



**Public Consultation on
Rural Development
Programme 2014-2020**

**RDP Management Branch
February 2014**

Introduction

1. A total of 175 responses to the public consultation were received from both individuals and organisations as follows;

Table 1

Respondent Type	Number Received	Percentage
Individuals	14	8%
Organisations	161	92%
Total	175	100%

2. A full list of the organisations which responded is included at Annex 1. In the following table the organisations have been grouped together.

Table 2

Respondent Type	Number Received	Percentage
Farming, Food and Forestry organisations	48	27%
Community and Rural organisations	41	23%
Local Authorities	18	10%
Environment, nature and conservation	16	9%
Local Action Groups/ Delivery Bodies	11	6%
Economic development organisations	7	4%
Equality Organisations	5	3%
Universities and research institutes	5	3%
Elected Representatives/Political Parties	5	3%
Other	19	11%
Total	175	

3. The standard questionnaire format provided was used in 101 responses (58%), although each respondent did not necessarily answer all the questions asked. A further 74 responses were received in non-standard formats, such as e-mails or letters. A number of the respondents did not respond to the set questions but provided general comments on the proposals.

4. This paper provides a high level analysis of the outcome of the public consultation on the DARD proposals for a Rural Development programme 2014-2020. It sets out a summary of the comments received, along with DARD's response to those comments. Going forward, the Department will be working to finalise the draft Programme and will review the proposed measures, taking account of all relevant matters, including the views received in the public consultation, advice from the Rural Stakeholder Consultation Group, the Executive Response to *Going for Growth* and the funds available.

PRIORITY 1: Fostering Knowledge Transfer and Innovation (cross-cutting)

5. The objective of the Priority as described in the consultation document is to increase knowledge transfer and innovation through schemes which improve the uptake of results of agri-food research, improve the exchange of information between researchers and those in the agri-food sector and between Member States. The Priority will also assist farmers and farm family members to adapt to the changing needs of the industry through knowledge transfer.
6. Views were sought on the five proposed schemes identified to address knowledge transfer and innovation.
7. 49% of respondents answered the questions on Priority 1. 47% of these responses were from farming, food and forestry organisations and 13% from environmental organisations.
8. There was broad support for proposals under this priority.

Question 1: Is there a need to provide broader vocational training in the agri-food and forestry sectors and what particular areas do you envisage being targeted?

9. Respondents felt that training should be inclusive, timely, and engage with those farmers with few academic qualifications or who have not taken part in training before. Training should be separate from compliance monitoring. It should reflect industry needs and providers should be required to set learning objectives and draw up teaching plans and evaluation methodologies.
10. UFU, YFCU, Farm Support Group, John Duff and Ulster Arable felt that the list of training areas for farm families should be left open. UFU and Farm Support Group felt that there should be accreditation for those willing to attend courses. Others felt that access to capital grants should to some extent be dependent on training accreditations earned. Flexibility of access to training was a key question for many, with calls for localised training as well as distance-learning options. YFCU suggested that discussion groups should have a certain proportion of young farmers, and that there should be some young farmer specific groups. Some were of the view that existing training programmes needed to be signposted better.
11. Ulster Wildlife, NIEL and RSPB stressed the importance of training for the effective delivery of agri-environment schemes.
12. UFU and UUP called for training courses for farmers on any new EU requirements.

13. The role of the voluntary, community and independent sectors in training was underlined. NIEA, CAFRE, Dunbia, the Landscape Institute, Lantra, PVPs and environmental NGOs were mentioned as having a key role to play in training. The benefits of vocational and inter-generational training and mentoring were also stressed. While some felt that training should not be restricted to the farming community, others felt it should only target the agriculture and forestry sectors. COSTA and NIRWN felt training should not be limited by size of farm.
14. There were a number of calls for training to be fully funded, including accommodation and travel, and for anomalies in funding for different sectors to be removed. One respondent called for producer organisation running costs to be covered. Gilfresh Produce suggested that vocational training should be done on an all-Ireland basis to optimise use of resources.
15. One respondent suggested that funding for operational groups should provide for sustained activity rather than one-off projects, and called for trans-national/multi-regional groups to promote research. Another felt that growers should be able to influence and fund research undertaken. The GHGIP Sequestration sub-group called for the EIP to link research on carbon sequestration through partnerships with AFBI and Teagasc.
16. Some respondents were keen to continue the focus farm network and widen its scope to cover eco-system services, sequestration, conservation and social farming. Some felt that Innovation Technology Evaluation Demonstration Scheme (ITEDS) should be open to all providers, not just government.
17. There were requests for training in a number of specific fields additional to those proposed. These included:

Environment

- Honeybee husbandry.
- Effective delivery of agri-environment schemes.
- Sustainable land management, including hedgerows and managing nitrates.
- Habitat and species management
- Soil management (including liming)
- Organic farming (could be based on ROI or Danish programme)
- Progressive landscape stewardship
- Landscape planning and green infrastructure delivery
- Carbon sequestration
- Renewable energy and on-farm efficiency
- Environmental management for all farmers
- Management of designated sites and monuments
- Custodial agriculture in ANCs
- Woodland management

Business improvement

- Business management
- Market development and consumer awareness
- Financial planning
- Adding value to raw products
- Genetic improvements and Estimated Breeding Values (EBVs)
- Hydroponics
- Restructuring/diversification
- Skills for working in networks and co-operatives
- Computer literacy

Wider rural

- Rural tourism
- Leadership and social entrepreneurship
- Projects tackling poverty and social exclusion

Specific sectors

- Forage crops
- Commercial horticulture
- Mushroom and orchard management
- Non-food crops
- Minority crops
- Foliage sector
- Equine sector
- Social farming

Other

- Pillar 1 requirements and any new EU requirements
- Safe use of pesticides
- Safe use of chainsaws and other machinery
- Trailer-towing
- First aid training
- Laying fibre optic cables

18. **DARD Response**

19. The delivery of targeted vocational training is vital to ensure the development and sustainability of the agri-food sector in Northern Ireland. It is also important that Priority 1 retains some flexibility to meet the changing needs of the industry during the programme period and that it also complements existing vocational training providers. It is clear from the consultation responses that there is a wide expectation from stakeholders on the types of training which should be delivered. DARD will consider the responses in line with the proposed strategic priorities of the programme and develop a complementary training programme within the available budget.

Question 2: What do you think the role of the innovation broker should be and what skill sets should they have?

20. Opinion was divided over whether the innovation broker should come from the public sector or be independent from it. Dairy UK NI called for a broker from DARD or CAFRE, others for an industry figure and still others for an academic. RDC and RSPB suggested the broker could be an organisation or partnership rather than one person.
21. Biomass Energy, John Duff and Ulster Arable stressed that the broker should be impartial and free from conflict of interest, warning against commercial opportunists. The National Sheep Association feared a proliferation of independent agents.
22. Respondents felt that the role of the broker should be to identify areas of concern, consult and develop research solutions, bring together research partners, source funding for research and disseminate findings.
23. It was generally felt that the broker should have a good network of contacts and should have direct access to industry, government, NIEA and relevant NGOs. They should also have access to research programmes. They should be accessible and pragmatic, with expertise in innovating and leading and strong communication and motivational skills. They should have a good understanding of industry needs, as well as change management and ecosystem services. They should enable farms to benefit from industry practice, and help micro-businesses link into the supply chain. They should have a good understanding of world markets and consumer trends.
24. There was some scepticism about the concept of an innovation broker. One respondent felt that innovation was not something that could be brokered, and another was concerned that it would just create another layer of bureaucracy. One respondent questioned whether the EIP group employed the broker or the broker brought together the group.

25. **DARD Response**

26. DARD views the European Innovation Partnership (EIP) as an important initiative to assist in the adoption of research outcomes within the agri-food industry in Northern Ireland. It is imperative that the Innovation broker, whether individual or an organisation, has the key skills needed to link farmers, advisors, researchers and other actors as required. In addition they must have knowledge of applicable EU funding streams to ensure delivery of the initiative.

PRIORITY 2: Enhancing competitiveness of all types of agriculture and enhancing farm viability

27. The objective of this priority as described in the consultation document will be to assist farm businesses to become more sustainable and enable them to grow through business restructuring. Acquiring a broader range of skills and knowledge will be important to improving both productivity and profitability. Resources should be focused on those parts of the industry that are prepared to invest in skills and capital through a structured development process. Views were sought on the three proposed schemes identified to address farm competitiveness.
28. At the time the consultation document was drafted the EU proposals for rural development defined young farmers and new entrants as those who “are less than 40 years of age and are setting up for the first time in an agricultural holding as head of the holding”. DARD’s experience had suggested that support based on this definition would be open only to a very small number of potential applicants. The following question was asked in relation to young farmer / new entrants support.
29. A total of 82 (47%) respondents answered on Priority 2 of which 50% were from farm, food and forestry organisations.

Question 3: In light of the restrictions posed by the definition of ‘young farmer’ in the proposed European legislation, and the findings from previous research and experience, do you agree that there is no case for a specific support scheme for young farmers? If not, why? And what else should be taken into account?

Views in Support

30. The majority of respondents to this question agreed that there was a need to encourage support for young farmers. There was recognition that the EU definition of young farmers was limiting and in the absence of a specific scheme for young farmers/new entrants, there was general consensus that there should be an enhanced grant rate for the Business Investment Scheme. Twelve respondents suggested an enhanced grant rate of 10% and one suggested 20%, while twelve further respondents agreed with enhanced/higher grant rates but were not specific as to the extent of the enhancement. The Ulster Farmers Union (UFU), the Young Farmers Clubs of Ulster (YFCU), Farm Support Group and Landscape Institute Northern Ireland felt that this support should be linked to agri-related qualifications. Six respondents agreed that additional points should be awarded for young farmers when selection criteria are used within the programme. A number of respondents, including the Environment Management Group, NIEL, and the Ulster Wildlife Trust suggested that support for young farmers should include the concepts of sustainability and environmentally responsible management.

31. A number of respondents cited the value and importance of the Business Development Knowledge Transfer Scheme for Young Farmers.
32. Dunbia and the Agri-food Strategy Board recommended that support should only go to young farmers who could prove that farming was their main/only source of income, and both organisations, along with Northway Mushrooms stressed the importance of supporting young farmers to undertake agricultural diversification to such as horticulture businesses or pig finishing units. Abercorn Estates and Camowen Farmers Combined Ltd were concerned about encouraging young farmers into an industry if the farm was unable to sustain more than one generation or family.

Views in Disagreement

33. Some 15% of respondents (including RSPB, Farm Support Group, Banbridge District Council, Omagh District Council, Strabane District Council, Trainview farm, Organic NI, the National Trust and two individual respondents) disagreed that there was no case for a specific support scheme for young farmers. Dairy (UK) felt that young farmer support should be a low priority area for funding and the focus should instead be on farmers who are more efficient and profitable. The National Beef Association (NBA) felt that there should be no age limitation on new entrants' support. The Royal Society for the Protection of Birds (RSPB) suggested that a specific support scheme for young farmers could be used to encourage wildlife friendly farming.

