

Measure fiche

Advisory services, farm management and farm relief services

Measure 2

Article 15 of Regulation (EU) No 1305/2013

This fiche is based on the text of Regulation (EU) No 1305/2013 [EAFRD] and, when relevant, on Regulation (EU) No 1303/2013 [CPR]. The Delegated and Implementing Acts supplementing these regulations have also been considered in this guidance fiche.

This guidance does not represent a binding legal interpretation of Regulation (EU) No 1305/2013. It is therefore essentially non-binding in nature and complements the related legal acts.

1. RATIONALE OF THE MEASURE

Under the measure "Advisory services, farm management and farm relief services" the use of advisory services as well as the setting up of advisory, farm management and farm relief services should be promoted in order to improve the sustainable management and the economic and environmental performance of farms and forest holdings and SMEs operating in rural areas. This measure also promotes the training of advisors in order to enhance the quality and effectiveness of the advice offered and ensures the updated capacity of advisers.

This measure complements the Farm Advisory System (FAS) established in Art. 12 to 14 of Regulation (EU) No 1306/2013 [HR] and goes beyond providing advice linked to other issues.

2. WHAT'S NEW IN COMPARISON TO THE PERIOD 2007-2013

During the 2007-2013 programming period both operations -the use of advisory services and the setting up of services- were already supported but under two different measures. The 2014-2020 regulation introduces a simplification of the legal framework merging both measures under a single one. Besides, it includes a new element, the training of advisors to ensure the quality and the relevance of the advice provided.

For the 2014-2020 programing period it is foreseen in the regulation that the beneficiaries shall be chosen through calls for tenders, governed by public procurement law, open to public and private bodies. The procedure shall be objective and shall exclude candidates with conflicts of interest.

Another difference in relation to the previous regulation is the removal of the limitation on the frequency of use of the advisory services in order to allow users to use the service according to their needs.

3. CONTRIBUTION TO FOCUS AREAS AND CROSS-CUTTING OBJECTIVES

In the context of strategic programming, advisory services, farm management and farm relief services is a horizontal measure relevant for all of priorities for RD. Above all the measure contributes to priority 1 "Fostering knowledge transfer and innovation in agriculture, forestry and rural areas", specifically to focus area 1A "fostering innovation, cooperation, and the development of the knowledge base in rural areas". As priority 1 is not a programming priority, the provision of advice will be also programmed under the relevant priority it intends to address.

The contribution of the measures to the priority 1 has to be summarized in the RDP in order to have a complete picture of their overall contribution to this crosscutting priority.

4. SCOPE, TYPE AND LEVEL OF SUPPORT

4.1. Relevant definitions

Although the regulation does not provide a precise definition of advisory, farm management and farm relief services, the following could be taken into account:

Farm/Forestry Advisory service is an entity or body intended to provide advice to farmers, forest holders and SMEs operating in rural areas. It is important to distinguish as clearly as possible between advice and the mere provision of information. It should be noted that farm advisory services should assess the specific situation of the farmer and not only present general information. Advisors should not limit their efforts to helping farmers meet their practical obligations under cross compliance but should also explain the objectives of these obligations, the underlying policies and how they contribute to sustainable agriculture because a farmer/forest holder who understands the rationale behind specific obligations will be more inclined to fulfil them.

Farm management service is an entity that takes complete or partial responsibility for the farm business management.

Farm relief service is an entity providing support and/or replacement for farmers in order to help them in their daily work when needed due to reasons such as sickness of the farmer, absences, unexpected overwork, etc.

4.2. Type of operation

There are three types of operations eligible under this measure: the provision of advice, the setting up of service providers and the training of advisors.

A. Provision of advice to:

a) **Farmers, young farmers and other land managers.** Advice shall be linked to at least one Union priority for rural development and shall cover as minimum one of the elements of the following elements:

- Obligations at farm level deriving from the statutory management requirements (SMR) and/or standards for good agricultural and environmental conditions.
- Where applicable, agricultural practices beneficial for the climate and the environment and the maintenance of agricultural areas.
- Measures at farm level provided for in rural development programmes aiming at farm modernisation, competitiveness building, sectoral integration, innovation and market orientation, as well as the promotion of entrepreneurship.
- Requirements as defined by MS for implementing art. 11(3) of the Water Framework Directive.
- Requirements as defined by MS for implementing art. 55 of the Regulation (EC) N 1107/2009, in particular the compliance with the general principles of integrated pest management as referred to in Art. 14 of Directive 2009/128/EC.
- Occupational safety standards or safety standards linked to the farm, where relevant.
- Specific advice for farmers setting up for the first time.
- Other issues, in particular the information related to climate change mitigation and adaptation, biodiversity (including the genetic diversity of farm animals, cultivated plants and forests) and protection of water, or issues linked to the economic and environmental performance of the agricultural holding including competitiveness aspects (e.g. development of a business plan, economic profitability, risk management, other strategies to climate change adaptation and mitigation, production techniques, assessment of the environmental impact of farming practices, environment/biodiversity friendly farming strategies, etc.). This may include advice for the development of short supply chains, organic farming and health aspects of animal husbandry.

