i.e. de-stocking). Nevertheless, the agri-environment schemes do likely play a role in preserving reductions in emissions achieved historically through macro-policy changes (Welsh agricultural GHG emissions declined around 14% between 1990 and 2014, driven in particular by the change to decoupled Pillar I payments).

Modelled changes in ammonia emissions, if calculated, do not appear to have been reported in the GMEP summary report. However, the same study of the farmers who received the GEG (n = 15) reported a reduction in emissions of 11% over the period 2012-2015. To what extent this change is likely to be reflected in the grants taken up under Measure 4 of this programme is not known, as the breakdown by type of grant has not been provided to evaluators. If the focus has been largely on slurry and manure storage /

application then it is likely that the effects will be of a similar order. The reductions in the carbon footprint from this study are 9.5% per kg lamb liveweight and 18% per kg milk as discussed in CEQ 12.

Menter a Busnes told the evaluators that many of the EIP projects it operates (though not listed among Measures relevant to this Focus Area) will have knock-on effects reducing GHG emissions. More directly, it provides technical advice to improve efficiency and reduce GHG emissions, and it has discussion groups that, by benchmarking physical performance, will improve efficiency and thus reduce GHG and ammonia emissions.

Our attention was also drawn to the relevance of the Sustainable Production Grant and the Farm Business Grant in implementing GHG and ammonia emission reduction. Two rounds of Sustainable Farming Roadshows have been held, with over 2,500 attendees. At the events, the benefits of the Farming Connect Advisory Service were highlighted. During the week after the first Sustainable Farming Event in September, over 60% of the enquiries taken by Development Officers were from farmers who wished to submit an application for the advisory service without making an application for the Sustainable Production Grant. Another series of six Sustainable Farming Roadshow events will be held in September 2019.

Menter a Busnes also pointed out that the benefits of trees in trapping ammonia emissions have been promoted and discussed at "Benefits of trees to free range egg production" events. New planting and the potential benefits of the woodland carbon code when sequestering carbon have also been investigated in projects with carbon calculations to be validated for marketing purposes.

A stakeholder representing farmers commented that the SMS has helped "to a significant extent here", as has Glastir and the woodland schemes.

Conclusions

Grant schemes (in particular those concerning nutrient storage and application) as well as agri-environment-climate options funded under the RDP have contributed to a reduction in GHG and ammonia emissions. Changes in management to be expected from Farming Connect advice point in the same direction. The exact contribution for the current programming period is not known but reductions of methane and nitrous oxide from Glastir agreements struck over a similar timescale but a slightly earlier monitoring window were 1.4% to 1.8% respectively, so a similar order of magnitude should be expected for the 2014 – 2018 period. The reduction in ammonia emissions from Glastir agreements is not known. The effect of agri-environment-climate options is ultimately rather limited, but they may be playing an important role in preventing emissions from rising.

A selection of nutrient-management focussed grants from the previous RDP period report notable reductions in carbon footprints (9.5% to 18%) and ammonia (11%), which could well have been replicated in the current period for similar schemes but the actual contribution is not known.

Recommendations

The data so far available from the WG appears to contain issues, mentioned in the text above, that need resolution. The WG is currently investigating these issues and will provide a resolution. The GMEP modelling work could be repeated for the Glastir agreements and capital items from 2014 to 2018 to provide a more explicit answer to the question.

7.a15) CEQ15-5E - To what extent have RDP interventions supported carbon conservation and sequestration in agriculture and forestry?

7.a15.a) Answer to evaluation question

Output data provided by WG does not indicate the achievement to date for all the indicators, only the summed value across Priority 5 provided in the previous CEQ. The breakdown of achievements is only known where it is provided as Common Result Indicators.

The total public expenditure targeted against Focus Area 5e (€21,027,872) is largely the same as the previous target of €21,123,507. The reduction of €2,793,326 from the original target of €7,404,656 in Measure 8.1 has been allocated to other Focus Areas. The spatial target for afforestation remains the same. Some funds from Measure 8.4 have been diverted to Measures 4.3. Meanwhile the budget for Measure 4 has also been bolstered from €363,980 to €5,371,416 to reflect the re-profiling of Glastir Small Grants towards this Focus Area, and hence the number of operations targeted has increased to 7,858 from 4,900. The increase to Measure 1's budget reflects the extension of Farming Connect contracts whilst the reduction in Measures 2 is because the mechanism of delivery for Glastir advice is now being carried out in-house, with a reduced beneficiary target (326 versus 786 originally programmed). There has been a slight re-profile of the Measure 16 Focus Area allocation. The target for Measure 10 is largely the same, though this scheme is now closed to new entrants. The exact spatial contribution of the current agreements is discussed below.

Overall, this Focus Area is still some way short of its budgeted spend with only €7,850,379 accounted for to date, mostly under woodland measures, though with some contribution from other Glastir elements.

Qualitative assessment

Result/Target indicator R20/T19 measures the percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation. According to the data provided by WG the Programme is covering 0.32% of the land area against a target of 0.22%.

The GMEP work included a modelled assessment of the carbon sequestration delivered by Glastir contracts from 2012 to 2016. This includes 4,451 ha of land and the estimated effect is that this contributed to a net additional sequestration of 2.5 t C /yr. It is not possible to pro-rata this figure for the 5,598 ha under the 2014-2020 WRDP as the breakdown of agreements and the net sequestration by agreement type and area is not available to evaluators, but the GMEP value provides a useful indication of the scale of the effect. This figure does not include the impact of any grants funded under the Glastir Small Grant scheme.

The 2.5 t C / yr sequestration value modelled by GMEP must be taken into context against the national agricultural GHG emissions which were estimated at 5,278 kt CO₂e / yr in 2014 according to the GMEP report.

In the opinion of the GMEP leads, the type of options commonly taken up under Measure 10 have relatively little potential to sequester meaningful quantities of carbon, but at least are not encouraging activities that would otherwise increase net emissions (as discussed in the response to CEQ 14). Greater uptake of measures which encourage more significant land use change (e.g. the woodland creation sub-measures (8.1 and 8.2)) would have had a greater per-unit impact in terms of carbon sequestration, though given that the target for this is only 882 ha, the ambition of the Programme for this Focus Area is modest.

The LUSG praised Glastir Woodland Management for allowing full control over selected management actions and for its simple claim mechanism. However, Glastir Woodland Creation was not seen as a useful

tool for increasing woodland cover because the administration process was too slow and timelines were inappropriate. The scheme was also seen as a risk to receiving Pillar I payments due to the change in land use designation. The LUSG felt that a considerable amount of woodland creation was now going on outside the scheme.

Menter a Busnes pointed out to the evaluators that woodland creation has been widely promoted through Farming Connect events and projects. Specific projects have investigated and implemented the woodland carbon code to calculate the carbon sequestered in specific plantations over a period of years. The resulting data is waiting to be validated so that carbon units can be put on sale for companies to purchase to reduce their own carbon footprint. The promotion of WG schemes has included the benefits of trees in sequestering carbon and reducing ammonia emissions. The woodland carbon code is promoted through Farming Connect events and two of the largest planting schemes in Wales in 2017 were Farming Connect Demonstration farms (at Tyn Y Berth and Focus Farm at Garthmyn) both of which have accessed the woodland carbon code to market the carbon tonnes sequestered thus increasing revenue into the farm business. Other schemes are being encouraged to access the scheme and the Farming Connect Forestry Technical Officer is working closely with Coed Cymru, who are managing the woodland carbon code scheme in Wales, to get the message out to farmers. The result is that farmers are actively improving, enhancing and increasing green infrastructure on their farms through forestry and agri environment schemes.

The promotion of WG schemes by Farming Connect continues to message farmers with the multi benefits of trees to the farm landscape through sustainable management of woodland and creation of new woodland. WG planting schemes are actively being promoted through forestry events, as is the message of sequestering carbon through tree planting and the potential revenue that can be created. There is a linkage between the Woodland Carbon Code and Glastir Woodland Creation projects because the latter now have to be registered with the Woodland Carbon Code, though no mention was made of whether the carbon credits for these can later be sold.

Conclusions

There is evidence that the RDP has contributed to carbon sequestration and capture. The exact quantity of carbon sequestered is not known but would be of the order of a few tonnes of carbon per year only, which is a negligible amount in the context of Welsh national agricultural GHG emissions. However, the scheme ambitions in terms of the area of land targeted for this Focus Area were also small. The impact of Glastir Small Grants which represent a material contribution to the budget of this Focus Area is not known.

The registration of afforestation schemes with the Woodland Carbon Code is considered to be a beneficial initiative by stakeholders, though it is not clear from the information provided if and when those funded under Glastir Woodland Creation will be able to access the voluntary carbon market for additional revenue above and beyond the RDP premiums paid. It is also not stated if the promotion of the Woodland Carbon Code will be complementary or detrimental to the future uptake of afforestation through the RDP route though clearly they both will contribute to increase carbon sequestration in Wales overall.

Recommendations

A more accurate estimate of the carbon sequestration achieved by the scheme could be achieved by repeating the GMEP analysis with the updated scheme data covering the Programme period, though it seems unlikely to indicate that the scale of the effect would be much different.

A larger contribution to carbon sequestration would probably require a larger ambition for woodland creation and subsequent management. This may be achieved through the 2014-2020 WRDP, the voluntary

carbon market or indeed both. WG should clarify that the link to and promotion of the Woodland Carbon Code will not detract from afforestation targets.

7.a16) CEQ16-6A - To what extent have RDP interventions supported the diversification, creation and development of small enterprises and job creation?

7.a16.a) Answer to evaluation question

Expenditure and output data for Measure 2 suggests that activities are progressing as planned, although expenditure to date is relatively low. Some 78 beneficiaries have been advised to date under the **Rural Business Advice Scheme** compared to a forecast and target of 168 (46% achievement), suggesting that good progress has been made.

There has been an increase in the financial allocation to Measures 2.1 to 2.3 (Rural Business Advisory Scheme) as part of the second modification. The change was made due to the extension of Farming Connect contracts covering advisory services to ensure continuation of delivery throughout the whole programme period which support activities delivered under other Measures.

To date, two beneficiaries have been supported (and made a claim) under Measure 6.4. This compares to a target of 340, but a lower forecast of 276. It is expected that more beneficiaries are in receipt of support, but have not moved through the system to make a claim and therefore do not appear in this data set. The target has been reduced from 420 to 340 due to the removal of Measure 6.2 from the programme; targets for Measure 6.4 remain unchanged.

The overall financial allocation to Measure 6 has been decreased due to removal of Measure 6.2 from the Programme. The associated budget of £4 million has been reallocated to the tourism scheme under Measure 6.4 to enable additional similar activity to be carried out. In addition, £2 million has been transferred from the Measure 6.4 tourism project to the Measure 16.3 tourism project as original allocations were made in error. This results in an overall reduction of €3.8 million.

The **Glastir Woodland Management Scheme** under Measure 8 includes only legacy contracts from the 2007-2013 WRDP 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 in this 2014-2020 reporting period.

A total of 19 operations have been supported under Measure 8.6 (**Timber Business Investment Scheme**) to date against a target of 20. Total investment so far stands at €4.61 million, higher than the revised target of €3.08 million. The target was reduced due to a change in the total public expenditure target which was reduced by €0.4 million to €1.2 million to allow a transfer to Measure 1 to provide additional support to the forestry sector.

Twenty-nine non-EIP cooperation operation are reported as being active under this Focus Area to date against a target of 223. There has been a slight reduction in the financial allocation to this activity following a re-prioritisation of Measure 16 funds; the overall allocation for Measure 16 has increased across the Programme.

Qualitative assessment

Four projects have been approved under the **Rural Business Advice Scheme**. Three are operated by Menter a Busnes under the Farming Connect brand:

- Lot 3: supporting the use of advisory services
- Lot 3: supporting the use of advisory services – Food
- Lot 3: support for the setting up of Advisory Services

The fourth is operated by Natural Resources Wales (Forest Management Plan Verification).

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 €1,500. The full range of Farming Connect activity is set out under CEQ 1. These cover issues or direct relevance to this question (diversification, creation and development of small enterprises, and job creation) in addition to those of other Focus Areas.

No evaluation data are available at the time of writing, although an evaluation of the suite of support offered through Farming Connect is in progress. The research commenced in January 2018 and is due to run until December 2019. An internal Interim Note (to which we have access) was produced in November 2018 with the first annual report due to be received in April 2019. The final report will be due late 2019/early 2020. As a mid-term evaluation, this will largely focus on issues of process and perceptions of the scheme but there will be some initial assessments whether Farming Connect is having an impact on those accessing its service. A more robust impact assessment of Farming Connect will take place later in the programme which, the evaluators have been told, will be of use in later evaluations of the 2014-2020 WRDP.

The **Rural Business Investment Scheme – Food** covers capital investments costs and supports projects that offer clear and quantifiable benefits to the food and drink industry in Wales. The scheme is open to existing and start-up micro and small food and drink processors and manufacturers throughout Wales, and is thus relevant to the establishment and development of small enterprises. Projects are required to demonstrate that a viable market has been identified for their product(s) and that the project would not proceed without the grant. The scheme is discretionary, and the amount of grant offered will relate to individual circumstances and would always be the minimum amount necessary to allow the investment to go ahead.

All projects supported through the scheme must contribute to the overarching Food Strategy Action Plan – Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2010 -2020 with one or more of the following objectives:

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

- providing career opportunities at varying skill levels.

This scheme is also covered under CEQ 6 where it is noted that 48 projects have been approved to date.

The ***Micro & Small Business Fund – Rural*** is delivered by the WG's Visit Wales team. The scheme targets private sector businesses to support priority tourism products including high quality serviced, self-catering, camping and caravan park accommodation products, destination restaurants, visitor attractions and activity products. Opening in May 2017, the fund targets 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 previous Annual Implementation Report noted that some 204 enquiries had been received, 36 cases had been invited to application (17%) and 11 cases had been approved with a level of support offered of €0.88 million by 31 January 2018. These projects were forecast to create 65.5 jobs and safeguard a further 21.5. No more recent data have been provided to the evaluators. A video case study of supported projects is available: <https://www.youtube.com/watch?v=NZZsXGS9Sd4>.

