

THE MACAULAY LAND USE RESEARCH INSTITUTE

Minutes for AGRIGRID ‘Kick-off’ Meeting held on Monday 15 January – Tuesday 16 January 2007 in the Grampian Room, MLURI, Craigiebuckler, Aberdeen, Scotland UK

Present:

Gerald Schwarz (GS) (MLURI, Co-ordinator and Chair)
 Frank Offermann (FO) (FAL); Judith Hecht (JH) (FAL); George Vlahos (GV) (AUA);
 Ioannis Hadjigeorgiou (IH) (AUA); Ladislav Hanuš (LH) (Vuze); Pavla Wollmuthová (PW)
 (Vuze); Romualdas Zemeckis (RZ) (LAEI); Irena Krisciukaitiene (IK) (LAEI); Jyrki Aakkula
 (JA) (MTT); Laura Kröger (LK) (MTT); Luca Cesaro (LC) (INEA); Franco Mari (FM)
 (INEA); Jane Morrice (JM) (MLURI), Kevin Buchan (KB) (MLURI); Rob Burton (RB)
 (MLURI); Ayele Gelan (AG) (MLURI)

Date	Description	Action
Monday (15 th) Morning	Welcome and introductions	
Monday (15 th) Morning	<p>Administrative issues</p> <p>Finance:</p> <ul style="list-style-type: none"> 85% of the first year budget needs to be spend in this year, otherwise EC payment for second year will be delayed Partners provide an estimate of the required budget for the first year Table with yearly budget figures for partners to be drawn Uncertainty about flexibility to move funds between different cost types, possibility to use subcontracting budget for internal staff and necessity of audits for cost statements? Guidelines for cost statements will be provided by MLURI <p>Project management:</p> <ul style="list-style-type: none"> Composition and role of management board was agreed. But the AUA team was unsure who will join the board. Situation of recruitment of new project staff: INEA team will employ one junior researcher from 15/02 or 15/03 and another person later in autumn for WP8; FAL team has employed Judith from May onwards and will employ another person for the first few months; AUA team will potentially employ somebody at the end of this month and potentially another person part-time next year; LAEI team will potentially employ somebody at the end of this month; no recruitments are planned by the Vuze team. Subcontracting for data collection in two more countries: it was agreed that the AUA team will exploit existing contacts in Spain, while the INEA team will first explore the option to employ a sub-contractor in Bulgaria. Poland will be used as second option, if Bulgaria does not provide a suitable country case study. Involvement of government agencies in workshops: Review workshop (WS2) will be held with one representative from government agencies of each partner countries. Each partner will pay the cost for their respective representative. At the mid-term workshop (WS3) only the partner hosting the WS will invite government agencies. It was seen as preferable to hold the final workshop (WS4) in Brussels. Reporting: Monthly progress forms will be provided on website by MLURI team. It was agreed to keep these forms short to minimise time and effort. <p>Consortium agreement:</p> <ul style="list-style-type: none"> A draft consortium agreement was circulated. <p>Website:</p> <ul style="list-style-type: none"> A draft website was presented. It was agreed that the homepage will be multi-lingual, while the other areas will only be provided in English. Partners were asked to send logo, countryside picture and relevant links to KB. Further feedback on the content is required once the draft version is online. 	<ul style="list-style-type: none"> Partners to provide estimate GS to provide table GS/JM to check with Finance Officer GS/JM to provide cost statements GV to confirm AUA member Team/WP leaders to provide updates in due course GV and LC to provide update GS/JM to provide forms Partners to provide feedback Partners to provide required input KB/GS to provide web-link

Monday (15th)
Afternoon

Project introduction and WP1

Introduction

A brief introduction of the project was given by GS outlining the objectives, workpackages (WPs), deliverables and milestones in the first phase of the project. This was followed by a short discussion of a few general aspects such as which programming period should be chosen as basis for the project. Although the problem of working with draft documents for the new period (2007 – 2013) was acknowledged, the group felt that the new period provides more elaborated information on payment calculations which are also more relevant with respect to the timetable and the expected application of the project outcome.

Outcome:

It was decided to concentrate on the new RDR and use the information available at this time. The review of payment calculations will then be updated, if new information becomes available and significant changes have been identified.

WP1 and phase 1 of the project

LH presented an outline for WP1, the framework for the review of payment calculations. He particularly outlined the relevant RD measures and the associated WPs, a timetable for phase 1 and proposed a first draft framework of relevant questions for the review.

