



Llywodraeth Cymru
Welsh Government

Welsh Government Rural Communities – Rural Development Programme (RDP) 2014 – 2020:

2020 Annual Report - Summary

1. Overview

The Welsh Government Rural Communities – Rural Development Programme (WGRC-RDP) 2014-2020 is a 7 year investment Programme funded by the Welsh Government and the European Union ('EU') through the European Agricultural Fund for Rural Development ('EAFRD').

The Wales RDP was adopted on the 26 May 2015 and has been amended three times, the last approved in October 2019, a fourth modification was developed during 2020 for submission early 2021.

The Wales-wide Programme supports a wide range of activities designed to increase the sustainability and resilience of Wales' natural environment, land-based sector, food businesses and rural communities.

A budget of up to €977 million has been agreed for the Rural Development Programme. This is made up of approximately €651.6 million of EU money and €334 million of the Welsh Government's own money.

The majority of activities supported through the Programme are delivered through 'schemes' and can be broadly grouped by the following themes;

	EU Budget	Total Budget	EU Spend	Total Spend
Human and Social Capital Schemes (including Farming Connect support)	€ 166.98	€277.28	€ 60.85	€ 98.12
Investment Schemes (such as the Sustainable Production Grant)	€ 93.41	€ 142.43	€ 50.86	€ 77.53
Agri Environment-Climate Schemes (Glastir)	€ 311.27	€ 419.67	€ 229.11	€ 296.50
Local Development Schemes (including LEADER)	€ 54.12	€ 89.28	€ 28.37	€ 45.49
Other Activity (such as Wales Rural Network)	€ 25.80	€ 48.69	€ 11.19	€ 21.12
Total available under the Programme	€ 651.59	€ 977.35	€ 380.76	€ 539.47

Each scheme delivered within the Rural Development Programme is allocated an indicative budget. Targets are set for what is expected to be delivered. These targets are monitored throughout the year by the Welsh Government. Progress towards the targets is included in the annual report sent to the European Commission (EC). This monitoring ensures that money is being spent in the way which Welsh Government planned. A copy of these reports can be found [here](#).

2. Evaluation

Evaluation is key part of the Programme to help assess the effectiveness of the Programme and identify areas where improvements can be made. A number of [guidance documents](#) have been published to support this work.

The RME team commissioned an evaluation of the **Knowledge Transfer, Innovation and Advisory Services Scheme, known otherwise as Farming Connect** in early 2018. The first phase of the evaluation took place over the course of 2018 and early 2019 and culminated in the publication of the interim report in March 2020.

The second stage of fieldwork was due to start in late 2019 however restrictions on research around the general election meant that this was delayed until early 2020. Covid-19 and the introduction of social distancing measures necessitated some adaptations to the approach. A [draft report](#) was received in late 2020 with further revisions received in early 2021 prior to publishing in March 2021.

The evaluation of the **Sustainable Management Scheme** was awarded in late 2019. This is planned to run for the duration of the scheme until early 2023, reporting milestones have been built in to the contract. The evaluation commenced in January 2020, however the arrival of Covid 19 in March 2020 meant that the fieldwork element had to be reconsidered. A draft report was received in December 2020.

Other research and evaluation work undertaken in 2020 includes:

- Developed the specification for a midterm evaluation of the tourism schemes;
- Commissioned a piece of research looking at the Farm Business Grant
- Developed the evaluation of LEADER
- Developed and advertised a specification for the European Innovation Partnership evaluation.
- Completed the evaluation of the Wales Rural Network, the executive summary can be read [here](#)

All published research and evaluation reports can be found on the [Wales Rural Network website](#).