Comments which cannot be supported by the Legal Framework

34. Five of the respondents stated that there should be no head of holding requirement for young farmers support. Three Councils and one Local Action Group commented that there should be a payment to hand ownership to the next generation. A small number of respondents requested that there should be an enhanced grant rate for all RDP schemes for young farmers. None of these suggestions can be accommodated by the proposed legal framework.

35. DARD Response

36. The Department's response must be subject to the final regulations and any associated Delegated and Implementing Acts.
37. Given the limitations of the EU legislation and the findings from previous research and experience, DARD had indicated that there was little scope for a specific support scheme for young farmers. The majority of respondents accepted this. Whilst some respondents disagreed with this conclusion, none put forward any rationale as to why such a scheme should be introduced. In light of previous experience and the views received, DARD is not proposing to introduce a specific support scheme for young farmers.

38. In the absence of a dedicated young farmers support scheme, the Department had signalled its intention to provide support to young farmers by other means. This was supported by a high proportion of respondents, most of whom were in favour of giving an enhanced rate of support to applications from young farmers under the Business Investment Scheme. In addition to this some (6) other respondents felt that additional points should be awarded for young farmers when selection criteria are used within the Programme. The Department notes stakeholders' main preferences and will consider how these can be incorporated into the further development of the Business Investment Scheme

Question 4: With regard to funding levels, should there be a minimum expenditure limit? Do you think the funding levels at each tier and the maximum limit is appropriate?

Comments on Expenditure Limits

39. The majority of respondents accepted that there should be a minimum expenditure limit to reduce the administrative burden however there were a range of views as to the value of the minimum expenditure. The majority view (14 respondents) was that the suggested minimum of £5,000 was acceptable but several such as the Rural Development Council (RDC) and Countryside agri-rural Partnership (CARP) felt there should be a lower limit for health and safety items. Six respondents suggested £3,000, two suggested £2,000 and a further six felt the limit should be £1,000. Abercorn Estates suggested there should be no minimum limit applied.
40. There was no consensus among respondents on the funding levels between tiers with a number of diverging views. Gilfresh Produce suggested Tier 1 and 2 should be combined. Park Farmers suggested a maximum for the scheme of £20,000 and Ballylaw Farmers suggested £50,000. Coleraine Council and two LAGs suggested a £125,000 maximum.

Views in Disagreement

41. There was general concern that the proposed Tier 3 could be divisive within the farming community and there could be large amounts of funding to a small number of farms and that a Tier 3 should be kept in reserve. This view was expressed by the UFU, YFCU, Dairy (UK), DAB Farmers, Sperrin Producers Co-operative, CARP, UWT, CNCC, Sean Rogers (MLA) and the RDC. Park Farmers, Derry City Council and Rural Area Partnership in Derry (RAPID) felt that Tier 3 should be removed. The Horticulture Forum suggested that to avoid a situation of a small number of farms benefiting there should be a cumulative maximum of £1m per farm over the lifetime of the programme while the AFSB felt that funding levels should match or exceed other regions/ROI to ensure that NI is not at a competitive disadvantage.

Comments which cannot be supported by the Legal Framework

42. Eight respondents suggested that due to the difficulties of availing of match funding that the grant rate should be increased to up to 60%. There is some provision with the legal framework to increase the grant rate for groups such as young farmers, integrated projects, European Innovation Partnership, Areas of Natural Constraint and Agri-environment non-productive investments however these are the only exceptions.

43. DARD Response

- Taking account of consultation comments, the Department proposes to set a minimum expenditure threshold of £5k. We note the comments received about the proposed levels of funding in each of the 3 Tiers. Subject to available funding, the Department proposes to ring-fence the funding available under each tier. This will ensure that funding is available for a range of businesses, including small to medium farms, and also that there is the flexibility to manage the overall funding in line with industry demand.

Question 5: Are the entry criteria appropriate and in proportion with the level of funding or should there be additional requirements?

Views in Support

44. Around two thirds of respondents considered the entry criteria to be appropriate and in proportion with the level of funding. The Ulster Arable Society, the Rural Development Council and John Duff considered that a three year business plan was more realistic and appropriate than a five year plan. The UFU, YFCU and Dairy UK stressed that while they were content with the entry criteria and it was important that there should be sufficient support available through the CAFRE advisory services to help farmers develop a farm business plan. The Farm Support Group warned against the use of available funding to employ business consultants. The AFSB and Dunbia suggested that evidence of overall business viability should also be considered as an entry criterion.

45. Ten respondents, including North West Organics, the RSPB, UWT, NIEL, CNCC, NIEA and the National Trust, stated that an Environmental Impact Assessment should be carried out as part of the entry requirement. This would ensure that there is no environmental damage resulting from the investment. Both Coleraine Borough Council and North East Regional Rural Development Programme suggested that the businesses receiving funding should be able to support at least one full time unit.

Views in Disagreement

46. There were no views expressed in disagreement.

47. **DARD Response**

48. Taking account of consultation comments, the Department intends to keep the entry criteria for Tier 1 to a minimum.

It is proposed that Tiers 2 & 3 will also require a business ID, a business development plan and a commitment to monitor business performance which may include a benchmarking requirement. Business development plans will include health and safety, biosecurity and procurement considerations and, where appropriate, farm nutrient management.

The Department also proposes to establish a list of procurable items for Tier 1 primarily graded by their potential sustainable productivity impact and will take into account impacts on efficiency, biosecurity, health and safety, animal welfare and environmental implications

Question 6: Are the proposed areas of expenditure the most appropriate to improve the competitiveness and development of farm businesses? Should renewable energy technologies be included in a farm business development grant scheme?

Views in Support

49. Of the responses received for this question almost half of the respondents agreed with the proposed areas of expenditure. There were a number of additional suggestions on areas for funding. Park Farmers, Derry City Council, RAPID and Ballylaw Farmers all felt there was too much focus on existing farm buildings and the scope should include new buildings. The Horticulture Forum for Northern Ireland considers the proposed objectives too narrow, and suggests widening them to include, amongst others, improvements in crop husbandry and plant health biosecurity. The Forum also suggests that the remit must include all crops and not just food crops. This is also a key concern in the responses from John Duff and the Ulster Arable Society, with the Society suggesting that the objectives be extended to include crop husbandry and plant health and biosecurity. The Park Farmers Group proposes that the capital grant works should include grassland re-seeding, drainage repairs and fencing. In highlighting the advantage of the ability to grow grass in Northern Ireland, the National Sheep Association also suggests re-seeding, drainage and fencing work, in addition to forage testing. Ballylaw Farmers Group and Farmers For Action UK NI also consider the inclusion of drainage and fencing important. The British Veterinary Association requested that equipment for nutrient management, biosecurity, disease prevention, animal welfare and animal handling should be considered.
50. Consultation responses on renewable energy are summarised in the Priority 5 section of this document.

Views in Disagreement

51. Northern Ireland Flower and Foliage Association (NIFFA) and Valerie Orr (Trainview Farm) felt that commercial horticulture (cut flowers) should be included. NI Farm Forestry requested that forest nursery trade should also be included. Six of the environmental organisations expressed concern at the intensification of farming and that there should be support for less intensive farming methods. Three Councils and one LAG felt that the Business Investment Scheme should be delivered through LEADER. The NILGA response (endorsed by SOLACE) felt that the Business Investment Scheme should be wholly delivered through the community plans as councils will be tasked with providing pre-enterprise capacity building to small businesses.

52. DARD Response

53. Subject to available funding DARD proposes to introduce a Business Investment Scheme (BIS) that will part fund:

- New and/or upgraded/refurbished buildings or structures and the development or upgrade of services or other infrastructural elements that primarily impact on sustainable productivity and take into account efficiency, bio security, health and safety, animal welfare and environmental implications.
- The introduction of innovative technologies and equipment;
- The acquisition or development of information technology / equipment to assist development / restructuring;
- Forest nursery trade.

Question 7: To what extent should development group members be reimbursed for collating and sharing their farm performance?

Views in Support

54. There was strong support (approximately four fifths of respondents) for the reimbursement of discussion group members for sharing and collating their farm business performance. Twelve of those that responded suggested reimbursement of £1000 and cited the scheme in the South of Ireland in comparison. Four groups recommended providing farm relief vouchers at 90 Euros a day. Six responses, including AFSB, Dunbia, NIEA and NSA did not specify what the level of reimbursement should be.

Views in Disagreement

55. Nine respondents did not agree that those attending discussion groups should be reimbursed. The Ulster Arable Society, the RSPB and John Duff all felt that the collation and sharing of farm business information should be normal good practice and to receive reimbursement could be divisive for those already benchmarking their businesses through CAFRE.

56. **DARD Response**

Subject to available funding DARD proposes to develop and deliver a knowledge transfer initiative through a Development Group delivery model. Participants within development groups will be reimbursed in-line with EU financial policy guidelines. The main areas where reimbursement may be applicable are the collation and sharing of data and farm performance information, the cost of travel, and replacement of farm labour.

Question 8: How should participants in development groups be selected?

Views in Support

57. The open nature of the question resulted in a wide range of views which was difficult to collate. There was some general consensus from 14 respondents that DARD advisors should have a role in identifying suitable businesses to participate. Fifteen respondents felt that it should be an open invitation to all. The UFU, YFCU and CARP felt that DARD should make the resources available if the scheme was oversubscribed. Both the AFSB and Dunbia felt that a qualified customer focussed industry member should be involved in the selection of group members. AFSB felt that businesses should be selected as part of a supply chain development scheme to ensure the resources are targeted at achieving the 'Going for Growth' objectives.
58. There was some consensus that the success of the scheme would depend on the open and willing participation of group members. CARP felt that middle tier farmers should be targeted and not the top 10%. NIFDA felt that group members should have a level of basic business skills. Dairy UK suggested geographical location was important as was matching participants with similar land types. This view was shared by the Ulster Business School. The Greenhouse Gas Implementation Partnership (GHGIP) suggested that carbon sequestration should be included as a discussion topic.
59. The YFCU felt that the discussion groups should have 20% participation from young farmers. The Northern Ireland Rural Women's Network (NIRWN) noted the significant role of women in managing the farm finances and this should be considered in the gender balance of the discussion groups.
60. **DARD Response**
61. DARD proposes to develop and deliver a knowledge transfer initiative through a Development Group delivery model. The Department has agreed that eligibility criteria will be developed for participation in the groups.

PRIORITY 3 - Promoting food chain organisation and risk management in agriculture

62. The objective of the Priority is to improve the economic performance and competitiveness of the agri-food industry by adding value to products, encouraging greater cooperation between producers, processors and others, improving the uptake of new technology and improving the marketing of businesses.
63. Views were sought on the two schemes proposed to promote food chain organisation.
64. A total of 77 (44%) respondents answered questions regarding Priority 3. 52% of these were from farm, food and forestry organisations.

Question 9: Are the proposed sectors and type of expenditure for the Processing Investment Development Grant Scheme the most appropriate to improve the competitiveness and development of food processing businesses?

