

CONSOLE

CONTRACT SOLutions for Effective and lasting delivery of agri-environmental-climate public goods by EU agriculture and forestry

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Report on ground truth testing of the framework in real life and lessons learned from testing

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1 Introduction

The general objective of CONSOLE is to boost innovation in the lasting delivery of AECPGs by EU agriculture and forestry through contract solutions, by designing and testing effective and efficient contract models and by developing an operational contractual framework, and by building a Community of Practice (CoP) that involves multiple actors. CoP activities are carried out to improve familiarity and confidence in the new contract solutions in view of a better ability to manage result-based, value chain, land tenure and collective approaches.

The testing of the draft framework by partners and CoP members is the third and final CoP activity (scheduled as WL5.1 in the DoA) and has been organized in close collaboration with WP1. WP1 is responsible for the Deliverable 1.4 “Draft framework for the delivery of AECPGs”. In the conceptual framework design variables, determinants, legal and technological aspects and roles of different governance levels in implementation are addressed. This document has been complemented by a short version called “Short Design Guide for Practitioners”. The design guide is an independent document of 19 pages with 9 figures and was initially not been foreseen in the DoA. This design guide is intended to support a systematic comprehensive process for the design of AECPG contracts and to provide a support for decision-makers by means of condensed information and simple illustrations of decision trees. Both documents – the draft framework and the short design guide – have been made available to the partners in order to undergo a “ground truth test” to be organized as third CoP event.

In preparation of the third CoP event partners being responsible for the CoP activities at national level have been invited to attend an online meeting on 28th April where a common approach for the testing has been discussed. It has been agreed to put the focus on discussing the content of the short design guide with CoP participants, namely the decision trees prepared for all four contract types. Partners were requested to prepare translations in their respective languages of those figures they foresee to present and discuss at the 3rd CoP event.

In order to gather detailed feedback about usefulness and practicability of the design guide, partners were asked to put the focus on an intense exchange with practitioners. To do so it has been decided to concentrate on a small group of participants to be invited (3-5, but not more than 10), focusing on participants who have at least some experience with contract solutions. It was said that the exchange should be organised as a physical meeting when possible and that priority should be given to persons who are aware of the CONSOLE project, either because they attended already at least one of CoP meetings or are involved in a CONSOLE case study. While it was foreseen to address all four contract types, for the in-depth discussion it has been recommended to focus on a selection that is likely to attract interest and/or for which first experiences exist.

Any feedback and suggestions gathered from the 3rd CoP round were welcome, particularly on contract characteristics and decision trees. The insights gained and presented in this report will feed into D1.7 “Final AECPG contractual framework and practical solutions catalogue”.

All partners responsible for the CoP at national level were asked to provide feedback from their CoP events by sending back a reporting sheet responding to six questions circulated in advance to them in view of gathering their insights in a structured manner. The reporting sheets filled out are attached to this document as annex.

2 Overview over the CoP events

The third CoP round took place between end of April and beginning of June 2022. The number of participants varied between 2 and 31. In these numbers are included the partners who run the events as it was not always possible to separate between members of the organisations that are part of CONSOLE team and external ones. In some countries, it was possible to organize in presence events, but several partners had to go for an online meeting due to remaining Covid-19 restrictions, but also to overcome time constraints of the practitioners and other experts invited. The professional background of the participants varied, ranging from coordinators of CONSOLE case studies, farmers and forest owners as well as their representatives, NGOs, advice and colleagues from research. The following table contains a short description of all 13 CoP events.

Country	Date	Responsible partner(s)	In presence / online	Number of participants	Linked to case study
Austria	26.04.2022	BOKU	Online	6	Yes
Bulgaria	19./20.04.2022	IAE	In presence	8	No
Finland	19.05.2022	LUKE	In presence	6	No
France	12.05.2022	TRAME, INRAE	In presence	10	Yes
Germany	23.05.2022	TI	Online	3	Yes
Ireland	20.04.2022	UCC	In presence	2	Yes
Italy	04.05.2022	UNIBO	Hybrid	10	No
Italy	02.05.2022	UNIPI, UNIFE	Online	9	Yes
Latvia	02.05.2022	ZSA	Online	11	Yes
Netherlands	08.04.2022	VUA	In presence	3	No
Poland	09.05.2022	SGGW	Online	31	No
Spain	19.04.2022	EVENOR	Online	11	No
UK	31.05.2022	UoL	In presence	6	Yes

3 The ground truth real-life testing

The objective is the validation and improvement of the content of the short design guide and to collect input for further refinement of the draft framework. The testing is foreseen to help to identify improved AECPGs contract solutions suitable to be used as models for future contract design. The identification of model contracts linked to a typology of different contexts, will allow to transfer them to into different regions across the EU. Hereby contracts between private parties as well as those with involvement of public funding are looked at. Key drivers for the practicability of the four CONSOLE contract types as well as socio-economic, technological, legal and environmental barriers for adoption are to be identified. Participants engaged in case studies were asked to discuss usefulness and practicability of the “design guide” while considering the specific case study situation.

The six guiding questions for the partners to respond after the testing were the following ones:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop?
2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?
3. What AECPs did you address? What was the reason for the selection?

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects / elements to be added or amended?
5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?
6. Please provide some feedback about observations made regarding the CoP itself.

3.1 Material circulated ahead of the CoP event

Most partners circulated some material ahead of the CoP event, often in combination with an invitation letter or email, so that participants could get a first idea what is expected from them during the CoP event. While some partners decided to circulate the entire design guide translated into mother language (e.g. Latvia, Italy (UNIBO) and to selected CoP members also Poland) or the set of design guide images and a short summary of the design guide translated (e.g. Netherlands), others concentrated on some specific contract types (e.g. Bulgaria, France, Germany, Ireland, Spain). But also, own material has been prepared (e.g. Austria – decision trees adapted to particular case studies; Spain – selected results from WP3). One partner joined up with a LIFE project targeting agricultural soil quality to benefit from “real case testing” (Italy-UNIBO).

While no partner collected written input ahead of the CoP event, some of the partners collected further input on the design guide after the event (e.g. Finland, Latvia, Poland). Few partners also shared the presentation they used for the discussion with the participants (e.g. Latvia) and /or the draft report from their CoP event to collect further input (e.g. Finland, Latvia).

3.2 Contract types addressed

Most partners gave an overall introduction into all four CONSOLE contract types, while focussing on one or two specific contract types in the in-depth discussion. Austria concentrated on result-based contract type, benefiting from the presence of the project managers of the case studies AT3 and AT4. Bulgaria discussed all four types in-depth connected to relative case studies that were presented beforehand. Finland concentrated on result-based contract type and carbon sequestration in forests and agriculture. In addition, at the beginning of the meeting the choice experiment that was part of the land managers’ survey has been presented with its contract variables (e.g. duration of contract, need for carbon forest plan). France addressed collective and result-based contract types as well as a possible combination, connected with the contracts that are experimented within the local CoPs connected to case studies. Germany briefly addressed the four contract types while the in-depth discussion was about land tenure contracts with a particular focus to case study DE3. Ireland discussed result-based contracts in-depth, mainly in relation to the BRIDE project. Collective approaches were briefly addressed as well. Italy (UNIBO) addressed result-based, including hybrid solutions, and collective schemes. Italy (UNIP) mainly focussed on collective agreements and result-based approaches. The discussion about collective agreements was related to one of the case studies (ITP project of the Elba Island), but also land tenure and value chain solutions were briefly addressed. Latvia explained all 4 contract types indicating that these can be mixed and matched, but the result-based contract solution was discussed in more detail. Netherlands concentrated on result-based and collective contracts and all kinds of hybrid contracts, giving particular attention to the collective contract in the region of the interviewee. Spain mainly addressed results-based and value chain due to the Spanish value chain case studies and the potential use of technologies for monitoring in results-based schemes. Poland focused the discussion on a result-based case and a further example combining result-based and value chain approach. UK addressed in depth result-based, value chain contracts and slightly less attention was given to collective

implementation during this meeting. In UK the discussions were focused primarily on UK1 and UK5 case studies that have been exploring the involvement of private organisations as guarantors and buyers of biodiversity credits provided by farmers (UK1) and of water quality (UK5, with the local water company as the “buyer”).

Result-based contracts were definitely given priority in the discussions, followed by collective approaches. Two partners also introduced value-chain contracts. Furthermore, it became obvious that establishing a connection between case studies and the four more hypothetical “pure” CONSOLE contract types was beneficial not only for the discussion in the CoP itself, but also for the overall work on innovative contract solutions. To put it in the words of one participant: “using the importance of case-study areas as laboratories for innovative contracts”.