b) **Forest holders:**

- Advice should cover as minimum the relevant obligations under Directive 92/43/EEC (conservation of natural habitats and of wild fauna and flora), Directive 2009/147EC (conservation of wild birds) and the Water Framework Directive.
- Advice may also cover issues linked to the economic and environmental performance of the forest holding.
- Advice may cover issues linked to adaptation to climate change and climate change mitigation at the level of forest holdings or groups thereof.

- c) SMEs operating in rural areas. Advice may cover issues linked to the economic and environmental performance of the enterprise

Where duly justified and appropriate, advice may be provided partly in group, while taking into account the situation of the individual users of advisory services.

B. Setting up of:

- a) Advisory services.
- b) Farm management services.
- c) Farm relief services.
- d) Forestry advisory services.

It could include the setting up of Farm Advisory System (FAS) referred to in Art. 12 to 14 of Regulation (EU) No 1306/2013.

C. Training of advisors.

4.3. Beneficiaries

The eligible beneficiaries for support under this measure are:

- 1. Authorities or bodies selected to provide advice.
- 2. Authority or body selected for the setting up.
- 3. Entities providing training for advisers.

to the benefit of farmers, young farmers and other land managers, forest holders and SMEs operating in rural areas.

Beneficiaries (in the sense of recipients of funds) shall provide evidence of appropriate resources in the form of qualified staff regularly trained having advisory experience and reliability with respect to the field of advice.

The selection of service providers for advisory services, farm management and farm relief services will be done in line with public procurement rules. In practice, the MA can procure a service externally through a tender or make use of the so-called "in-house" procedure. If the in-house procedure is applied, the following two cumulative conditions should be fulfilled:

- the contracting authority must exercise control over the "in-house" provider similar to that exercised over its own departments;
- the "in-house" entity must carry out the essential part of its activities with the contracting authority which controls it.

Furthermore, it should be noted that for "in house" services the simplified costs' options can be used.

4.4. Eligible costs and eligibility conditions

Eligible costs under this measure are:

- **Cost of the advice provided:** cost incurred by the advisory service to provide the advice (e.g. salaries of employees, travel, material, cost related with the place where the advice is delivered, etc.).
- **Setting up costs of farm management, farm relief, farm advisory services and forestry advisory services:** costs directly link to the setting up of the services (e.g. technical/legal assistance, administrative cost, cost of activity license, etc.) as well as running cost as laid down in Art. 61 EAFRD (e.g. staff costs, communication, etc.) over a maximum period of five years from the setting up. Support shall be degressive during this period.
- **Cost of training of advisors:** costs incurred in organizing and deliver the training to the advisors (e.g. salaries of employees, travel cost, material prepared for the training, costs related with the place where the training is delivered, etc.).

Simplified cost options, as laid down in Art. 67 of Regulation (EU) No 1303/2013, cannot be used where the measure is implemented through public procurement procedure¹.

Eligibility conditions to receive support under this measure the beneficiary shall provide evidence of appropriate resources in the form of regularly trained and qualified staff and reliability with respect to the fields in which they advise.

The Member State or the Managing Authority should specify in the call for tenders what they mean by appropriate resources and *advisory experience and reliability* in order to be eligible under the measure. MS/MA should ensure that the bodies selected have the appropriate resources during the whole period of implementation of the measure (not only at the moment of the selection of the beneficiaries).

¹ See the working document on simplified cost options.

4.5. Principles with regard to the setting of selection criteria and the selection of beneficiaries

In this section a reference should be made to the European Commission document "Guidelines on eligibility conditions and selection criteria".

Selection criteria shall be defined in order to ensure the prioritization of support to those beneficiaries that would provide the best service. The selection of beneficiaries shall be objective, open, transparent and fair. To this end, public procurement rules shall apply for the selection of beneficiaries² through calls for tender open to public and private bodies. Candidates with conflict of interest shall be excluded from the selection procedure. An example of conflict of interests happens when one of the selected bodies has taken part in the definition of the terms of reference.

4.6. Links to other legislation

Advice provided under this measure should be consistent and coherent with the relevant EU legislation related to the subject of the advice.

Furthermore, Member States shall ensure, without prejudice to national legislation concerning public access to documents, that the designated authorities and private bodies selected to provide advisory services do not disclose personal or individual information and data they obtain in their advisory activity to other persons as referred to in Art. 13(2) of Regulation (EU) No 1306/2013. Exception should be made for any irregularity or infringement found during their activity which is covered by an obligation laid down in EU or national law to inform public authority, in particular in the case of criminal offences.