Views in Support

65. There was full support from 21 of those that responded for the sectors and types of expenditure proposed for the Processing Investment Development Grant Scheme. The majority of this support was from the AFSB, food organisations, local councils and the business sector. The LOCFOOD Project at the University of Ulster felt that the marketing element of the scheme fitted well with a need to identify and promote local markets to consumers. This view was shared by FoodNI who also stated that as well as marketing there was a need for innovation and there should be a focus on medium sized businesses as support in this area had previously been lacking. InvestNI supported the scheme and stated that feedback from those benefiting from the current scheme suggested that the scheme should be retained and extended in terms of scope and scale of funding. There was also, however, criticism of the complexity and bureaucracy of the current scheme.
66. There was qualified support from a further 18 respondents which was primarily for Tier 1 of the scheme. The reservations raised were in relation to Tier 2 of the scheme and that the larger businesses should be sign posted to InvestNI and DETI for support especially in the context of less funds being available for rural development. The majority of these views came from the farming organisations. The Ulster Unionist Party, Coleraine Council and COLLAGE felt that if a need had been identified for supporting large food companies through the 'Going for Growth' report then additional funding for the Programme should be sought from the Executive.

67. A total of 15 respondents commented on the areas of expenditure or had additional comments on the scheme. The additional areas identified included the following;
- Cut flowers and amenity horticulture,
 - Breeding livestock,
 - Arable, seed potatoes, oil seed rape, protein crops,
 - Honey quality control and labelling,
 - Supply chain activities,
68. The Ulster Wildlife Trust suggested support for green food accreditation schemes. The CNCC and NIEA suggested carrying out Environment Impact Assessments on the projects supported. Cookstown Council suggested the scheme should be delivered through LEADER and the Equine Council suggested support for marketing of equine health and welfare should be considered due to the lack of an equine slaughter facility in NI for equines eligible for the food chain.

Views in Disagreement

69. Five respondents (Gerry and Sinead King, Farmers for Action, Ballylaw Farmers, Camowen Farmers Combined Ltd and NIMEA) felt that the scheme should not be included in the Programme at all and that the funds should be directed at primary production or added to Priority 2.

Question 10: What do you think of the funding levels at each tier and is the maximum limit appropriate?

70. The answers to the previous question had to a large degree affected the responses to funding levels for each tier. In some cases where a respondent had recommended the removal of the second tier they had also recommended increasing the maximum available for Tier 1 from £125k to £250k and a lower tier with a maximum of £50k and appropriate entry requirements.
71. Both Dunbia and the AFSB were concerned that the limits for Tier 2 in particular would be restrictive and inhibit industry growth. The AFSB felt the size and scope of the scheme should exceed that of the current scheme and should extend to large enterprises, especially in the context of a likely reduction in the Selective Financial Assistance that would be available from InvestNI. Both stressed the importance of viable business plans and that the scheme should be delivered by DARD. Cookstown, Armagh and Dungannon Councils and SWARD all suggested that tier 2 should be £100k - £2million. InvestNI stated that the cap on the grant support proposed should be removed and aligned to match support available in other UK regions. North East Region Rural Development Programme suggested that support to larger processors should be limited to 30% funding. NIFDA stated that we should have parity with ROI in approach and growth in one part of the supply chain should be complemented by sufficient capacity along the chain (i.e. linkup with Priority 2). Invest NI wished to explore additional sources of

funding. NIFAD (NIFDA?) stated that the focus should be on international competitiveness and export.

Question 11: What additional types of group or area of expenditure should be included in the scope of the cooperation scheme proposal?

72. There was almost total support for the inclusion of this scheme with 39 respondents in favour. Only one respondent (National Sheep Association) expressed reservations on including a supply chain scheme. They felt the focus should be on supporting farmers to improve efficiency in primary production. Six of the Environmental NGOs expressed disappointment on the lack of any reference to co-operation on conservation management. Co-operation is a cross-cutting theme throughout the proposals however the co-operation scheme in Priority 3 relates only to food chain organisation. The comments provided by the North West Organics, RSPB, CNCC, NIEA, Landscape Institute and the National Trust were considered to be more appropriate to the co-operation available under Priority 4 and were therefore considered under this priority instead.
73. A number of respondents suggested additional areas of expenditure to be included in the scope of the co-operation scheme as follows;
- Wool and horticulture,
 - Support for horticulture specialists for example soft fruit production'
 - Support which is a precursor for a producer organisation'
 - Energy producer / supply groups,
 - Sharing of market information,
 - Marketing campaigns for local food,
 - Collaboration and networking for small food producers,
 - Support for a facilitator to establish groups,
 - Focus on external markets,
 - Food tourism and marketing,
 - Activities should link to the entire supply chain,
 - Sustainable / green food production,
 - Apiculture products,
 - Co-operation to be encouraged on an all-island basis,
 - Equine marketing.
74. **DARD Response**
75. Further EU guidance on the scope of Article 18 (Investment in Physical Assets) has now become available since the publication of the consultation document on 1 July 2013. The guidance provides for additional scope and possible activities for funding than those outlined in either the consultation document or in the current Processing and Marketing Grant Scheme. In light of this new guidance, the comments received from the public consultation and subject to available funding, DARD intends to develop further proposals for Priority 3 and to discuss these new proposals with the RDP Stakeholder Consultation Group at a future date. As part of the development of the schemes for Priority 3 DARD intends to undertake discussions with Invest NI

to ensure any support provided in the RDP is complementary to the support provided by other Government Departments and Agencies.

PRIORITY 4: Preserving and enhancing ecosystems dependent on agriculture

- 76. The objectives of the Priority as described in the consultation document are to support agricultural production methods which are compatible with the protection and improvement of the environment, protect and improve the quality of rivers and lakes, contribute to climate change mitigation and adaptation, and encourage and support the creation of small woodland and forestry.
- 77. Five schemes have been proposed under this Priority.
- 78. 51% of respondents answered the questions on Priority 4.
- 79. There was broad support for proposals under this priority.

Agri-Environment Scheme (AES)

Question 12: Do you think that the proposed structure of the next AES is appropriate?

- 80. There was broad support for the overall proposed structure of the next AES.
- 81. Some stakeholders, such as the Royal Society for the Protection of Birds (RSPB) and the Council for Nature Conservation & the Countryside (CNCC), felt that there was not enough detail within the consultation document to evaluate the structure.

Question 13: Do you agree that funding should be prioritised in the first instance to support management of designated sites?

- 82. Most respondents supported the prioritisation of designated site management.
- 83. Various respondents, such as the RSPB & the National Trust, felt that AES management of designated sites must go beyond that which the Northern Ireland Environment Agency (NIEA) is required to deliver, while the Ulster Farmers' Union (UFU) felt that NIEA should fund management on these sites.

Question 14: Do you think that an element of training should be a compulsory part of the scheme?

- 84. It was generally agreed that training would be important in the new Scheme. However, there were a range of views as to whether it should be compulsory, voluntary, or competence-based.
- 85. For example, the RSPB and the CNCC back compulsory training, whereas the UFU supports 'appropriate' training, i.e. where it is required. The Ulster

Arable Society considers that training should be based on competence, while the Ulster Wildlife Trust (UWT) believes that mandatory training for basic elements would be beneficial.

Question 15: Do you think the co-operation measure should be used to provide higher levels of funding to farmers who take collective action through the AES: for example, in a river catchment?

86. There was broad support for the co-operation measure, i.e. from CNCC, RSPB, NIEA, UWT and the Northern Ireland Environment Link, with suggestions that it could be used to promote collective actions in river catchments and commonages, and to create landscape-scale projects.
87. The National Sheep Association and Farm Support Group advise that guidelines for the measure must be carefully thought out.
88. Sport NI believes that the measure could be used to connect rural communities and villages through the creation of trails & paths.
89. Farmers for Action UK does not support higher levels of funding within the measure, as it believes that “money should be evenly spread”.

Question 16: Should the next AES include an Organic Management Option, providing an ongoing payment to organic farmers that continue to farm organically certified land? Please provide evidence/reasons to support your views.

90. There were differing views as to whether an Organic Management Option should provide an ongoing payment to organic farmers that continue to farm organically certified land. Some respondents, such as Organic NI, felt that it is important to support organic production, while others, such as the UFU, considered organic farming as a commercial decision which should be market-led.

Themes

91. Within the responses relating to the next AES, there were various general themes:
 - A request for less bureaucracy and scheme simplification.
 - Varied opinions as to whether the AES should be open to active farmers only.
 - A “yellow card” system should be introduced in relation to AES breaches, allowing the farmer an opportunity to resolve the issue before penalties are applied.
 - The co-operation measure mechanism needs to be carefully considered, specifically in relation to breaches.
 - On completion of a 5-year AES agreement, the agreement should be automatically renewed or extended.

- A number of respondents suggested that Farm Relief Vouchers should be made available to farmers who are required to attend AES training events.
- Third-party applications should be considered in relation to any co-operation measure.
- A working definition of High Nature Value (HNV) Farmland is required.
- The National Landscape Character Assessment for Northern Ireland could be an appropriate tool to provide evidence baseline for future strategic management, planning and protection of our landscapes.
- Several respondents requested appropriate measures of support through AES for farmers and landowners that wish to provide public access to their land, such as through walking routes and paths.
- Varied opinions on whether an Organic Management Option is justified – i.e. an ongoing payment for farmland which is certified as organic.
- A desire to support farming methods which enhance carbon sequestration (ie locking carbon into soils).

92. **DARD Response**

93. It is anticipated that no fundamental changes are required to the proposed structure for the next AES. However, the co-operation measure may be implemented through a Group Level element of the scheme. Therefore the scheme would have three levels: Targeted, Wider and Group.
94. Scheme simplification and appropriate training and support to help farmers implement their AES agreements will be important elements of the new scheme.
95. The key themes raised in the consultation responses outlined above will be considered in the ongoing process of developing the next AES.
96. However, the ability to include some potential measures will depend on the detail and provisions contained in the EU Implementing Regulations. A fundamental factor of any measures included in the scheme must be that they can be administered and controlled by DARD in line with EU requirements.

Forestry Measures

Question 17: There are opportunities to plant woodland on farms. What do you think are the biggest barriers that farmers and landowners face, particularly those letting their land in conacre or whose land has agricultural limitations?

97. Respondents told us that barriers to planting woodland are varied. The most frequently reported barriers are:

1. Creating woodland is a permanent land use change which is perceived as a negative.
2. The potential to reduce future support payments such as those made under Pillar 1 is not attractive.
3. An indication that poor integration with other DARD schemes leads to competition which limited woodland expansion in the previous programme period.
4. Support is inadequate to encourage woodland creation.
5. Some respondents support schemes only being available to active farmers or those with category 1 business IDs whilst others refer to a significant land suitable for woodland creation managed outside of these categories.

Question 18: The proposed EC regulation makes provision for establishment and maintenance payments but not income foregone payments. What are your views on the impact this would have on land availability for new planting?