The ***Rural Business Start-up Scheme*** has yet to be activated. This will be kept under review and the WG will consider changes as appropriate during the programme period.

No data are currently available to allow an assessment of the impact of the two schemes 'Rural Business Investment Scheme – Food' and the 'Micro & Small Business Fund – Rural' to be made at this stage in the implementation of the programme. However, the WG has told the evaluators that an evaluation of the 2014-2020 WRDP food sector schemes, including those falling under this Measure, is scheduled to be undertaken. This evaluation will look at the individual schemes but will also consider the impact of the package of support available to the food sector to assess the complementarity of the individual schemes.

The ***Timber Business Investment Scheme*** 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.

Data made available to the evaluators by the WG show that the 17 approved projects under the scheme range in value of support from €400,000 (a project to increase capacity to process timber) down to €2,700 (machinery purchase). By way of illustration of the type of support provided, a project on the regeneration of unmanaged woods and wood-fuel business aims to develop the applicant's existing tree surgery and firewood business in two areas. The first is in woodland management bringing neglected woodland back into active management. The business will invest in a specialist mini-forwarder machine that is capable of extracting timber from inaccessible locations, together with a trailer on which to transport the machine. The second will be to upscale the wood fuel business, increasing firewood production to respond to increasing demand. This will be achieved through the purchase of a mechanical firewood processor.

A video case study for a project supported under this scheme can be found here:

<https://www.youtube.com/watch?v=p76sa0zLq8g&feature=youtu.be>

No data have been made available to the evaluators to assess the impact of the forestry and timber schemes expected to have impacts under this Focus Area. Evaluation plans for all forestry and timber schemes operating under the 2014-2020 WRDP are currently limited. Discussions with scheme leads have suggested that evaluations are not likely to be needed until later in the programme. These discussions focused on expected increases in the area of woodland accessible to timber businesses with support and on expected

reductions in the impact of supported timber businesses on land quality. Discussions with the policy team in late 2018 indicated that it is too early in the programming period to commence evaluation work. The timings of this work will be dependent upon future discussions with policy leads.

One project has been approved under the ***Cooperative Forest Planning Scheme***; this is the Enhancing Common Land with Trees project. This aims to improve biodiversity and the capital value of land by facilitating collaboration between graziers, landowners and regulator. The collaboration will explore the opportunities for increasing tree cover on Common Land. The project is supported by two landowners that own a significant amount of Common Land in Wales and is sponsored by Pryor & Rickett Silviculture, an established firm of chartered foresters in Wales. The project will provide models for tree planting and methods for getting support to plant trees.

Support for the ***diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food*** was to be delivered under the Cooperation and Supply Chain Development Scheme. However, it does not appear as if this scheme was ever implemented.

No evaluation data are available at the time of writing with which to assess the impact of the Cooperative Forest Planning Scheme. However, the evaluators have been told that evaluations of the active projects under the Cooperation and Supply Chain Development Scheme have been commissioned and are currently ongoing. These evaluations are expected to report on the outcomes and impacts of the projects once they have been completed.

Conclusions

The 2014-2020 WRDP describes the justification for the delivery of schemes under this measure as follows:

Support for the creation and development of new viable economic activities. Support will be provided to farm households who want to diversify into non-agricultural activities in order to provide another income stream. Support will be offered to those seeking to start new non-agricultural enterprises or seeking to develop existing non-agricultural businesses. All of the support offered through the RDP will be dependent on a business plan and complementary to the business support being offered by the Business Wales service.

One third of Welsh woodlands are unmanaged, many of these are on farms. They tend to be small, fragmented and lacking useable access, however they have significant potential to contribute to local wood fuel markets. We intend to bring more of these woodlands into sustainable management supporting local economic development, job creation, green growth and poverty-reduction. Support for new, existing, small and micro enterprises will enable the forestry sector to become more competitive and resilient to change. Support for woodland creation, woodland management, to increase the economic potential of woodland including support for woodland based processing and marketing and job creation through the planting of commercial woodland.

The principal conclusion of this evaluation is that, whilst there is activity taking place, it is too early to make any informed judgement on the extent to which the interventions in question have achieved the anticipated outcomes concerning diversification, creation and development of small enterprises, and job creation. Stakeholder interviews suggest that there are examples of positive outcomes being achieved including farms diversifying and jobs being created. However, there is currently an absence of robust evidence to confirm or quantify the extent to which this is happening.

Recommendations

Evaluations currently planned should be made operational in a timely manner, and consideration be given to additional evaluations where these could provide evidence on the performance of the aspects of the WRDP covered in this CEQ.

7.a17) CEQ17-6B - To what extent have RDP interventions supported local development in rural areas?

7.a17.a) Answer to evaluation question

Expenditure and output data for Measure 7 suggests that progress to date has been slow, although it is noted that targets have been revised downward to reflect changes in funding and delivery. Most reported activity has been in respect of operations (projects) relating to support for investments in the setting-up, improvement or expansion of local basic services for the rural population including leisure and culture, and the related infrastructure (sub-measure 7.4). The forecast for total public expenditure under Measure 7 is also lagging considerably behind target.

Under Measure 19, all 18 of the targeted LAGs have been selected covering the targeted population. A total of 65 projects have been supported against a target of 54; the forecast stands at 75. However, no cooperation projects have been supported under Measure 19. Figures on the number of projects funded do not reflect the progress that is being made in terms of implementing the measure (see below). Our understanding is that the expenditure figures for Measure 19 are somewhat misleading as funding is provided to the LAGs implementing LEADER retrospectively and recording of expenditure therefore lags activity.

The number of non-EIP cooperative projects supported under Measure 16 is only 10% of target/forecast at 21. Total public expenditure under Measure 16 stands at 14% of forecast, suggesting that the projects that have been supported are, on average, slightly larger than had been expected.

At this point in the programming period, Measures 7 and 19 have created 12 jobs against a target of 100 for the whole period and a forecast of 111.

Qualitative assessment

No data have been provided to the evaluators which allow any analysis of the geographic distribution of supported projects or the typology of those projects beyond the sub-measure under which they are approved (other than a basic description).

The **Rural Community Development Fund** was, until mid-2018, a WG operated grant supporting interventions designed to prevent and mitigate the impact of poverty in rural communities (Measure 7). The intention was to improve conditions which would then lead to future jobs and growth.

According to WEFO data online, 107 projects have received support under the Rural Community Development Fund with grants ranging from just over €4,000 to just over €151,000. A range of case studies are available that provide examples of the activities that have been funded although evaluation data are limited. However, evaluation activities are ongoing at a project level which will provide information on outcomes in due course.

Although this was not its only function, the Rural Community Development Fund was designed to provide a

route for funding projects and ideas that had been developed and piloted as part of the LEADER programme. Stakeholders reported examples of this happening, including the funding of projects developed during the previous programme period. However, no quantitative data are available to corroborate this.

Each of the seven application windows was over-subscribed in terms of the number of expressions of interest being received, suggesting a high level of demand. However, the scheme was closed during 2018 due to WG concerns that it was underperforming in terms of the number of Expressions of Interests which ultimately became full applications (see below).

Stakeholders interviewed for this evaluation highlighted what they perceive to be the very complicated application process for a scheme targeted at providing support to community groups that, inevitably, have limited capacity. The fact that the scheme provided only capital funding (projects often require a mix of revenue and capital funding) was also highlighted as a constraint. We were also told of concerns about the resources employed as part of the LEADER programme to provide support to applicants.

Stakeholders felt that rather than close the scheme, changes could have been introduced to address the issues identified. The main barrier to the progression from Expression of Interest to full application was felt to be the complexity of the process which could have been addressed.

In a paper to the PMC in January 2019 the WG responded to these concerns, also shared by members during a previous PMC meeting, and explained that the decision to close the scheme was taken due to the risk that projects would not be sufficiently advanced to meet HMT funding guarantees post-Brexit. A complete review of the approach was therefore undertaken with the conclusion reached that a totally new scheme which combines Measure 7 (with the exception of 7.1) and sub-Measure 16.2 plus other WG domestic schemes would be preferable.

This new scheme is the Environment Natural Resources and Wellbeing Grant (see below). Whilst the need to introduce changes was recognised, the concern expressed by stakeholders was that the new scheme is more focused than RCDF, restricting the type of projects that can be funded. This is of concern to LEADER groups given that, as noted above, RCDF was set up as the mechanism for funding projects that had been developed and piloted under LEADER. Whilst there are other routes potentially available for projects piloted by LEADER, stakeholders felt that these would be sub-optimal compared to this “direct route” for accessing larger scale funding.

Substantial changes have been made to the Measure 7 targets which suggests that the level of activity (outputs) under this measure will be substantially lower than had been anticipated when the WRDP was originally devised.

Measure 7.5 (tourism) was originally delivered as part of the RCDF scheme, but is now delivered via the dedicated ***Tourism Amenity Investment Support Scheme*** (TAIS) which is managed by the WG’s Tourism team, Visit Wales. TAIS offers small-scale investment to improve the signposting of touristic sites, to construct and modernise tourism information centres, and to provide visitor information and guidance. Funding is also provided to support the construction of shelters and safety facilities linked to soft-tourism and the establishment of e-booking systems for tourist services.

No information is available to allow an assessment of the impact of this scheme.

Introduced in late 2018, ***Enabling Natural Resources and Well-Being in Wales*** (ENRaW) will predominantly support projects that make improvements in residential areas by delivering benefits for people, businesses and their communities. This initiative has been designed to incorporate Measures 7.4 (basic services) and 16.2 (cooperation, pilot projects) and provides a combination of revenue and capital

funding. It is composed of three types of funding and focuses on pilot and demonstration projects, promoting cooperation and collaboration to address the following three themes of action:

- developing, regenerating and broadening access to sustainable green infrastructure;
- improving the quality of the urban and rural built environment; and,
- developing resilient ecological networks, areas and nature-based solutions.

The first window for applications closed in December 2018 and, with the appraisal process in progress at the time of writing, no projects have yet been approved.

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) which support local development are delivered as part of the ***Co-operation and Supply Chain Development Scheme***.

We have been provided with basic information on six approved projects relating to the supply chain and 37 which relate to co-operation under Measure 16.9.

Two projects have been approved under measure 16.2: the ***CTA Community Transport Solution*** and ***Eradicating BVD***, these were described under CEQ 1.

As previously noted, evaluations for C&SCD projects have been commissioned and are currently ongoing. However, it is too early to report on the findings of those evaluations in respect of outcomes and impacts of the projects which remain ongoing. The Co-operation and Supply Chain Development Scheme has now been closed, although the reasons for this are not clear.

The ***Regional Tourism Network and Marketing Support*** scheme is being delivered by the WG's Visit Wales team. Its principal aim is to increase the profitability and resilience of the individual SME businesses engaged. In particular, it will encourage development of new practices and processes in rural small businesses including shared activity and facilities, with a view to business efficiency, and to develop local tourism opportunities.

The WG is currently developing a specification for a mid-term evaluation that will cover all four schemes delivered by Visit Wales as part of a sectoral evaluation of tourism support under the 2014-2020 WRDP. It is anticipated that the research will mainly focus on issues of processes and implementation and early indications of outcomes rather than a full assessment of impact. We have been told that if this sectoral approach to evaluation is successful it will be utilised in future impact analysis. It is expected that the evaluation will be procured in late spring and will run until early 2020.

LEADER is implemented by Local Action Groups (LAGs), whose actions deliver a Local Development Strategy (LDS) that they have developed with the help of animation/capacity-building activities within the local community.

The current LEADER programme in Wales consists of 18 LAGs covering eligible wards (i.e. the rural areas) in 21 of the 22 local authority areas in Wales. The population covered by the LAGs is just over 1.381 million, representing around 44% of the total population of Wales. The scheme in Wales is focused on five themes:

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 approach is ‘bottom up’ and driven by the LDSs developed by the LAGs. As a result, project activity both within LAGs and between LAGs varies substantially.

Under Measure 19.3, LAGs can engage in inter-territorial and Trans-national Co-operation with other LAGs or similar bodies. Co-operation can involve exchanges of best practice, mentoring, staff exchanges and/or joint projects. In Wales, LEADER co-operation operates on a LAG-led basis and all LAGs have committed budgets for co-operation projects with a number currently ongoing.

The WRN website lists 486 projects that have been supported/delivered by LEADER groups in Wales, split by theme and LAG. These show the diversity of projects which have been implemented through written and video case studies.

The restrictions that the State Aid rules and the need for match funding place on the implementation of LEADER at a local level were highlighted by stakeholders. LEADER in Wales does not provide any grant funding to applicants and the funding cannot be used to provide aid or other assistance that would constitute State Aid in respect of a business, enterprise, undertaking or ‘economic operator’ receiving such support. This means that LAGs cannot provide any kind of assistance that would reduce the normal day to day operational running costs of the business, enterprise, undertaking or ‘economic operator’. Further, LEADER in Wales cannot be used to provide capital or revenue grants or other forms of direct or indirect assistance to commercial businesses. The potential to achieve economic results via LEADER is therefore very constrained.

The need to source match-funding also restricts a LAGs ability to develop and/or support innovative projects, as other sources of funding may not have the same desire to support and develop innovative (and therefore higher risk) projects.

Extensions have recently been offered to the LAGs by the WG to help support the transition to mainstream funding for rural communities.

LAGs are charged with the evaluation of the implementation of the LEADER approach within their area and of the extent to which their LDS had been delivered. Several LAGs have completed their mid-term evaluations, with others currently in progress. The focus of these evaluations is generally on process issues and the extent to which the LEADER approach has been delivered within each area.

