

The event discussed the proposed transition to a new delivery model for the Common Agricultural Policy (CAP) based on performance, following the publication of the European Commission's [Communication on the Future of Food and Farming](#) (November 2017).

It launched an exchange on the practical implications of shifting to a performance-based delivery model with representatives of Managing Authorities (MAs) and Paying Agencies (PAs) from all 28 EU Member States.

Participants shared opinions and ideas on what the national needs and issues would be for transitioning to and implementing such a new delivery model, with a particular focus on rural development.

## Event Information

**Date:** 30 January 2018

**Location:** Brussels, Belgium

**Organisers:** ENRD Contact Point

**Chair:** Mario Milouchev (European Commission, DG AGRI)

**Participants:** The event was very well attended by representatives of Managing Authorities and Paying Agencies of the RDPs, delegates of Permanent Representations to the EU and representatives of the Secretariat of the Council of the European Union.

**Outcomes:** Useful information, ideas and opinions of national authorities regarding the design of the future CAP.

**Web page:** [https://enrd.ec.europa.eu/news-events/events/enrd-workshop-future-cap-performance-based-delivery-model\\_en](https://enrd.ec.europa.eu/news-events/events/enrd-workshop-future-cap-performance-based-delivery-model_en)

## A new delivery model for the CAP: from compliance to performance



### The Future of Food and Farming

[Phil Hogan](#), European Commissioner for Agriculture and Rural Development

Commissioner Phil Hogan outlined the context and the reasoning for shifting to a new CAP delivery model: one based on results, rather than on compliance, reflecting the territorial and sectorial specificities of EU Member States. The new model would allow national authorities to define in Strategic Plans how common objectives set at the EU level could be implemented on the ground. Commissioner Hogan highlighted the importance of networking in the development of the new performance-based system for its capacity to involve Member States early on in the design process.



### Ideas for a new CAP implementation model

[Christina Borchmann](#), European Commission, DG AGRI

Ms Borchmann presented some of the ideas discussed in DG AGRI, regarding the new CAP delivery model. The focus would shift from compliance to performance and EU financing would be disbursed on the basis of outputs. Both CAP Pillars would be more closely linked in a streamlined common plan, short but with sufficient strategic information to describe how Member States will implement the CAP. Governance structures, a performance framework and objectives, would be set at the EU level, while national authorities would be responsible for the design of interventions, eligibility conditions and the compliance framework for the beneficiaries.

## Examples and experiences from Member States and worldwide



### Results based financing: the World Bank experience

[Andrea Liverani](#), World Bank

Mr Liverani introduced the 'Program for results' (PforR), a new financing instrument launched by the World Bank in 2012, focusing on financing results and presented some successful examples from the agricultural sector. The instrument was born in reply to the growing attention of governments and civil society towards the delivery of sustainable results as central to the concept of development. Under this new instrument, WB financing is no longer disbursed against the invoices, but against the results that supported projects are expected to deliver. Main features of the PforR are: the use of national implementation systems, as a key element of simplification and the consequential increased focus on capacity building at the national level; an ex-ante assessment to ensure that the projects are technically sound; the definition of Disbursement-linked-indicators (DLIs); and a certain degree of flexibility to allow the beneficiaries to make reasonable changes to the indicators.



## Saxony and the proposal for EAFRD-RESET

*Thomas Trepmann, Saxony Ministry of the Environment and Agriculture (DE)*

Mr Trepmann introduced a proposal for a new CAP delivery model, developed by the Saxony Regional Government, for the post 2020 CAP. The proposal aims to simplify CAP implementation, focusing on results. The system allows for considerable flexibility for Member States, reinforcing the principle of subsidiarity. Based on this proposal, common objectives of the CAP would be established at the EU level, while Member States would define implementation aspects at the national level such as eligibility conditions and selection criteria to be met by the beneficiaries. This proposed new model has the potential to reduce significantly administrative burden, while allowing better outcomes to be achieved with the same resources.



## Collective and result-based AECM in the Netherlands

*Aard Mulders, Ministry of Agriculture, Nature, Food Quality (NL)*

Mr Mulders presented the experience in the Netherlands of collective approaches and the plans for a new farm-land linked CAP delivery model. With regard to collective approaches, certified collectives act as final beneficiaries and sign yearly management plans with farmers for habitats and oversee their progress. This type of delivery model creates good habitat conditions for rare species and water quality protection across a landscape, instead of uncoordinated commitments at farm level. Looking to the future, an area-based CAP delivering public goods and ecosystem services is proposed. It would be based on area-based CAP support in one regional / targeted approach with an improved result-based component.

## Outcomes of parallel group discussions

### WORKING GROUP 1 – ‘Challenges and needs for the transition of RD Policy to the new delivery model’

- The new CAP rules should be clear and the legal framework should be simple (reduced number of acts);
- It is essential that guidelines are disseminated ahead of the adoption of the legal texts – including examples on the structure of measures, on targets and on how to link outputs and results;
- Clarification should be provided regarding the application of State Aid rules under the new delivery model;
- A DG AGRI Task force engaged in informal dialogue with Member States would help the transition;
- All the established EU networks (i.e. the ENRD CP, the Evaluation Helpdesk and the EIP) should be actively involved in the programming phase to facilitate the dissemination of information and the exchanges between MSs and the EU;
- Training will be necessary to develop management structures and capacity, to bring together Pillar 1 and Pillar 2;
- Technical Assistance under 2014/2020 RDPs could support preparatory activities for the new delivery model;

### WORKING GROUP 2 – ‘How to ensure performance: designing the performance framework’

- Indicators should be carefully selected and should reflect EU commitments and objectives (including SDG, COP21);
- Stakeholders should be involved in the setting of indicators and in the definition of the performance framework;
- A performance review should be carried out on a yearly basis to identify reasons for failures and bottlenecks;
- A certain flexibility should be allowed in the implementation phase to encourage the setting of more ambitious targets;
- If not properly designed, performance incentives could be ineffective and lead to reduced ambition in target setting;
- Investing in capacity building is the best recipe for performance.

### WORKING GROUP 3 – ‘Simplification in the programming phase: what it will mean in practice’

- CAP plans should contain only essential elements such as a strategy, indicators, financial plan and framework for measuring performance, avoiding duplications at different level (EU and MS);
- The relevant legislation, rules and procedures for the new delivery model should be defined and explained to national authorities well ahead of the next programming period to allow for a timely implementation;
- Clear guidelines should be drafted and disseminated in due time to Member States;
- Networking could facilitate the planning process by providing fora for informal exchanges and participation of stakeholders (including farmers and beneficiaries);
- Networking could contribute to capacity building, by facilitating the exchange of good practice and structured dialogue across the different levels involved in the planning and programming stages.