

Implementing the EIP for Agricultural Productivity and Sustainability in Rural Development programmes

1. Introduction

This document presents the aims of the EIP for Agricultural Productivity and Sustainability, the opportunities it offers for agroecological innovation and organic farming and the relevant articles in the Rural Development regulation through which it can be implemented.

2. Innovation in the Rural Development regulation

Support for innovation is a key priority in the new Rural Development regulation. Article 5 includes innovation in the list of priorities for Rural Development, as well as in the list of cross-cutting objectives to which all priorities for Rural Development must contribute. As a result the new Rural Development regulation makes addressing innovation almost fundamental. The EIP and its operational groups are the preferred instruments to do so.

What's significant about the EIP is that it tries to marry productivity and sustainability, while also aiming to bring many stakeholders together. Indeed it specifically encourages groups from different parts of the agri-food system to work together – farmers researchers, advisers and businesses. The Rural Development regulation specifies that the EIP shall promote an "agricultural sector progressing towards agroecological production systems". In May 2013 Member States reiterated their recognition of the "innovative dynamism and potential of the organic sector" and their commitment to support its development in the EIP. However, as with any broad approach to sustainability in farming, there is scope for a range of interpretations, which in turn can lead to a watering down of the original vision. Nevertheless, there are some caveats which offer real potential.

3. Aims of the EIP and Operational Groups

The aims of the EIP and operational groups are specified in articles 61 to 63. Operational groups should tackle practical problems, they are not meant to be discussion groups. Art. 61 mentions the use of the EIP for promoting agroecological production systems, such as organic farming. NGOs are mentioned as one of the target groups. Operational groups are hence a key instrument to foster agroecological innovations among groups of farmers, researchers, SMEs, NGOs

Article	Title	Content
61(1)	Aims of the EIP	<p>The EIP for agricultural productivity and sustainability shall:</p> <ul style="list-style-type: none"> (a) promote a resource efficient, economically viable, productive, competitive, low emission, climate friendly and resilient agricultural and forestry sector, progressing towards agro-ecological production systems and working in harmony with the essential natural resources on which farming and forestry depend; (b) help deliver a steady and sustainable supply of food, feed and biomaterials, both existing and new ones; (c) improve processes to preserve the environment, adapt to climate change and mitigate it; (d) build bridges between cutting-edge research knowledge and

		technology and farmers, forest managers, rural communities, businesses, NGOs and advisory services.
62 (1)	Operational groups	EIP operational groups shall form part of the EIP for agricultural productivity and sustainability. They shall be set up by interested actors such as farmers, researchers, advisors, and businesses involved in the agriculture and food sector, who are relevant for achieving the objectives of the EIP.
62 (3)		The Member States shall decide within the framework of their programmes to what extent they will support the operational groups.
63	Tasks of operational groups	EIP operational groups shall draw up a plan for an innovative project,[...] implement it through measures financed through the rural development programmes [...] and disseminate the results of the project.

4. Opportunities for agroecological innovation and organic farming

The EIP is guided by a Strategic Implementation Plan, adopted last July by the High-Level Steering Board of the EIP. This Steering Board is co-chaired by Commissioners Cioleş (Agriculture) and Geoghegan-Quinn (Research) and is composed of a wide range of stakeholders. The plan explicitly mentions that efforts for improving productivity must go hand in hand with sustainable consumption. The plan calls for innovative solutions for the delivery of public goods, the sustainable use of genetic resources and improvement of soil fertility. It broadens the concept of innovation from technological to social innovation. Member States and regions should take these conclusions into account when programming the EIP.

In addition, innovation efforts should contribute to restoring and preserving ecosystems as well promote resource efficiency and support the shift towards a low carbon economy. These are all priorities listed in art. 5 of the Rural Development regulation. Organic farming and the establishment of agroforestry systems are specified as measures contributing to these priorities.

The Rural Development regulation provides a catalogue of measures to help Member States and regional authorities set up their 2014-2020 Rural Development programmes. In other words, it's up to those national and/or regional levels and not the EU alone, to decide the objectives and the content of the Rural Development for their regions. The Member States will submit their Rural Development plans to the Commission (DG Agriculture and Rural Development), who assess them to ensure that they are balanced and all objectives are met. The deadline for submission is likely to be extended unofficially to May-June 2014. NGOs and organic farmers' organisations should take this opportunity to convince their national or regional authorities to implement the EIP and use it to foster organic farming and agroecology. The EIP will only be successful if it employs a holistic approach that connects food production based on ecosystem services with responsible food habits.