Common themes within the LAG commissioned mid-term evaluations reviewed for this report (several of which were in draft form) include:

- The LEADER approach is generally being effectively delivered by LAGs although elements of the approach (e.g. supporting innovation could be strengthened).
- State Aid restrictions and the need to source match funding restrict the implementation of the

LEADER approach especially in supporting new and innovative approaches to rural development (see above).

- Good progress has been made on delivery, with a wide range of projects and activities currently active although it is too early to judge the impact of these.
- LDS are very broad and may require a greater focus/priority to be introduced in the remainder of the lifetime of the programme.
- LAG members report a range of benefits from being members of the group (e.g. networking opportunities and relationship building).
- Limited cooperation activity is currently taking place between LAGs, especially at a trans-national level.

The feedback from stakeholders on the LEADER programme was overwhelmingly positive, especially with respect to the range of activity undertaken which should lead to jobs being safeguarded and created, thus supporting the local development that is at the centre of this CEQ. The constraints on the programme as a result of State Aid restrictions were, however, widely recognised as being a limiting factor. This underlined the importance of being able to refer projects and ideas initially piloted and developed by LEADER to other sources for ‘mainstreaming’ such as the now closed Rural Community Development Fund (see above).

Options for follow-on support outside the RDP are also available. Stakeholders highlighted examples of LEADER projects successfully applying for support from outside the WRDP, for example, the Heritage Lottery Fund. There are also case studies for LEADER projects being subsequently funded from other sources on the Wales Rural Network website. However, there are no data that can be used to demonstrate how common this is across all LEADER projects in Wales and, therefore, no robust assessment of the extent to which LEADER projects become mainstreamed is possible at this stage. The emerging evidence via the mid-term evaluation of LEADER at a LAG level of the benefits being incurred by LAG members (e.g. networking and learning about new projects in the local area) are worth noting; these are important outcomes of the LEADER approach.

The WG intends to carry out a programme-level evaluation of LEADER. It is expected that this will make use of local level evaluations commissioned by the LAGs, in addition to primary research in the form of surveys and interviews with LAG members, case studies of previous LEADER funding to assess longer-term contributions and approaches that seek to assess the wider engagement/capacity building of local communities. A mid-term evaluation is expected to report in early 2020 with a final evaluation commissioned at a suitable point in the future.

Data and evidence in relation to the outcomes and impact of the programme at this point in the programme is again limited. However, a range of case studies is available which illustrates the diversity of projects being delivered and the ideas that have been supported.

Conclusions

The design of the RDP as implemented by its various schemes and actions demonstrate the clear intention to promote the local development that is key to this particular CEQ. However, the level of evidence available to date makes it difficult to judge the extent to which the anticipated outcomes have been achieved under this Focus Area. However, it is evident that progress has been made with a wide range of activities taking place, especially with respect to the LEADER scheme (Measure 19), although the outcome of these activities is currently unclear and will need to be re-visited later. It is important that the WG takes steps to

ensure that the data required to make those judgements are available when needed.

Looking specifically at Measure 7, the low level of activity is of some concern. The reduction in the output targets for this measure also suggests a substantial reduction in the anticipated achievement of the WRDP under this measure.

Steps have already been taken by WG to seek to increase the level of activity under this measure with the closure of the RCDF and the introduction of the new ENRaW scheme. The effectiveness of these steps will need to be closely monitored in the coming months to ascertain whether the hoped for increase in activity has been achieved. The potential implication of the changes (especially the focus on a smaller number of sub-measures in respect of Measure 7) and any potential knock-on implications on the LEADER scheme will also need to be assessed.

Recommendations

The evaluators recommend that the various evaluations that have been mentioned in the answer to this CEQ are implemented in order that evidence by which their impact can be assessed is made available. Several issues concerning delivery of some schemes (such as the application process) and of external factors that limit effectiveness (such as State Aid rules) need to be explored in these evaluations.

7.a18) CEQ18-6C - To what extent have RDP interventions enhanced the accessibility, use and quality of information and communication technologies (ICT) in rural areas?

7.a18.a) Answer to evaluation question

The role of Farming Connect, specifically the ***ICT and Technology for Farmers*** element delivered by Lantra has been assessed under CEQ 1.

Measure 7.3: support for broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government is delivered via the **WG Rural Community Development Fund**. This has been covered under CEQ 17. We also note that the budget for Measure 7.3 has been reduced as anticipated gaps in broadband delivery in Wales, to be addressed by this measure, have been addressed via other interventions and so this need no longer exists.

Conclusions

The WRDP describes the justification for these measures as follows:

The vitality and potential of rural areas is closely linked to the presence of a competitive and dynamic agricultural sector which is open to change and opportunities. The programme is designed to promote economic growth in the local economy and help to support the sustainability and resilience of rural communities. This will be achieved via M07 through investments in small scale local infrastructure such as ICT, broadband, community transport and energy efficiency as well as improvements to key services related to village renewal, leisure and culture, tourism, advisory services and those linked to improving access to employment, training and educational opportunities. With regard to Focus Area 6c specifically, under M7 we will support small-scale investment in ICT infrastructure to address specific gaps in provision not catered for via ERDF or domestic provision. We will particularly focus on increasing access to ICT, improving awareness, skills and ICT

exploitation by rural communities and agricultural businesses which are not met by ERDF or other provision. All interventions will help to enhance the quality of life for those living and working in rural Wales by supporting the wider economic development of rural areas.

The question in this instance is the extent to which the 2014-2020 WRDP has enhanced the accessibility, use and quality of information and communication technologies (ICT) in rural areas. Based on the information available at the time of writing, it is difficult to make a judgement on whether this has (or will) happen.

The number of participants in training, and training days provided (via Farming Connect), is as had been anticipated when the targets were set, suggesting that good progress is being made. We do not, however, have any data on the impact of that training. The number of operations forecast under Measure 7.3 (support for broadband infrastructure) suggests that the objectives in that instance will not be achieved via the activities programmed under this Focus Area. We are therefore reliant on other elements of the WRDP to achieve those outcomes; the focus will therefore be very much on improving ICT for the farming community rather than the community in the wider rural area.

Recommendations

That the evaluation of Farming Connect gives appropriate attention to the training, etc. related to ICT and its impact both on access to services, on the economic performances of the businesses and households from which trainees come, and on the well-being of the people trained.

That the evaluation of the Rural Community Development Fund pays adequate attention to the intended role of the RCDF in enhancing the accessibility, use and quality of information and communication technologies (ICT) in rural areas

7.a19) CEQ19-PE - To what extent have the synergies among priorities and focus areas enhanced the effectiveness of the RDP?

7.a19.a) Answer to evaluation question

Programme synergies and transverse effect

Section 14 of the WRDP describes in detail the means for complementarity and coherence between the WRDP and Pillar 1 of the CAP and the ESI funds. For example, a single Programming Monitoring Committee has been established covering the ERDF, ESF and EAFRD. There is also a single Research Monitoring and Evaluation Team, a single Cross-cutting Themes Unit, single overarching ESI Funds Management Board, single website portal and a single set of national eligibility rules and guidance. It is clear that complementary support will be offered through the ESI funds for wider business support, ICT, renewable energy and innovation.

Synergy among priorities and Focus Areas within the WRDP is programmed in the first instance through the architecture of Regulation (EU) No 1305/2013 under which Priority 1 is a horizontal priority which underpins the implementation of rural development programmes. The Situational Analysis and the SWOT highlighted the need for a linked suite of actions. The WRDP programme document sets out the combination and justification of rural development Measures selected under each Focus Area. The document explains that ***Knowledge Transfer, Innovation and Co-operation*** (Measures 1, 2 and 16) are of

primary importance and that these will be embedded throughout the schemes supported. The main and secondary areas of impact from the Measures is shown in section 11.3 of the WRDP in matrix form which makes clear the way in which Measures 1, 2 and 16 impact across the programme in a mutually supporting way.

A specific example of synergy is the use of Knowledge Transfer and Advisory Services as an entry point to prospective beneficiaries of other elements of the WRDP such as investment support. The intention here is that advice will direct potential beneficiaries to the interventions which best fit their needs. This should build better integration with the other measures. In turn, investment support is conditional on an appropriate business plan, a training and skills analysis matched with a plan for achieving necessary skills levels, an exit strategy where appropriate and a value for money assessment. Investments to improve the supply and saving of water are likely to be synergistic with measures to improve water management.

Another example is provided by the support available for organic farming conversion and maintenance (Measure 11) which complements support provided under Measure 10; woodland creation and management support (Measure 8) is also complementary, as are targeted actions under Measure 4.4: Support for non-productive investments linked to the achievement of agri-environment-climate objectives.

There is evidence of synergy between aspects of Priority 4 where schemes relevant to one Focus Area are also relevant to others. This is manifested in the monitoring data where it is clear that spending and outputs often contribute to all three relevant Focus Areas.

There is also evidence that synergy has been planned for in relation to the food schemes under Focus Area 3a. The evaluators were told by the WG that these schemes were designed to operate together in a new delivery model. This model sees the food business placed centrally with capital investment support buttressed by supporting strategic initiatives providing skills training, etc. (Project Helix, Cywain and Food Skills).

The operation of the Wales Rural Network also provides an example by which the effectiveness of the WRDP has been enhanced; the operation of the WRN appears to have been substantially enhanced since the 2007-13 programming period in ways that are likely to make the RDP more accessible (see CEQ 21).

Answer to the evaluation question

The WRDP was designed following a SWOT analysis and needs assessment and the Measures chosen were brigaded together to offer a comprehensive and coherent intervention. The evaluators are clear that the WRDP was designed to operate as a programme delivering synergies, rather than as a disparate group of Measures. As mentioned above, of particular note is the way in which Priority 1 is programmed horizontally and Measures 1, 2 and 16 operate across the Focus Areas.

WG officials explained that Measure 1 and Measure 2 have several advice projects which support schemes operated under other Measures. For example, the ***Glastir Advisory Support Service*** and the ***Glastir Historic and Water Quality Advice*** both support the suite of Glastir schemes operated under Measure 4. We were told that the ***Sustainable Management Scheme*** and ***NRW Woodlands*** scheme also provide advice to enable the delivery of other schemes.

Of particular note is that the ***Sustainable Management Scheme*** was designed to complement and work alongside ***Glastir*** funding opportunities. The scheme guidance document explains that whilst Glastir targets a variety of outcomes on a farm holding basis, the SMS can be used to co-ordinate local efforts by enabling co-ordination with Glastir participation and engaging with other landowners not participating or ineligible for Glastir so that the combined schemes are able to deliver a large scale and landscape impact. Other

WRDP schemes which are suggested for use in combination with the SMS are the ***Sustainable Production Grant*** or ***Timber Business Investment Grant***, to gain the combined benefits of productive and environmental activities. The guidance document goes on to note that a clear separation of accounting is required where schemes are used together to avoid the risk of double funding.

Other schemes are linked to the provision of skills and business advice through ***Farming Connect***. For example, it is a requirement of the ***Farm Business Grant*** and the ***Sustainable Production Grant*** that applicants have attended relevant Farming Connect clinics.

Some schemes are designed to work together. For example, ***Food Centres Project Helix***, Measure 1.1), ***Cywain*** (measure 1.1) and the ***Rural Business Investment Scheme*** (Measure 6.4) provide different elements of advice and capital support to food businesses to develop them as a package with the intention of making them more sustainable and to help them grow.

Schemes under Measure 4 (Investments in physical assets) and Measure 10 (Agri-environment-climate) are frequently used together. Although within one Measure, the various Glastir schemes allow beneficiaries to draw on capital support and management payments to enhance the benefits delivered. Tourism has three different projects working together to provide a package of support.

Some schemes have been designed to be used together to provide different types of support thereby ensuring that there are no (or minimal) gaps in coverage. For example, the three schemes which deal with tourism are drawn from Measures 6 (Farm and business development), Measure 7 (Basic services and village renewal) and Measure 16 (Co-operation).

Three sub-measures are used to provide forest management plans (Measure 8.5), capital for planting and ongoing maintenance and premium costs for ***Glastir Woodland Creation*** (Measure 8.1) and plans and planting for ***Glastir Woodland Restoration*** (Measure 8.4).

The ***Farm Business Grant*** scheme and the ***Sustainable Production Grant*** scheme (Measure 4.1) were set up to provide support for different types of investments.

Finally, Leader was designed to support pilot projects which, if successful, could then potentially be developed into mainstream projects with support from other appropriate schemes.

Although WG officials felt that the synergies around support for food business and tourism may not have been fully envisaged at the programme design stage, the synergies between Measures 4 and 10 had been established in the 2007-13 programming period and this continuation was a deliberate attempt to develop synergies.

According to WG officials, an original consideration in designing the 2014-20 RDP was to operate a single entry point with one scheme, for example, Farming Connect (Measure 1) acting in a business triage role to identify needs and possible improvements (for example relating to business profitability or environmental impact). Businesses would then be directed to appropriate RDP schemes and would in effect be offered a journey through their development rather than a range of separate and short-term fixes to immediate concerns. However, it was decided that this approach would not work so well under a competitive EOI approach because there would be no guarantee that businesses directed to seek support under a particular scheme would ultimately be successful. The WG was also facing resource cuts following the financial crisis which would have made this form of implementation uneconomical. For both reasons, the approach was therefore streamlined, but has been progressed where it makes sense to do so, for example, in the links between ***Farming Connect*** (Measure 1), ***Food Centres Project Helix*** (Measure 1.1) and ***Cywain*** (Measure

1.1).

WG officials made clear to the evaluators that all schemes were designed in line with the priorities for Rural Development (also borne out by the evidence from the RDP programming document and *ex-ante* evaluation) and therefore do not work against each other. Where the possibility for this to occur, mitigating actions have been taken. For example, investment support projects are selected on environmental improvement as well as economic benefit so investment projects cannot deliver adverse environmental impacts.

In terms of quantifying the secondary contributions of operations to focus areas, the RDP programming document contains a matrix suggesting where such impacts might be expected (section 11.3). Monitoring data records the impact of Measures against all the Focus Areas where an impact is expected.