The discussion following the presentation focussed on structure and content of the required review question. It was pointed that it is important to define the baseline for the calculation in order to be able to differentiate between basic compliance requirements and additional commitments. It was then suggested to start with a set of broader questions from which to derive more specific questions. Following this suggestion two sets of broader questions have been put together, one set to be used in the literature review and the other set in the interviews. The leaders of WP2 – WP6 then agreed to develop a WP-specific list of questions for each of these WPs and to send a first draft of these lists to the group by the end of January. It was felt that the list of questions presented by LH was very useful and should be used as a starting point. It was also agreed that the WP-specific lists would also cover introductory information for the measures. Finally, the extent to which different regions and sub-measures will be covered was discussed.

Outcome:

Policy scope:

- New RDR and programming period 2007 – 2013

RD measures and WPs:

- WP2: Agri-environment (214)
- WP3: Natural handicap payments in mountain areas (211), natural handicap payments in other than mountain areas (212)
- WP4: Natura 2000 payments on agricultural land (213)
- WP5: First afforestation of agriculture land (221), first afforestation of agroforestry systems (222), first afforestation of non-agricultural land (223), Natura 2000 payments on forestry land (224), forest-environment payments (225), restoration-prevention in forestry (226)
- WP6: Meeting standards (131), animal welfare payments (215)

Coverage of sub-measures and regions (per measure):

- One common sub-measure in all countries and two specific sub-measures per country except for forestry measures due to large number of different measures.
- 3 regions to be chosen in Italy and Germany depending on diversity and data availability
- Choice of sub-measures and regions in partner countries to be reviewed by end of March

Questions for data collection:

- Upper level (documents):
 - What are the relevant commitments and their resulting management changes?
 - Which commitments are defined in the baseline requirements?
 - What are the costs and/or the income changes associated to the relative

	<p>commitment?</p> <ul style="list-style-type: none"> • What are the data sources and methodologies used to calculate costs and income changes? • Which parameters (natural, structural, socio-economic) are considered in the design of the payments and/or justification of the payments? • How are transaction cost defined and calculated? <ul style="list-style-type: none"> • Upper level (interviews): <ul style="list-style-type: none"> • What problems did you encounter during the payment calculations? (What problems have been encountered?) • What solutions did you derive for these problems? (What solutions have been derived for these problems?) • Which issues remain unsolved and why? • What outcome would you expect from the project? • To what extent and why do calculated payments levels differ from actual payments set by the administration? • Specific questions as presented by LH: <i>Please see annex 1b</i> • The upper level questions and the specific questions provide the basis for the development of the review framework <p>Timetable for phase 1:</p> <ul style="list-style-type: none"> • 1/07: WP2 – WP6: WP leaders provide draft list of questions • 2/07: WP1 and WP2-WP6 preparation of final framework and list of questions. • 3-4/07: Project partner completes 5 questionnaires and send them back to chosen WP2-WP6 leader. • 5/07: WP2-WP6 prepare summary review on the basis on the completed questionnaire and send it to WP1 leader. • 6/07: Review workshop (WS2) in Prague from 18/06 to 21/06 • 6/07: WP1 leader prepares synthesis review from the 5 summary reports and send it to the coordinator. • 7/07: WP1 composes deliverable from summary reviews and synthesis review and send it to the coordinator 	<ul style="list-style-type: none"> • GV, JA, LH, GS and RZ to provide draft of WP-specific lists of questions to all • GV, JA, LH, GS and RZ to provide final lists of WP-specific questions and then LH to provide final review framework • GS, FO, GV, KK, RZ, JA and LC to provide completed questionnaires • GV, JA, LH, GS and RZ to provide summary review for each WP • GS and LH to prepare WS2 • LH to provide draft synthesis reports to GS/all • LH to send final review report to GS/JM
<p>Tuesday (16th) Morning</p>	<p>WP7 and WP8</p> <p><i>WP7: Case study analysis</i></p> <p>The session on WP7 started with a presentation by FO outlining the objectives, approaches, key output and workplan of the case study analysis for the first year. The workplan for the first year consists of five main steps including input into design of WP1 questionnaire(s), review of performance of standard cost calculations, FADN and Regio analysis, LADSS analysis and presentation of results at mid-term workshop (WS3). Following the presentation the issues of over- and undercompensation were briefly</p>	