98. Over half of all respondents indicated that if income forgone payments were not provided it would significantly reduce the amount of land being converted into woodland. One trade body said that income forgone payments should not be paid.
99. **DARD Response**
100. Provision for income foregone payments has been reinstated in the Rural Development Regulation. However, this provision may only apply to applicants who are active farmers. DARD is working with key stakeholders to consider schemes with an annual maintenance payment available to all scheme beneficiaries creating new woodland. This will be subject to available funding.

Areas of Natural Constraint

Question 19: Do you agree that if Pillar II Areas of Natural Constraint support is primarily an income support measure, support for Pillar I to those areas is the more appropriate route? If not, why?

101. There was a divergence of opinion in response to this question. Of the 39 responses, 11 respondents (28%) supported the proposal to support ANC from Pillar I, 13 respondents (33%) disagreed with supporting from Pillar I, whilst the other respondents either couldn't decide at this stage the most suitable pillar for supporting ANC or didn't directly answer the question.

102. Farmers groups tended to disagree with the proposal to support ANC from Pillar I (UFU, DAB Farmers, Park Farmers Group, Park and District Farmers Association, Ballylaw Farmers Group, National Beef Association, NIMEA) although Camowen Farmers Group and NIAPA did agree with supporting ANC from Pillar I. NIAPA did qualify their response requesting that if ANC was supported from Pillar I that a separate scheme should be developed to contribute towards the environmental sustainability of ANC areas.
103. Environmental groups either supported the proposal to fund ANC from Pillar I (NIEL, CNCC) or preferred to wait to see the CAP Pillar I consultation before developing a view (RSPB, Ulster Wildlife Trust, Environment Management Group).
104. There was no general consensus from local councils or LEADER groups with responses ranging from supporting a Pillar I scheme, supporting a Pillar II scheme, not having an opinion yet or not directly answering the question.
105. The key issue arising from supporting a Pillar I scheme was that funding may be claimed by landowners, not just “active farmers”.
106. **DARD response**
107. This question has prompted a range of responses. It is clear that respondents agree with a support scheme for areas of natural constraint, however there is a divergence of opinion among Consultees as to whether this scheme should be regarded as an income support scheme or environmental support scheme. Subsequent to the launch of the public consultation, guidance from the EC has clarified the position on ANC – it is an income support measure and cannot be regarded as environmental support. Respondents did comment on the fact that ANC areas will be remapped, and that further information is also required on this mapping exercise as well as information with regard to the future architecture of Pillar I in Northern Ireland. This question was repeated within the Pillar 1 consultation document. It is therefore prudent to examine the responses to that consultation in partnership as well as the responses from this Pillar II consultation before providing a definitive DARD response.

Question 20: Following on from this what changes may be necessary to the architecture of the new agri environment programme to ensure that any environmental issues and concerns arising from this approach are adequately addressed?

108. Notwithstanding the response to Question 19, respondents made a range of suggestions for the architecture of the new agri-environment programme within areas of natural constraint.
109. Most respondents supported the development of agri environment measures that were specifically suited to area of natural constraint, in particular recognising that ANC land tended to be high nature value land.

110. There was strong support for any agri-environment scheme in an ANC area to have a stocking density element or inclusion of suckler cow breeds/cross breeds, traditional breeds. This support was voiced by mainly farming groups (NIAPA, NBA, Park Farmers Group, Park and District Farmers, National Sheep Association)
111. Other suggestions for a new agri-environment scheme in ANC areas included grazing regimes to protect and enhance biodiversity (Ulster Wildlife Trust), tailored management of peatlands and wetlands and invasive species eradication (Environment Management Group), drainage, maintenance, fencing, hedging and small inactive areas planted (Camowen Farmers), focus on linear features such as rivers and hedges (Strangford Lough and Lecale Partnership), field boundary restoration payments and training (NBA NI).
112. Butterfly Conservation NI recommended that agri-environment payments should be prioritised towards ANC unimproved and designated land.
113. There was a split in opinion about the recipients of agri-environment payments in ANC areas with farmers groups advocating payments to active farmers only with environmental groups advocating payments to all landowners of priority habitats.
114. Local councils advocated higher rates of funding to environmental schemes in ANC areas.
115. **DARD Response**
116. The form of future ANC support has yet to be decided. It is prudent to examine the responses to the Pillar 1 consultation, which closed on 17 January 2014, as well as the responses from the Pillar II consultation.
117. In considering the interaction of ANC support, Pillar I, and agri-environment schemes (AES), DARD will examine how the architecture of the next AES could complement future ANC support to address environmental issues and concerns.
118. However, the ability to include some potential agri-environment measures will depend on the detail and provisions contained in the EU Implementing Regulations. A fundamental factor of any measures included in the scheme must be that they can be administered and controlled by DARD in line with EU requirements.

PRIORITY 5: Promoting resource efficiency and supporting the shift towards a low-carbon and climate resilient economy in the agriculture, food and forestry sectors.

- 119. The objective of the Priority as described in the consultation document is to promote the use of renewable energy in support of agriculture and forestry activities while working to reduce methane and nitrous oxide GHG emissions and enhance carbon sequestration.
- 120. Four measures have been proposed under this Priority.
- 121. 46% of respondents answered the questions on Priority 5.
- 122. There was broad support for proposals under this priority.

Renewable Energy Technologies

Question 21: Should renewable energy technologies be included in a farm business development grant scheme? (*views on this point were also sought in question 6 and summarised below*)

- 123. A majority of respondents, including the Ulster Farmer's Union and the NI Environment Link, were in favour of such a grant scheme. Many of those who supported the scheme's inclusion cited the benefits to a farm business of the reduced energy costs associated with on-farm production of a secure supply of energy. However, some opposition to the scheme was expressed by those who felt that support for renewable energy technologies was not an appropriate use of limited RDP funding.
- 124. Those opposed to a renewable energy grant scheme included the Agri-Food Strategy Board. Comments received by the department have questioned the need for capital grant support given the generation incentives available for renewable technologies. One respondent suggested that support should be limited to loans to provide the capital investment.

Question 22: Which renewable energy technologies, if any, should be supported?

- 125. Those in favour of a renewables schemes generally suggested that a wide range of renewable energy technologies should be supported including wind, solar, biomass and hydro-electric projects. The Ulster Farmers' Union felt that the list of eligible technologies should be kept open with new technologies added as these become viable. Some respondents, including the National Beef Association and the National Sheep Association specified their opposition to the inclusion of Anaerobic Digesters in any list of renewable energy technologies eligible for grant assistance.

Question 23: Should support be restricted to renewable energy technologies where the majority of energy produced by the installation is being used on-farm in direct support of agricultural activities?

126. Opinion was divided on this point. Some felt that RDP support should be restricted to technologies which would use the energy exclusively on-farm while a larger number advocated allowing some export of the electricity produced. A number of consultees outlined their view that the type of renewable energy technology selected should be appropriate to the size of the farm to avoid a loss of food production capacity. Dairy UK suggested any excess energy sold to the grid should not exceed 40%.

127. **DARD Response**

128. The rationale for inclusion of these renewable energy technologies within a capital grant scheme is to reduce farm energy costs and provide a secure energy supply by using available farm resources to sustain agricultural businesses. Energy is a significant and increasingly costly overhead.

129. Since the NIRDP consultation was issued in July, the department has become aware of two key policy drivers;

- I. Draft rules produced by the European Commission suggest that RDP funds cannot support renewable energy technologies which produce more energy than is required by that farm enterprise without a separate state aid clearance. Procuring state aid clearance for the export of electricity could be problematic and may impact on the opening dates for any capital grant scheme.
- II. Information published by Northern Ireland Electricity (NIE) suggests that renewable energy projects situated in a significant proportion of the geographical area of NI will only be able to connect to the electricity grid at a price that would make their project unviable. The issue is particularly prevalent in counties Tyrone and Fermanagh. This means that projects in these areas could not sell excess electricity to the grid. This may mean that any on-farm installations will be reduced in size to supply only enough energy to meet farm needs.

It should also be noted that electricity generation incentives are likely to be reformed during the lifetime of the NIRDP. The NI Renewable Obligation Certificate (NIROC) will be closed to new generation and a Feed In Tariff (FIT) introduced, similar to the current system in GB. Projects which receive capital grant support are ineligible for the GB FIT

130. Given these policy interventions and subject to the available funding the Department is reconsidering the rationale for capital grant support of renewable energy technologies. Taking into account the desire to ensure greater equality of opportunity across NI and the imperative of compliance with EU rules, it is likely that any possible renewables grant scheme could

only support installations which are exclusively meeting their own farm's need for energy. Where possible, the electricity grid could be utilised as a means of electricity storage with projects exporting and importing electricity as appropriate provided that they produce no more energy than they can use on-farm over the course of the year.

131. DARD remain mindful that farmers may be frustrated if a grant scheme including capital support for renewables is opened early in the lifetime of the Programme and is then closed or amended because such capital support disqualifies farmers from generation incentives. There is also a concern that interest in a renewables scheme may be hampered by the inability of renewable energy projects to access the electricity grid in a significant number of areas.
132. Support towards feasibility studies for renewable energy installations and energy efficiency measures are now being considered for inclusion in the final NIRDP proposals. DARD also proposes to integrate renewable energy within business development measures such as discussion groups. It is not anticipated that loans will be available for any capital investment under the Rural Development Programme.

Forestry Plantation Scheme

Question 24: The proposed Forestry Plantation Scheme aims to support larger new planting projects with wood production as a major objective. Do you think that the scope should be expanded to provide support for larger new woodlands which provide enhancement of biodiversity and local community benefits of visual amenity and public access?

133. All responses to this question supported increasing the scope of the Forestry Plantation Scheme to provide support for larger new woodlands which provide enhancement of biodiversity and local community benefits of visual amenity and public access.
134. **DARD Response**
135. Forest Service proposes to develop a Forestry Plantation Scheme to provide support for larger new woodlands delivering multipurpose objectives.

Themes

136. Within the responses relating to the next Forestry measures, there were various general themes:

First Afforestation

- It is becoming clear that farmers' responses to CAP are the main factor determining the rate and type of forest expansion.
- There are significant barriers to first afforestation that cannot be addressed solely through the amount of grant support for new

- planting.
- Schemes should be simple to apply for and implement.
- All woodland types should be supported.
- There is strong representation from the agricultural sector that woodland expansion should not result in a loss of productive agricultural land.
- There is support for integration with other DARD schemes.
- Annual premia based on income forgone is a key driver for first afforestation schemes.
- Responses acknowledge that woodland has a positive contribution to biodiversity, climate change issues and community benefits.
- Some respondents would like to see support for Short Rotation Coppice establishment included.
- Respondents supported management plans for forestry measures.
- Responses indicate that schemes need to comply with UK Forestry Standard and that the application process will protect existing environmental features.
- Respondents supported targeting new woodland on land with agricultural limitations and to protect the water environment and provide public access.

Existing Woodland

- Respondents indicated a need for forest management training.
- Respondents supported management plans for forestry measures.

Manure Efficiency Technology Scheme (METS)

Question 25: Do you think that slurry/manure processing equipment, such as slurry separators, should be funded under Manure Efficiency Technology Scheme? If so, what uptake would you forecast?