Conclusion

The evaluators conclude that the WRDP has to a substantial extent drawn on synergies among priorities and focus areas to enhance the effectiveness of the programme. There are numerous examples of this. However, there is a need for research to be commissioned to assess the extent to which the programme as a whole is able to deliver more than the sum of its part through synergistic design.

Recommendation

Evaluation work on individual projects should consider the way in which they interact with other WRDP initiatives, both in design and implementation. The evaluators welcome the WG's intention to cover the tourism schemes as part of a sectoral evaluation; a similar approach will be taken to the food schemes. In doing this, it will be important to ensure that sufficient focus is paid towards each scheme separately to recognise their particular aims and objectives while still allowing for an overarching assessment of how the schemes relate to each other and how they support the sectors as a whole.

7.a20) 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.a20.a) Answer to evaluation question

Support for technical assistance (other than NRN)

Technical Assistance is provided across the WRDP covering a range of essential activity with the intention of facilitating the targeting, delivery and evaluation of the RDP, explicitly by increasing administrative capacity and lowering the burden on beneficiaries. A total of €36.66 million was set aside for Technical Assistance across eight projects:

- National Rural Network (€2.79 million, see CEQ 21)
- Glastir Woodland Delivery Project (financial data to be provided)
- Business Improvement (IT development) (financial data to be provided)
- Glastir Implementation (financial data to be provided)

- Monitoring and Evaluation (financial data to be provided)
- On the spot checks (financial data to be provided)
- Technical appraisal, analysis and inspections (financial data to be provided)
- Managing Authority and Delivery costs (financial data to be provided)

Total allocation to Technical Assistance is equivalent to 3.8% of the total WRDP budget and is therefore within the permitted 4%.

Answer to the evaluation question

The WG has built up considerable institutional experience of implementing the WRDP over successive programming periods. The programming document for the WRDP in the 2014-2020 programming period explains that the resource available to deliver the RDP in this period is the same as was available in the 2007-13 programming period. This resource was deemed to be appropriate given that this structure had passed repeated audits at both the Wales (internal WG and the certified audit body) and EU (EU audit and ECAS) levels and was held as an exemplar within WG. It should be noted that there have been some key staffing changes, but continuity is provided in senior positions, and in some cases experienced staff have moved to new roles within the RDP meaning that the expertise has not been lost.

WG officials explained that Technical Assistance resources tend to be used to fund similar things from one programme to the next. However, it is clear from previous evaluations that lessons learned have been used to make changes that were intended to improve the implementation of the WRDP over time. The RDP programming document notes that the WG provided papers to the *ex-ante* evaluators to demonstrate that there had been extensive discussions and planning regarding the implementation phase of the Programme.

A major example of this has been the establishment of the Scheme Management Units (SMU). WG officials told the evaluators that a single SMU was set up for the 2014-20 programming period to process socio-economic project appraisals and pay claims; previously this was decentralised with different application processes used in different policy areas. The WG feels that this improvement has enabled a more consistent approach to the appraisal and claims processes for all socio-economic schemes. An advantage is the greater ease for applicants to apply to more than one scheme as the application process is the same; lowering the administrative burden on beneficiaries is an explicit reason for making TA funds available. However, we were also told that the regulatory structure of the programme and the requirement to upload evidence documents has presented difficulties for some beneficiaries in administering their projects.

Our impression of the impact of the establishment of the SMU is less positive. From the evaluation point of view, dividing responsibility for schemes between policy leads and the SMU has resulted in difficulties in understanding what schemes have actually achieved. In some cases policy staff seem less aware of how schemes are actually delivering than has been the case in previous programming periods. It is though accepted that the operation of the WRDP from the perspective of beneficiaries is key rather than the ease with which the organisation facilitates evaluation.

Technical Assistance has also funded the development and design of a new IT system to meet regulatory requirements. This is based on the successful PPIMS system used by WEFO to administer the other Structural Funds. WG officials told the evaluators that PPIMS was initially developed on the basis that

Structural Funds and RDP would be very similar. However, as regulations were finalised, it became apparent that the structure of the programmes and the reporting requirements were very different, making it more difficult to make WEFO PPIMS fit with RDP requirements. A series of problems were reported in the 2016 Enhanced AIR which concluded that the move to an integrated IT system had not at that point benefited the financial management of the programme. However, the evaluators were told in 2019 that these issues have now been resolved and the system is operating satisfactorily.

The evaluators were also told that the funding of additional research officers for Monitoring and Evaluation activities has improved the monitoring carried out; it is noted that the 2016 EAIR was completed in-house in 2017 making use of these resources. Generally, the Annual Implementation Reports have been completed on time and to the appropriate standard; according to WG officials, the Citizens Summaries have been particularly welcomed. The late start for many schemes has meant that specific evaluations have not yet been carried out.

An evaluation of the RDP Communications Plan in the 2007-13 programming period was critical of communications activity and, as a result, all communication activity was brought within the remit of the WRN where it remains for the 2014-20 programming period. This issue is therefore dealt with under CEQ 21.

Two elements of Technical Assistance have been newly introduced for the 2014-20 programming period. On The Spot Controls (OTSC) involve WG staff implementing regulative checks on RDP schemes as part of the establishment of systematic checks on all aid applications and payment claims. Rural Inspectorate Wales now runs a selection process for beneficiaries with onsite inspections to ensure compliance with scheme rules.

The second new element within Technical Assistance, is ‘Technical appraisal, analysis and inspection’. This involves: the evaluation of business plans and development proposals from grant applications; the undertaking of desk research to inform advice and recommendations to grant managers about whether grants should be approved, modified or rejected; contribution to the design of new grant schemes and support actions for the food supply chain, sustainable farming and rural development issues; visits to delivery bodies, businesses and farm premises to discuss project proposals; the inspection of delivery bodies, businesses and farm premises to quality assure and evaluate works and activities undertaken with grant support; and, ensuring regulatory requirements are adhered to and that delivery is compliant.

The specific support provided with Technical Assistance funds through the Glastir Woodland Delivery Project supports the creation of forest management plans. Support for the Glastir Implementation Project contributes to the implementation and delivery of Glastir.

The 2016 Enhanced AIR, completed in 2017, reports that the management of Technical Assistance is seen within the WG as an improvement on the previous programming period.

Although not directly related to the use of Technical Assistance funds, it should be recorded that some stakeholders have criticised the way in which the 2014-2020 WRDP has been implemented. Of particular note is that the establishment of one Programme Monitoring Committee for all the Structural Funds has resulted in the perception that the WRDP is lost within the wider budget and that it is not subject to sufficient scrutiny. One stakeholder told the evaluators that there is insufficient focus on the implementation of the WRDP. Another added that despite the appearance of integration that a central PMC suggests, the Structural Funds are not operated in an integrated way.

Stakeholders in the agricultural sector also raised concerns relating to the 15% reallocation of Pillar 1 money to the RDP. The evaluators were told that it is a common perception that the schemes offered under

the WRDP do not justify what farmers see as a loss of funding. We were also told that the agricultural sector has concerns in terms of the number of staff involved in the delivery of the 2014-2020 WRDP. However, this number is not known, which precludes a comparison with that involved in the 2007-2013 programme period. Even if such data were available, it would be difficult to conclude on the efficiency of implementation given the changes in the programme.

In essence, farmers see the WRDP as “their money” and they feel they should be benefiting from this more. One stakeholder representing farmers told the evaluators that the end users feel very much on the outside of the 2014-2020 WRDP in general and that they do not have a platform to contribute in the way they would like to. There is therefore no shared ownership or responsibility for the WRDP in this programming period. Stakeholders understand that the UK’s decision to leave the EU has resulted in a diversion of government focus, but there is a feeling that this WRDP belongs to the government and not to the farming sector.

Conclusion

Technical Assistance has clearly 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, with a focus on monitoring, evaluation, information and communication and networking. Changes have been made to improve the implementation of the WRDP in response to lessons learned in previous programming periods, although the WG and some stakeholders take different views on how successful this has been. The spend on Technical Assistance is, at 3.8%, within the maximum of 4.0% of total RDP spending envisaged.

Recommendation

Given the clear difference in view from within the WG and amongst stakeholders, it would be useful to carry out further investigations into the way in which the 2014-2020 WRDP has been implemented and managed. This investigation should consider implementation from the separate perspectives of the WG and beneficiaries.

7.a21) 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.a21.a) Answer to evaluation question

Intervention logic of the NRN

The establishment of a National Rural Network is a requirement of Art. 54 of Regulation (EU) No 1305/2013. The intervention logic is that such a network can facilitate the co-ordination and implementation of the WRDP. To do this, the WRDP programming document explains that the activity of the WRN will contribute to all the main priorities of the programme: Human and Social Capital, Investment, Area Based and LEADER & Local Development, and to cross-cutting themes. Four broad aims set out in Art. 54(2) of the Regulation are as follows:

- Aim 1: Increase the involvement of stakeholders in the implementation of rural development
- Aim 2: Improve the quality of implementation of RDPs
- Aim 3: Inform the broader public and potential beneficiaries on rural development policy and funding opportunities

Aim 4: Foster innovation in agriculture, food production, forestry and rural areas

The WRN annual Workplan sets out the areas of operation for the WRN and its aims and tasks. These include activities under the four aims above and activities under a separate set of national priorities. The aims and tasks are:

1. Involve stakeholders
2. Improve the quality of RDP implementation and integration with existing development policies
3. Inform the broader public and potential beneficiaries
4. MA communications
5. Foster innovation
6. Support delivery of cross-cutting themes
7. Support integration with other ESI Funds
8. Help embed the [national] Future Generations Act within programme implementation
9. Facilitate CLLD via EMFF
10. WRN secretariat role
11. WRN project management

The Work plan does not provide specific targets for the activities that are listed. The WRN is operationalised by a Support Unit (WRNSU) of specific staff (see below for details).

Answer to the evaluation question

The objectives for the WRN (Art. 54(2) of Regulation (EU) No 1305/2013) and the Workplan by which they are to be met are as set out above. In the view of the evaluators, the operational Workplan is consistent with the broader aims of the Regulation.

The WRDP programming document makes clear that the operational Workplans for the WRN in the 2014-2020 programming period have been developed with the benefit of the recommendations made in previous evaluation work, the Commission guidelines and the experience gained in implementing the previous RDP. One of the most significant changes which has been made is that the WRN is now responsible for all RDP-related communication activity. The WRN Steering Group and the wider network of members welcomed this change. It should be noted that this approach is consistent with the EAFRD regulations and the evidence base around RDP implementation maintained on the ENRD website. The WG felt that in making this change, complexity could be reduced and potential overlaps removed in the area of publicity and communications, thus allowing the WRNSU to deliver a wider remit more efficiently. A key improvement in communications has been the increased use of social media and the development of a new website which allows for better engagement rather than one-way communication (see below). The evaluators were also told that structures are now more robust and better tools are available; promotion is now more proactive with stakeholders in Wales, the wider UK and the EU. WG officials told the evaluators that the WRN is now far more visible than it was in the 2007-2013 programming period and the ‘one-stop shop’ approach to

the website makes it much easier for people to find material and to engage with the RDP.

The budget made available to run the WRN for the 2014-2020 programming period is €2.79 million, of which, €0.59 million had been spent by the end of 2018. An evaluation of the implementation of the EIP carried out for the European Commission reported concerns that the resources available to the WRN are insufficient to fully engage with the EIP. By way of comparison, the Scottish Rural Network has been allocated some €4.8 million in the 2014-2020 programming period.

The WRNSU has six staff members: a head; three network managers, each allocated six LAGs and socio-economic scheme policy leads; a financial manager; and, a web-coordinator who also covers social media and communications tools; the intention was to have seven staff members, but the head count was reduced as a staff member moved on and was not replaced due to Government spending restrictions. The evaluators were told that this has not had a substantial impact on what the WRN has been able to do.

The assigning of LAGs and policy leads to specific network managers means that the structure is in place for the WRN to be up to date with project approval and can support press releases, etc. instigated at the scheme level. WG staff involved in operating schemes were generally positive about the relationship with the WRN, although there were examples where it was felt that the WRN could be more engaged, including with the food skills projects. LAGs have quarterly meetings which are attended by the WRN. As will become clear, our discussions with stakeholders and WG staff have found a range of perceptions of the WRN from various parts of the implementation structure.

Objective (1): increasing the involvement of stakeholders in the implementation of rural development

Stakeholders have been engaged by the WRN in various ways and for various purposes (see below). The evaluators were told that there have been 499 engagements with stakeholders based on the workshops organised by the WRN. These stakeholders have included stakeholder organisations, LAGs, Managing Authority policy and delivery leads and potential beneficiaries, including; farmers, groups of farmers, land managers, foresters, rural businesses. The introduction of a new, more engaging website (see below) will have encouraged the involvement of stakeholders.

Objective (2): improving the quality of RDP implementation

The improvements made to the WRN set out above are likely to have generally improved the quality of RDP implementation by improving the functionality of the WRN; this is especially the case with regard to communication.

While the WRN has not provided any feedback which has led directly to modifications to the RDP, stakeholders have raised some issues concerning the Rural Community Development Fund with the WRN and these messages have been fed back. Several activities undertaken by the WRN are likely to have led to improvements in the quality of RDP implementation. These include the provision of training and networking to LAGs at two specific events (LEADER Theme 1 & 2 event, February 2018 and LEADER Co-operation event, October 2018). The WRNSU has also had a presence at (i) Regional LAG Officers Group Meetings where LAG queries could be answered; (ii) Creative Rural Vales, Green Energy Event; (iii) Vale of Glamorgan Agricultural Show; (iv) Arwain Powys LAG Best Practice Day; (v) EIP-AGRI, Italy seminar ‘From operational group project to impact’. These events provided the opportunity to help beneficiaries and potential beneficiaries learn from others and also provided information which could be used by the WRN in future engagements. These events also had a communications function.