Overall, it seems that combining the more theoretical discussion on the design guide / decision trees with real cases worked very well, in particular when benefitting from the sound expertise of managers and/or participants in national initiatives and pilots that served for CONSOLE as case studies.

3.3 AECPGs targeted

A broad range of AECPGs were addressed. But while some partners explicitly focused on one public good, others addressed several ones. In some CoP events the AECPGs were chosen for illustrative purposes rather than putting emphasis on them (e.g. Poland). Some partners on the contrary specified the public good in view of discussing concrete novel approaches. In Austria biodiversity and carbon sequestration were tackled based on the two Austrian result-based case studies. Bulgaria introduced case studies on carbon sequestration and biodiversity protection as well as overall sustainability through organic production. France did not address specific AECPGs, since the farmers engaged in the CoP activity are aiming at a bundle of AECPGs, mainly through collective approaches, taking advantage of the fact that most of them are interconnected (water quality, quantity, biodiversity, landscape...). Italy (UNIFI) as well has put an emphasis on a broad range of AECPGs by safeguarding and protecting the landscape, including the recovery of abandonment olive orchards and dry-stone terraces. Finland especially focused on carbon sequestration while in Germany biodiversity and nature protection were given greatest attention. Ireland focused on improving biodiversity. Italy (UNIBO) targeted how to increase carbon stock and reduce soil erosion. Latvia addressed various AECPGs, including humus, biodiversity and water-related aspects as these were the better-known examples, picked to illustrate different solutions. Netherlands discussed biodiversity and recreation, as these are key AECPGs in the Netherlands in general as well as in the region targeted. Spain looked at carbon sequestration, soil quality, and water quantity, these three AECPGs being of utmost relevance in view of the potential climate change impacts in southern Spain. UK addressed biodiversity provisioning, water quality improvements and carbon sequestration with carbon sequestration being in the forefront of the new AES introduced in the UK and got therefore particular attention.

3.4 Overall input to draft framework, including to legal and technical aspects

This chapter puts the focus on cross-cutting issues regarding the draft framework for contractual solutions, the description of the four model contracts and contains dedicated sub-sections with comments collected on economic, administrative, legal and technical aspects connected to the design and implementation of innovative contract solutions.

The figures with the key elements of the innovative contractual solutions prepared for D1.4 and the related draft design guide were said to be very helpful to steer the discussions at the CoP events

organised by the partners. This has been highlighted in several reports. The intensive exchanges with the participants resulted in several comments for modifications and/or additions. In order to facilitate the assignment of the comments received, the figures are displayed in this report as presented in the draft design guide followed by the remarks collected to the respective figure. It should be kept in mind that most partners worked with translations into their national language, resulting in a situation where the original English wording has not always been used when translating the input received back for the report. Here, the same terms are used as in the draft design guide.

Comments targeting the decision trees of the four specific contract types themselves are tackled in the following chapter, even if some partners have listed them under the fourth question.

Several partners (e.g. France, Italy-UNIFI, Latvia, UK) asked to make greater use of / to add concrete examples in the design guide. One further suggestion was to include two lines describing the interests/limits for each contract type in the short design guide.

Regarding additions to the design guide document, Latvian participants suggested to have one chapter on risks connected to different solutions with references to case studies, thus putting in one chapter of the document the existing references to various risks, this could include categorising risks, risk analysis, risk mitigation measures etc.. The argument given for this adding is that designers of new schemes usually look at potential risks that could interfere with the design of a new scheme. It has been suggested to have a dedicated chapter not only on the risks, but also on problems identified, the challenges in implementing these schemes including reasons why contracts have been terminated, problems in evaluating results, standard situations for combining different financial sources, restrictions on state aid. It was also said that the stakeholders would really like to see some standard forms for contracts concluded in different countries (even if they would be in the local languages). On a practical level, this would allow for a better understanding of the relationships between contracting parties (all comments by Latvia).

As CoP members in Latvia also had a look into the draft framework (D1.4) some suggestions on formatting and perceptibility were made: a better structuring and formatting of the large tables would allow better accessibility of the information they contain. Therefore, the header rows should be repeated in each page; the column width should be altered to reduce empty cells; colour coding could be used to make them more perceptible; various ways to emphasize bits of text could be used, etc.; the contract solutions in references could be linked to their descriptions and /or linking directly to study case. Finally, the resolution of the illustrations was found not being sufficient.

In Netherlands there was quite some discussion about the level of simplification in the framework and its usefulness as the contract setting in the Netherlands is often more complicated and non-hybrid contracts seem to be rarer than hybrids between different types of contracts.

Comments to general framework (Figure 1)

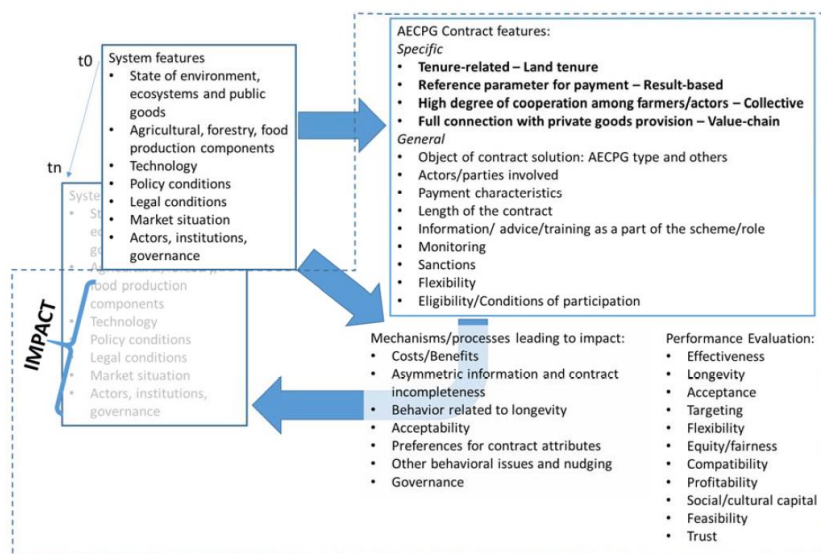


Fig 1: General framework for contract design

The abbreviation “AECPG” should either be explained or left out

Poland suggests to add one arrow missing from “AECPG contract features” to “Mechanisms” and “Performance” frame (see modified figure in their report). Additionally, the layers t0 and tn should be inversed and the loop should be closed to “System features” to make visible that it is a continuous process.

Figure 1 with the general framework should be better explained in the document, the current description provided is seen as not being sufficient (comment from Poland).

Comments to the model contract types (Figures 3 and 4)

	RB	CO	VC	LT
AECPG Type	Biodiversity, Climate regulation, landscape & scenery	Biodiversity, water-related, resilience to natural hazards, landscape	Environmental benefits, quality and security of products, water-related	Biodiversity & habitats, Landscape & scenery
Actors involved	Farmers, NGOs, market players, gov. bodies, consumers, banks, etc.	Farmers, landowners' association, govt & private bodies	Private companies, citizens or consumers, Non-profit organisations, govt bodies	NGOs, private organizations, Government bodies, Landowner association etc.
Payment type and characteristics	emission certifications, Incentive payments, Payment for product	Compensation, incentive & product wise	Payment for brand, product, online donations	paid by rate per area, length, or quantity, Land lease
Length of contract and renewal	Short-term to long term, renewal	Short-term to long term, renewable	Short- to medium-term, renewable	Medium- to long-term
Information, advisory, or training in scheme	free by public body, private experts, NGOs, etc.	available within collectives or cooperatives	provided for free by private actors	By land managers, project stakeholders, etc.
Funding	Public funding (incl. from EU) + private funding	Public funding	Private funding	Private funding
Monitoring	Monitoring by public & private bodies	monitored by government or private experts	Strict monitoring, by processors or private bodies	No controls or only self-monitoring by landowners.
Sanctions	Non-compliance leads to termination or payment reduction	non-compliance can lead to termination of contract	non-compliance can lead to prohibition of the brand use	
Flexibility	High degree of flexibility	High flexibility to collectives, unless it is a hybrid.	Higher flexibility of management practices, Low flexibility for quality of the product	High flexibility, no strict conditions for participation
Conditions of participation	Some do not allow farmers to participate in other AES	A minimum number of farmers need to participate	Conditions for using brand name & exclusivity	Some contracts require farmers to participate for fixed duration

Fig 3 Model contracts for the four types based on an individual contract feature

The result-based approach is seen as a possibility for water protection, too. The term “non-compliance” seems to need some further specification as non-compliance can lead to the termination of the contract, but obviously this is not always the case. It has also been suggested to clarify non-compliance in relation to what: to the PES objective or to the obligation of the contract? Collective contract could also include private funding. It is important to specify what flexibility means: flexibility in the implementation? Sanctions should come last in the diagrams. The category “Conditions of participation” should be indicated upstream, after the category “Actors involved”. It was also said that the duration of a contract is decisive for a result-based contract. It has been proposed to (further) explain the importance of the results in the characteristics of the result-based contract and to specify what is non-compliance in this case. It has also been suggested to indicate that for a result-based contract it is the obligation to achieve the environmental objective in terms of ecosystem services which is addressed. The statement for RB “Some do not allow farmers to participate in other AES” under “Conditions of participation” is questioned. It is not clear why farmers should not be allowed to have other contracts in RB. This does not seem generalizable (all comments from France).