137. There was general support for funding slurry separators and manure processing equipment under METS. Some respondents indicated that METS should not be limited to slurry/manure processing equipment but extended to include :
- Roofing over of manure pits (e.g. Organic NI, Young Farmers Clubs for Ulster, Cookstown District Council, Armagh District Council, South West Action for Rural Development).
 - Equipment such as sprays, fertiliser, water and electricity (e.g. DUP).
 - Sludge/slurry digestion to include dryer/pelletized fertiliser.
 - Weigh cells for spreaders or GPS equipment for precision spreading (e.g. Ulster Farmers Union).
 - Contaminated wash water and effective means of storage and utilisation/disposal (e.g. Horticulture Forum NI).

Question 26: What level of demand do you see for advanced slurry spreading systems in future tranches of Manure Efficiency Technology Scheme?

138. Overall there was strong support for future tranches of METS. The majority of respondents saw medium to high uptake for slurry/manure processing equipment.
139. Several respondents are of the opinion that it is most likely to be targeted at contractors and most of these have probably already availed of METS support (e.g. Cookstown District Council, South West Action for Rural Development, Armagh District Council, Dungannon & South Tyrone Borough Councils).

Question 27: Should farmers in the Manure Efficiency Technology Scheme be required to provide feedback on the amount of slurry spread, fertiliser use etc to help track behavioural change?

140. There are differing views on whether farmers should provide feedback on the amount of slurry spread, fertiliser use etc to help track behavioural change. Some feel that this information should be provided eg NI Environment Link, Council for Nature Conservation and Countryside. The Ulster Farmers Union feel that it should be provided voluntarily and others are of the opinion that farmers need less bureaucracy e.g. NI Agricultural Producers Association, Ulster Arable Society. Some also consider that a limited but validated survey would be more useful.

Themes

141. Within the responses relating to the METS, there were various general themes:
- 142.
- A higher level of grant rate to promote uptake.
 - With approximately 65% support for a Northern Ireland Climate Change Bill in a recent DOE consultation, the possible introduction of such a Bill would be a significant factor in improving the uptake of the METS (e.g. NI Environment Link).
 - A robust evaluation should be incorporated to determine the impact of METS investment. Environmental monitoring should be used to measure the impact of this investment over a prolonged period since improvements in water quality take time (e.g. Ulster Wildlife Trust).
143. **DARD Response**
144. Funding for other manure processing equipment will be considered in future tranches of METS. Some of the range of other items suggested by respondents for inclusion in METS may be considered as more appropriate for capital funding under the proposed Business Investment Scheme subject to available funding.

Nutrient Efficiency Scheme (NES)

Question 28: What are the barriers that prevent farmers from soil testing and drawing up nutrient management plans?

145. Responses indicated the following barriers that prevent farmers from soil testing and drawing up nutrient management plans :

- Cost (e.g. Ulster Farmers Union, Ulster Wildlife Trust).
- Time constraints.
- Lack of knowledge of the benefits.
- Limited understanding of results.
- Concern that participation in the scheme could lead to information being shared with NIEA, resulting in farm inspections (e.g. Ulster Farmers Union).

Question 29: Would farmer discussion groups be a suitable delivery mechanism for the NES?

146. There was general support for farmer discussion groups under the NES, with many respondents feeling that it would prove beneficial.

Question 30: Are there any other measures which should be considered under the NES?

147. Responses recommended various other measures for consideration:

- Information on soil analysis would be used in the development of updated soil surveys for NI (e.g. Ulster Farmers Union).
- Grant aid for Satellite Soil Sampling.
- Grant at a higher rate for straw handling equipment (this would encourage a move away from slurry production to solid manure production). (e.g. Cookstown District Council, Coleraine Borough Council, South West Action for Rural Development)
- Assessment of soil compaction.
- Funding of middens (e.g. Council for Nature Conservation and Countryside).
- Funding of Constructed Wetlands (e.g. Council for Nature Conservation and Countryside).
- Electric fences to facilitate buffer strips in flood plains along with habitat creation options (via A-E scheme)(Ulster Wildlife Trust)
 - Training in the benefits of soil analysis (e.g. Ulster Arable Society).
 - Training in how to calculate nitrates records.
 - Benchmarking.
 - Address increasing efficiency in energy use.

- Some support for elements of All Island Co-operation within NES (e.g. Ulster Farmers Union, SDLP)
- Funding for research to help develop a scheme that better reflects the diversity of conditions in NI.

Themes

148. There was strong support for the introduction of a NES. The need to address soil structure / compaction and drainage was a theme raised both in the consultation responses and at the stakeholder consultation events. It has also been raised in the Agri-Food Strategy Board's Going for Growth report and in discussions at the Fodder Taskforce.
149. **DARD Response**
150. The consultation responses outlined above will be considered as NES design progresses. The proposed NES is designed to address soil nutrient status. As detailed above, the issue of soil structure / compaction and drainage has been prominent at consultation, and DARD will consider how the NES could form part of an overall package for soil management.
151. Some of the range of other items suggested by respondents for inclusion in NES may be considered as more appropriate for funding under the proposed Business Investment Scheme subject to available funding.

PRIORITY 6: Promoting social inclusion, poverty reduction and economic development in rural areas

152. The objectives of the Priority as described in the consultation document are:
- To assist new and existing rural businesses to become sustainable and to grow.
 - To seek to minimise, where it exists, disadvantage, poverty, social exclusion and inequality amongst those living in rural areas and in particularly amongst vulnerable groups to enhance their quality of life.
 - To strengthen the social, economic and cultural infrastructure of rural areas.
 - To strengthen the rural tourism sector by providing support for projects which are in accordance with the principles of the Northern Ireland Tourism Priorities for Growth.
 - To support and strengthen rural villages and towns to create a vibrant rural community.
153. Views were sought on the six schemes proposed to promote social inclusion, poverty reduction and economic development.
154. 80% of respondents answered questions on this priority.
155. A significant proportion of respondents did not answer the questions directly but provided a general narrative response instead.
156. A common theme was the number of respondents who commented on the application process and the need for the process to be simplified and made less bureaucratic. It was suggested that consideration should be given to making the application process proportional to the level of grant being applied for with a more streamlined process in place for smaller amounts. Some respondents also called for more support to be made available to assist with the application process and for better information to be made available to applicants. Support with Procurement processes was also called for.
157. Some respondents referred to the difficulties that some organisations had in attracting match funding. Some respondents requested that consideration would be given to making provision for 'in kind' contributions to be accepted, however this is something that is already available to community & voluntary applicants for non-commercial projects.

158. Concern was raised about the use of multiple deprivation for targeting as statistics alone may not identify areas where real need is very high. A number of respondents referred to the need to target support according to levels of deprivation and of the need to take account of 'hidden' pockets of poverty in rural areas.
159. The current partnership between LAGs and Councils seems to have relatively broad support. There is support for one LAG per new Council area while equally concern has been raised about the prospect of having a different Delivery Agent operating within each LAG territory. A number of respondents supported the use of a Single Delivery Agent, particularly where training, facilitation and high volume grant schemes are involved. Some respondents also referred to the need to remove the JCC layer.
160. Some respondents highlighted a need to provide revenue funding (e.g. salaries, programme costs etc) as well as capital to contribute to the sustainability of infrastructure invested in.
161. A small number of respondents requested that the definition of rural villages by population size be reviewed and increased to 6,000 or by mapping proximity to urban centres.
162. A common theme was respondents encouraging DARD to work closely with other Government Departments/Agencies to ensure there is no duplication and to provide a multi-agency approach.
163. Some respondents highlighted the need for community groups to be able to access advance funds to help with cash flow and suggested that an advance fund should be made available for groups to meet the costs of future / pipeline applications. Some respondents also recommended that interest free loans should be made available.
164. It was proposed that spend on strategic projects/initiatives should provide longer term legacy and not be fragmented.
165. It was also pointed out that there are clear anomalies between programmes and grant levels/rates in NI and RoI, and inconsistencies with match funding.

Question 31: How effective do you think the proposed priority 6 schemes (Rural Business Development, Rural Business Investment, Rural Tourism, and Combating Poverty and Social Isolation – Basic Services, Village Renewal) will be in meeting the needs of the sector?

166. The majority of respondents who commented on the priority 6 schemes indicated their support for the schemes, with some welcoming them as a means of tackling poverty and social isolation and promoting economic development in rural areas.

167. A number of respondents also commented that the current RDP 2007-13 had been of great benefit with one respondent stating that DARD should be commended for the RDP 2014-20 proposals and for proposing a comprehensive business development and support package for commercial enterprise in rural areas.
168. A very small number of respondents responded negatively to the proposed schemes indicating that money for farmers should not be used for these purposes with one respondent stating that as urban development is funded by central government, why should money for farmers be used [for rural development]. One respondent suggested that reducing poverty and social isolation should not be an issue for DARD.
169. Individual respondent suggested the following as areas which should be included within, or in addition, to the schemes outlined in the consultation document:
- a. rural heritage conservation;
 - b. horticulture;
 - c. social economy;
 - d. equine development
 - e. young people's projects
 - f. support for the PUL community
 - g. promotion of the Irish language
 - h. greater investment in rural women's groups to provide parity of esteem with their urban counterparts
 - i. a scheme to address the closure of rural services e.g. banks post offices, schools;
 - j. funding for farmers for allowing access to historic sites on their land
170. More general comments on the schemes included suggestions that:
- a. The schemes should be specifically targeted/tailored rather than adopting a blanket approach
 - b. Sustainable development should be a priority for all schemes
 - c. The partnership approach with Councils has been successful and should be continued
 - d. Other funding programmes (e.g. ESF) should be used to complement DARD schemes.

Question 32: How might these schemes (Rural Business Development, Rural Business Investment, Rural Tourism, and Combating Poverty Social Isolation – Basic Services, Village Renewal) be improved upon to meet the needs of your sector?

Rural Business Development Scheme / Rural Business Investment Scheme

171. Many of the respondents responded in relation to the business schemes generally rather than in relation to the individual schemes separately. A number of respondents suggested that the level of grant for the business schemes should be higher than 50%, with some respondents suggesting a rate of 75%.
172. Many of the respondents called for the business schemes to be made more flexible to meet the needs of different rural businesses. Some suggested that businesses with a higher number of employees should be eligible for support under the schemes with some suggesting up to 20/50 employees.
173. A significant number of respondents expressed concern that proposals would have to have gone through either a specially tailored programme or the CAFRE Diversification Challenge Programme before receiving funding under the Rural Business Schemes. They indicated that there is a need for a more flexible approach, particularly for applicants who can demonstrate relevant business experience and whose proposals are supported by a robust business plan.
174. Some respondents proposed that the business schemes should include support for business planning, capital grants and mentoring support for micro and small businesses in order to maximise the impact of grants. The view of many respondents was that training should be provided, not just sign-posted.
175. Other comments made on the business schemes included the following:
 - there is a need for horticultural businesses and those businesses producing Annex 1 products to be supported through the Rural Business Investment Scheme.
 - the business schemes should support the social economy sector
 - animation and project development support is required in the new programme
 - there is an opportunity for the business schemes to provide for more active partnership working with training providers, further education colleges and other enterprise bodies
 - the business schemes provide an opportunity to incorporate a provision to encourage applicants to recruit long term unemployed or people with limited job experience
 - there should be no displacement of the NI Small Business Loan Scheme and that any new scheme should be complementary to it
 - training for volunteers should be included within the schemes
 - advances should be available more easily
 - there is a need to provide opportunities for young people in relation to accessing part-time working and volunteering
 - moveable equipment should be eligible
 - there should be a linkage with agri-environmental schemes.

