

Welsh Government Rural Communities – Rural Development Programme 2014 – 2020

Annual Implementation Report 2016 Citizen's Summary

Overview

The Welsh Government's Rural Communities – Rural Development Programme (WGRC-RDP) 2014-2020 represents a seven year investment in rural Wales by the Welsh Government and the European Union ('EU') through the European Agricultural Fund for Rural Development ('EAFRD'). The Programme supports a wide range of activities designed to increase the sustainability and resilience of Wales' natural environment, land-based sector, food businesses and rural communities.

The types of activity supported by the Programme are mostly delivered through 'Schemes' and can be grouped by;

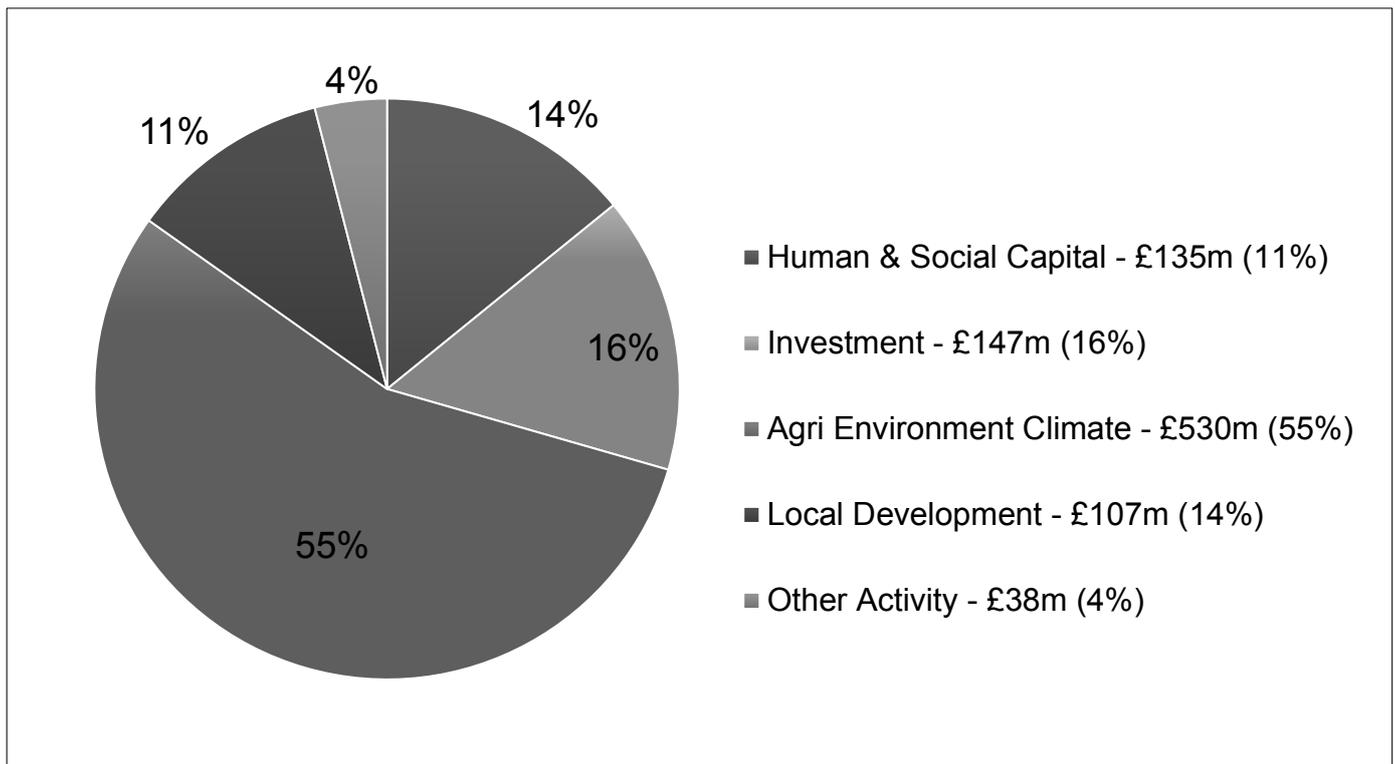
- *Human and Social Capital Schemes* (including Farming Connect)
- *Investment Schemes* (such as the Sustainable Production Grant)
- *Agri Environment-Climate Schemes* (Glastir and Forestry schemes)
- *Local Development Schemes* (including LEADER)
- *Other Activity* (Technical Assistance)

A budget of up to £957 million has been agreed for the Rural Development Programme. This is made up of approximately £557 million of EU money and £400 million of the Welsh Government's own money.

The majority of schemes are delivered through grants/agreements managed through a competitive Expression of Interest ('EOI') process. These funding windows are opened at pre-advertised times. This ensures only the most appropriate and beneficial projects go forward to application stage and approval. There are a few exceptions to this process such as Farming Connect and LEADER. Information on open and upcoming funding 'windows' can be found at:

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

Structure of the Rural Development Programme 2014 – 2020



Human & Social Capital - £135m

Co-Operation & Supply Chain Development Scheme
EIP Wales
Knowledge Transfer and Innovation Scheme
Rural Business Advisory Scheme

Investment - £147m

Food Business Investment Scheme
Forest Monitoring & Risk Management Scheme
Rural Business Investment Scheme
Rural Business Start-Up Scheme
Sustainable Production Grant Scheme
Timber Business Investment Scheme
Tourism Investment Support Scheme

Agri Environment Climate - £530m

Glastir Advanced
Glastir Commons
Glastir Entry
Glastir Organic
Glastir Small Grants
Glastir Woodland

Local Development - £107m

LEADER Local Development Fund
Rural Community Development Fund

Other Activity - £38m

Technical Assistance

PROGRESS TO DATE:

By the end of 2016 total payments of £45.24 million had been made under the Programme, the majority of which relate to agri-environment Schemes. Of the payments made £25.41 million comes from Pillar I transfer funding.