Active participation of the WRNSU within the UKRN network allowed for the exchange of best practice. The WRN organised a European Evaluation Helpdesk workshop for LEADER/CLLD which provided an

opportunity to exchange information and discuss issues faced with delegates from all parts of the UK. The WRN also published on its website a WG LEADER evaluation guidance document to assist LAGs. The WRNSU attended The European Evaluation Helpdesk - Yearly Capacity Building Event for UK staff on assessing RDP achievements and impacts in 2019.

The WRNSU has actively participated in and contributed to ENRD activities including:

- LINC 2018 Conference “Nature and the Blue Economy”, Finland.
- ENRD “How is the RDP supported by NRNs”, Italy.
- 10th NRN Event “Rural development - Building the future”, Germany.
- 11th NRN Event “NRN Communication”, Czech Republic.
- 12th NRN Event “Design of ENRD website and toolkit; Planning 2019 conference”, Estonia.
- European Economic and Social Committee Study Visit ‘Contribution of rural areas to 2018 European year of cultural heritage and the contribution of cultural heritage to rural areas’ wellbeing’ – July.
- ENRD Good Practice Examples Workshop, Belgium.

The WRN is also involved in the Community Lead Local Development Meetings, a consultation group which advises the WG and collectively promotes the best means of securing or achieving the objectives of the funding programmes. All this activity is likely to have helped improve the quality of various aspects of RDP implementation.

Objective (3): informing the broader public and potential beneficiaries on rural development policy and funding opportunities

The WRN produces an annual communications and engagement handling plan which sets out the approach to publicising the RDP; it sits within the broader Information and Publicity Strategy for the whole programme. This communications plan sets out the communication aims and objectives and the key messages to be communicated. The channels through which networking and communication are to take place are set out. These channels include newsletters, the website, social media, events and case studies. The communication plan also explains participation in ENRD events. The final section sets out the approved workplan for 2018/2019 which links objectives to activities. The 2016 Enhanced AIR (undertaken in 2017) explains the improvements made in terms of online and social media activity compared to the 2007-2013 programming period, and further improvements seem to have been made since then. A summary of communications metrics shows:

- There were 5,283 unique visits to the new website in December 2018, the first month of launch. This new site includes an interactive map showing the 450+ LEADER projects. LAGs are able to upload directly to the website which has made it far more up to date than was previously possible. A similar approach will be taken for the socio-economic projects. The new website is run through Business Wales and it follows the (successful) approach of the Wales Food and Drink sector.
- A Facebook page was launched in November 2017 and now has 134 followers. There were 578 posts in 2018, 769 engagements and 927 profile visits.

- There were 1,234 Twitter followers in 2017 and an increase of 178 to 1,412 in 2018; the number of Tweets also increased by 209 from 532 in 2017 to 741 in 2018. There was a slight decrease in Twitter engagement from 824 in 2017 to 791 in 2018, but a substantial increase in profile visits from 96 in 2017 to 888 in 2018. Amongst other things, Tweets are used throughout application windows to remind potential applicants of deadlines.
- The WRNSU e-newsletter has 6,210 subscribers to the English version and 334 to the Welsh version; 10 were published in 2018.
- <> (the WG's fortnightly e-newsletter to which the WRN supplies scheme details and news stories) has 10,191 subscribers to the English version and 647 to the Welsh version.

The WRN contributed copy to three issues of the Natural Resources e-Bulletin (which includes the latest legislative and policy updates on the WG's commitment to climate, energy, waste, water and land).

- The WRNSU produced five videos providing an overview of the RDP in relation to (i) food; (ii) forestry, agriculture and environment; (iii) tourism; (iv) people and communities; (v) the journey from LEADER to larger funded projects. The videos are aimed at explaining projects rather than schemes as this is felt to be more useful; this approach follows that taken under LEADER.

In addition to the activities above which are focused on the general public, the WRN undertook activities in conjunction with the Managing Authority and scheme leads aimed at raising the profile with Welsh Ministers. The WRN also attended an OECD conference in Edinburgh and hosted a 'Taste of Wales Event' which showcased Welsh produce and WRN activities to around 300 delegates, and the Sustainable Management Scheme Event at the Royal Welsh Show. A WG official told the evaluators that the achievements of the WRN in promoting Wales within the EU has been particularly impressive given that Wales is not itself a Member State.

Discussions with higher-level WG officials have revealed a positive perception of the WRN. However, some schemes managers and some stakeholders have reported that the WRN is marginal to their activities and has a relatively low profile. The most striking example of this is in the types of activities fostered by Farming Connect. Here communication with the farming community and the potential beneficiaries it contains apparently comes primarily from material issued by Farming Connect. Farm operators also seem to look to Farming Connect for information because of the established relationships that Farming Connect has with its registered members and with the broader farming community. This means that the contribution that the WRN makes to communicating on rural development policy and funding opportunities should be seen against a broader spectrum of communications strategies. Different channels are likely to be appropriate for different purposes and for reaching different target groups.

Objective (4): fostering innovation in agriculture, food production, forestry and rural areas

The main involvement that the WRN has had in terms of fostering innovation is its work with the European Innovation Programme (EIP). The evaluators were told that the WRN works closely with Farming Connect which delivers the EIP (as well as several other parts of the RDP, such as Knowledge Transfer and vocational training). The WRN has helped to make sure that potential beneficiaries are now aware of the sort of support that is available through the EIP which makes this support more accessible. The WRN Communication plan makes reference to supporting networking activities for advisors and innovation support services if required, and lists the following activities (i) organise networking events for innovation support services brokers according to demand; (ii) advise and input on the establishment of innovation

Operational Groups and organisation of events as necessary; (iii) meet with Farming Connect, Menter a Busnes and Lantra regularly; (iv) disseminate findings as necessary; (v) meet with Farming Connect, etc. to discuss operation of the innovation support package.

The Communication plan also states that the WRN will develop case studies for use on the website and entry to the Rural Innovation Awards. (Winners TBC in Spring 2019). To date 21 case studies are available via the website, although only two were uploaded in the observation period for the evaluation (to the end of 2018).

The rather positive view of the operation of the WRN in the 2014-2020 programming period needs to be contrasted with the view from stakeholders. Farming sector stakeholders do not consider the WRN to be visible by, or particularly relevant to, farmers who make up the vast majority of WRDP beneficiaries (a WG official explained that the WRN generally communicates with people who are not beneficiaries with the RPW communicated with those who are enrolled in schemes). Farming representatives felt that the WRN is more focused on Leader-type schemes. However, a WG official told the evaluators that the WRN has started to broaden its horizons beyond a historic focus on Leader as the programme has developed. Menter a Busnes, which implements the EIP, told us that there is regular liaison with the WRN and that their interaction has been successful.

Conclusion

In summary, in the view of the evaluators the WRN's design, organisation and implementation seem capable of assisting in meeting the aims set out in the framework Regulations. Data on the volume of activities point towards a likely contribution to the engagement of stakeholders, the improvement in the implementation of the WRDP, to informing the public and potential beneficiaries of the possibility of support, and of encouraging innovation. Although the WRN is attempting to play a role more widely across the WRDP than previously, it appears that it may not be the appropriate communication platform to reach farmers and the food industry. However, there is a lack of firm evidence on which the actual impact of the WRN on the achievement of its aims can be assessed at present.

Recommendation

As noted elsewhere, there is a need to commission evaluations focusing on the 2014-2020 WRN that can assess its impacts.

7.a22) CEQ22-EM - To what extent has the RDP contributed to achieving the EU 2020 headline target of raising the employment rate of the population aged 20 to 64 to at least 75 %?

7.a22.a) Answer to evaluation question

No data has been provided by the WG at the time of writing. Data showing the employment rate of the population aged 20-64 and data showing employment in the agricultural sector would be useful to provide context.

However, ONS figures for 2014 showed that the employment rate for 16-65 year olds in Wales was 68.8%. Since then the rate has been on a fairly sustained rise. By the second quarter of 2018 (March to May) it was 74.2%; between September to November of 2018 (according to the Labour Force Survey of January 2019) 75.8% of this age group were employed, a little above the headline target floor.[1] Too much emphasis

should not be put on the figures for single quarters, and by the three months to February it had fallen a little, to 75.5%, but this was 2.4% up on the year previous. The September to November quarter 2018 was the first time since March-May 1992 that the employment rate in Wales had not been lower than the UK average. The Welsh employment rate for 16-64 year olds grew 3.1% on the previous year - compared with 0.4% for the UK as a whole. The figures meant that the employment rate in Wales at the end of 2018 was higher than every other part of the UK apart from the south east, the east, and the south west of England. Unemployment in Wales was 3.9%, marginally lower than the UK average of 4.0%.

Changes in the numbers employed suggest that, between the March-May 2018 quarter and the same point in the previous year some 31,000 more were employed. An alternative estimate is that numbers in employment rose by 78,100 between the year ending December 2014 and year ending December 2018 (StatsWales).

For decades, Wales had a larger proportion of people in the UK who were neither working nor available for work because of ill health, caring responsibilities or because they were in full-time education. The late 2018 figures showed that this category - known as the "economically inactive" - has fallen significantly and is now the same rate as the UK average at 21%, having decreased 2.6 percentage points over the previous year.

It is unlikely that the WRDP will have made a substantial contribution to raising the employment rate of the population aged 20-64 due to the relatively small scale of activities compared to the more substantial investments under the other Structural Funds and other influences on economic activity and employment. Some WRDP-supported innovations and improvements in efficiency may have lowered employment in the primary sector. However, there are examples of job creation under specific WRDP schemes. Although the number of jobs created is generally small, some 147.4 jobs were created to the end of May 2018 as a result of activity under the Food Centres Project HELIX with a further 869 jobs safeguarded. However, these have to be put alongside the much larger increases in employment seen in Wales as a whole during the operation of this RDP.

In conclusion, the 2014-2020 WRDP has contributed to achieving the EU 2020 headline target of raising the employment rate of the population aged 20-64 to at least 75%, but only to a small extent.

[1] Figures for the full year ending in December were slightly different: 2014, 69.5%; 2015, 70.3%; 2016, 71.2%; 2017, 72.4%; 2018, 73.1%. Source: StatsWales – Employment rate by local area and year.

7.a23) CEQ23-RE - To what extent has the RDP contributed to achieving the EU2020 headline target of investing 3 % of EU's GDP in research and development and innovation?

7.a23.a) Answer to evaluation question

Data on investment in R&D in Wales is needed to provide context.

The 2014-2020 WRDP has specific initiatives which are related to innovation, most notably the European Innovation Partnership operated under Farming Connect (see CEQ 1). However, this, and other initiatives such as the Knowledge Exchange Hub and the Agri-Lab Forum, also operated under Farming Connect, are

concerned with disseminating research rather than investing in primary research and development which cannot be funded under these schemes. That said, there are some supported projects which are carrying out small-scale research and development activities within groups. The proportion of total WRDP funding devoted to research and development is very small.

In conclusion, the 2014-2020 WRDP has contributed to achieving the EU 2020 headline target of investing 3% of EU's GDP in research and development and innovation, but on a very minor scale in proportion to the funding available.

7.a24) CEQ24-CL - To what extent has the RDP contributed to climate change mitigation and adaptation and to achieving the EU 2020 headline target of reducing greenhouse gas emissions by at least 20 % compared to 1990 levels, or by 30 % if the conditions are right, to increasing the share of renewable energy in final energy consumption to 20 %, and achieving 20 % increase in energy efficiency?

7.a24.a) Answer to evaluation question

The WG's overarching commitments on Climate Change action are set out in the Programme for Government. Headline commitments include a commitment to a low carbon economy, to implementing the Climate Change Strategy and to reducing greenhouse gases and driving effective adaptation to climate change. The Climate Change Strategy and Delivery Plans published in 2010 outline the action to be taken to realise the Programme for Government commitments to reduce greenhouse gas emissions in areas of devolved competence and support for effective adaptation to the consequences of climate change. The two headline emissions targets in Wales are:

- a 3% annual reduction in emissions
- a 40% reduction in overall emissions by 2020

The 2014-2020 WRDP programming document states that agriculture and the land use sectors account for 20% of emissions covered by the 3% target with a baseline emission level of 6.00 MtCO₂e. The WG's stated ambition is to reduce GHG emissions from agriculture and to protect and increase the carbon stocks in soils and biomass, whilst also supporting the sustainable growth of agriculture and farming businesses.

Actions taken under the 2014-2020 WRDP include the provision of advice to farmers on developing practical on-farm solutions to help mitigate the impact of climate change through the promotion of on-farm renewables, increasing resource efficiency and reaching higher environmental standards. Advisory services also help farmers move towards best practice in the management of fertilisers, manures and pesticides. This includes assistance with appropriate nutrient planning (including basic soil management) which can prevent soil erosion as well as fostering greater carbon conservation and sequestration.

Schemes have been introduced to improve the management of existing woodland which has an important role in sequestering and storing carbon.

When first introduced, some 69% of spending under the 2014-2020 WRDP was allocated to environmental and climate related measures. Following modification, the allocation was reduced to 62%, which still clearly exceeds the 30% regulatory minimum regarding Fund Contribution as set out in Article 59 of Regulation (EU) No. 1305/2013. Article 59(6) of Regulation (EU) No. 1305/2013.

The actions supported are designed to have direct impacts in terms of reducing GHG and ammonia emissions from agriculture (see CEQ 14) and in fostering carbon conservation and sequestration in agriculture and forestry (see CEQ 15). Indirect impacts are also expected via increasing the efficiency of energy use in agriculture and food processing (see CEQ 12) and by increasing the supply of renewable energy (CEQ 13). Key support for these actions is provided through knowledge transfer and advice activities.

