

## The post-2027 Dutch agri-environment scheme: strengthening the landscape-level approach in practice and policy

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Recommendations for policy-makers

# Why strengthen the landscape-level approach?

In 2016, the Dutch government launched a collective approach in its agri-environment scheme (abbreviated as ANLb in Dutch), in which 40 farmers' collectives act as applicants and final beneficiaries. The certified collectives are independent (cooperative) associations responsible for implementing the scheme in their regions. Successfully: by 2024, agri-environment measures have been implemented on some 105,000 hectares with a budget of € 122 million. However, this success also has a downside: although the application and allocation take place at the landscape level, control and accountability by the government are carried out at the level of individual plots or activities. In this way, and obliged to do so by Brussels, the government operates within the domain of agreements between collectives and farmers, who are also subject to inspection by the collectives. A collective system within an individual straitjacket, you might say. This is rather timeconsuming - and thus costly - for both the government and the collectives and limits the opportunities to carefully tailor management practices to the actual situation in the field (such as weather conditions and presence of target species). If the contracted area increases to 280,000 hectares by 2032 (which is the government's ambition), the current implementation model will likely collapse.

It is high time for an approach in which the entire scheme is implemented at the landscape level. This is all the more urgent now that other countries (like Germany) are implementing or considering a collective approach in their agri-environment schemes.

At the end of 2021, a pilot project was launched to further increase the effectiveness of the Dutch agrienvironment scheme. The two main objectives were:

- Increasing the ecological effectiveness by broadening the scheme's scope from species to habitats. To this end, 'habitat scorecards' were developed to provide an overview of the ecological quality of a specific region. This better serves the comprehensive objectives of the Bird and Habitats Directives and fits the EU's ambition to enhance the performance-based character of the CAP.
- Shifting government control and accountability to the regional level and making better use of the data supplied by the collectives. This results in a lower workload for both the government and collectives. Moreover, it gives collectives and farmers more flexibility to adapt management practices to the actual ecological circumstances and needs.

We will now focus on this last topic. The work on the habitat scorecards is summarised in the box below.

#### HABITAT SCORECARDS: MORE ATTENTION FOR LANDSCAPE QUALITY

Monitoring habitat quality is still a blind spot in the current agri-environment scheme. Habitat scorecards fill this gap and measure the ecological quality of an entire area. This does not only concern the agricultural land under contract but also plots under the eco-scheme and non-farmland elements such as verges, dikes, waterways, nature reserves and landscape elements managed by other parties. The indicators have been chosen in such a way that they measure the suitability for multiple species and species groups in rural areas. The scorecards can be a useful tool for the cooperatives in optimising the measures taken and assessing the suitability of newly added areas. They are also a useful dashboard for monitoring habitat quality over the years. Also, it makes it easier to enter consultations with other regional partners (conservation organisations, municipalities, water boards) and jointly increase the quality. As soon as the scorecards have been made sufficiently operational, habitat quality can also play a role in agri-environment policy, e.g. as part of the scheme's objectives, of the controls and accountability, of the payment system and/or of the policy monitoring.



# What are the policy barriers to an area-based approach?

In the pilot, we explored which parts of the EU regulations pose barriers to an area-based approach in inspection and accountability. EU Regulation 2116 on the financing, management and monitoring of the CAP does not pose obstacles: accountability can be provided at the level of the final beneficiary, and in the Netherlands, that is the agricultural collective. Moreover, the check to determine whether a plot qualifies as eligible agricultural land does not need to be carried out separately for the agrienvironment scheme, as it is already part of the eligibility check for CAP basic income support. The data that the Netherlands Enterprise Agency (RVO, the Dutch Paying Agency) sends to Brussels for monitoring and evaluation also do not need to be provided at the plot level: none of the indicators for output, result or impact are formulated at that level.

However, EU-Regulation 2116 also sets the ground rules for lawful spending of EU funds. Moreover, the Commission checks whether the principle of a 'level playing field' is respected. The Netherlands, with its collective approach, is an outsider in the EU in this respect, which is why this approach is under scrutiny. The combination of these two principles (legality and a level playing field) means that RVO still has to supply fairly detailed data per collective. The European Commission determines the sample size according to the working document *Overview of the IACS Quality Assessment in 2024 - Union Level Methodology*. This document allows for inspections at the regional level, but it does so in a way that demands more effort, not less.

The Netherlands has already been granted an exemption by Brussels – due to its collective system – to check and account for (groups of) activities rather than individual measures at the field level. Nonetheless, several thousands of plots are to be checked each year, sometimes even requiring multiple visits per year. Thus, the combination of EU rules and the Dutch commitment to scrupulously apply these rules creates a high implementation burden for both the government and collectives. In this way, the collective model becomes more of a challenge than an appealing prospect. With a substantially larger area under contract in the coming years, this way of checking and accounting no longer appears tenable.

#### Longer-term solution

In the longer term, the solution lies primarily in incorporating a truly and workable regional approach into control and accountability policy, at both EU and national levels; an approach that reduces rather than increases the workload for both the government and collectives. This means incorporation of this (additional) option into the EU's implementing directives and developing a feasible control sample composition on landscape level.



## Short-term solution: implementing 'system supervision' in the agrienvironment scheme

In the short term, as a step towards the long-term solution, the answer lies in designing what is called 'system supervision' in the *Dutch Conceptual Framework for National Inspections*. Under system supervision, the national inspection agencies make extensive use of the quality assurance system of the (certified) collectives. The inspection agencies can then use the periodic audits conducted by the Certification Foundation and only occasionally (based on risk profiles and previous experience) carry out their own field inspections. The collective would ensure that RVO can easily tick the necessary 'checkboxes', but does not tick the boxes itself.

This means further strengthening the certification of the collectives and the 'products' from the quality manual: management strategy, management plan, control and sanction protocol, overview of errors detected and sanctions imposed, protocols for and results of monitoring, a digital overview of participating fields, etc. The pilot showed that many collectives see this as a logical next step in the further development of the agrienvironment-climate scheme and the work of the collectives.

To establish a system that all involved governments can rely on for checks and accountability, it is urgently required that the parties responsible for the scheme join forces. Next to that, cooperation with other parties and member states and active lobbying of the EU are crucial to achieve the necessary revisions and ensure a more effective implementation of the scheme.

## More information?

The text of this brochure is a summary of the policy chapter from the final pilot report, published in December 2024 (see <a href="https://anog.nl/rapportages">https://anog.nl/rapportages</a>; in Dutch only).

## Colophon

This leaflet is one of the deliverables of the CAP pilot project "Enhancing the effectiveness of the Dutch agri-environment scheme".

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