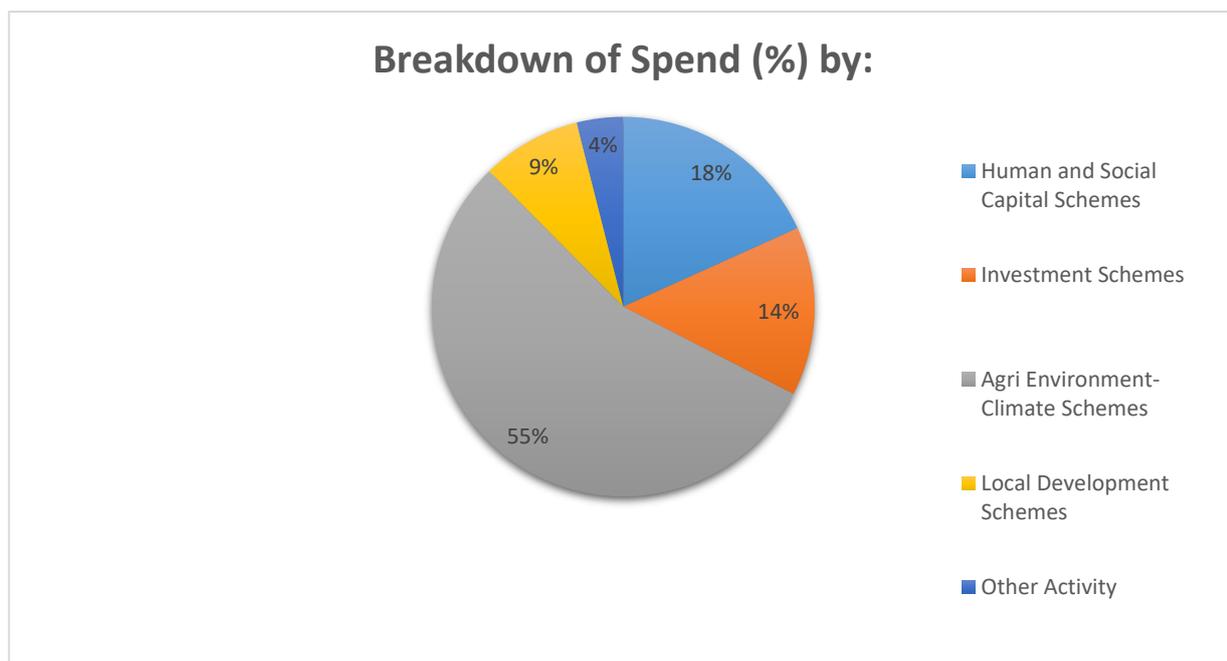
3. Programme Progress

Since late 2015 a total of €539.5 million has been paid out under the Programme, with €114 million paid during 2020 alone. The majority of the funding (€296.5 million) paid relates to land-based (agri-environment / forestry) activities. €380.8 million of the total paid since the beginning of the programme has come from European funds, of which €205.7 million comes from Pillar I transfer funding.

2020 payments were lower than previous reporting years due to COVID-19. A great number of the projects under the socio-economic measures were unable to deliver on the ground, therefore having a knock on effect to claims and payments.

By the end of 2020 some of the key achievements delivered through the Programme included:

- a total of 16,712 participants had received training, across a total of 12,016 training days;
- there has been almost 6,572 hectares of new woodland created;
- total of 3,714 holdings received investment support through the Sustainable Production Grant and Farm Business Grant;
- 3,895 contracts under agri-environment-climate were supported in 2020, covering a physical area of 739,208 hectares;
- 3,610 hectares supported through the Glastir Woodland Management along with 1,210 hectares of woodland restocked through the Glastir Woodland Restoration Scheme
- 46 projects funded through the European Innovation Partnership



Further information on the individual schemes delivered through the Programme can be found below and by following the web-links for each scheme.

4. Human & Social Capital Schemes

Training and advice delivery contracts (Knowledge Transfer and Rural Business Advisory Scheme) are delivered through [Farming Connect](#). Farming Connect is central in supporting the delivery of other areas of the Programme. It forms the main mechanism for delivering an integrated package of knowledge transfer, advice and innovation support targeting rural communities within Wales.

Click [here](#) for an example of a demonstration farm project that has shown that rotational grazing in sheep systems increases soil organic matter, not only for the grass performance benefits but also to sequester carbon. Another example of protecting the environment can be seen [here](#). Through an amalgamation of Farming Connect mentoring and subsidised training, a Pembrokeshire Farm is now offsetting carbon emissions through a combination of woodland management, animal health planning and a significantly improved grazing management strategy.