For “LT” the empty cell for sanctions should be filled by “Non-compliance leads to non-renewal of the contract”. It has been discussed that for LT an early termination is legally difficult, but that there should be somehow a sanction mechanism. Regarding monitoring it has been mentioned that support from science may be used to carry out at least a minimum monitoring of rented land with some management prescriptions (all comments from Germany).

Poland suggests to put the full name of the contract types in the figure, not only the abbreviations.

Besides the use of the term “Model contracts” in the name of the figure that seems not well understood by CoP members, it has been questioned by Poland if all combinations should be presented in figure 4. Maybe it would be sufficient in the design guide to concentrate on figure 3 while indicating that combinations are possible?

Besides the four contract types based on one of the selected contract features each, the combination of CO+RB has been discussed as well (France and Italy). The participants (Italy /UNIPI) said that a contract integrating elements of result-based and collective implementation can be of great importance to improve the actual situation. Also, UK stated that the hybrid contract types appear to be an interesting addition to the existing four previously defined contract solutions. For the UK the RB/CO action is also being proposed as part of the new Environment Land Management schemes, the new AES being rolled out. One of the offered options for UK farmers/land managers is that of collaborative implementation over a large enough geographical extent and receive individual payments after completing the agreed upon environmental improvements (such as biodiversity conservation, carbon sequestration and improvements in water quality).

Poland collected a number of comments concerning that design guide itself. One general statement was that several figures are not self-explanatory and would require some further introductory text. One remark concerns the term “qualifying features”. They suggest to first introduce the contract types, then contract features and at the end model contracts.

Comments on administrative and economic aspects

In Bulgaria two administrative aspects were discussed: One refers to the lack of trust between the Bulgarian farmers to collaborate in collective contract type and how to overcome this obstacle. The second one concerns the higher practicability of hybrid contract solutions that are easier to implement as the pure innovative agri-environmental contracts.

From an economic point of view, it is relevant to consider costs of measuring the result (e.g., the increase in carbon storage in agricultural and forest soils may be expensive to measure) in relation to benefits. But also, administrative costs must be taken into account when designing new contract solutions as well as social impacts like for example the neighbouring community (comments from Finland). Also, Latvia suggested to include more information about funding issues as they are of particular relevance for those designing novel contract solutions.

The Italian experts (UNIFI) highlighted the problem related to the transfer of knowledge between the institutions and the farmers. They said that in the past there were activities such as meeting and lessons able to guarantee the transfer of knowledge. Today farmers associations help the farmers in their economic and agricultural activities, but they do not care to improve the farmers (ecological) knowledge. The Italian CoP participants also underlined the need of a reform to simplify the bureaucracy and to slim the procedures with the same controlling activities. They used as an example the problem of the integrated territorial project as regards administrative tasks and procedures. In fact, although several ITPs started in Tuscany, no one has concluded its activities, yet. A participant from the Tuscany region stated that an area-based difference in the regulation is crucial, although differentiation must not complicate too much the measure progresses.

Spain suggests to provide further details on payments and sources of payments, in particular as regards blending public and private financing. Regarding the level of payments, it was said that they need to reflect the production process. Thus, one-off bonus or vouchers might be unsuitable to cover start-up costs and therefore might be considered as a disincentive.

Comments on legal aspects

In Finland it was highlighted that differences resulting from the use of private or public funding source need to be taken into account and that for private money there are no restrictions while the aspect of additionality – proving an increase in environmental quality – is important. There were also some reflections about new possibilities to implement result-based and collective schemes in forestry arising from the draft of new state aid rules by the European Commission. Furthermore, it was discussed if in Finland the result-based model would be possible to be implemented in farming sector by using public funding, although in principle result-based payments can be compatible with WTO and CAP rules. There were also doubts against self-monitoring if the contract is publicly funded.

In Germany it was said that legal aspects heavily influenced the shaping of the content of the land tenure contracts. The creation of an association supporting and bundling the implementation of land tenure contracts with a focus on environmental sustainability at regional is seen as crucial to ensure duration (beyond the project funding period). Another legal aspect that has been addressed by the representative of the city of Greifswald was to what extent management practices are to be prescribed in the tenure contract itself. This is legally relevant in two respects: the rule of no double funding (of relevance if the land owners are public authorities) and the revenue foregone for the public purse itself. Therefore, a balance has to be found between farming restrictions and lease cost for the land. It has been highlighted that it is necessary for public entities under municipal law to achieve a certain lease price. Besides the responsibility to valorise the property that is in the hands of the public sector in order to generate public revenues there is also the state aid law to be respected. A reduction of the renting price might be perceived as government grants given to farms as private entrepreneurs. Regarding the double funding it was mentioned that farmers should remain eligible to engage in agri-environmental commitments to be financed inter alia with EU funds. Therefore, the obligations fixed in the land tenure contracts have to be different from the voluntary engagements of the farmers. Here, it became obvious that the self-declaration (as done in the Greifswalder Agrarinitiative - GAI) is a crucial element as farmers engage to

undertake efforts for a (more) biodiversity friendly management on the land they farm by signing them independently from the lease contract itself. It was even emphasised that the objective is to not reduce the lease price, but to facilitate access to dedicated funds for sustainable farming, besides the EU co-financed AECMs also private initiatives like AgoraNatura which is a private (online) biodiversity certificate market (<https://agora-natura.de/produkt/moorfroschinsel-bei-alt-negentin/>). Also, the contracts contain a clause regarding subleasing to make sure that the land is managed in line with GAI principles. Another more legal-technical aspect is that the GAI is aiming at testing an alternative to reduced rents. There is the will to set up a special purpose budget at level of the city of Greifswald for sustainability measures, so that instead of a reduced rent, farmers get directly paid for dedicated environmentally friendly practices – this being seen as legally easier to handle.

In terms of legal or administrative aspects, the Irish project leader advised that he's grateful that the project staff and farmers have considerable independence. Aside from reporting financial details to the funder, the farmers and project staff feel that they have control over how the project's objectives are achieved. The success of the project can be attributed to this.

Latvia suggested to include additional information on state aid, de minimis, both affecting funding. In Netherlands the level of complexity, inter alia arising from the combination of several contract types, has been addressed. In terms of legal requirements, Spain asks to look into tenants' rights.

Comments on technical aspects

Technical aspects were less discussed, only three partners reported having touched upon them.

In terms of technology, the Irish project staff has developed an app called "Farming With Nature" which provides detailed maps of farms and their structure, e.g. land for grazing, hedges, margins, space allocated for nature etc.. The app is an efficient way for farmers to record biodiversity on their farms which reduces monitoring costs. The app is available on both Google Play and the App Store (illustrations of the app are in the Irish report).

For "RB" it is particularly important to find more satisfactory instruments to quantify the results of a measure rather than to find new objectives to pursue. It is easy to find new objectives, but the toughest part in the process is the quantification of the results without strong indicators. The participants also underlined the need of adequate preparation and knowledge for the farmers to be autonomous in the quantification and optimization of the results (comment by Italy / UNIPI).

Spain stated that the types of technologies available for monitoring AECPGs and their suitability for each contract type have been addressed.

3.5 Remarks concerning the decision trees

Overall, the draft decision trees in the design guide are seen as being very helpful for understanding the process. Latvia indicated that the decision trees depict the actual planning process and may be used to learn about planning and decision making in this area. Still, the target group for the decision trees is not (fully) clear. Is it for landowners/-managers? Finland stated that how it is presented now would already be too difficult for land managers while consultants don't need this kind of aid since they use their own methods. And on the contrary, for the experts, the trees might be even too simple. Therefore, it would be helpful to specify for what type of users the decision trees are meant for. Latvia thinks that the decision trees potentially could help some planners, especially keeping in mind the great diversity of

situations and the many other considerations that need to be considered by the parties involved in making up the scheme.