5. Measures for supporting operational groups

Programming authorities are free to select those measures that they consider to be most suited. Article 36 plays a key role in the implementation of the EIP. Support can be given both for the establishment and operation of operational groups (Article 36(1)(c)).

Article	Title	Content	Comment
36	Co-operation	Support under this measure shall be granted in order to promote [...]:	Max. EU contribution (as % of total public contribution) to article 36 is 80%
1(c)		The establishment and operation of operational groups of the EIP	
5(b)		The following costs [...] shall be eligible for support: animation [...] in order to make feasible a project to be carried out by an operational group of the EIP.	Under this article the costs of innovation brokerage for setting up an operational group and preparing a project proposal (i.e. by finding participants etc.) can be covered.
6		Where a business plan or an environmental plan [...] or a development strategy is implemented, Member States may grant the aid either as a global amount covering the costs of co-operation and the costs of the projects implemented or cover only the costs of the co-operation and use funds from other measures or other Union Funds for project implementation. Where support is paid as a global amount and the project implemented is of a type covered under another measure of this regulation, the relevant maximum amount or rate of support shall apply.	This article means that funding can combine the costs of co-operating as well as the direct costs of the project itself. It can be combined with support under other measures. If a programming authority opts for paying combined projects in a global amount, the maximum aid intensity of the respective measures should be respected.

Article 18 allows supporting investments in physical assets. Operations supported in the framework of the EIP can benefit from increased support.

Article	Title	Content	Max. EU contribution (% of public contribution)	Comment
18	Investment in physical assets	1. Support under this measure shall cover [...] investments which: (a) improve the overall performance and sustainability of the agricultural holding; (b) concern the processing, marketing and/or development of agricultural products;	75% if contributing to environment or climate change objectives, including organic farming, else 53%	Max. investment support is 40%, but is increased by 20% for operations supported in the framework of the EIP and investments linked to organic farming or agri-environment climate measures. EIP-linked investments require the involvement of an operational group.
		(c) concern infrastructure related to the development, modernisation or adaptation of agriculture and forestry, including access to farm and forest land, land consolidation and improvement,	75% if contributing to environment or climate change objectives, including organic farming,	Max. investment support is 100%

		the supply and saving of energy and water;	else 53%	
		(d) are non-productive investments linked to the achievement of agri-environment-climate objectives [...], including [...]enhancing high nature value systems.	75%	Max. investment support is 100%. This article includes investments linked to organic farming.

Besides articles 36 and 18, there are a number of other articles that allow supporting operational groups:

Article	Title	Content	Max. EU contribution (% of public contribution)	Comment
15	Knowledge transfer and information activities	Support under this measure shall cover vocational training and skills acquisition actions, demonstration activities and information actions.	80%	
16(1)b	Advisory services	Support under this measure shall be granted in order to promote the setting up of [...] farm advisory services	53%	This article allows supporting advisory services that offer innovation brokerage, connect partners, and help in the preparation of operational groups. Article 16(4) specifies that advice may also cover issues related to climate change, biodiversity and protection of water, the development of short supply chains and organic farming
20	Farm and business development	Support under this measure shall cover: (a) business start-up aid (b) investments in creation and development of non-agricultural activities; [...]	53%	
28	Setting up of producers groups	Support under this measure shall be granted in order to facilitate the setting up of producer groups and organisations	80%	
55(2)	National rural network	Networking by the national rural network shall aim to [...] (d) foster innovation in agriculture, food production, forestry and rural areas	53%	According to this article, the National Rural Development Network can install an innovation brokerage service for operational groups

6. Supporting documents

[Guidelines for the implementation of the EIP in Rural Development Programmes](#)
(European Commission, DG Agriculture & Rural Development)

[Strategic Implementation Plan of the EIP 'Agricultural Productivity and Sustainability'](#)
(High-Level Steering Board)

[Council Conclusions of May 2013 on Organic Farming](#) (see point 25)

[Toolkit: CAP and Rural Development implementation](#)
(ARC 2020)

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