Another initiative under Farming Connect, Venture, is designed to help match farmers and landowners who are looking to step back from the industry with new entrants looking for a way into farming. An example of a new joint trading Venture agreement in Conwy valley can be seen [here](#).

Farming Connect recognises how beneficial independent, confidential and bespoke advice can be. Through the Farming Connect Advisory Service, subsidised advice can be delivered both one to one and on a group basis. Click [here](#) for an example of a Wrexham tenant farmer that benefited from a five year business Plan by a Farming Connect approved adviser, which has transformed both the efficiency and profitability of his business, having been badly affected by Bovine TB.

The Farming Connect programme is a large programme with wide delivery platform delivering several interventions under numerous themes to all sectors of the industry. All the published Farming Connect case studies can be found on the following webpage: <https://businesswales.gov.wales/farmingconnect/news-and-events/case-studies>

Advisory services to aid Glastir delivery are also supported, along with other Knowledge Transfer and Information Scheme activities. These include grant-aided projects for sectorial and industry led, bottom-up initiatives targeting agriculture, forestry, food, other rural SMEs and land managers.

[EIP Wales](#) is the European Innovation Partnership for Agricultural Productivity & Sustainability, which aims to bring a range of people and organisations together to develop innovative solutions, benefitting the wider industry in Wales and the EU. EIP is a new approach to support the development of research and innovation in agriculture and woodlands in Wales. In Wales, EIP was launched in January 2016 and applications were, and continue to be, invited from Groups interested in solving common problems. In August 2017, Menter a Busnes were awarded the contract to run the EIP Wales programme which involves the management and facilitation of every stage from enquiry through to awarding project contracts and execution of the successful project. Twelve EIP projects were

approved in 2020, bringing the total to 46. Approved projects can be found on the [Farming Connect website](#).

EIP Wales has assisted the [Organic Ancient Cereal Supply Chain](#) in Pembrokeshire, by addressing some key agronomic questions, the project will improve the efficiency of production, and the baking, taste and nutritional test will help them test the claims they make for products based on ancient cereals.



Another EIP supported project highlights the [opportunities for market diversification and increased farm resilience with unusual and exotic vegetables and edible flower production in Wales](#) - The growing of micro salads, unusual vegetables and edible flowers has been a sensation in the top restaurant trade for a number of years. Demand for new and exotic foods from across the globe is now more prevalent than ever before. This represents a strong opportunity for Welsh growers seeking to diversify their offering and increase productivity. Although these niche crops have been grown successfully in different countries, there is no agronomic advice available which is specific to the climate of Wales.

The [Cooperation & Supply Chain Development](#) ('C&SCD') scheme supports collaboration and is designed to make new things happen. The scheme aims to achieve transformational change, supporting the development of new products, practices, processes and technologies in the agriculture, forestry and food sectors. To date the C&SCD has led to 149 cooperation operations being supported. -

Supported under measure 16. 2, the **Welsh Food and Drink Sustainable Scale Up Cluster** will support businesses by segmenting them according to their needs:

- improving their business resilience and survival rates following the catastrophic trading conditions caused by Covid-19;
- business recovery, growth and sustainable scale up.

The cluster will follow triple helix principles, working across industry, academia and government to embed business resilience, recovery and scale up knowledge through 1 to many collaborative and knowledge sharing activities between cluster members.

Financial support is offered through the [Sustainable Management Scheme](#) ('SMS') to help start up and facilitate new collaborations through to landscape-scale ambition, co-ordinating actions and input from several parties to achieve lasting benefits across our communities. It supports a range of activities to improve the management of natural resources and in so doing contribute to the well-being of rural communities.



An example of this is the [Woodlands for Water](#) supported through the Sustainable Management Scheme, this project's primary aims are to reconnect fragmented habitats, particularly woodland habitats, and address water resource management issues, primarily in the Alun and Chwiler river valleys; engaging local landholders and communities to tackle these issues.