- these schemes should be capped at 5% of the budget to meet the needs of the agri-food sector.

Rural Tourism Scheme

176. Some respondents welcomed the Tourism Scheme being aimed at initiatives which are in line with NITB priorities. One respondent commented that rural tourism is a clear driver for the rural economy and needs to be delivered in a strategic rather than piecemeal manner. They stated that individual projects need to meet the objectives of the Destination Management Plans that have been developed for the nine designated tourism destinations.
177. A small number of respondents commented on the need for tourism grants to be able to exceed £250,000 to develop larger scale infrastructure.
178. Other comments on the Rural Tourism Scheme include the following:
- Support should be provided for innovative rural tourism development in line with NITB Strategic Priorities
 - The Rural Tourism Scheme should focus on creating and improving tourism facilities and infrastructure
 - Nature tourism has significant potential and the RDP should be used to position NI as a year round tourism destination with a reputation for natural heritage
 - There is potential for the scheme to promote tourism and leisure opportunities in forests and woodland, particularly to develop children's play facilities
 - There is a need to prioritise tourism infrastructure, support wildlife tourism and agri-tourism
 - Under the Rural Tourism Scheme there is significant untapped potential for food tourism development in NI.
179. One respondent commented that NITB should fund all tourism while one other respondent stated that tourism development should rest with the new council structure.

Basic Services Scheme

180. A number of respondents welcomed the Community Grant Scheme however some stated that a grant maximum level of £10,000 was too low as this would prevent large scale investment in community facilities which could make a significant difference to quality of life.
181. It was suggested that bureaucracy should be reduced and that the level of match funding required should be considered. One respondent suggested that DARD should consider providing 100% funding for the Basic Services Schemes so that match funding is not required.

182. It was recommended that the Basic Services Scheme should continue to provide for investment in community capacity building and community development and that provision should be made for community development schemes to operate at both sub-regional level and local level. It was also suggested that the Basic Services Scheme should be linked with/informed by the Community Planning process.
183. One respondent indicated the importance of ensuring that funding utilised for rural broadband, childcare, transport should be additional funding.
184. Consultees indicated a range of issues which might be covered by the Basic Services Scheme including:
- Transport
 - Broadband
 - Innovative healthcare solutions
 - Childcare
 - Provision to join up health and transport services
 - Digital inclusion services
 - Outreach and home services
 - Capacity building/ community development
 - Financial capability and debt resolution measures
 - Renewable energy technologies
 - Community support
 - Housing issues such as provision for home improvements, initiatives to address fuel poverty and an energy advice programme
185. Other comments on the Basic Services Scheme included:
- Requiring applicants to be companies limited by guarantee is restrictive and will create difficulties for community organisations
 - Provision should be made for private businesses to be eligible to be funded to deliver basic services
 - The Basic Services Scheme should focus on barriers affecting women including lack of employment opportunities, lack of education, lack of access to personal transport and lack of affordable childcare
 - There is a need for services to be delivered on a cooperative interagency basis.
 - There is a need to ensure that there is equal attention and support given to the development of social enterprise activities as part of the proposed schemes
 - There is a need to strengthen access to welfare information and advice/citizens advice to maximise income in rural areas.
 - Under Basic Services, posts should be funded.
 - Credit Unions are well placed to play a key role in combating poverty and social isolation.
 - Empty buildings should be utilised for community activity
 - There is a need for a specific element in the RDP to support PUL (Protestant/Unionist/Loyalist) communities.

Village Renewal

186. Some respondents specifically welcomed the inclusion of a Village Renewal Scheme on the basis that it would allow continuation of previous work in this area.
187. Some respondents expressed the view that the Village Renewal Scheme should/could be linked with the Community Planning process and that there should be closer working with Councils. It was suggested that there should be targeted calls to meet the strategic needs of local areas.
188. A small number of respondents recommended that private businesses should be able to participate in the Village Renewal scheme.
189. Some respondents indicated a number of areas which the Village Renewal Scheme should support including:
- the refurbishment and reuse of existing vacant and derelict dwellings;
 - the energy efficiency of buildings
 - the reintroduction of a Living Over The Shop initiative
 - community relations/shared space initiatives
 - regenerating rural villages similar to that provided by DSD in urban areas
 - the needs of dispersed settlements in order to meet the needs of groups of small communities that may not be classified as villages
 - work on new initiatives which were not included when the Village Plan was originally drafted
 - the updating of existing village plans.

Question 33: On which issues should the proposed All Island Co-operation scheme focus in order to address deprivation and disadvantage in rural areas most effectively?

190. Respondents suggested a wide range of issues which should be covered by the All Island Co-operation Scheme including:
- Business creation/development
 - Regeneration – physical, social, economic and community renewal
 - Support for community cohesion and re-imaging projects
 - Environmental issues
 - Agri-food
 - Broadband
 - Tourism
 - Renewable energy
 - Innovative health solutions
 - Availability of wifi/ access to digital technology
 - Transport
 - Health & Wellbeing

- Financial poverty, access poverty and social isolation
- Social Farming
- Access to services
- Suicide prevention, addiction & community isolation
- Development of sustainable equine tourism networks
- Mental health and disability issues.

191. A number of general comments were made on the proposed All-island co-operation Scheme by individual respondents including the following:

- It is essential that policy and actions on either side of the legislative boundaries work together
- Rural tourism on an all-island basis could significantly address deprivation and disadvantage by creating new tourism products. For example, there is significant scope for co-operation measures relating to inland lakes/waterways on an all island basis.
- There is a greater need for support for economic development in border areas and there needs to be recognition of the complexities associated with 'frontier' workers.
- A transnational element should also be included under the co-operation scheme
- The scheme should complement other relevant initiatives, such as Interreg and Peace.
- The Cooperation scheme should be open to applicants from the Community & Voluntary sector.
- Cooperation should be more 'bottom-up'.

Question 34: Should a scheme to address deprivation and disadvantage through North/South Co-operation focus only on those regions in the north adjacent to the border, or should it cover all rural areas in the north?

192. Opinion was split on whether the All-Island Cooperation Scheme should apply to all of rural NI or just border areas.

193. Some respondents said that the focus should be on areas of greatest need or where it can have greatest impact. One commented that DARD should prioritise cooperation funding in border areas, with other areas of NI benefiting if there are sufficient funds available.

194. A number of respondents stated that any co-operation scheme must also involve East-West cooperation.

195. A small number of respondents stated either (i) that there was no need for an All-Island cooperation scheme or (ii) that the scheme should not be funded through the RDP. It was suggested that co-operation should be funded through DSD or the Social Investment Fund.

196. **DARD Response**

197. DARD acknowledges the broad support for the Priority 6 proposals.
198. DARD has considered the definition of rural and does not propose any changes at this time. It has been agreed that a formal review of the definition of rural (and the definition of urban) will be undertaken by a cross Departmental working group led by DFP.
199. DARD's funding of private sector interests is limited to 50/50 grant funding under DFP guidance and therefore DARD does not propose increasing the grant rate above 50%.
200. It is anticipated that the new LEADER delivery structures will be based on the 11 council model. Local Government's 'Transitional Committee's' are already set up to address new responsibilities, opportunities and attendant transitional issues. The department will, through the LAG Strategic Forum and by written procedure keep the Councils, JCCs and LAGs fully informed of progress about the setting up the appropriate structures under LEADER to deliver this element of the programme.
201. Under the new LEADER Programme, the Department intends to proceed on the basis of a contract with each LAG as the delivery body and therefore JCCs will not be required. A set of operating rules and desk procedures will be developed and will be available from the start of the programme.
202. The Department is currently engaged in a process of inter departmental consultations to ensure that funding across departments is complementary and that duplicate funding is avoided.
203. It is expected that subject to the availability of funding a range of diverse rural businesses will be eligible for support under Priority 6 schemes. The Department already provides funding to the rural women's sector through its involvement with DSD's regional programmes aimed at supporting rural women and women from disadvantaged urban areas.
204. It is expected that any proposed support under Village Renewal will link with Village Plans that have received funding and be complementary to the Community Planning process being undertaken by councils.
205. DARD recognises there are potential merits of an all island cooperation scheme in helping to address poverty and social isolation in rural areas through north south co-operation.

Consultation Questions on Delivery Mechanisms

206. The consultation document set out the delivery mechanisms used in the 2007-2013 Rural Development Programme and the factors which need to be taken into consideration in the design of the new delivery structures. These included the regulatory requirement to deliver a minimum of 5% of the funds through the LEADER approach and the changes to council structures as a result of the Review of Public Administration (RPA).
207. Views were sought on delivery of the programme taking into account some basic principles for service delivery and the need for different administration requirements, levels of expertise and associated costs within each of the measures/schemes.
208. A total of 94 (54%) respondents answered questions on delivery mechanisms.

Question 35: How much of the programme budget should be allocated to the LEADER approach and why?

Views in Support

209. Around two-fifths of respondents to this question agreed that LEADER should be a significant part of the delivery process for the new RDP, to this end the 19% allocation in the current RDP should be maintained or increased. A number of respondents (including Craigavon Borough Council, SOAR and COSTA) suggested that 25% of the programme budget should be allocated to the LEADER approach. A further 13% of respondents were supportive of the LEADER approach however they suggested that the budget allocation should be higher than the 5% minimum but less than 20%.
210. Many respondents believed that the LEADER approach is a 'tried and tested' model that has already been successfully used to address rural issues and it is a delivery method that can be applied across the new RDP and not solely to priority 6 schemes.
211. The Councils, LAGs and many of the rural organisations that responded to the question suggested that the difficulties faced by the LEADER approach during the current RDP are down to the bureaucratic, inflexible and administratively intensive management style adapted by DARD. They suggested that the new model should be one tier, co-terminus with the new Council boundaries, linked to the new Community Planning processes and should also be granted more autonomy and flexibility.

Views in Disagreement

212. Almost a quarter of respondents believe that only the 5% minimum allocation recommended by the European Commission should be made available for

the LEADER approach. They cite the difficulties encountered in the current programme in spending the LEADER funds and the high administration costs.

213. Two respondents suggested that the LEADER approach should not be used; Gerry King suggests that a model similar to the one used by Inter-trade Ireland should be adopted whereby DARD manage the budget in conjunction with a professional mediator facilitator company that has tendered for the role, this approach would speed up the application process, timescales and outturn. The Equine Council for Northern Ireland suggested that a sector/industry based approach should be adopted whereby a number of sector specific bodies would replace LAGs, thus ensuring a central point of contact where knowledge and expertise is concentrated that will cut across the whole programme allowing uptake to be maximised.
214. Almost a fifth of respondents were non-committal in their responses with some suggesting that it was too early in the process to comment on budget allocations.