	<p>discussed. In this context, the sensitive and delicate nature of some terms was pointed out when presenting results to policy makers and government agencies. The group was also asked to forward literature on empirical studies to provide material for the literature review. Moreover, In the discussion it was agreed to add the four questions included in the presentation to the set of upper level interview questions. Finally, discussion focussed on the combination of FADN/Regio based analysis and LADSS applications which will start in month 6. The detailed nature of LADSS results regarding changes in farm management were pointed out and KB provided a brief explanation of the LADSS model also referring to the LADSS website for more available information. A more detailed presentation of LADSS will be provided at the next workshop. It was also agreed that KB will send around an outline of data requirements, so that the availability of data for more country case studies can be explored.</p> <p>Outcome: General approach and workplan:</p> <ul style="list-style-type: none"> • The group agreed with the principal approach and workplan in WP7. <p>Input to phase 1 (review):</p> <ul style="list-style-type: none"> • It was agreed to add the following questions to the upper level interview questions: <ul style="list-style-type: none"> • Is potential overcompensation an issue when designing new measures and payment schemes? • What kind of differentiated payments (e.g. by regional or farm structural characteristics) exist? If none, reasons? • Have differentiated approaches been implemented in past but not in subsequent programmes? Which? Why? • Have differentiated approaches been discussed in-house but not been implemented? Which? Why? <p>Literature review:</p> <ul style="list-style-type: none"> • The group agreed to forward available empirical literature to WP7. FO suggested to concentrate literature review in month 7 (after WS2) to avoid overlap with workload for WP1 <p>LADSS:</p> <ul style="list-style-type: none"> • LADSS team will send outline of data requirements to all partner teams and number of case studies conducted with LADSS will be agreed at the next workshop (WS2) <p>WP8: Development of grids and software tool LC gave a presentation on preliminary thoughts on the grid development for payment calculations of the RD measures and presented a simplified example for a Logic Model Diagram for agri-environment measures. It was agreed that the development of simplified Logic Model Diagrams is a useful first step in the grid development. On the other hand, it was acknowledged in the discussion that there is still uncertainty about the general design of the grids and differences between team members were recognised in the understanding of how a methodological grid for payment calculations could potentially look like. Moreover, uncertainty about how to transform the grids into the required software tool was expressed. It was then agreed that these aspects require more time and thoughts and that the grids will thus be discussed in more detail at the next workshop (WS2).</p> <p>Outcome: Logic Model Diagram:</p> <ul style="list-style-type: none"> • The INEA team will prepare Logic Model Diagrams for Italian case study(ies) for the review workshop (WS2). <p>Software tool development:</p> <ul style="list-style-type: none"> • The MLURI team will explore using web-based tools for the software development. 	<ul style="list-style-type: none"> • All partners to forward empirical literature to WP7 • KB to send data requirements to all partners • LC to prepare LMDs for Italian case study (ies) for WS2 • GS and KB to explore alternatives for software development
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	<p>General:</p> <ul style="list-style-type: none"> • It was also agreed that LC, FO and GS would discuss in more depth how to link the case study analysis with the development of the grids and software tool. 	<ul style="list-style-type: none"> • LC, FO and GS discuss linkages between WP7/WP8
Tuesday (16 th) Morning	<p>Next meeting and FP7</p> <p>Next meeting</p> <ul style="list-style-type: none"> • All agreed to hold the next meeting (review workshop) in Prague from 18/06 to 21/06. The following tentative programme was agreed: <ul style="list-style-type: none"> • 18/06 (morning): Arrival • 18/06 (afternoon): rehearsal of presentations • 19/06 (morning to early afternoon): Presentation of result to representatives of government agencies. • 20/06 (all day): Feedback on presentations and discussion of phase 2 (WP7 and WP8). • 21/06 (morning): Departure <p>FP7</p> <p>The current call of the new FP7 was briefly discussed. A few activities were mentioned as potentially interesting for the group or parts of the group (e.g. evaluation of RD measures, production cost with FADN data). GS suggested to explore further interest by email next week.</p> <p>Presentations</p> <ul style="list-style-type: none"> • Please email all presentations to KB to allow presentations to be added on website 	<ul style="list-style-type: none"> • GS to send email to all • LH, FO, LC and GS to send presentations to KB
Tuesday (16 th) Afternoon	Excursion to Dunnator Castle	

Annex 1 Draft questionnaire

Annex 1a Upper level questions as defined at WS1

Upper level (documents):

1. What are the relevant commitments and their resulting management changes?
2. Which commitments are defined in the baseline requirements?
3. What are the costs and/or the income changes associated to the relative commitment?
4. What are the data sources and methodologies used to calculate costs and income changes?
5. Which parameters (natural, structural, socio-economic) are considered in the design of the payments and/or justification of the payments?
6. How are transaction cost defined and calculated?