5. Investment Schemes

The [Sustainable Production Grant](#) ('SPG') is a capital investment fund to help improve both the economic and environmental performance of farms. Grants represent a maximum 40% contribution. By the end of 2020 a total of 371 applications had been approved through 6 rounds. The [Farm Business Grant](#) ('FBG') provides a financial contribution towards capital investment in equipment and machinery that have been pre-identified as offering clear and quantifiable benefits to farm enterprises. Farming business must have attended a Farming Connect 'Farming for the Future' event to be eligible to apply for the Scheme. Over 3,860 applications have been received through seven rounds of FBG by the end of 2020.

The **Timber Business Investment Scheme (TBIS)** offers financial support for forest owners to enhance forestry potential. 13 projects under the TBIS umbrella were approved in 2020.

Supported by the TBIS, [Stradmore Woodland Timber Processing Unit](#) –saw the establishment of a new round timber processing unit in Stradmore Wood to process both small diameter and oversize hardwood and softwood timber. A band-saw was purchased to maximise sawn wood recovery and provide a more flexible sawing capability than in the existing sawmill. Mobile equipment to produce hardwood and softwood fencing provided a market for small diameter material from woodlands in Mid & West Wales together with a new building being erected, and timber handling equipment purchased.

The **Food Business Investment Scheme (FBIS)** offers financial support for capital investments in food processing equipment. 20 projects under were approved in 2020.

[Dragon](#) – Financially supported by FBIS, the aim of Project Dragon is to grow South Caernarfon Creameries business to that of a leading top-end mid-tier cheese manufacturer.

The project involves investment in the re-development and expansion of South Caernarfon Creameries core cheese business:

- To add two additional cheese-making lines to meet customer demand.
- To develop South Caernarfon Creameries added value (pre-packing) processing lines.

To redevelop the site's services to increase capacity and improve resource utilisation: milk reception, whey processing, effluent treatment, boiler steam generation & chilling plant.

Rural Business Investment Scheme (Food) financially supports small food and drink processors and manufacturers. 1 project was approved in 2020

[Pantri Taldraeth](#), received funding through the RBIS (Food) scheme. The business produces Taldraeth home produce, under the name Pantri Taldraeth e.g. 'from the garden to the jar', such as jams, jellies and chutneys.

The project enabled the preparation /production area to be a separate entity from the storage area, increasing food hygiene standards and increasing efficiency for the business through less food waste; this also supported the decarbonisation agenda and increasing resilience in local supply chains.

Micro Small Business Fund (MSBF) is an investment fund targeting eligible capital investment projects in the tourism sector in Wales. A total of 14 projects were approved in 2020.

[4Seasons Holiday Resort Ltd](#) - The proposal was to create a 5 Star Holiday Resort to include holiday lodges, static caravans and touring caravans on one park. Alongside these, the proposal was to have an indoor/outdoor swimming pool, spa, gym, leisure facilities and five new lakes for fishing & water sports. More than 3.5 km of cycling and walking pathways were constructed within the 300 acre resort.

6. Agri Environment Schemes

GLASTIR is a family of related schemes in Wales to support sustainable land management. Glastir is designed to deliver outcomes at a farm, forest and landscape level in a cost effective way. It pays for the delivery of specific environmental goods and services aimed at combating climate change, improving water management, maintaining and enhancing biodiversity.

Glastir is administered by the Welsh Government with Natural Resources Wales (NRW) supporting the delivery of some elements of the scheme.

The **Glastir Advanced** Scheme delivers targeted financial support to farmers and land managers to deliver these objectives, delivering environmental improvements for a range of objectives including habitats, species, soil and water. This Scheme is now closed to new contracts. Under the **Glastir Small Grants Scheme** land managers and farming businesses can benefit from maximum funding of up to £7,500 for capital works under three themes; Carbon, Water and Landscape & Pollinators. There have been seven applications windows to date resulting in over 9800 approved operations.

Glastir Woodland Creation ('GWC') supports land managers who wish to create new woodland and/or manage existing woodlands. The **Glastir Woodland Restoration** ('GWR') scheme has been developed to enable woodlands infected by *Phytophthora ramorum* to be replanted to help slow down the spread of the disease, providing the opportunity to diversify tree species to increase resilience to climate change and pests / diseases.