Our conclusion in respect of CEQ 14 was that grant schemes (in particular those concerning nutrient storage and application), as well as agri-environment-climate options funded under the RDP have contributed to a reduction in GHG and ammonia emissions. Changes in management to be expected from Farming Connect advice point in the same direction. Although, the exact contribution for the current programming period is not known, reductions of methane and nitrous oxide from Glastir agreements struck over a similar timescale but a slightly earlier monitoring window were 1.4% to 1.8% respectively, so a similar order of magnitude should be expected for the current programming period. The reduction in ammonia emissions from Glastir agreements is not known. The effect of agri-environment-climate options is ultimately rather limited, but they may be playing an important role in preventing emissions from rising.

A selection of nutrient-management focused grants from the previous RDP period report notable reductions in carbon footprints (9.5% to 18%) and ammonia (11%), which could well have been replicated in the current period for similar schemes but the actual contribution is not known.

Our conclusion in respect of CEQ 15 was that there is evidence that the RDP has contributed to carbon sequestration and capture. However, the exact quantity of carbon sequestered is not known. This would though be of the order of a few tonnes of carbon per year only, which is a negligible amount in the context of Welsh national agricultural GHG emissions.

Under CEQ 12, we concluded that there is activity designed to improve the efficiency of energy use programmed within the scheme, but the uptake of grants programmed under Measure 4 that form the bulk of the investment in this Focus Area will fall some way short of the original target. Further, there is no evidence from monitoring data or evaluation work to date on the extent of the effect that this activity is having in terms of actual energy use in agriculture and food processing. It is also not clear if farms would have participated in these activities in the absence of the programme, but there is an absence of evidence that the Glastir scheme has influenced behaviour in energy use, as reflected in the number of actions taken.

Finally, under CEQ 13, we have found that there does not appear to be any activity to date in schemes that are intended to increase the supply and use of renewable energy or other non-food raw materials for the bio-economy, despite targets and forecasts having been set for this. However, there may be an indirect effect on the supply of woodfuel as a result of Glastir Woodland Management but again this has not been quantified. Ultimately, even if the data do become available and it turns out that the scheme has met its target, the quantity of renewable energy that would actually be produced would still be very small in comparison to the current level of GHG emissions from the sector.

Mitigating climate change is clearly an important theme within the 2014-2020 WRDP and there has been a contribution to a reduction in GHG and ammonia emissions, although this is likely to be fairly small. There has also been a contribution to carbon sequestration and capture. Nevertheless, the 2014-2020 WRDP is judged by the evaluators to be contributing in a modest way to climate change mitigation and adaptation and to achieving the EU 2020 headline target of reducing greenhouse gas emissions, to increasing the share of renewable energy in final energy consumption to 20%, and achieving 20% increase in energy efficiency.

7.a25) CEQ25-PO - To what extent has the RDP contributed to achieving the EU 2020 headline target of reducing the number of Europeans living below the national poverty line?

7.a25.a) Answer to evaluation question

Data on the number of people in Wales living below the national poverty line would be useful to provide context around this question. However, there are no data on the number of WRDP beneficiaries and their dependents living below the national poverty line.

The 2014-2020 WRDP does not have a direct role in alleviating poverty, although through increasing the economic viability of businesses and its (relatively minor) job creation, it is likely to have made a contribution to increasing the standard of living for some beneficiaries. However, there is no evidence on the extent to which WRDP beneficiaries fall below the national poverty line and therefore it is not possible to comment on the extent to which the WRDP has contributed to reducing the number of people living below the national poverty line.

7.a26) CEQ26-BI - To what extent has the RDP contributed to improving the environment and to achieving the EU biodiversity strategy target of halting the loss of biodiversity and the degradation of ecosystem services, and to restore them?

7.a26.a) Answer to evaluation question

As noted under CEQ 24, environmental and climate related measures account for almost two-thirds (62%) of total 2014-2020 WRDP funding. The impact of the WRDP in improving the environment, halting the loss of biodiversity and the degradation of ecosystem services and restoring them has been covered in a number of CEQs under Priority 4.

Under CEQ 8, we assessed the extent to which 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. We concluded that the extent of the effect of the RDP on biodiversity and landscapes is not currently known as the monitoring programmes do not report a baseline and comparison statistic for the various indicators in question. This reflects the long lag in biodiversity and landscape indicators between action and results. However, modelling work suggests there will be a positive effect for the majority of plant species indicators and for woodland connectivity. At the current point in time, only a small number of indicators (HNV Farmland, Visual Quality Index, and Public Rights of Way) are significantly higher for in-scheme farms, but this probably reflects more the effectiveness of historic schemes rather than Glastir itself.

CEQ 9 examined the extent to which RDP interventions have supported the improvement of water management, including fertiliser and pesticide management. We concluded that there has been a small but positive effect via Glastir in terms of reductions in on-farm and national nutrient and sediment loads. However, the ecological impact of the agreements in terms of water quality will not be known for some time and will depend on a continuity of management beyond the current programming period. We also reported the possibility that there have been some missed opportunities. For example, uptake of Glastir was not optimally located in terms of where the greatest need was. Despite this, agri-environment schemes may still be playing a valuable role in maintaining improvements in practice achieved over the past couple of decades.

We considered the impact of the 2014-2020 WRDP on the prevention of soil erosion and the improvement of soil management under CEQ 10. We found that the evidence available does not allow for the inference of a quantitative estimate at biophysical level of the effect of the RDP on prevention of soil erosion and improved soil management. Currently there is no significant difference between the scheme participants and the national average on these indicators. However, survey data suggests an improvement in the uptake of activities associated with better soil management for farmers who have Glastir agreements. These differences are of the order of 10 to 15% greater likelihood of uptake.

The key problem in drawing a definitive conclusion on the impact of the 2014-2020 WRDP is improving the environment is a lack of quantitative evidence. In part this reflects a long lag between action and impact, but there are also issues around the collection of a suitable baseline. However, the evaluators are satisfied that the 2014-2020 WRDP is designed to provide a positive contribution to the environment and that this is generally being delivered via suitable agri-environment schemes and also through specific grant schemes and the provision of a range of relevant advice.

7.a27) CEQ27-CO - To what extent has the RDP contributed to the CAP objective of fostering the competitiveness of agriculture?

7.a27.a) Answer to evaluation question

The answer to CEQ 4 dealt explicitly with the extent to which factors associated with competitiveness have been addressed by the 2014-2020 WRDP. The conclusion was that many of the activities available under the Farming Connect umbrella will contribute to improving economic performance (and hence competitiveness) through improving human and social capital; the SPG and FBG schemes are likely to make a contribution through improving physical capital. Contributions can also be expected from the EIP and, eventually, from the Agri SI projects. The answers concerned with innovation, cooperation, development of the knowledge base (CEQ 1), with strengthening the link between agriculture and the research and innovation community (CEQ 2) and lifelong learning (CEQ 3), in each of which Farming Connect plays a prominent part, also impinges on the competitiveness of agriculture. However, at this stage in the programme there is a notable lack of evidence with which to demonstrate the actual impact of the various activities.

At this point it may be appropriate to underline the recommendations made in relation to these earlier questions. The efforts made under Farming Connect to put in place systems to monitor changes made following participation in activities is welcomed. It is also noted that the WG has plans in place to evaluate the impact of Farming Connect later in the programming period and that discussions will be held on evaluating the EIP. It is recommended that greater attention be paid to ways in which the impact on economic performance and competitiveness might be assessed to allow the WG to understand the relative impact of the different activities contributing in this area. This will provide useful information in deciding the most effective ways of helping the industry improve economic performance and competitiveness.

7.a28) CEQ28-SU - To what extent has the RDP contributed to the CAP objective of ensuring sustainable management of natural resources and climate action?

7.a28.a) Answer to evaluation question

This CEQ is very much related to CEQ 24 and CEQ 26 in that schemes which have positive impacts in the areas covered by those CEQs will also have positive impacts here. To recap, the 2014-2020 WRDP has made a positive, but modest, contribution to a reduction in GHG and ammonia emissions and to carbon sequestration and capture. There has also been a positive contribution to the environment through a combination of agri-environment schemes, specific investment grants and the provision of a range of relevant advice. There has therefore been a contribution to the CAP objective of ensuring sustainable management of natural resources and climate action. Whether alternative forms of intervention could have been more cost-effective is, of course, another issue that must await detailed evaluation.

7.a29) CEQ29-DE - To what extent has the RDP contributed to the CAP objective of achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment?

7.a29.a) Answer to evaluation question

The 2014-2020 WRDP contributes by design at the EU level and then again within the context of the national plans to the CAP objective of achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment. However, it is unlikely that the WRDP will have made a substantial contribution due to the relatively small scale of activities compared to the more substantial investments under the other Structural Funds and other influences on economic activity and employment.

CEQ 22 dealt specifically with the creation and maintenance of employment and noted that while some WRDP-supported innovations and improvements in efficiency may have lowered employment in the primary sector, there are examples of (relatively small-scale) job creation under specific WRDP schemes.

In conclusion, the 2014-2020 WRDP has contributed to achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment, but only in a relatively minor way in line with the overall level of support available and its main focus specifically on the agricultural sector. Again, assessing the cost-effectiveness of the RDP in creating employment compared with alternative mechanisms is a valid topic but outside the scope of the EAIR.

7.a30) CEQ30-IN - To what extent has the RDP contributed to fostering innovation?

7.a30.a) Answer to evaluation question

The answer to CEQ 1 dealt explicitly with innovation in rural areas. The conclusion was that there has certainly been considerable effort in the design of the 2014-2020 WRDP to support innovation. This is seen most clearly in the set of Farming Connect initiatives which are brigaded under this specific heading. Of greatest note here is the European Innovation Partnership (EIP) and the Knowledge Exchange Hub. Despite these new elements (which indicate a willingness to innovate in policy delivery), stakeholders did not feel

that Farming Connect as a whole is particularly innovative at the sector level, although it is accepted that a great deal depends on how narrowly the word ‘innovation’ is understood; a broader definition to include introducing things that may be new to individual farms (though maybe already in use by the industry leaders) would provide a more positive impression.

Many examples exist of attempts to encourage farmers to take up improvements in the way that they operate their farms, through a variety of tools that range from impersonal Knowledge Transfer, through demonstration farms, one-to-many sessions, group discussion and, at the other extreme, one-to-one advice and surgeries.

There is also an attempt to improve the link between the generators of research and innovation and the agricultural, food and forestry community, thereby assisting the rate of flow of ideas that are the basis of innovative behaviour (see the answer to CEQ 2).

Lifelong learning is embedded in much of the 2014-2020 WRDP, especially in the activities under Farming Connect, and this learning is likely to be a vehicle for innovation (see the answer to CEQ 3). Modernisation and agricultural diversification often go hand-in-hand with innovation (see the answer to CEQ 4).

There are also examples of innovative approaches to the delivery processes of schemes, projects, etc. throughout the 2014-2020 WRDP, perhaps most easily demonstrated in knowledge transfer (particularly the greater use of online platforms), but nevertheless widely practiced. Again, the definition of ‘innovative’ matters to the interpretation and answer to this over-arching question.

A key problem in relation to innovation is a lack of evidence at this stage with which to understand the outcomes and impacts of the activities undertaken. This lack of evidence means that while it is possible to conclude that the 2014-2020 WRDP should have positive impacts on innovation, it is not possible to conclude that it has. That said, it is acknowledged that efforts are being made through various planned evaluations, and through the internal efforts within certain elements of the WRDP to gather an evidence base for future use.

7.a31) PSEQ01-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a32) PSEQ02-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a33) PSEQ03-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a34) PSEQ04-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a35) PSEQ05-FA - Programme specific evaluation question linked to programme specific focus areas

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a36) PSEQ01-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a37) PSEQ02-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a38) PSEQ03-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a39) PSEQ04-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.a40) PSEQ05-TOPIC - Programme specific evaluation question linked to programme specific evaluation topic

This question is marked as not relevant for this AIR version

Not applicable for Wales Rural Development Programme.

7.b) Table of result indicators

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	Comments (max 500 char)
R1 / T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	10.08	1.47	N/A	0.00	1.47	
R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)* (GROSS VALUE)	N/A	0.00	0.00	0.00	0.00	It has not been possible to assess the extent of this change at present. It is the intention of the WG to use a farm practice survey commissioned as part of ERAMMP to capture information against this indicator
R2: Change in Agricultural output on supported farms/AWU (Annual Work Unit) (focus area 2A)* (NET VALUE)	N/A	0.00	0.00	0.00	0.00	It has not been possible to assess the extent of this change at present. It is the intention of the WG to use a farm practice survey commissioned as part of ERAMMP to capture information against this indicator
R3 / T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)		0.00	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	0.41	N/A	0.00	0.41	
R5 / T7: percentage of farms participating in risk management schemes (focus area 3B)		0.00	N/A	0.00	0.00	
R6 / T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2.76	0.75	N/A	0.00	0.75	
R7 / T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	38.75	44.72	N/A	0.00	44.72	
R8 / T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	13.83	6.22	N/A	0.00	6.22	
R9 / T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	0.18	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)	4.99	4.46	N/A	0.00	4.46	
R11 / T13: percentage of forestry land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	0.31	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					Not applicable. FA5a not programmed in Wales
R14: Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (focus area 5B)*	N/A	0.00	0.00	0.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. It is the intention of the WG to commission research in the future to look into this.
R15: Renewable energy produced from supported projects (focus area 5C)*	N/A	0.00	0.00	0.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. It is the intention of the WG to commission research in the future to look into this.
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)	4.20	4.42	N/A	0.00	4.42	
R18: Reduced emissions of methane and nitrous oxide (focus area 5D)*	N/A	0.00	0.00	0.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 14, 24 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future.
R19: Reduced ammonia emissions (focus area 5D)*	N/A	0.00	0.00	0.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 14, 24 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future.
R20 / T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	0.23	0.13	N/A	0.00	0.13	
R21 / T20: Jobs created in supported projects (focus area 6A)	765.00	2.00			2.00	Value for this indicator is 2.
R22 / T21: percentage of rural population covered by local development strategies (focus area 6B)	45.53	45.53	N/A		45.53	
R23 / T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	45.53	1.93	N/A	0.00	1.93	
R24 / T23: Jobs created in supported projects (Leader) (focus area 6B)	100.00	12.00	N/A		12.00	
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	