Upper level (interviews):

1. What problems did you encounter during the payment calculations? (What problems have been encountered?)
2. What solutions did you derive for these problems? (What solutions have been derived for these problems?)
3. Which issues remain unsolved and why?
4. What outcome would you expect from the project?
5. To what extent and why do calculated payments levels differ from actual payments set by the administration?
6. Is potential overcompensation an issue when designing new measures and payment schemes?
7. What kind of differentiated payments (e.g. by regional or farm structural characteristics) exist? If none, reasons?
8. Have differentiated approaches been implemented in past but not in subsequent programmes? Which? Why?
e.g. Germany, organic farming:
Bavaria: by stocking rate
Meck.-Vorp.: by year of conversion
Schl-Hols.: by farm size (ha)
9. Have differentiated approaches been discussed in-house but not been implemented? Which? Why?

Annex 1b List of specific questions as presented at WS1

Bases of measures:

1. What is the structure of the measure, sub-measures and sub-sub-measures, (etc. measures, schemes, ...)?
2. Which measure, sub measures and sub-sub-measures are new (not used before 2007)?
3. Which aims of measure are in state RDP?
4. Are measures and sub-measures state-wide or regional?
5. Is the size (ha) of subsidised subject (farm, ...) requirement in state RDP?
6. Is altitude of subsidised subject a requirement in state RDP?
7. Is land slope gradient a requirement in state RDP?
8. Is production techniques type (organic farming, integrated production, ...) a requirement in state RDP?
9. Is amount or kind of production a requirement in state RDP?
10. Which environmental characteristics of the subsidised subject are requirements in state RDP?
11. Which economic characteristics of the subsidised subject (profitability, dominant income from cultivation or breeding, ...) are requirements in state RDP?
12. Which social characteristics of the subsidised subject (employment, personal costs, ...) are requirements in state RDP?
13. Which other entry requirements of the subsidised subject are included in state RDP?
14. Which type of organisation of the subsidised subject (farm, municipality, ...) are requirements in RDP?
15. Is obligation to operate for x-years a requirement in state RDP?
16. Which state specific rules and regulations define the measures?
17. Which forestry standards are requirements in state RDP?
18. Which cross-compliance standards are requirements in state RDP?
19. What other standards are requirements in state RDP?
20. What is percentage rate of land under the measure / all agriculture land or all forest land?

Data sources:

25. Which data sources are used for calculation (FADN, exp. estimation,...)?
26. What is periodicity of the data sources (1, 2 years,...)?
27. What is reference period of the data sources (2001 – 2004,...)?
28. What costs calculation organisations paid to get the data sources (in EUR)?

Calculation of payments in different measures:

29. Which additional costs are used in calculation?
30. Which costs savings are used in calculation?
31. Which increases of income (higher price,...) are used in calculation (to decrease payment level)?
32. Which losses of income are used in calculation (to raise payment level)?
33. Is climate a parameter in calculation?
34. Is soil quality a parameter in calculation?
35. Is latitude a parameter in calculation?
36. Is land gradient of slope a parameter in calculation?
37. Is special protected environmental area (natural park,...) a parameter in calculation?
38. Is a distance and accessibility of the piece of land a parameter in calculation?
39. Which measures, sub- measures and sub-sub-measures can be combined?
40. What are the maximum levels of payments for the measure and sub-measures (in EUR)?
41. What units are used for payment (EUR/ha, EUR/subsidised subject,...)?
42. What is percentage ratio of EU finances / state (region) finances on measure payment?
43. Are transaction costs used to calculate payment (EUR/ha)?

Organisations:

44. What are names of organisations that proposed measure and sub-measures (ministry, ...)?
45. What are names of organisations that calculated payments?
46. What are names of organisations that controlled calculating and level of payment?
47. What is name of organisation that tested calculated the level of payment?
48. What is name of organisation that authorised the final calculated payment level (ministry, ...)?
49. When state RDP was / will be in force (now or in future, an estimated date)?