Question 36: Which measures/schemes should be delivered through the LEADER approach and why?

Views in Support

215. The majority of respondents to this question (more than three-fifths) believed that all Priority 6 schemes should be delivered through the LEADER approach. Many believe that there are also opportunities beyond Priority 6 that would benefit from the LEADER approach.
216. Many of the LAGs in particular believe that LEADER could be involved in the following:
- | | | |
|---|---|---|
| Priority 1 – Farm exchange visits
Co-operation Groups
Family Farm Key Skills | } | can all be linked to Priority 6 Business development Scheme |
| Priority 2 – BDKT
BIS
Forestry Competitiveness | } | link with Priority 6 business measures |
| Priority 3 – PIDGS – in particular small business – link with Priority 6 | | |
| Priority 6 – Renewable Energy – with a focus on community use not necessarily restricted to farm. | | |
217. A number of respondents suggested that there is scope to broaden LEADER to Priority 4 to tie into rural tourism.
218. Many of the environmental groups that responded to the question believe that the LEADER approach offers the possibility of local delivery of targeted environmental measures in line with local need. The new thematic structure

of the RDP provides greater encouragement for LEADER groups to engage with land management activities. The Lough Neagh Partnership specifically mentions that LEADER could deliver parts of the agri-environment scheme that relate to land owners (non active farmers).

Views in Disagreement

219. The majority of the responses from the farming sector suggested that only Priority 6 schemes should be covered by the LEADER approach.
220. The Mourne Heritage Trust expressed the view that alternative approaches to single LAGS dealing with all Priority 6 measures in a given geographic area should be considered, and that there should be special arrangements for tourism. The National Beef Association believes that none of the schemes/measures should be delivered through the LEADER approach as they believe there are more effective methods of delivery.

Question 37: Which measures/schemes should DARD deliver itself and why?

Views in Support

221. Over 60% of respondents stated that DARD should be responsible for the delivery of schemes within Priorities 1 through to 5. They believe that DARD should be responsible for all land based, environmental, forestry and agricultural production schemes - all of which fall within the remits of Priorities 1-5; furthermore DARD has the relevant experience and credibility required to deliver these schemes.
222. At least 10% of the respondents do not state specific schemes but suggested that DARD should be delivering schemes which require technical expertise and skills. The Omagh Forum for Rural Associations and Coleraine Borough Council suggested the need for DARD involvement in schemes with a need for enforcement activities.
223. Around one sixth of respondents, including the Landscape Institute Northern Ireland (LIMI), Ulster Wildlife and the National Beef Association (NBA), believe that it is important that DARD seeks support and collaborates, where necessary, with other government departments and stakeholder organisations that have relevant expertise to ensure the effective delivery of all schemes.
224. Approximately 15% of respondents, including DAB farmers, Dunbia and Diane Dodds MEP, suggested that DARD should deliver as much of the programme as possible due to skills set it holds and to ensure that the greatest amount of money is delivered to the people on the ground.

Views in Disagreement

225. CNCC and the Ulster Arable Society, although supportive of DARD delivery of schemes, suggest that DARD should only undertake delivery if they have the resource and staffing levels required to ensure successful levels of service delivery.
226. The North West Organic Producers Group suggest that due to the DARD's record in supporting organic farming they should not be responsible for delivering any of the schemes.

Question 38: Which measures should be delivered by bodies (including Councils) other than Local Action Groups and why?

Views in Support

227. Approximately 33% of respondents, mainly the Councils and LAGs, believed that Councils can and should be a major delivery option as post Review of Public Administration they will have a direct mandate in their area for Economic Development, Tourism Development, Community Services and Village Renewal. They suggested that the Councils should partnership across all the Priority 6 measures with LAGs.
228. A number of respondents, including the UFU, YFCU, and DAB Farmers suggest that the Agri-Rural Partnership should play an important role in the delivery of schemes in the new Programme. They suggested that the schemes that they should be involved with include: The Innovation and Technology Evaluation and Demonstration Scheme; Farm Family Key Skills Scheme; Farm Exchange Visits Scheme; Business Development through Knowledge Transfer; Manure Efficiency Technology Scheme; and Agri-environment training. The UFU and YFCU further suggested that there could be an argument for the Partnership to deliver elements of Priority 6.
229. Many of the Councils and Rural Organisations suggested that Rural Support Networks can play a key role in future delivery as they have the direct links to, and know the issues and challenges facing, rural communities. They can ensure local animation, long term sustainability, and value for money.
230. The Lough Neagh Partnership suggests that Environmental management and tourism destination measures on a landscape or destination scale should be delivered by NGOs on the lines of the previous NRRTI programme. CNCC suggested that NIEA is uniquely placed to deliver advice in partnership with DARD for agri-environment schemes, particularly in the context of the targeted scheme. Ulster Wildlife suggests that Rural tourism could be delivered through NITB who could also provide on-going support for clients.
231. Fermanagh District Council suggested that Invest NI needs to be involved in the delivery of Priority 3 as the agri-food sector is one of the fastest growing

industries in Northern Ireland and Invest NI has expertise in helping businesses grow, become more competitive and to increase their export markets.

232. RDC suggested that there is scope for regional delivery outside of LEADER and local Council delivery. Regional delivery should be strategic and focused on providing 'added value'. It is not necessarily concerned solely with the delivery of competitive grants but the delivery of regional programmes designed to be strategic, pilot new approaches or respond to new opportunities or policy initiatives. It should be proactive in nature with the flexibility to take account of circumstances prevailing at any point in time and should not be restricted by geography. This is particularly important, for example, with rural tourism schemes that focus on natural assets that cross Council or Cluster boundaries. RDC identified the following schemes as having regional potential/ significance – Rural Business Development; Rural Tourism and Strategic Services (within the Combating Poverty and Social Isolation scheme).
233. The Equine Council NI suggested that delivery of a measure should be carried out by a body with existing competencies in a particular area and a satisfactory level of delivery experience. In terms of other bodies, Local Councils and industry governing bodies should be considered for specific measures (or part of these measures) such as social projects, tourism projects or recreation projects. Industry based governing bodies should be considered where relevant, particularly for recreation based measures.

Views in Disagreement

234. Approximately 17% of respondents, including DAB, AFSB, YFCU and NSA, were apprehensive of the delivery of measures by Councils. Some suggested that they lacked the appropriate skills to guarantee successful delivery; and they had also proven to be a very bureaucratic medium for the delivery of funding.
235. The Ulster Farmers Union strongly believed that Councils should not be involved in the distribution of Rural Development Funds. Citing that the actions of some Councillors in the JCCs within the current RDP have damaged trust between the rural community and the Councils. Furthermore the introduction of Strategic Projects has allowed Councils to benefit substantially from Rural Development funds at the expense of rural economic projects (as highlighted in Section 1.10.2.2 of the Leader Review).

236. DARD Response

237. In considering delivery options a balance needs to be struck between using EU monies to fund external delivery, thus reducing the amount available for beneficiaries, and the need to deliver programmes and schemes effectively and efficiently. Bearing this in mind, and taking the views from the consultation process into account, it is proposed, subject to available funding, that a mixture of internal and external delivery mechanisms will be

used for the 2014-2020 NIRD. Internal delivery of agri-food capital schemes is under consideration due to benefits relating to resources, timing, risk, value for money etc whilst some knowledge transfer and training related Schemes could be suitable for external delivery depending on costs, resources available and third party experience of similar Scheme delivery. The Leader approach is mandatory and will be utilised under Priority 6 and there may also be a potential role for Council involvement in the delivery of certain areas of the Programme, again subject to available funding.

Consultation Questions on Finance and Resources

238. The purpose of this section was to provide an introduction on the complex funding issues related to the 2014-2020 Rural Development Programme. This section sought views on the potential size of the Programme and the balance between and within each EU Priority. Views were also sought on the suggested options to deal with the expected shortfall of funds and the balance of funds between priorities.
239. A total of 87 (50%) respondents answered questions on funding.

Question 39: If there are insufficient funds to support the proposed programme should the available funds be distributed across all the proposed schemes?

Views in Support

240. Approximately 28% of the respondents to this question agreed that if there are insufficient funds to support the proposed programme the available funds should be distributed across all the proposed schemes. They believed that this would be the fairest approach as there is a need for funds across all of the measures. The Northern Ireland Catholic Council on Social Affairs suggests that cuts in funding should be spread equitably across all the proposed schemes.

Views in Disagreement

241. At least 22% of the respondents believe that funds should not be distributed across all of the proposed schemes if there is a limit to the available funding.
242. The majority of the respondents to the question (42%) suggest that there should be a prioritisation of the proposed schemes/measures. There were various reasons for proposing the prioritisation, for example, most believe that those schemes that increase agricultural activity and improve the rural economy and communities deserve to be a priority. NIFDA suggest that those schemes that would deliver the biggest economic advantage to Northern Ireland as a whole should be given priority. Gilfresh and Trainview Farm believed that funding should be prioritised on the basis of a sound business plan. The Housing Executive and Citizens Advice suggested that Priority 6 schemes should be protected and their funding ring-fenced.
243. Many, including the RSPB, NIEL, LINI and Ulster Wildlife believed that as Agri-environment is the only compulsory element within the RDP it should be prioritised and funding should be directed towards halting biodiversity loss, landscape degradation, habitat, species and landscape conservation, improvement in water quality, promotion of natural flood management and climate change mitigation and adaptation.

244. North West Organic Producers Group and the National trust suggested that opportunities to maximise the benefits of the RDP across a range of Priorities should be identified at a strategic level so that schemes which have a focus on enhancing biodiversity, or for example supporting HNV farming, can also deliver on objectives of other priorities such as rural tourism.
245. The RDC, CARP and Strabane District Council suggested that if there are insufficient funds opportunities may exist to reduce funding tiers in some schemes and/or reduce/remove elements of specific schemes to meet core needs. The demand and uptake for current schemes may also be a useful benchmark in gauging which schemes should be prioritised.

Question 40: If there are insufficient funds to support the proposed programme which schemes do you consider to be the highest priority and why?

Views in Support

246. There is no clear consensus on which schemes should be classed as the highest priority. Approximately 32% of the respondents to this question stated that Priority 6 schemes should be of the highest priority as they impact on the entire rural community, and will improve the quality of life for people living in rural areas. There was a general consensus that the most popular schemes in the past have been Farm Diversification, Business, Tourism, Basic Services and Village Renewal.
247. At least 23% of the respondents believe that schemes in Priorities 1 – 5 should be prioritised over Priority 6 schemes. In particular the Business Investment Scheme (BIS), Business Development through Knowledge Transfer (BDKT) and Processing Investment Development Grant Scheme (PIDGS) received support from a number of organisations, including NIFDA, AFSB, Equine Council NI and Gilfresh.
248. Some 13% of respondents expressed the view that Agri-environment schemes should have the highest priority with the RSPB explaining that Agri-environment is the only compulsory element of the whole RDP, which shows the emphasis with which the European Commission has placed upon the scheme. Agri-environment has also shown to deliver for the three strands of sustainable development including; Social - underpin economically fragile areas by maintaining active land managing rural communities; Economic - directly supports farmer income and other economic spin off, potentially including 'nature tourism' ; Environmental - helps government meet domestic and national statutory targets including climate change, biodiversity water framework and floods directive.
249. Derry City Council, RAPID, and Park Farmers Group suggested that the Business Investment Scheme, Areas of Natural Constraint, Agri-environment, Nutrient Efficiency Scheme and Renewable Technologies should be essential elements of the new programme.