The implementation of the measure shall be compliant with public procurement rules.

4.7. Aid intensity/amount of support

Support under this measure shall be limited to the maximum support rates laid down in Annex I of the RD Regulation:

- Cost of the advice provided: maximum 1.500 € per advice.
- **Setting up cost:** a degressive payment of the setting up costs over a maximum period of five years from the setting up. The EAFRD regulation does not establish a maximum amount and support rate. However, the future State aid rules foresee such amount. The current draft of the European Union Guidelines for State aid in the agriculture and forestry sector and in rural areas 2014 to 2020 contains a limitation of the aid amount to € 70.000 per enterprise, conditional upon the submission of a business plan. Besides the Guidelines MS may decide to make use of the possibilities under the block exemption regulations (ABER or GBER). In such case, no State aid notification is needed but the Commission shall be informed via an

² See the guidelines on public procurement for RD.

information sheet. Another possibility is to apply de-minimis Regulations³ which apply the following thresholds; € 15 000 for Annex I activities and € 200 000 for non-Annex I activities.

- Cost of training of advisors: maximum 200.000 € per three years of training of the staff of the advisory body.

4.8. Co-financing rate(s)⁴

The contribution rates applicable are those laid down in Art. 59 of Regulation (EU) No 1305/2013.

4.9. Focus on specific issues

It should be noted that there is no limit on the size of the farm and forest holding to benefit from advice. All the farms and forest holdings, regardless of their size can use the advisory services. However there is a limitation to SMEs operating in rural areas which have to comply with the European SME criterion, it should be possible to check it through national registers.

Where the provision of technical support is undertaken by producer groups or other organisations, membership of such groups or organisations must not be a condition for access to the service. Any contribution of non-members towards the administrative costs of the group or organisation concerned must be limited to the costs of providing the service.

In the context of the measure, *advice* is a tailor-made service to provide specific solutions to farmers, forest holders, other land managers and SMEs in rural areas.

Demarcation with Article 14

The main difference between actions supported under Article 14 (knowledge transfer and information actions) and Article 15 (Advisory services, farm management and farm relief services) lays in the fact of the specificity and the scope of the action. In this way, Art. 14 aims at providing information and training as regard all the subjects that people working in the agricultural, food and forestry sector and in SMEs located in rural areas need in order to improve the performance and also social and environmental sustainability of their holding/business. Regarding the scope, the objective is to reach a large number of people to make them aware of new information and improve their skills through training. It is a regular service oriented to keep target groups informed, up-to-date of the

³ Agriculture de minimis: Commission Regulation (EU) no 1408/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the agriculture sector (OJ 352, 24.12.2013, p.9).

General de minimis: Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L352, 24.12.2013, p.1).

⁴ Subject to final MFF decision.

results of the research conducted in the areas of their interest and trained in new tools that can be useful to develop their job.

Contrary, advice supported under Article 15 is oriented to more specific issues that are directly asked by the recipients of the advice. Even though it may be partly provided in group, the advice provided should really assess the specific situation of each individual, it should be clear that is not mere dissemination nor only presenting general information. It is a tailor-made service oriented to solve a specific request of a farmer (or forest or SME holder) regarding a particular issue. It is a punctual, accurate and quality assessment on a technical issue that should be delivered by well trained staff.

Demarcation with AECM

Advisory services supported under this measure can be offered as a part of "packages" of measures or "combined measures" with AECMs. In this case, access to an AECM could even be conditional on making use the advice.

5. OUTPUT INDICATORS

Reference should be made to the Working Paper "Elements of strategic programming for the period 2014-2020", Annex IV.

6. VERIFIABILITY AND CONTROLLABILITY

Reference should be made to the *"Guidelines on verifiability and prevention of errors"*.

7. TRANSITIONAL ARRANGEMENTS

During 2014 and 2015 it is possible to undertake new commitments under the old rules⁵ using funds from the 2007-2013 envelope.

If the 2007-2013 envelope is used up, Member States may continue in 2014 to undertake new commitments under the old rules until the adoption of their new programmes (provided that the application for support is submitted before the adoption of the programme) by using the funds from the 2014-2020 envelope.

8. BEST PRACTISES

Examples of projects developed under this measure in the previous programming period are as follow: (http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm)

⁵ Regulation (EU) 1698/2005 Art. 24 and 25.

1. Setting up of an association to promote the common use of machinery and offer relief services for farmers and forest managers.
2. Designing and dissemination of eco-management systems for organic agricultural waste with the aim of reducing the negative environmental effect of agricultural farms.
3. Setting up of an advisory service especially oriented to organic production within an olive oil cooperative.
4. Advisory services for farmers to increase their knowledge and understanding on bird life and how they can support it and improve biodiversity.