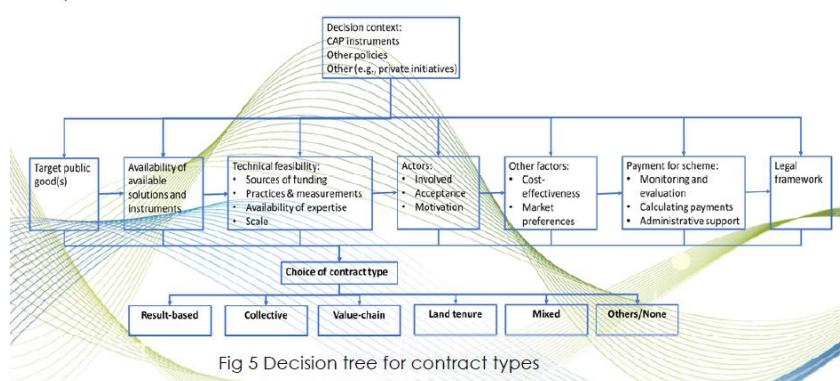
Poland suggests to rephrase the heading of the decision trees and to take out “designing”.

France states that it should be clearer to whom the guide is aimed at and that the presented decision trees are very much seen through the public political prism and that they are not suitable for companies for example. Reading through the “innovative” prism of private financing, and for these actors, these documents are not necessarily easy to read. Furthermore, the characteristics of the contract should come much further (after the feasibility): there is a mix between what induces the choice of the contract and what results from it. France also suggests to explain the arrows: Arrows in one direction may suggest a chronology within the different items and this is questioned.

Italy (UNIBO) used the decision trees for looking into the structure of a new contract solution currently under development, the so called “Pact for Soil” to reflect which aspects should be considered while developing new territorial contracts. In this case the questions in the decision tree were used to check if all relevant aspects were considered rather than for decision taking. They found out that it contains characteristics of both result-based and collective schemes, while it was said that payments could not be linked to the results themselves.

In Netherlands it was said that the decision tree helps structuring thoughts and identifying which components are to be included, in particular in the complex Dutch situations.

Comments to the decision tree for contract types (Figures 5)



In France the term “public goods” has been criticised by some participants for not being specific enough and being difficult to grasp.

Comment from France about the result-based contract: it is a modality and not a type of contract; in any case, an individual contract can be either results-based or means-based.

For Latvia this figure was seen as very important, giving the possibility to discuss many aspects in a structured approach.

Comments to the decision trees of specific contract types (Figures 6-9)

Austria suggested to split the decision trees into three parts: decision in principle, feasibility (incl. funding), target group, this approach has been tested successfully for Germany and also in Finland it was appreciated. The new structure can be seen for “RB” in the Austrian report and for “LT” in the

German one. Finland stated that the distinction between the first part (policy decisions) and the second part (feasibility) of the tree is not clear enough.

One general remark made by Austria and supported by Finland concerns the fact that the decision trees are heavily based on "yes" or "no" decisions, not leaving much room how to frame a contract suitable for a specific context or contracts that are partly based on result-based models, e.g. result-based bonus. France suggests not to go directly to "consider other approaches" if the answer is "no", but to include between step 2 and 3 an arrow in order to re-examine the environmental objectives to be achieved. Furthermore, it should be specified what is meant by "consider other approaches".

Bulgaria suggests to look into the decision trees regarding the step between "Design (...)," and "Is a suitable funding source available?", here the option "possible" might be added. Regarding the collective decision tree, the suggestion is made for "Include flexibility in scheme design" an option "Possible" to connect with the next step instead of connecting with last step "Implement, Evaluate and Review" as the questions in-between remain relevant. Also, France suggests that for the collective approach the arrow from "include flexibility in the scheme design" should not go straight down to "Implement, Evaluate and Review".

A general comment from France concerns the differentiation between the activities and the questions we ask ourselves. Either it is just a question, or there is an extra activity. It has been suggested to make the difference visible by distinguishing "activity = rectangle", and "question = diamond-square". Furthermore, the entry point and the exit point of the diagram should be made explicit. Another remark concerns the actors: in addition to the environmental diagnosis, there should be a diagnosis on the actors of the territory in parallel (at least for collective), so that the environmental priorities are also accepted by the other stakeholders, for instance a moment of appropriation by all the actors.

From Finland and Germany comes the suggestion to develop a check list with some key questions to be addressed when deciding about implementation of contract solutions. This was seen as being helpful and giving more flexibility regarding the order of aspects to look at. Such additional questions might be (for LT): decision in principle: What is the state of the landscape? What is the situation with biodiversity (or other AECPGs)? What is the cause of this state? Is quantification of the target desired / required? Which actors have already entered into a relationship - institutional and/or private landowners? What kind of leases (and sub-leases, if any) are in place? Feasibility: How important is the amount of lease income? Which actors have what room for manoeuvre? Do those involved have enough time to become familiar with each other? What is the impact of a particular measure? Has a reality check been carried out on the intended goals? Is there the possibility of accompanying (measure) advice? Is there (additional) funding for this? Target group /acceptance: Is there the will to talk together? Is the owner of the land willing to make a long-term and continuous commitment? (Land leases are usually negotiated once every 12 (6) years).

It was highlighted that "Define clear objectives ..." is key for all decision trees, but that the term "scheme" should not be used. It might be replaced by "activity". The term "Consider other approaches" is not self-explanatory and should be briefly explained. The phrase "Do the (...) contract features meet the AEC objectives?" was said to be wrongly phrased as the feature can't meet objectives. (comment by Poland). Maybe just speaking about "contract" is better as done in the Austrian and German version?

Regarding the decision trees, the participants in Latvia pointed out that the information in the decision trees is correct and important, although the use requires deeper investigation.

RB decision tree

In the RB decision tree, the central question is whether a result-based measure is possible. Austria suggests also to ask whether a result-based measure is useful or necessary. Furthermore, it has been said to take out the brackets around “better” in the following question: “Can the agri-environmental and climate objectives be (better) achieved through results-based contracts?”, as result-based contracts should bring an improvement in the achievement of agri-environmental and climate goals compared to existing measure-based programmes. Furthermore, the decision variable should also include which protected goods are suitable for the result-based approach as the decision for or against a result-based contract always depends on the protected good that one wants to improve. The question of suitable indicators should also be considered earlier in the decision tree. Here, care should be taken to add a decision variable that deals with the question of whether the goals to be achieved can be mapped using a measurable and administrable indicator. Regarding feasibility, the following questions were raised and comments made: a deeper insight into financing is needed that also includes the administration of financing. Therefore, it should not only be assessed whether a suitable source of funding is available, but also in which framework it takes place: Public, private, rural development, etc. Depending on the funding source, there are also other specifications in the design and more or less strict requirements. Further important questions are: How is the financing handled? Who handles it? What are the requirements? An important decision variable in the area of financing should check the cost/benefit ratio of the approach. Here, the advantages of the approach compared to measure-based approaches should be evaluated, whereby the financial expenditure and the broad impact should be considered in particular. The question should not only be whether it is possible to implement a result-based contract, but also whether it makes sense. For example, risks and side effects can arise, so that it does not always make sense to enter into a scheme with all the land on a farm. Therefore, system boundaries and limits should be more strongly integrated into the decision tree. On the topic of expertise, the question about expert support in the later implementation is relevant being very important for success. In the thematic area of acceptance, the following questions were raised and comments made: Question on the extent/threshold of acceptance would be helpful. The question about a minimum number of farms that should participate in order for implementation to be meaningful could also be asked. The decision variables on acceptance as they stay now are too “flat”. Therefore, the acceptance question could be rephrased: Are participants willing to measure or monitor indicators and fulfil reporting obligations? On the one hand, acceptance should be asked as a kind of threshold value: At what level of acceptance/willingness to participate on the part of the farmers is it worthwhile to implement this. On the other hand, it has to be kept in mind that peculiarities/characteristics of the programmes (beyond RB or not) needs also be addressed too, as they play an important role in acceptance. Regarding the question of expertise and the learning effect, it was noted that the latter is greatest when one exchanges ideas with others who are also faced with similar problems. Therefore, it should not be forgotten to address: “What is the socio-economic and spatial context in which RB makes sense?” (all comments by Austria).

For Finland the first part of the decision tree (named policy decision part) is clearer than the following steps. While in the decision tree several decisions are successive, it has been noted that many steps run in parallel (e.g., funding, knowledge & capacity, attitude of farming community), and they need to be pondered simultaneously. There are two questions in one step (step 4). Finland suggests to keep them separate to be able to give yes/no answers.

Finland thinks that funding might be addressed earlier and (in line with Austria) would like to see the part on financing to be further developed. They miss some questions addressing the cost-benefit and would like to see a question on this. But also, the level of payment and not only the financing source seem important. At the end of the decision tree, there could be “a piloting/testing phase” to be included

and in a case that the piloting phase provides negative outcome for a larger scale implementation, the arrow could be returned to “Consider other approaches”. Italy (UNIBO) as well, indicated that it was seen as useful to reflect on funds’ availability. Also, the role of the public entity to control and monitor the results has been discussed.

