

The Rural Development Programme for England Annual Progress Report

1. This purpose note is to remind the RDPE Programme Monitoring Committee that one of its key roles, as set out in the Rural Development Regulation and the Committee's Terms of Reference, is to approve the annual report prior to submission to the Commission and to advise the PMC how we plan to complete this process.

2. The requirement of an annual report is set out in Article 82 of Council Regulation (EC) 1698/2005 (the Rural Development Regulation). The content that annual reports are required to contain is set out in the Regulation's implementing rules (Annex VII of Commission Regulation (EC) No 1974/2006). The reporting period is by calendar year therefore the report currently in preparation is for the 2008 period.

3. As part of the annual report we are required to collect a large quantity of financial and scheme data. This work was commissioned some time ago and is almost complete. We would like to thank the RDPE delivery partners for their cooperation in collecting this information.

4. There is also a requirement, at a minimum, to provide content to address seven areas in relation to their impact on the implementation of our rural development programme. The paragraphs below set out how we propose to address these but we would also welcome suggestions on from Committee members on the scope of the report and contributions to address specific areas.

5. The first area we have to address is:

Changes to the general conditions (Article 82(2)(a) of Regulation (EC) No 1698/2005): Changes to the general conditions having a direct impact on the conditions for implementing the programme (namely legislative changes or unexpected socio-economic developments)

We suggest that this section intend to include reference to:

- agricultural input price/output price volatility and impact on progress towards agri-environment, forestry targets and Energy Crops Scheme targets;
- the economic downturn and its impact on RDPE Axis 1,3, and 4 delivery and Axis 2 forestry schemes;
- Exchange rate volatility.

6. The next section is to address:

The progress of the programme in relation to the objectives set, on the basis of output and result indicators (Article 82(2)(b) of Regulation (EC) No 1698/2005): An analysis of the achievements as measured by monitoring indicators including a qualitative analysis on the progress achieved in relation to the targets set out initially shall be given. The list of indicators (output and result) as set out in Annex VIII to this Regulation is to be used. Along with these indicators which make part of the CMEF, additional indicators specific to the programme to effectively monitor progress towards its objectives shall also be included.

This section will draw on the data commissioned from delivery bodies.

7. The third section is to address:

The financial implementation of the programme giving, for each measure, a statement of the expenditure paid to beneficiaries; if the programme covers regions eligible under the Convergence Objective, expenditure shall be identified separately (Article 82(2)(c) of Regulation (EC) No 1698/2005).

The section will:

- make reference to the data collected to meet the European Commission's Common Monitoring and Evaluation Framework (CMEF) requirements;
- record the total RDPE funding deployed in 2008 as well as that which was made available in the Cornwall and the Isles of Scilly (England's Convergence area);
- detail the funding that was derived from Voluntary Modulation of Single Payment Scheme payments.

8. The report's next section needs to provide:

A summary of the ongoing evaluation activities in accordance with Article 86(3) of Regulation (EC) No 1698/2005 (Article 82(2)(d) of Regulation (EC) No 1698/2005). A summary of the ongoing evaluation activities, established on the basis of the reporting to the Monitoring Committee in accordance with Article 86(3) of Regulation (EC) No 1698/2005, including the activities related notably to the elements referred to in Articles 84(5) and 86(1) and (2) of that Regulation.

We will:

- report the extensive programme of ongoing monitoring and evaluation that supports delivery of agri-environment schemes.
- provide a summary of the recommendations on RDPE evaluation made by Hyder Consulting in the light of the ex- post evaluation of the England Rural Development Programme.

9. The fifth section of the report is quite wide ranging since the guidance invites us to report:

The steps taken by the Managing Authority and the Monitoring Committee to ensure the quality and effectiveness of programme implementation (Article 82(2)(e) of Regulation (EC) No 1698/2005), in particular:

- (i) monitoring and evaluation measures,*
- (ii) a summary of the major problems encountered in managing the programme and any measures taken*
- (iii) use of technical assistance In case of coverage under the programme technical assistance of the establishment and functioning of national rural networks,*
- (iv) steps taken to ensure that the programme is publicised*

Defra, as the Programme's Managing Authority;

- will report the monitoring and evaluation systems that Defra and delivery bodies have in place to enable the programme to be satisfactorily implemented;
- do not propose flagging up any major problems encountered in managing the programme but welcome advice from the PMC of any issues that it is aware of;
- will report the use of technical assistance which, in 2008, was used to fund the RDPE Network, England's share of the UK National Rural Network and to fund the independent ex- post evaluation of the England Rural Development Programme which was carried out by Hyder Consulting;
- the Commission for Rural Communities, which is responsible for the delivery of the RDPE Network and the UK National Rural Network, has already provide commentary on their activities;
- will draft a section to detail how the programme was publicised in 2008 but we would welcome information on specific initiatives the PMC members are aware of and would merit inclusion in this report.

10. The sixth element of the report is quite specific requiring:

A declaration on compliance with Community policies in the context of the support, including identification of the problems encountered and the measures adopted to deal with them. This compliance with the Community law shall in particular cover the respect of rules on competition, public procurement, environmental protection and improvement, and promotion of gender equality and non-discrimination.

Defra is not aware of any problems that have been encountered with compliance with Community policies.

11. The last section deals with a very specific item

Where applicable, re-utilisation of aid recovered under Article 33 of Regulation (EC) No 1290/2005 (Article 82(2)(g) of Regulation (EC) No 1698/2005)

This is a section that deals with the use of RDPE funds that have been recovered from beneficiaries.

**RDPE Programme Team
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