7.c) Table of additional and programme specific indicators used to support evaluation findings

No additional or programme-specific indicators defined

7.d) Table of CAP impact indicators

Name of common impact indicator	Unit	Updated indicator value	RDP contribution	Comments (max 500 char)
1. Agricultural Entrepreneurial Income / Standard of living of farmers	EUR/AWU	12,549.57	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 4 and 27
2. Agricultural factor income / total	EUR/AWU	18,309.25	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 4 and 27
3. Total factor productivity in agriculture / total (index)	Index 2005 = 100	100.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 4 and 27
7. GHG emissions from agriculture / total agriculture (CH4 and N2O and soil emissions/removals)	1000 t of CO2 equivalent	5,612.58	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 14, 24 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future.
7. GHG emissions from agriculture / share of total GHG Emissions	% of total net emissions	13.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 14, 24 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future.
7. GHG emissions from agriculture / ammonia emissions from agriculture	1000 t of NH3	22.36	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 14, 24 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future.
8. Farmland Birds index (FBI) / total (index)	Index 2000 = 100	85.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 08 and 26. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
9. HNV Farming / total	% of total UAA	19.10	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 08 and 26. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
10. Water Abstraction in Agriculture / total	1000 m3	11.10	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 11 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Potential surplus of nitrogen on agricultural land	kg N/ha/year	83.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future

11. Water Quality / Potential surplus of phosphorus on agricultural land	kg P/ha/year	5.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Surface water: High quality	% of monitoring sites	27.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Surface water: Moderate quality	% of monitoring sites	35.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Surface water: Poor quality	% of monitoring sites	38.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Groundwater: High quality	% of monitoring sites	87.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Groundwater: Moderate quality	% of monitoring sites	9.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
11. Water Quality / Nitrates in freshwater - Groundwater: Poor quality	% of monitoring sites	4.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQs 09 and 28. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
12. Soil organic matter in arable land / Total estimates of organic carbon content	mega tons			The WG uses another method for measuring soil organic matter as reported in PSCIs 41a1 to 41d4.
12. Soil organic matter in arable land / Mean organic carbon content	g kg-1			The WG uses another method for measuring soil organic matter as reported in PSCIs 41a1 to 41d4.
13. Soil Erosion by water / rate of soil loss by water erosion	tonnes/ha/year	3.70	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 10. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
13. Soil Erosion by water / agricultural area affected	1000 ha	96,844.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 10. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
13. Soil Erosion by water /	% of agricultural area	6.60	0.00	It has not been possible to provide a robust quantitative assessment of

agricultural area affected				this at this stage in the programme. For a qualitative assessment please see the response to CEQ 10. It is the intention of WG to use findings from the ERAMMP to help assess the RDP contribution in future
14. Employment Rate / * rural (thinly populated) (15-64 years)	%	72.20	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 22
14. Employment Rate / * rural (thinly populated) (20-64 years)	%	76.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 22
15. Poverty rate / total	% of total population	22.20	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 25
15. Poverty rate / * rural (thinly populated)	% of total population	17.40	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ
16. GDP per capita / * rural	Index PPS (EU-27 = 100)	69.00	0.00	It has not been possible to provide a robust quantitative assessment of this at this stage in the programme. For a qualitative assessment please see the response to CEQ 22 and 25

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 WG, 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 WG does now and in the future. The aim is to have a single set of values which guide how the WG 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 through the Farming connect suite of activities.

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.

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 up to three 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.

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 RDP as a LEADER Task and Finish Group and was given an ongoing role following approval by the European Commission of the RDP. The remit of the CLLD Consultation Group is 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. The Group met twice during 2018 on the 30 January and 10 December 2018 in Newtown.

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, it is currently working with the WG to develop action Plan 2. 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 2018 on 8 March, 7 June, 6 September and 6 December 2018. The Board identified three main work streams as key areas which include, People & Skills, Customers and Markets and Business and Investment. Topics that the Board has been discussing in recent months include, Brexit, analysing the market, for example, processing gaps, research opportunities in order to understand better customers and markets with the aim of informing industry. Innovation, investment and growth opportunities are also regular agenda items as are stakeholder engagement opportunities, such as with the Wales Retail Council and HCC. The board have run several conferences including finance and investment, tuck in marketing masterclass and two skills conferences. They have produced a 2018 strategy, a skills plan for the sector and commissioned and launched a sector drink plan as well as a report on all activity from 2014-2018.

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

a number of main drivers. The first driver was the WG position which was stated through the Programme for Government that Ministers wished to adopt a real and practical approach of being a Pro Business Government. The second driver was the development and then launch of the Food and Drink Action Plan, which had 48 key actions at its heart, but with an overarching mission of increasing growth in the sector by 30%. These two drivers remain at the core of cluster development within the Welsh Food and Drink Sector. However a core driver, the Well-being of Future Generations (Wales) Act 2015, has also been included as the clusters have been developed.

Follow review of key accounts, micro business support and analysis of the sectors within food and drink, it was agreed the following Clusters should be developed - Fine Food Cluster, NutriWales Cluster, High Impact Cluster, Seafood Cluster & Export Cluster. Each Cluster has been developed with an opportunity to test different methods of cluster development, within the twelve stages of Cluster development that are recommended. During 2018 a further 3 Clusters were developed – Drinks, Horticulture and Honey. This has allowed a core principle to be developed that the cluster is `always` driven by the business agenda, whilst delivering against the Food and Drink Action plan, and also the Well-being of Future Generations (Wales) Act 2015. The Clusters meet quarterly with Welsh Government with the following meetings having taken place: 23 January, 24 April, 31 July and 23 October 2018.

In April 2018 Wales Rural Network (WRN) and representatives from WG's Food Division supported the 11th OECD Rural Development Conference: Enhancing Rural Innovation in Edinburgh. The conference brought together leading policy makers and experts to exchange experiences and good practices on issues related to innovation, including the development of policy related to technological change, and making the most of opportunities for job creation, economic growth, and service delivery.

The Research Monitoring and Evaluation (RME) Team within the Welsh Government has overall responsibility for Monitoring and Evaluation of ESI funds. The RME 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 RMETeam to produce robust monitoring and evaluation evidence on the ESI funds in Wales. The MEAG covers all ESI Funds; ERDF (including the Ireland-Wales European Territorial Co-operation Programme), ESF and EAERFD (RDP). It is the intention that the MEAG will meet two to three times a year, with the intention where possible of meeting a month in advance of the ESI Programme Monitoring Committee to aid discussions with PMC in their role of overseeing implementation of ESI funds in Wales. During 2018 the MEAG met on two occasions; 12 February and 28 November.

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

Although the WGRC-RDP 2014 – 2020 makes provision for the future use of FIs during 2016 Welsh Government officials took the decision not to introduce FIs within the programme. This decision was taken primarily 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.

The wider integrated approach to supporting the development of rural areas is overseen by the Wales Programme Monitoring Committee (PMC), a single Committee covering all three ESI funds managed by the Welsh Government (ERDF, ESF and the EAFRD). This Committee provides strategic direction and oversight of the investments being made across Wales. Partners from private, public and third sectors (including economic and social partners, national, regional and local authorities; and representatives of civil society including environmental and equality bodies) form membership of the PMC.

The Research Monitoring and Evaluation (RME) team within WG supports the work of the PMC by providing an integrated approach to the monitoring and evaluation of ESI funds. The RME team set up the Monitoring and Evaluation Advisory Group (MEAG), which met for the first time in 2016. Made up of internal and external stakeholders the role of the MEAG is to support the RME Team to produce robust monitoring and evaluation evidence on the ESI funds in Wales. It is anticipated that the MEAG will meet two to three times a year, in advance of PMC meetings to aid discussions with PMC Members in their role of overseeing implementation of ESI funds in Wales.

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)	2014-2018			3.76	16.81	22.36
		2014-2017			1.19	5.32	
		2014-2016					
		2014-2015					

Focus Area 1B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1B	T2: Total number of cooperation operations supported under the cooperation measure (Article 35 of Regulation (EU) No 1305/2013) (groups, networks/clusters, pilot projects...) (focus area 1B)	2014-2018			60.00	5.60	1,072.00
		2014-2017			2.00	0.19	
		2014-2016					
		2014-2015					

Focus Area 1C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
1C	T3: Total number of participants trained under Article 14 of Regulation (EU) No 1305/2013 (focus area 1C)	2014-2018			10,079.00	74.66	13,500.00
		2014-2017			5,021.00	37.19	
		2014-2016					
		2014-2015					

Focus Area 2A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2A	T4: percentage of agricultural holdings with RDP support for investments in restructuring or modernisation (focus area 2A)	2014-2018	2.99	29.67	1.47	14.59	10.08
		2014-2017	0.29	2.88	0.07	0.69	
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2A	O1 - Total public expenditure	2014-2018	51,346,321.03	42.20	27,867,549.74	22.90	121,683,038.27
M01	O1 - Total public expenditure	2014-2018	21,546,673.23	50.52	11,133,160.97	26.10	42,652,855.84
M01.1	O1 - Total public expenditure	2014-2018			1,992,892.70	63.15	3,155,935.48
M01.1	O12 - Number of participants in trainings	2014-2018			8,452.00	84.44	10,010.00
M02	O1 - Total public expenditure	2014-2018	3,885,075.84	45.97	1,571,521.71	18.59	8,452,241.77
M02.1	O13 - Number of beneficiaries advised	2014-2018			1,370.00	46.24	2,963.00
M04	O1 - Total public expenditure	2014-2018	25,295,821.96	36.07	15,110,168.07	21.55	70,125,000.90
M04	O2 - Total investment	2014-2018			33,299,331.65	18.99	175,312,502.25
M04.1	O1 - Total public expenditure	2014-2018			15,110,168.07	21.55	70,125,000.90
M04.1	O4 - Number of holdings/beneficiaries supported	2014-2018			354.00	14.56	2,431.00
M16	O1 - Total public expenditure	2014-2018	618,750.00	136.61	52,698.99	11.63	452,939.76

Focus Area 2B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
2B	T5: percentage of agricultural holdings with RDP supported business development plan/investments for young farmers (focus area 2B)	2014-2018					0.73
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
2B	O1 - Total public expenditure	2014-2018	2,852,715.01				
M01	O1 - Total public expenditure	2014-2018	2,240,943.91				
M02	O1 - Total public expenditure	2014-2018	611,771.10				

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)	2014-2018	2.11	308.44	0.41	59.93	0.68
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
3A	O1 - Total public expenditure	2014-2018	100,135,863.40	92.16	34,069,692.77	31.36	108,649,232.48
M01	O1 - Total public expenditure	2014-2018	53,111,334.04	177.82	5,647,894.40	18.91	29,867,857.00
M01.1	O1 - Total public expenditure	2014-2018			5,054,370.49	18.51	27,303,121.92
M01.1	O12 - Number of participants in trainings	2014-2018			345.00	30.00	1,150.00
M02	O1 - Total public expenditure	2014-2018	255,021.34	29.46	159,186.20	18.39	865,564.95
M02.1	O13 - Number of beneficiaries advised	2014-2018			74.00	24.42	303.00
M04	O1 - Total public expenditure	2014-2018	43,087,141.70	96.28	26,549,417.24	59.33	44,750,000.00
M04	O2 - Total investment	2014-2018			62,823,529.41	53.70	117,000,000.00
M04.1 M04.2	O3 - Number of actions/operations supported	2014-2018			80.00	66.67	120.00
M16	O1 - Total public expenditure	2014-2018	3,682,366.32	11.10	1,713,194.93	5.17	33,165,810.53
M16.4	O9 - Number of holdings participating in supported schemes	2014-2018			99.00	60.00	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)	2014-2018					0.31
		2014-2017					
		2014-2016					
		2014-2015					
	T11: percentage of forestry land under management contracts to improve water management (focus area 4B)	2014-2018					0.18
		2014-2017					
		2014-2016					
		2014-2015					
	T8: percentage of forest/other wooded area under management contracts supporting biodiversity (focus area 4A)	2014-2018		0.75	27.13		2.76
		2014-2017		0.23	8.32		
		2014-2016		0.20	7.23		
		2014-2015		0.01	0.36		
P4	T12: percentage of agricultural land under management contracts to improve soil management and/or prevent soil erosion (focus area 4C)	2014-2018		4.46	89.46		4.99
		2014-2017		4.46	89.46		
		2014-2016		4.36	87.45		
		2014-2015					
	T10: percentage of agricultural land under management contracts to improve water management (focus area 4B)	2014-2018		6.22	44.97		13.83
		2014-2017		6.22	44.97		
		2014-2016		3.14	22.70		
		2014-2015					
	T9: percentage of agricultural land under management contracts supporting biodiversity and/or landscapes (focus area 4A)	2014-2018		44.72	115.40		38.75
		2014-2017		44.72	115.40		
		2014-2016		20.94	54.03		
		2014-2015		1.60	4.13		
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
P4	O1 - Total public expenditure	2014-2018	288,775,337.78	69.51	179,267,839.15	43.15	415,473,778.63
M01	O1 - Total public expenditure	2014-2018	6,310,603.51	126.58	1,467,282.40	29.43	4,985,398.73
M01.1	O1 - Total public expenditure	2014-2018			398,939.25	108.15	368,875.58
M01.1	O12 - Number of participants in trainings	2014-2018			620.00	52.99	1,170.00
M02	O1 - Total public expenditure	2014-2018	2,436,972.29	37.28	637,903.78	9.76	6,536,482.96
M02.1	O13 - Number of beneficiaries advised	2014-2018			198.00	4.72	4,195.00
M04	O1 - Total public expenditure	2014-2018	74,001,862.59	68.84	34,782,043.51	32.36	107,491,727.39
M04	O2 - Total investment	2014-2018			34,782,043.51	32.36	107,491,727.39
M04.4	O3 - Number of actions/operations supported	2014-2018			4,506.00	30.88	14,590.00
M08	O1 - Total public expenditure	2014-2018	8,937,944.88	35.74	10,519,223.69	42.06	25,007,148.98