The box “Is there sufficient knowledge.... »: contains a lot of aspects. Besides funding there might also the aspect of time being necessary to have more knowledge. Out of this derives the question: Will the actors remain mobilized over time? France suggests to consider or mention it somewhere.

Finland also suggested to provide at least a rough information about the planning level for the RB: Is it for one pilot case or a larger area (the whole province, country). In line with this, Ireland stated that even though they looked at the result-based decision tree, there was involvement of several actors necessary for the step of ‘Define clear objective for the AECS’. Getting the message of the project across to the whole group was seen as being important. This also involves making sure that contracts are tailor made to farms as the scheme’s participants are operating different farm systems. This means that a target for one farmer may not be applicable to all.

In relation to the two steps in the decision tree that ask ‘Is there sufficient knowledge...?’ and ‘Could knowledge and capacity be increased...?’, an Irish participant highlighted that farmers’ knowledge of biodiversity and ecology is generally poor. One example of this was the surprise some farmers experienced when they received their score card after one year of biodiversity measures. It became apparent that many didn’t fully understand the biodiversity measures. The participant noted that improving knowledge is an ongoing process, rather than fixed at one point of the decision tree, and farm advisors and processors would be best placed to increase knowledge.

The wording “Are result for those objectives potentially measurable?” requires revision (comment from Poland).

Regarding result-based contracts, a decision needs to be inserted after the “Are results potentially measurable” decision. This should refer to whether measuring results is cost-efficient/possible and with a “YES/NO” decision tree this should lead to “examine other approaches” if NO is selected (comment from UK).

CO decision tree

In the case of collective schemes, the public entity should ensure that the activities conducted by each farm contribute to the achievement of the overall objective. The clarity of the objective is, indeed, very important. For collective approaches considering the existing social structure of the territory was seen as being very important. Exploiting the opportunities of the existing cooperative farming system through pilot studies is a key aspect for designing contract solutions (comments by Italy- UNIBO).

VC decision tree

In value chain contracts, the legal aspects of the agreement need to be spelled out- a focus should be placed on the length of the contract and assurances need to be given by businesses that their long-term commitment is guaranteed. From a contractual point of view of value chain contracts, businesses as well as farmers’ attitudes towards providing (lasting) AEPGs should be defined. For value chain (and result-based) contracts a distinction should be made on whether monitoring is included in the set of objectives

(second decision in the proposed decision trees). If monitoring is not included then other sets of objectives need to be agreed (e.g., land set aside, type of fertilisers used, tillage/no tillage periods, amount of riparian areas fenced, etc.) (comments by UK).

3.6 Comments concerning the CoP itself

Overall the partners were satisfied with their approach taken to engage with practitioners. Several partners reported that they had practitioners actively participating and willing to bring in their expertise, but also to gather new insights. Regarding the size of the group, there was general agreement that a smaller group enabled good discussions. For example, Austria mentioned that discussing in a small and specific group was definitely the right decision, as each of the participants gave his opinion and a more in-depth discussion was easier possible than in a large group. Also, in Germany the small number of participants allowed an intensive and very much focussed exchange on land tenure contracts, but the fact that no tenant farmer was present could be seen as a weakness. Italy (UNIBO) carried out the CoP event in a hybrid format with a small group of experts where everyone could talk, and it was stated that the interaction was open and fruitful. Making use of the CoP event in order to create a link between project partners of both CONSOLE and the Life agriCOLture has been as satisfying and useful. Regarding the Bulgarian CoP members, it was said that the core members of the CoP were very ambitious and made comments on each contract type shown as decision tree schemes. Particularly positive was that a common understanding of the relative contract type was achieved thanks to intensive exchanges. France was also happy about the very positive attitude of the agricultural community engaged in the CoP activities. The way they worked together could be seen as a blueprint for work in view of taking collective decisions, in particular due to the premise in the French local CoPs to have contractual solutions designed at the initiative of farmers. One question raised was about the right timing for involvement of certain actors. It has been agreed that the objectives need to be fixed while involving various actors, but that a certain level of detail is required before engaging with potential funders / buyers. Furthermore, a distinction has to be made between those demanding environmental goods and the potential buyers of such services. These may not be the same actors. Italy (UNIFI) stated that it is important to include the right professional persons in the CoP in order to enable a discussion between academic related people (PhD, professors, researchers) and the practice-oriented world (farmers, municipalities, and counselling associations, practitioners). The setting up of the CoP was seen as being useful to gather information in view of improving efficiency and effectiveness of the project. Finally, participants were proud to participate in a project that aims to improve the CAP ineffective situation. Also, for Latvia it was said that people seem interested, but that a distinction between listeners and active talkers should be made. While the listeners participated in order to gather more information and form an opinion later, the talkers had already made up some opinions beforehand and were ready to share it. On the other side, there were participants that were waiting for someone else to act. Regarding the Spanish CoP, they showed interest on new approaches targeting new products to be produced in a sustainable and environmentally friendly way. The positive attitude of the CoP members was also confirmed by Poland where the participants seemed quite interested in the presentations. But there was also the reflection about the common knowledge and awareness of the goals and necessity of producing AECPG, and thus taking appropriate actions that deserves a more thorough reflection. Furthermore, there is a need to overcome the “confirmation bias” - preferring information that confirms previous expectations and hypotheses, regardless of whether or not this information is true. UK stated that the time foreseen for discussion was not sufficient to properly discuss potential options provided by CONSOLE case studies and UK’s future agri-environment contracts.

4 Next steps

The comments collected by the partners through their respective CoP activities will be used for the preparation of the “Final AECPG contractual framework and practical solutions catalogue” (D1.7). Even though that with the 3rd round of CoP events in the partner countries formally this activity comes to an end, partners will benefit from the contacts established for their CONSOLE training activities and probably as well for the roadshow and final multiplier event. Furthermore, it is foreseen to invite some active members of the CoP to the policy stakeholder workshop (WEU5.2) to take place in autumn 2022 in Brussels. This workshop is designed to validate the draft policy recommendations and their feasibility, with up to 30 participants.

5 Acronyms

AECPGs agri-environmental-climate public goods

CO collective contract type

CoP Community of Practice

D Deliverable

LT land tenure based contract type

RB result-based contract type

VC value chain contract type

Annex

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Instructions for the 3rd CoP event

In CONSOLE involvement of CoP members is foreseen in three dedicated activities, each of them being relevant for the project success (see also Deliverable D5.2).

The third feedback round addressed here is closely linked to WP1 and has two core objectives:

- to test applicability of the draft framework practical solutions catalogue under near-realistic conditions
- to benefit from practitioners' experience for the refinement and finalisation of the design guide

The input from partners collected via this reporting sheet will feed into D5.5 "Report on ground truth testing of the framework in real life and lessons learned from testing". The insights gained from practitioners will furthermore directly contribute to Task 1.4 "Development of final AECPG contractual framework and practical solutions catalogue".

CoP members to be invited are stakeholders experienced with voluntary provision of AECPGs through contractual solutions, as well as farmers or forest owners (and/or their representatives) interested in the topic. While selecting participants, attention should be given to involve actors with various roles (design, contracting, funding, control). In particular those actors responsible for the programming of eco-schemes and AECMs and/or those that are engaged in private contractual solutions fostering the delivery of environmental benefits should be the targeted audience. Where applicable actors engaged in local case studies could be invited. It might not be possible to address all four contract types (result-based, collective, along value chain, land tenure based) and the whole range of public goods with the same level of detail. Therefore, it is recommended to focus for the in-depth discussion on a selection that is likely to attract interest and/or for which first experiences exist. This will be particularly crucial when organising the CoP meeting together with actors from case studies dealing with specific contractual approaches for specific AECPGs.

This third feedback round with CoP members is scheduled as a workshop (WL5.1) to take place between early autumn 2021 and spring 2022 in all 13 partner countries (latest month 34). If possible, this workshop should be organised with physical presence of the participants, but if this is not possible because of Covid-19 pandemic restrictions it may alternatively be organised as virtual event. The CoP meetings should preferably take place before the workshop at EU level (WEU5.2), initially foreseen to be organised in Brussels in order to be able to benefit from the insights gained from testing at national (regional) level. In order to allow for good exchanges, it will be crucial to keep the number of CoP members quite small. Organising dedicated mini-workshops with up to 10 persons while considering a specific case study / pilot testing situation might be an option.

For this CoP activity a harmonised approach is very important. Therefore, the CoP contact persons will be supported in its preparation. All will receive the following material:

- the draft framework practical solutions catalogue (D1.4)
- a draft design guide with decision trees (to be translated in national languages)
- Guidelines how to run the testing

Please send the reporting sheet together with a copy of the agenda and the signature list (for virtual meetings a screenshot from the participants) to: tania.runge@thuenen.de no later than 2 weeks after event took place.