In addition to support for woodland creation and management the **Glastir Restoration Scheme** provides support for the re-stocking of larch woodlands that been infected or threatened by the fungal pathogen *Phytophthora ramorum*. The **Forest Monitoring & Risk Management Scheme** is delivered by Natural Resources Wales supporting monitoring, mitigation and prevention of harmful results from current tree and woodland environment pest or disease outbreaks. A list of Glastir application windows and dates can be found [here](#).

6. Local Development Schemes

LEADER is a form of Community-Led Local Development ('CLLD'). There are 18 Local Action Groups ('LAGs') in Wales covering eligible wards in 21 Local Authority areas. Each Local Action Group has developed a Local Development Strategy ('LDS') that sets out the opportunities and challenges in their area and explains what actions they intend to take to exploit the opportunities and manage some of the challenges.

Due to Covid 19 Welsh Government worked with LAGS operating LEADER to investigate how the grass-root challenges could be supported using LEADER principles. Each LAG repurposed their LDS to raise to the challenges that the rural communities were experiencing in terms of isolation, food supplies and access to services.

Delivering under the LEADER Cooperation measure (19.3), the [Covid-19: Community Action Organisations Support Project](#) was approved by the Wrexham, Flintshire and Denbighshire LAGs in March 2020, just as lockdown was being implemented and the sheer scale of the Covid-19 pandemic was beginning to be felt. It is a £54,000 Cooperation project 100% funded and operating across the three rural areas.

For information on your Local Action Groups and for copies of the supporting Local Development Strategy for each area please visit the Wales Rural Network ('WRN') [pages](#). You can also find examples of LEADER projects through the [interactive map](#) on the WRN webpage along with contact details for each of the Local Action Groups in Wales.

Rural Community Development Fund (RCDF) offers financial support for LEADER local action groups and other community organisations. A total of 22 projects were approved in 2020. This fund has now closed to new applications

[Croesor Biomass Boiler](#) is funded under RCDF sub measure 7.2, which offers *support for investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy and energy saving*. The project made alterations to an existing redundant stone barn to accommodate a 200kw wood fuelled boiler, wood chip hopper and wood chip store, with a view to provide renewable heat and hot water to 8 residential properties.

7. Wales Rural Network

An essential part of the Programme is the Wales Rural Network ('WRN'). The WRN supports networking and the engagement of stakeholders, shares information, best practice and experience across Wales, UK and Europe. The Network makes a significant contribution to the Programme by helping to add value to the funding available, and publicising activity funded through the Programme.

The WRNSU's role has continued to evolve over the last 12 months, particularly with the continued expansion of the website which now includes details of 1,488 projects and over 140 case studies.

COVID-19 has changed the way we work, with a greater focus on digital communications and sharing of best practice amongst stakeholders in response to the pandemic.

Despite the pandemic, WRN has continued to deliver a series of events, adapting to using Microsoft Teams as a digital platform. These have covered a number of schemes and thematic workshops such as Wool & Fibre.

As we are nearing the end of the programme period, the WRNSU role has evolved, there is greater emphasis on learning from best practice to increase resilience and meet the climate change emergency, through digital improvements, strengthen and develop local supply chains and build capacity in communities through the stakeholder engagement activities and the promotion of the RDP funded projects. Further information on our work can be found on the WRN web pages; <https://businesswales.gov.wales/walesruralnetwork/>

To ensure we can be as inclusive as possible and increase the knowledge platform profile to all members of society Social media also plays an important part in the communications strategy for the Programme with a presence on both Facebook and Twitter:

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

More information on the work of the Wales Rural Network can be found at:

<https://businesswales.gov.wales/walesruralnetwork/>



8. Further Information

More information on the Welsh Government Rural Communities – Rural Development Programme (WGRC-RDP) 2014-2020 can be found at:

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



**Cronfa Amaethyddol Ewrop ar
gyfer Datblygu Gwledig:**
Ewrop yn Buddsoddi mewn Ardaloedd Gwledig
**European Agricultural Fund for
Rural Development:**
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