M08.1	O1 - Total public expenditure	2014-2018			6,064,986.72	34.01	17,835,231.94
M08.1	O5 - Total area (ha)	2014-2018			1,231.91	49.32	2,498.00
M08.2	O1 - Total public expenditure	2014-2018			1,972.34	4.93	40,000.00
M08.2	O5 - Total area (ha)	2014-2018			1.00	2.00	50.00
M08.3	O1 - Total public expenditure	2014-2018			0.00	0.00	325,000.00
M08.3	O4 - Number of holdings/beneficiaries supported	2014-2018					1.00
M08.4	O1 - Total public expenditure	2014-2018					1,674,174.38
M08.5	O1 - Total public expenditure	2014-2018			4,452,264.63	86.74	5,132,742.66
M08.5	O3 - Number of actions/operations supported	2014-2018			540.00	134.00	403.00
M08.5	O5 - Total area (ha)	2014-2018			3,671.97	38.88	9,445.00
M10	O1 - Total public expenditure	2014-2018	163,016,953.00	70.62	116,638,497.76	50.53	230,841,570.53
M10.1	O5 - Total area (ha)	2014-2018			656,287.77	103.29	635,399.00
M11	O1 - Total public expenditure	2014-2018	20,108,571.52	75.96	14,408,015.39	54.42	26,474,317.45
M11.1	O5 - Total area (ha)	2014-2018			5,281.66	47.36	11,153.00
M11.2	O5 - Total area (ha)	2014-2018			61,909.65	108.07	57,287.00
M15	O1 - Total public expenditure	2014-2018	0.00	0.00			375,000.00
M15.1	O5 - Total area (ha)	2014-2018					700.00
M16	O1 - Total public expenditure	2014-2018	13,962,429.99	101.46	814,872.62	5.92	13,762,132.59

Focus Area 5B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5B	T15: Total investment for energy efficiency (€) (focus area 5B)	2014-2018	11,587,950.75	56.18	9,380,795.88	45.48	20,625,000.27
		2014-2017	1,586,895.45	7.69	1,586,895.45	7.69	
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5B	O1 - Total public expenditure	2014-2018	7,358,501.80	74.93	4,675,757.34	47.61	9,820,529.39
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.35	25.91	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2018			49,681.79	60.61	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2018			138.00	53.08	260.00
M02	O1 - Total public expenditure	2014-2018	109,410.63	45.96	43,776.17	18.39	238,030.36
M02.1	O13 - Number of beneficiaries advised	2014-2018			20.00	24.10	83.00
M04	O1 - Total public expenditure	2014-2018	6,380,062.32	77.33	4,326,061.76	52.44	8,250,000.11
M04	O2 - Total investment	2014-2018			9,380,795.88	45.48	20,625,000.27
M04.1 M04.2 M04.3	O3 - Number of actions/operations supported	2014-2018			226.00	79.02	286.00
M16	O1 - Total public expenditure	2014-2018	309,375.00	137.72	18,828.06	8.38	224,632.53

Focus Area 5C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
5C	T16: Total investment in renewable energy production (€) (focus area 5C)	2014-2018	1,633,794.74	3.72			43,862,327.67
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
5C	O1 - Total public expenditure	2014-2018	1,857,857.22	6.21	340,409.64	1.14	29,922,297.76
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.27	25.91	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2018			49,681.76	60.61	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2018			138.00	53.08	260.00
M02	O1 - Total public expenditure	2014-2018	86,202.48	45.97	34,490.32	18.39	187,539.07
M02.1	O13 - Number of beneficiaries advised	2014-2018			16.00	24.24	66.00
M07	O1 - Total public expenditure	2014-2018	438,828.24	2.29			19,190,481.39
M07.2	O3 - Number of actions/operations supported	2014-2018					197.00
M07.2 M07.3 M07.4 M07.5 M07.6 M07.7 M07.8	O2 - Total investment	2014-2018					23,028,577.67
M08	O1 - Total public expenditure	2014-2018	463,797.65	5.56			8,344,131.38
M08	O3 - Number of actions/operations supported	2014-2018					100.00
M08.5	O1 - Total public expenditure	2014-2018					10,631.38
M08.6	O1 - Total public expenditure	2014-2018					8,333,500.00
M08.6	O2 - Total investment	2014-2018					20,833,750.00
M16	O1 - Total public expenditure	2014-2018	309,375.00	28.32	18,828.05	1.72	1,092,279.53

Focus Area 5D							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
SD	T18: percentage of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (focus area 5D)	2014-2018			4.42	105.23	4.20
		2014-2017			4.42	105.23	
		2014-2016			3.11	74.04	
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
SD	O1 - Total public expenditure	2014-2018	14,778,896.98	75.45	9,186,617.32	46.90	19,587,705.86
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.30	25.91	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2018			49,281.75	60.12	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2018			138.00	53.08	260.00
M02	O1 - Total public expenditure	2014-2018	770,516.80	33.85	308,290.70	13.54	2,276,310.79
M02.1	O13 - Number of beneficiaries advised	2014-2018			144.00	14.57	988.00
M04	O1 - Total public expenditure	2014-2018	6,440,096.54	152.69	2,214,747.21	52.51	4,217,649.53
M04	O2 - Total investment	2014-2018			4,875,603.23	46.86	10,405,149.61
M04.1 M04.3 M04.4	O3 - Number of actions/operations supported	2014-2018			316.00	6.46	4,893.00
M10	O1 - Total public expenditure	2014-2018	6,699,254.79	56.96	6,357,660.03	54.06	11,761,246.62
M10.1	O5 - Total area (ha)	2014-2018			70,088.83	117.19	59,807.08
M16	O1 - Total public expenditure	2014-2018	309,375.00	137.72	18,828.08	8.38	224,632.53

Focus Area 5E							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
SE	T19: percentage of agricultural and forest land under management contracts contributing to carbon sequestration and conservation (focus area 5E)	2014-2018			0.13	57.77	0.23
		2014-2017			0.13	57.77	
		2014-2016			0.03	13.33	
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
SE	O1 - Total public expenditure	2014-2018	12,301,761.62	58.24	9,307,623.08	44.06	21,123,506.68
M01	O1 - Total public expenditure	2014-2018	559,653.85	50.52	287,091.35	25.91	1,107,866.39
M01.1	O1 - Total public expenditure	2014-2018			49,281.81	60.12	81,972.35
M01.1	O12 - Number of participants in trainings	2014-2018			138.00	53.08	260.00
M02	O1 - Total public expenditure	2014-2018	521,155.66	38.88	100,831.43	7.52	1,340,519.39
M02.1	O13 - Number of beneficiaries advised	2014-2018			19.00	2.42	786.00
M04	O1 - Total public expenditure	2014-2018	3,249,416.88	892.75	1,267,814.94	348.32	363,980.10
M04	O2 - Total investment	2014-2018			1,267,814.94	348.32	363,980.10
M04.4	O3 - Number of actions/operations supported	2014-2018			855.00	17.45	4,900.00
M08	O1 - Total public expenditure	2014-2018	6,334,014.43	37.99	6,885,651.90	41.30	16,672,343.60
M08.1	O1 - Total public expenditure	2014-2018			4,353,977.30	58.80	7,404,656.00
M08.1	O5 - Total area (ha)	2014-2018			340.23	40.89	832.00
M08.2	O1 - Total public expenditure	2014-2018			0.00	0.00	40,000.00
M08.2	O5 - Total area (ha)	2014-2018					50.00
M08.3	O1 - Total public expenditure	2014-2018			0.00	0.00	975,000.00
M08.4	O1 - Total public expenditure	2014-2018			2,426,351.81	48.31	5,022,525.15
M08.5	O1 - Total public expenditure	2014-2018			105,322.79	3.26	3,230,162.45
M08.5	O3 - Number of actions/operations supported	2014-2018			62.00	15.78	393.00
M10	O1 - Total public expenditure	2014-2018	1,139,581.09	107.38	747,405.39	70.43	1,061,224.67
M10.1	O5 - Total area (ha)	2014-2018			1,880.13	62.22	3,021.60
M16	O1 - Total public expenditure	2014-2018	497,939.71	86.21	18,828.07	3.26	577,572.53

Focus Area 6A							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6A	T20: Jobs created in supported projects (focus area 6A)	2014-2018			2.00	0.26	765.00
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6A	O1 - Total public expenditure	2014-2018	20,705,625.94	76.61	2,134,538.41	7.90	27,028,060.28
M02	O1 - Total public expenditure	2014-2018	220,810.79	45.97	89,318.44	18.59	480,388.55
M02.1	O13 - Number of beneficiaries advised	2014-2018			78.00	46.43	168.00
M06	O1 - Total public expenditure	2014-2018	16,867,573.90	69.17	182,856.10	0.75	24,385,948.12
M06	O2 - Total investment	2014-2018			182,856.10	0.34	53,822,012.30
M06.2 M06.4	O4 - Number of holdings/beneficiaries supported	2014-2018			2.00	0.48	420.00
M08	O1 - Total public expenditure	2014-2018	2,847,740.00	158.73	1,846,054.15	102.90	1,794,076.61
M08	O3 - Number of actions/operations supported	2014-2018					20.00
M08.5	O1 - Total public expenditure	2014-2018					127,576.61
M08.6	O1 - Total public expenditure	2014-2018			1,846,054.15	110.77	1,666,500.00
M08.6	O2 - Total investment	2014-2018			4,607,973.59	110.60	4,166,250.00
M16	O1 - Total public expenditure	2014-2018	769,501.25	209.30	16,309.72	4.44	367,647.00

Focus Area 6B							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6B	T23: Jobs created in supported projects (Leader) (focus area 6B)	2014-2018			12.00	12.00	100.00
		2014-2017					
		2014-2016					
		2014-2015					
	T22: percentage of rural population benefiting from improved services/infrastructures (focus area 6B)	2014-2018			1.93	4.24	45.53
		2014-2017			45.53	100.01	
		2014-2016					
		2014-2015					
	T21: percentage of rural population covered by local development strategies (focus area 6B)	2014-2018			45.53	100.01	45.53
		2014-2017			45.53	100.01	
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6B	O1 - Total public expenditure	2014-2018	148,161,553.37	84.43	31,395,321.45	17.89	175,478,897.09
M07	O1 - Total public expenditure	2014-2018	19,591,950.89	38.08	5,515,981.22	10.72	51,455,813.95
M07.1	O3 - Number of actions/operations supported	2014-2018					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)	2014-2018			58,592.00	4.24	1,381,745.00
M07.2	O3 - Number of actions/operations supported	2014-2018			1.00	1.79	56.00
M07.4	O3 - Number of actions/operations supported	2014-2018			59.00	35.12	168.00
M07.5	O3 - Number of actions/operations supported	2014-2018			14.00	9.33	150.00
M07.6	O3 - Number of actions/operations supported	2014-2018			8.00	10.00	80.00
M07.7	O3 - Number of actions/operations supported	2014-2018			5.00	10.00	50.00
M16	O1 - Total public expenditure	2014-2018	67,548,615.95	104.76	11,380,635.59	17.65	64,476,606.75
M19	O1 - Total public expenditure	2014-2018	61,020,986.53	102.48	14,498,704.64	24.35	59,546,476.39
M19	O18 - Population covered by LAG	2014-2018			1,381,745.00	100.00	1,381,745.00
M19	O19 - Number of LAGs selected	2014-2018			18.00	100.00	18.00
M19.1	O1 - Total public expenditure	2014-2018			58,171.37	104.47	55,680.00
M19.2	O1 - Total public expenditure	2014-2018			8,264,666.79	19.94	41,457,514.04

M19.3	O1 - Total public expenditure	2014-2018			387,820.32	9.33	4,155,205.88
M19.4	O1 - Total public expenditure	2014-2018			5,788,046.16	41.71	13,878,076.47

Focus Area 6C							
FA/M	Target indicator name	Period	Based on approved (when relevant)	Uptake (%)	Realised	Uptake (%)	Target 2023
6C	T24: percentage of rural population benefiting from new or improved services/infrastructures (ICT) (focus area 6C)	2014-2018					16.47
		2014-2017					
		2014-2016					
		2014-2015					
FA/M	Output Indicator	Period	Committed	Uptake (%)	Realised	Uptake (%)	Planned 2023
6C	O1 - Total public expenditure	2014-2018	884,071.64	24.17	335,610.98	9.18	3,657,637.85
M01	O1 - Total public expenditure	2014-2018	279,826.93	50.52	144,586.49	26.10	553,933.19
M01.1	O1 - Total public expenditure	2014-2018			25,881.74	63.15	40,986.18
M01.1	O12 - Number of participants in trainings	2014-2018			110.00	84.62	130.00
M07	O1 - Total public expenditure	2014-2018	604,244.71	19.47	191,024.49	6.15	3,103,704.66
M07.3	O15 - Population benefiting of improved services/infrastructures (IT or others)	2014-2018					500,000.00
M07.3	O3 - Number of actions/operations supported	2014-2018			2.00	4.08	49.00

Documents

Document title	Document type	Document date	Local reference	Commission reference	Checksum	Files	Sent date	Sent By
AIR Financial Annex 2014UK06RDRP004	Financial annex (System)	05-12-2019		Ares(2019)7498535	4098083857	AIRfinancialAnnex2014UK06RDRP004_en.pdf	05-12-2019	nmerjona
AIR Financial Annex 2014UK06RDRP004	Financial annex (Other)	05-12-2019		Ares(2019)7498535	2731549699	AIR Financial Annex 2014UK06RDRP004	05-12-2019	nmerjona
Wales RDP 2018 Citizen Summary	Citizens' summary	27-06-2019		Ares(2019)7498535	3610709346	Wales RDP 2018 Citizen Summary	05-12-2019	nmerjona