250. NIEL and The Environment Management Group stated that the Northern Ireland Prioritised Action Framework (PAF) sets out that the greatest focus of funding should be directed to the greatest needs and where as a result the greatest measurable outcomes can be delivered for the funded programmes.

Views in Disagreement

251. Randalstown and District Beekeeping Association suggested that rather than schemes being prioritised education and disease recognition and control should be deemed a priority. Patrick Conway suggests that Farm Safety needs to be priority.

Question 41: If there are insufficient funds to support the proposed programme should funds be transferred from Pillar 1 (Direct Payments) to Pillar 2 (Rural Development) to bridge the funding gap? If yes how much?

Views in Support

252. Almost 50% of respondents to this question agreed that if there are insufficient funds to support the proposed programme, funds should be transferred from Pillar I (Direct Payments) to Pillar II (Rural Development) to bridge the funding gap. Approximately half of those in favour of the transfer strongly supported a transfer of the maximum 15% of funds, whilst a number of organisations, including Craigavon Borough Council and SOAR suggested an increase of up to 25%.
253. Approximately one in eight respondents, including the NSA, NIFDA, AFSB, Northway Mushrooms and John Duff, agreed that there should be a transfer of funds from Pillar 1 to Pillar II, but only if the funds were ring-fenced for schemes to benefit farmers, growers, environmental outcomes, and agri-food enterprises.
254. North West Organic Producers Group and David Hawthorne supported the transfer of funds from Pillar 1 to Pillar 2 of 15% only from businesses receiving more than the current average UK income of £26,000/annum in SFP subvention.
255. Abercorn Estate supported the transfer of funds from Pillar I to Pillar II as long as farmers reliant on support from Pillar 1 are not disadvantaged.

Views in Disagreement

256. Around one third of respondents, predominantly from the farming sector, were opposed to any transfer of funds from Pillar I to Pillar II. The UFU state that Pillar 1 payments are an essential support mechanism for farmers in Northern Ireland and that the significant cut to the Pillar I budget should also be taken into account as this will have severe implications for payments going to farmers in the next CAP. They suggest that funds must be prioritised for measures which will deliver the maximum economic and environmental benefits which will support a more sustainable agri-rural economy.

257. Farmers for Action UK NI and Dairy UK propose that Northern Ireland should avail of the maximum transfer from Pillar II to Pillar I. The National Trust, LINI and the Omagh Forum for Rural Enterprise strongly oppose any proposal for a reverse transfer of funds from Pillar II to Pillar I. NIAPA would support the distribution of funds across all schemes which would remove the need for prioritisation and also remove the need to transfer funds from Pillar I to Pillar II.
258. Down Rural Area Partnership (DRAP) state that this is an extremely controversial question as there will be a difference of opinion from different stakeholders within the sector. They would therefore suggest a central pot of money should be held with none taken from either Pillar I or Pillar II.
259. The EU transitional regulation which was published on the 20 December 2013 required Member States to notify the EU Commission of the transfer rate between the Pillars of the CAP. The Minister announced on the 20 December 2013 that she intended to transfer an average 7% of the Pillar 1 (direct payments) allocation to the Pillar 2 (rural development) allocation. This would provide an additional €137.5m for the 2014-2020 Rural Development Programme.
260. A judicial review of the Minister's decision was requested by the Finance Minister and as a result the decision was challenged in the High Court on the basis that the decision should have been referred to the Executive. The Court held that the issue was significant and controversial. As a result, this challenge was upheld. As Executive approval was not given by the 30 December deadline, Defra were advised that Executive agreement had not been reached. A zero rate of transfer for Northern Ireland was notified to the Commission by Defra.
261. DARD is now considering the implications of this decision for the level of funding remaining for rural development. This may require the proposed schemes to be scaled back, or some proposed schemes to be removed to live within the available budget allocation. In the event of insufficient funds, DARD may consider prioritisation based on the information in the needs assessment and SWOT analysis. A further consideration will be an assessment of the impact the proposed schemes are likely to have when balanced against the level of investment. This forms part of the intervention logic which is required to be carried out by the Commission. The objective is to put together a balanced package of funding for the next RDP to help improve the competitiveness of farm and agri-food businesses, the protection and enhancement of the environment and countryside and the quality of life in rural communities.

ANNEX 1: LIST OF RESPONDENTS

Community and Rural Organisations

- Altnaveigh House
- Auglish Ulster Scots
- Ballymena East Rural Community Cluster
- Broughshane District Community Association
- Bushmills Village Forum
- Carntogher Community Association
- Castlewellan District Agricultural Show Ltd
- Causeway Coast & Glens Tourism Partnership
- Clough & District Community Association
- Co Armagh Development Association
- Co Down Rural Community Network
- Community Conference in North East Region
- Community Foundation for NI
- Community Places
- Community Organisations of South Tyrone & Areas (COSTA)
- Donaghmore Development Association
- Dunmore Rural Association
- Enterprising West
- Fellows Hall Partnership
- Fermanagh Rural Community Network
- Galbally Youth & Community Association
- Glenariff Improvement Group
- Hollymount Rural Community Association
- Katesbridge Ladies Rural Group
- Killyleagh Development Association
- Lisbarnett & Lisbane Community Association
- Lough Neagh Partnership
- NIRWN
- North Antrim Community Network
- Omagh Forum for Rural Associations
- Portglenone Enterprise Group
- RAPID
- Rathlin Development Community Association
- Rural Community Network
- Rural Development Council
- Rural Network NI (RNNI)
- Rural Northwest Community Support

- Saintfield Development Association
- Strangford Lough & Lecale Partnership
- TADA Rural Support Network

Economic Development Organisations

- Agri-food Strategy Board
- Development Trust of NI
- European Regions Network for the Application of Communications Technology EEIG
- InvestNI
- LANTRA Training
- Social Enterprise for Northern Ireland
- Ulster Community Investment Trust Ltd

Elected representatives and Political Parties

- Diane Dodds, Democratic Unionist Party (DUP)
- Margaret Ritchie MP, South Down SDLP
- Oliver McMullan MLA, Sinn Féin
- Sean Rodgers MLA, Newcastle SDLP
- Jim Nicholson, Ulster Unionist Party (UUP)

Environmental / nature / conservation bodies

- Butterfly Conservation NI
- Council for Nature Conservation and Countryside
- Countryside Alliance
- Envision
- Farm Animal Genetic Resources Committee
- Greenhouse Gas Implementation Partnership- Sequestration sub-group
- Killinchy Beekeepers Association
- Mourne Heritage
- National Trust
- NI Environment Link
- NI Environment Agency (**SEA only**)
- NI Water
- Randalstown Beekeepers
- Rivers Agency
- Royal Society for Protection of Birds
- Ulster Beekeepers Association
- Ulster Wildlife

Equality organisations

- Age NI
- Children and Young People Thematic Working Group
- Community Relations Council
- Early Years
- Equality Commission NI (**EQIA only**)
- Youth Action NI

Farming, food and forestry organisations

- Abercorn Estates
- Ballylaw Farmers Group
- Biomass Energy Northern Ireland
- Burgess Family
- Carnowen Farmers Combined Ltd
- Confederation of Forest Industries (CONFOR)
- DAB Farmers
- Dairy UK (NI)
- David Hawthorne
- Dunbia
- Edward Manningham – Buller
- Fane Valley
- Farmers for Action UK
- Farm Support Group
- Food & Drink Sector Skills
- Food NI
- Gilfresh Produce
- Horticulture Forum for NI
- Irish Moiled Cattle Society
- James McGlinchey
- Joseph Morton Ltd
- Michael McPolin
- National Beef Association NI
- NI Agriculture Producers Association
- NI Farm Forestry
- NI Flower and Foliage Association
- Northern Ireland Food and Drink Association (NIFDA)
- Northern Ireland Meat Exporters Association
- NI National Sheep Association
- Northern Bio Energy Ltd
- Northern Ireland Fruit Growers Association
- Northway Mushrooms

- North West Organic Producer Group
- Organic NI
- Park Farmers Group (Patrick Gormley)
- Park Farmers Group (Gareth Feeney)
- Park Farmers Group (James McLaughlin)
- Park Farmers Group (Shaun McElhinney)
- Patrick Conway
- Patrick Trainor
- Sinead and Gerry King
- Social Farming Across Borders
- Soil Association
- Sperrin producers Co Operative
- Trainview farm
- Ulster Arable Society
- Young Farmers Clubs of Ulster (YFCU)
- Ulster Farmers Union (UFU)

Local action groups and Delivery Bodies

- ARC Northwest
- Coleraine Local Action Group for Enterprise Ltd (COLLAGE)
- Cookstown and Western Shores Area Network (CWSAN)
- Countryside Agri-rural Partnership
- Down Rural Area Partnership
- Generating Rural Opportunities Within South Antrim (GROW)
- Lagan Rural Partnership Local Action Group
- NER/GROW/North Antrim Community Network Workshop
- North East Rural Development / NER LAG / JCC
- South Antrim Community Network
- Southern Organisation for Action in Rural Areas (SOAR)
- South West Action Rural Development (SWARD)

Local authorities

- Antrim Borough Council
- Armagh City and District Council
- Banbridge District Council
- Belfast City Council
- Craigavon Borough Council
- Coleraine Borough Council
- Cookstown District Council
- Derry City Council
- Dungannon & South Tyrone Borough Council

- Fermanagh District Council
- Lisburn City Council
- Newry & Mourne District Council
- Newtownabbey Borough Council
- NI Housing Executive
- Northern Ireland Local Government Association (NILGA)
- Omagh District Council
- Society of Local Authority of Local Authority Chief Executives and Senior Managers (SOLACE) NI
- Strabane District Council

Universities and research institutes

- Agri-Food and Biosciences Institute (AFBI)
- Animal Health & Welfare NI
- NI Agricultural Research and Development Council
- Ulster Business School, University of Ulster
- Ulster Business School, University of Ulster – LOCFOOD Project

Other

- Anonymous
- Big Lottery Fund
- British Veterinary Association NI
- Citizens Advice
- Consumer Council NI
- Equine Council for Northern Ireland
- Glens Vintage Club
- Irish League of Credit Unions
- John Duff
- Killyleagh Football Club
- Landscape Institute
- Law Society NI
- Northern Ireland Catholic Council on Social Affairs
- Northern Ireland Public Service Alliance (NIPSA)
- Playboard NI
- Sport NI
- St Marys GAC Rasharkin
- Ulster Angling Federation
- YARA International ASA