Do not forget to list your event in the dropbox by indicating "CoP" as audience in your partner excel sheet.

Reporting sheets filled out by the partners

1 AUSTRIA - Reporting sheet

Date of the event: 26.04.2022

Responsible partner(s): BOKU

Responsible person(s): Lena Schaller and Theresa Eichhorn

Number of participants: 4 external participants + 2 from BOKU

Questions to be answered:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

One week before the event, a three-page document was sent to the participants. This document contained the results-based decision tree translated into German, two practical examples of the application of the decision tree based on our results-based case studies in Austria: one for the ENP and one for the Humus-Program. The third page of the document contained potential questions that we want to discuss in the CoP event and thus can already serve as preparatory questions.

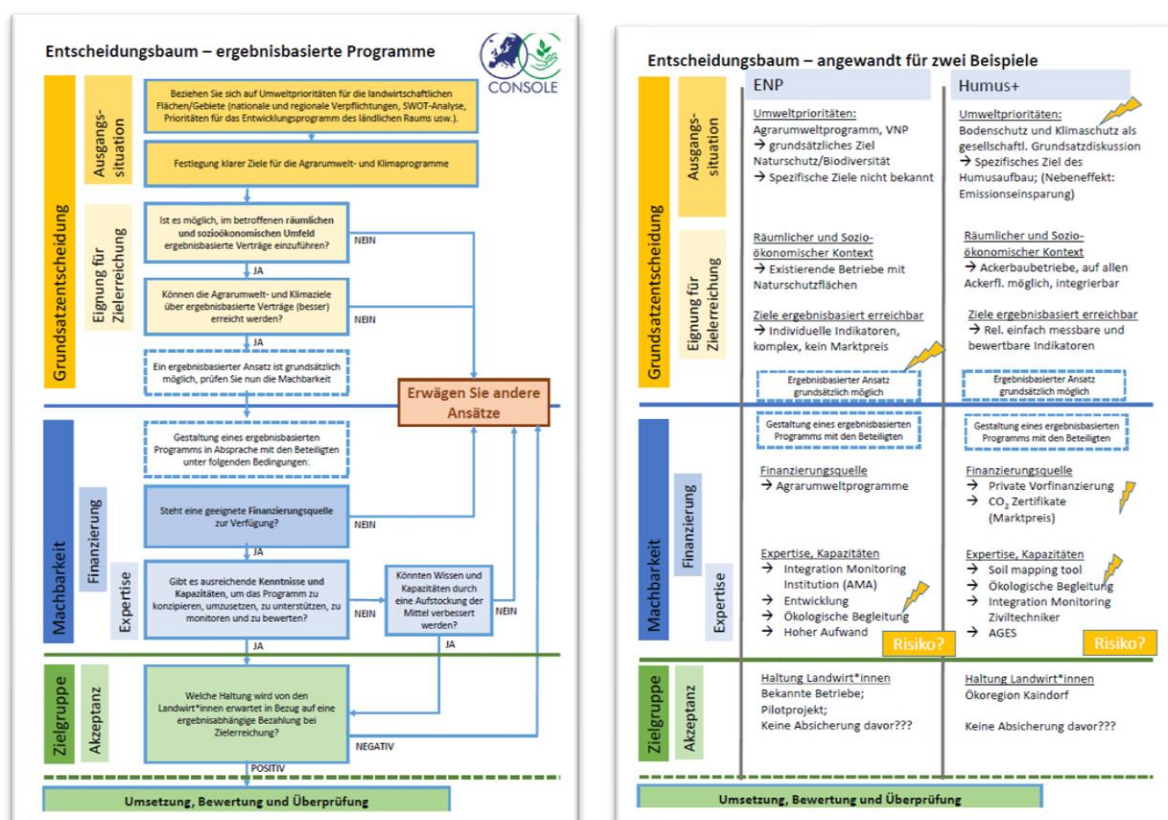


Figure 1 Page one and two of the document circulated before the CoP event

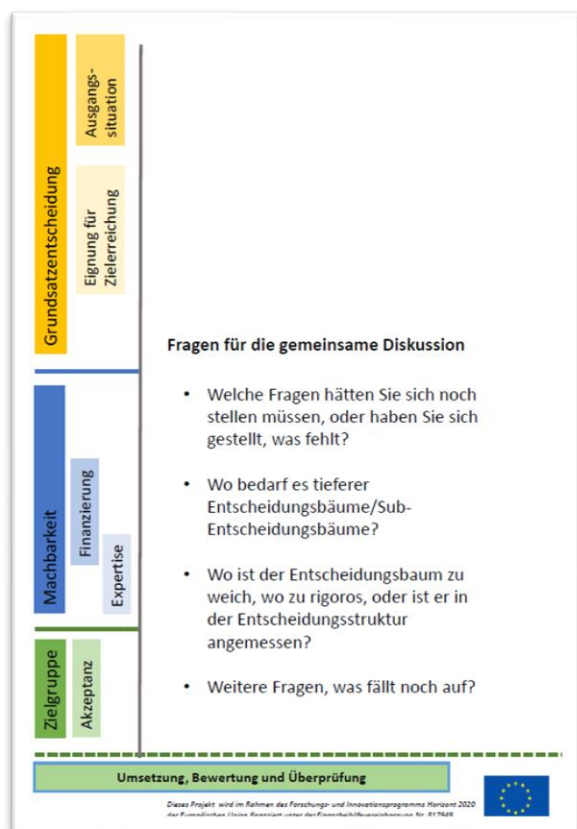


Figure 2 Page three of the document circulated before the CoP Event

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

We first introduced the design guide in general and mentioned that this decision tree exists for all four contract types. In our event, we then looked in more detail at the results-based contract type. In a second step, we presented the decision tree using two case studies from Austria, one for biodiversity (RNP-AT3) and one for soil quality and carbon sequestration (Humus Programme- AT4). The idea behind linking to two existing case studies was to facilitate the assessment in a second step. In the general discussion and in the mural task (explained later), participants assessed and reviewed the decision tree on a general level without doing so specifically for one example. Although participants mostly had the case study in mind from which they were coming. The selection of the results-based decision tree with the presentation of the two specific case studies was based on the selection of the invited group. At this event, the project coordinator of AT3 was present, as well as the project manager of AT4, a person from the ministry responsible for the introduction of a results-based programme in the next CAP period, and a farmer who has already participated in the AT3 programme from the beginning.

3. What AECPs did you address? What was the reason for the selection?

In the overall discussion, we have not specifically considered any AECPG. In the examples presented for the use of the decision tree, we have shown one for biodiversity and one for carbon sequestration based on the existing case studies in Austria.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects / elements to be added or amended?

Not addressed in the CoP Workshop

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

→ Basic introduction to the decision tree for results-based programmes: The decision tree was explained to the participants step by step and the individual decision parameters were explained. In order to be able to present the decision tree in a structured way and to explain it better, it was divided into three thematic contents: The first part comprises the (1) basic decision to consider a results-based approach and includes the respective initial situation (existing environmental priorities, existing goals), as well as the question of the suitability of the approach to achieve the goals (spatial and socio-economic context, suitability of the approach to (better) achieve the set goals. The second part covers the (2) feasibility of the approach and addresses the questions of funding (source of funding) and expertise (concept, implementation, support, monitoring, evaluation). The third part covers the (3) target group and deals primarily with the question of the expected acceptance of the farmers.

→ Presentation of the application of the decision tree using two examples from practice (ENP and Humus+): The decision parameters of the decision tree were tested in advance for the two programmes, formulated and presented to the participants. In the process, possible difficulties in the decision tree were pointed out on the basis of the examples from practice.

→ Participants were asked to assess/evaluate the results-based decision tree based on four guiding questions:

- What questions still need to be asked, what is missing?
- Where are more in-depth decision trees/sub-decision trees needed?
- Where is the decision tree too soft, where too rigorous, or is it appropriate in the decision structure?
- Other questions, what else stands out?