£25.25 million of this Pillar I funding has been paid under agri-environment Schemes and the Sustainable Production Grant. Farmers and land owners also have the opportunity to apply for funding under other areas of the Programme alongside the traditional agri-environment-climate schemes. A summary of Schemes activity supported by the Programme can be found below;

HUMAN & SOCIAL CAPITAL SCHEMES

Training and advice delivery contracts (Knowledge Transfer and Rural Business Advisory Scheme) delivered through **Farming Connect** will be central in supporting the delivery of other areas of the Programme and form the main mechanism for delivering an integrated package of knowledge transfer, advice and innovation support targeting rural communities within Wales. **Advisory services** to aid **Glastir** delivery are also supported, along with other **Knowledge Transfer and Information Scheme** activities, which includes grant-aided projects for sectoral and industry led, bottom-up initiatives targeting agriculture, forestry, food, other rural SMEs and land managers such as **Project HELIX**.

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.

The **Cooperation & Supply Chain Development ('C&SCD')** scheme supports collaboration and is designed to make new things happen, achieving transformational change supporting the development of new products, practices, processes and technologies in the agriculture, forestry and food sectors. Two funding 'windows' opened for the C&SCD scheme during 2016. In addition the **Sustainable Management Scheme ('SMS')** provides support for a range of activities to improve the management of Wales' natural resources which will contribute to the well-being of rural communities. The first SMS funding window opened during 2016 with 63 initial first stage applications received with 11 invited to submit full applications. The **Regional Tourism Network & Marketing Support Scheme** to launch during 2017

will encourage development of new practises and process in small businesses to develop local tourism opportunities.

INVESTMENT SCHEMES

The **Sustainable Production Grant** ('SPG') is an investment fund to help improve both the economic and environmental performance of farms. It covers capital investments in equipment and machinery, along with some associated costs, and supports projects that offer clear and quantifiable benefits to improve the overall performance and sustainability of the farm holding. Three funding windows for SPG have opened to date with 81 successful applicants.

The **Timber Business Investment Scheme** ('TBIS') provides funding for capital investments that add value to forests by enabling woodland management activities, timber harvesting and/or timber processing. The first TBIS funding window received 50 initial applications of which 21 were successful. The **Food Business Investment Scheme** ('FBIS') 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. From the two EOI windows closed during 2016 a total of 45 applicants were invited to submit full applications. During 2017 the **Rural Business Investment Scheme** will open, complimenting other food and drink related interventions within the Programme.

The **Tourism Investment Support Scheme – Rural** due to open in 2017 will target viable and sustainable private sector tourism capital projects that will support the development of priority tourism products, creating and safeguarding jobs in rural areas. The **Forest Monitoring & Risk Management Scheme** supports activity undertaken by Natural Resources Wales ('NRW') to monitor tree disease outbreaks and potential threats to enable action to be taken to prevent damaging impacts on the environment.

AGRI ENVIRONMENT SCHEMES

Glastir is a family of related Schemes in Wales to support sustainable land management. Financial support is offered to farmers and land managers for the delivery of specific environmental goods and services aimed at combating climate

change, improving water management, maintaining and enhancing biodiversity and creating new opportunities to improve access and understanding of the countryside.

Glastir is designed to deliver outcomes at a farm, forest and landscape level in a cost effective way. **Glastir Advanced** 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. **Glastir Woodland Management** supports land managers who wish to create new woodland and/or manage existing woodlands. The **Glastir Organic Scheme** provides support to organic farmers and producers, both to convert to organic production and to existing organic producers. 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. In addition to Glastir, legacy agri-environment and forestry contracts signed up under previous Rural Programmes are also supported along with closed agri-environment Schemes such as **Entry** and **Commons**.

LOCAL DEVELOPMENT SCHEMES

LEADER is a form of Community-Led Local Development ('CLLD'). Through a process of stakeholder engagement, building the capacity of target groups and co-operation, the problems faced and opportunities available to an area are recognised and potential solutions are piloted. 18 Local Action Groups ('LAGs') have been approved within Wales to covering 21 of the 22 Local Authority areas in Wales. A LAG projects database has been established;

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

The grants offered through the **Rural Community Development Fund** ('RCDF') provide investment funding for a wide range of activities to help meet local needs and strengthen communities so that they can grow and thrive. There were three funding windows during 2016 with 317 first stage applications received of which 163 moved to full application stage. Support for small-scale investment to improve signposting of tourism sites, construct and modernise tourism information centres and provide

visitor information and guidance will be provided through the **Tourism Amenity Investment Support Scheme ('TAIS') – Rural Regional** to open in 2017.

OTHER ACTIVITY

An essential part of the Programme is the **Wales Rural Network Support Unit ('WRNSU')**, funded through Technical Assistance. The Unit has been set up to enable networking and the engagement of stakeholders, to share information, best practice and experience across Wales, UK and Europe. The Network makes a significant contribution to the RDP by helping to add value to the funding available. During 2016 a steering group was established to advise, monitor and promote the work of the Wales Rural Network. For more information and work undertaken by the Network go to:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/cap/wales-rural-network/?skip=1&lang=en>

More information on the Welsh Government Rural Communities – Rural Development Programme (WGRC-RDP) 2014-2020 and a list of approved projects can be found at:

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