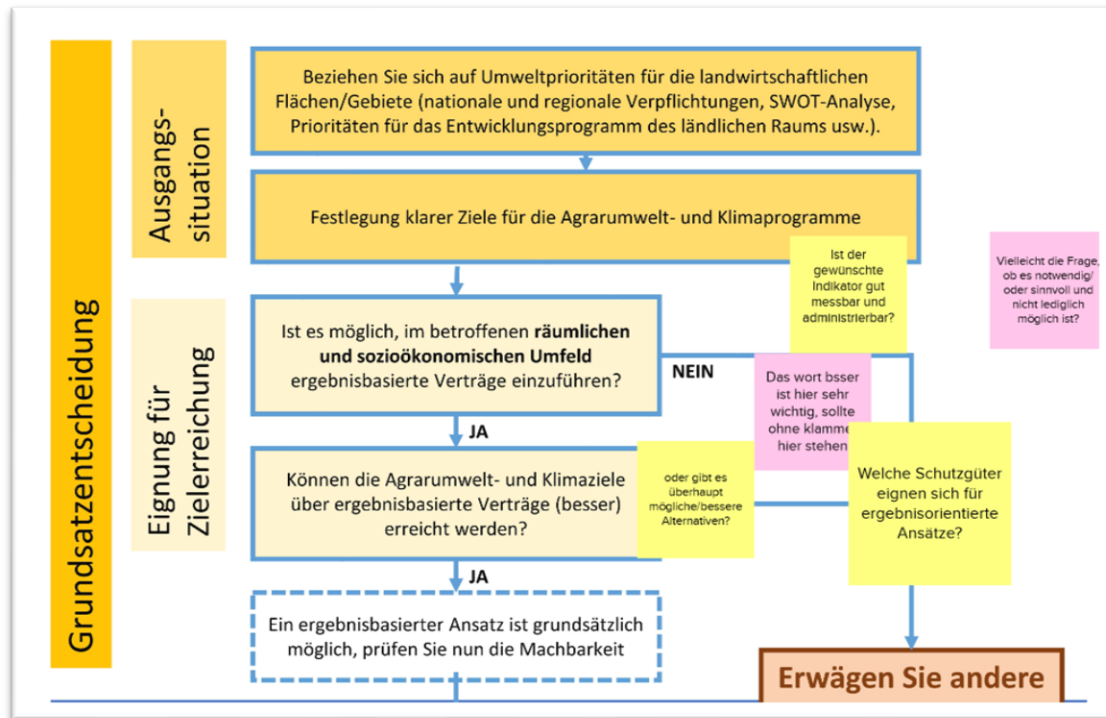
To facilitate and document the evaluation, a "mural" was prepared in advance.

Participants had 10-15 minutes to reflect on the decision tree and make comments directly on the mural.

For each of the four guiding questions, Post-Its were provided in different colours. The colour of the post-it thus indicates which questions of the 4 guiding questions are answered. The participants placed their comments at the points in the structure of the decision tree where a supplement/question or additional level was desired.

The results of the evaluation will be presented below along the 3 thematic contents of the decision tree [(1) fundamental decisions (2) Feasibility (3) Target group/acceptance].

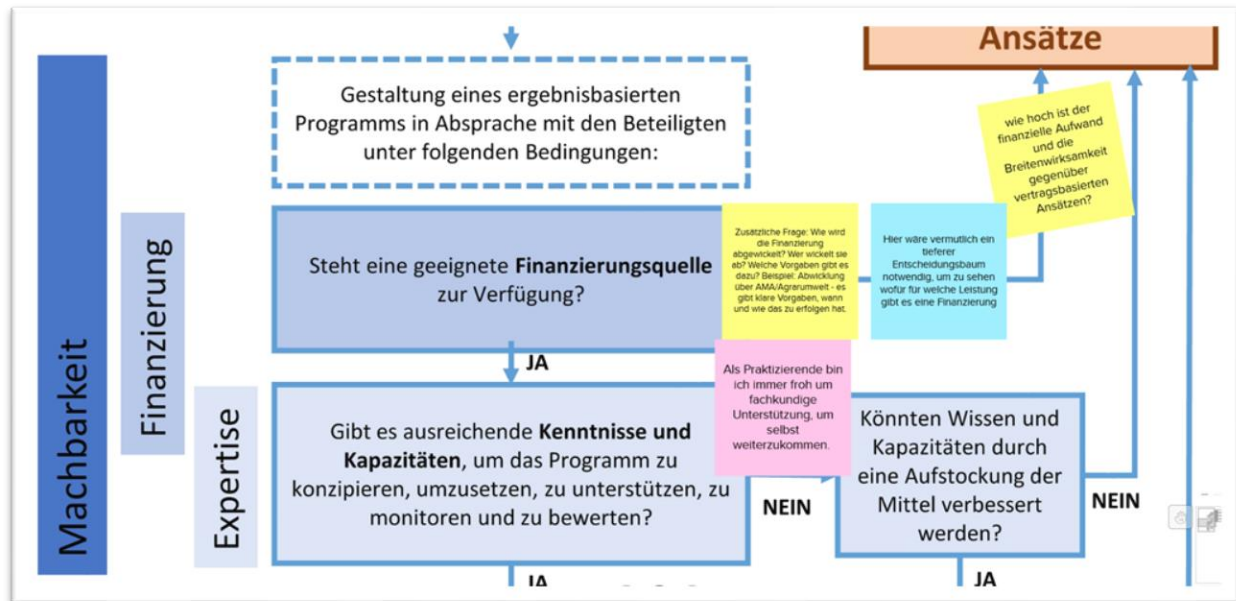
(1) fundamental decisions



In the part of “fundamental decision”, the following questions were raised and comments made by participants:

- Currently, the central question in the EB decision tree is whether a result-based measure is possible. However, an important question would also be whether a result-based measure *is useful or necessary*.
- Regarding the question "Can the agri-environmental and climate objectives be (better) achieved through results-based contracts?", it was similarly noted that the word "better" should not be in parentheses, as this question in particular is considered very important. Results-based contracts should bring an improvement in the achievement of agri-environmental and climate goals compared to existing measure-based programmes. In this step, it should generally also be considered whether there are fundamentally possible/better alternatives?
- The decision for or against a results-based contract always depends on the protected good that one wants to improve. Thus, the decision variable should also include which protected goods are suitable for the results-based approach in principle.
- The question of indicators should also be considered in the decision tree already in the decision in principle. Here, care should be taken to add a decision variable that deals with the question of whether the goals to be achieved can be mapped using a measurable and administrable indicator.

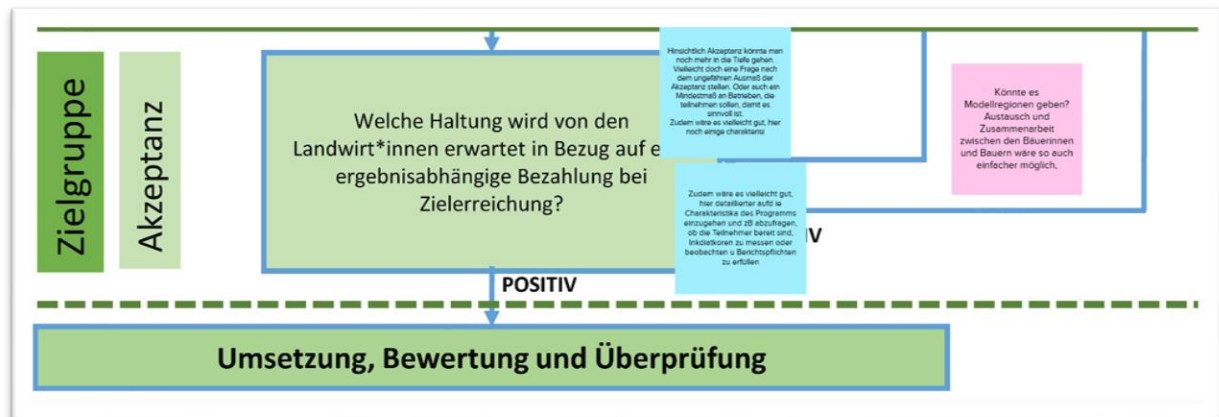
(2) Feasibility



In the thematic content point of feasibility, the following questions were raised and comments made by the participants:

- The decision variable on financing does not appear to be sufficient; a deeper insight is needed that also includes the administration of financing: Important questions are: "How is the financing handled? Who handles it? What are the requirements? (Example: for the financial handling of the state agri-environmental programmes via the AMA there are clear guidelines on when and how payments have to be made [annual payments, etc.]. On the topic of financing, a deeper decision tree is probably needed to see which financing is available for which service, how the processing modalities are set, etc.
- An important decision variable in the area of financing should check the cost/benefit ratio of the approach. Here, the advantages of the approach compared to measure-based approaches should be evaluated, whereby the financial expenditure and the broad impact should be considered in particular.
- On the topic of expertise, it was noted that this question is very important in the decision for or against the approach, because especially in the later implementation, expert support for the farmers implementing the approaches is very important for success and is perceived as good support.

(3) Target group/acceptance



In the thematic area of acceptance, the following questions were raised and comments made by the participants:

- Question on the extent/threshold of acceptance would be helpful. The question about a minimum number of farms that should participate in order for implementation to be meaningful could also be asked.
- The acceptance question should also focus more on the characteristics of programmes, as these strongly influence farmers' attitudes. Examples of such characteristics are: are participants willing to measure or monitor indicators and fulfil reporting obligations?

Final round and general remarks:

In the final round, the participants were asked to name the most important point from their point of view that should be considered in the improvement of the decision tree. The following points were mentioned:

→ In general, the basic decision should consider for which protected goods it makes sense to implement a results-based approach and where it would be more beneficial to introduce a different/measure-oriented approach. A cost/benefit analysis would be needed for this.

→ The question should not only be whether it is possible to implement a results-based contract, but also whether it makes sense. In general, there are many questions that need to be asked beyond that: For example, risks and side effects can arise. It does not always make sense to enter into a scheme with all the land on a farm. The boundaries and limits of a system should also be more strongly integrated into the decision tree.

→ A good possibility would be to create so-called model regions. To introduce more measures in a municipality or a limited area and to create a better exchange, a more targeted problem orientation and thus to be able to progress more quickly in the region. Regarding the question of expertise and the learning effect, it was noted that the latter is greatest when one exchanges ideas with others who are also faced with similar problems due to the regional connection and discusses problems directly "on the ground". (Moderator's note: This could also be included in the policy decision in the question on socio-

economic context: "What is the socio-economic and spatial context in which it makes sense?", as each area is different and faces specific problems).

→ The decision tree is heavily based on "yes" or "no" decisions on results-based programmes. However, results-based programmes can be designed in many different ways, so the focus should rather be on what kind of results-based programme should be implemented in each context.

→ On the question of funding, it should not only be assessed whether a suitable source of funding is available, but also in which framework it takes place: Public, private, rural development, etc. Depending on the funding source, there are also other specifications in the design and more or less strict requirements.

→ The decision variables on acceptance do not cover the issue, here the decision tree is too "flat". On the one hand, acceptance should be asked as a kind of threshold value: At what level of acceptance/willingness to participate on the part of the farmers is it worthwhile to implement this. On the other hand, the peculiarities/characteristics of the programmes should also be addressed, as they play an important role in acceptance. It would therefore be good to consider further details of a programme. Examples are: would the participants be willing to do self-monitoring, do they want to observe indicators, etc?

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

- The participants were very interested in the exchange, not only between us and them, but also among themselves, as we had a mix of people from the private and the public sector. We also offered them an opportunity to have a general discussion about the results-based system and they started to ask each other questions about how to deal with risks, etc.

Discussing this topic in a small and specific group was definitely the right decision, as each of the participants gave their opinion and a more in-depth discussion was possible than in a large

2 BULGARIA - Reporting sheet

Date of the event: 19-20/04/2022

Responsible partner(s): *Institute of Agrarian Economics (IAE), Association of Agri-Environmental Farmers (AAEF)*

Responsible person(s): Dimitre Nikolov

Number of participants: 7

Questions to be answered:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

We send the invitation letter to inform the participants for the CoP meeting agenda. We organised in two days meeting because of the participants' request. We prepared a preliminary document on PPP with the following contain:

- Description of the types of contracts for the provision of agri-environmental and climate goods. -
- "Choice of solution" scheme by type of contract.
- General framework for contract design and achievement of the final result (impact) of the contract implementation.
- Exemplary models of four types of contracts with basic characteristics.
- Scheme of different combinations between contracts.
- Case studies of four types of contracts

The contributions from the participants were got during the workshop. During the workshop results from the discussions between the participants were summarised on the flipchart.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

2.1 case study AUSTRIA: "Program for increasing the humus content in the soil" – result base contract.

2.2 case study FRANCE: HAMSTER – collective agreements for the conversation of habitat of the ordinary hamster - collective agreement.

2.3 case study BULGARIA - "The Wild Farm" organic farmers – value chain contract.

2.4 case study BULGARIA – "Conservation of grasslands and meadows of high natural value through support for local livelihoods" – land tenure contract.

The discussion was in all four types in-depth connected to relative case studies. The case studies were presented into details.

3. What AECs did you address? What was the reason for the selection?

We address to the following AECs:

- 2.1 case study – climate regulation-carbon storage, soil quality improvement;
- 2.2 case study – farmland – biodiversity;
- 2.3 case study (Farmland) biodiversity of rare breeds and ornithology species, quality and security of products;
- 2.4 case study Farmland biodiversity, landscape and scenery and rural viability and vitality.

The reason for the selection of the AECs were the specific situation in the country in combination with the different types of agri-environmental contract types for the national case studies and other from other EU member states.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

The main elements of the discussions were addressed to legal aspects.

1. In the collective type of the contract was discussed the lack of trust between the Bulgarian farmers
2. During the discussions were mentioned that in the practice is more suitable to implement the hybrid types of agri environmental contracts.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

The draft design guide and decision trees are very helpful for understanding the process. We found some connections and offers for improvement of all the decision tree schemes, as followings:

1. Into decision threes schemes in all contact types was arise one suggestion concerning the step “Design collective scheme in collaboration with farmers and stakeholders” and “Include flexibility in scheme design” in option “Possible” to connect with the next step “Is a suitable funding source available?”. This suggestion is that not necessary to connect with last step “Implement, Evaluate and Review” .
2. The last step “Implement, Evaluate and Review” to be connected with step “Design collective scheme in collaboration with farmers and stakeholders”.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The core members of the CoP were very ambitions and considered in-depth each of the contract types. They were carried out the discussion and did comments in each contract type decision tree schemes. Each of the discussion was ended with common understanding of the relative contract type.

3 FINLAND - Reporting sheet

Date of the event: 19th of May (15:30-18:00)

Responsible partner(s): Luke

Responsible person(s): Mikko Kurttila, Katri Hamunen

Number of participants: 6

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

In landowner survey (WP3), we had a choice experiment (CE) part. In CE, forest owners were asked about the willingness for result-based carbon sequestration in their forests, compensation requirement, and term of contract that they preferred (duration, need for carbon forest plan). Similar kind of composition/settings was presented for farmers in their survey. This part of the questionnaire (both farms and forests) was presented as a case example at the beginning of the meeting. Two of the participants acted as pilot respondents in the landowner survey, and this topic was familiar to them.

The notes of from the discussion were circulated afterwards with the participant and they were able to comment or add something if needed.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

We addressed for result-based contract type and carbon sequestration. Carbon sequestration, measures to increase sequestration and ways to compensate it for private forest owners, are very topical in Finnish forest sector. New service provides that offer compensation services for private actors (individual, companies) have emerged during the last years, and some of these service providers are co-operating with forest owners (e.g., greencarbon.fi). Result based contract type and features of it are becoming more relevant e.g., due to requirement of additionality that is needed at least when the funding for carbon sequestration is coming from private sources.

3. What AECPs did you address? What was the reason for the selection?

see previous answer

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

- In forestry, the draft of new state aid rules by the European Commission seems to offer new possibilities to implement result-based and collective schemes in forestry (see Del 3.3.). In farming sector, it is still examined/unclear if the result-based model would be possible to implement in Finland with public funding (step 3), although results-based payments can be compatible with WTO and CAP rules.

- It makes a big difference whether the funding comes from public or private source. With private money there are no restrictions, but ability to prove increase in environmental quality (additionality and avoidance of leakage) is important. If the contract is publicly funded, self-monitoring was not seen as a possible solution.
- Decision tree does not include cost-benefit analysis (or consideration) from landowners'/-managers' or government's viewpoint. What would be the final costs and benefits for farmer, forest owner or taxpayers? Is the compensation enough from the land manager's viewpoint? Could this be included somehow?
- It is important to consider costs of measuring the result. In addition administrative and capacity building costs must also be taken into account and total costs and benefits compared against other potential measures to desired ends
- It is important to consider external effects before using the contract developed (e.g., potential crowding-out effect and impacts to social capital of the community (not only farming community as in the scheme below).

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

- In principle decision tree model is functional. The questions in the decision tree are now in rather general level and the surplus of the decision tree model compared to check-list type of presentation is unclear. I think that above mentioned elements could easily be integrated with the scheme and so get more surplus out of it.
- According to discussion, the decision tree does present things that need to be considered when planning result-based contract type. First part of the tree (policy decision) is clearer than the second part.
- The distinction between the first part (policy decisions) and the second part (feasibility) of the tree are not clear enough (Lena's German version was better).
- The major comment regarding the decision tree was that many steps were not seen successive but parallel (e.g., funding, knowledge & capacity, attitude of farming community), and they need to be pondered simultaneously. Funding is one of the key issues that could be one of the first steps to discuss.
- There was a lot of discussion that to whom this decision tree is meant, who are the users of it? For landowners/-managers this would be too difficult. Consultants don't need this kind of aid since they use their own methods. For the experts, this might be even too simple.
- It was also discussed that for different purposes different kind of decision trees would be needed, e.g., decision to use a result-based model in one pilot case or developing a system for larger area (the whole province, country).
→ Would it be possible to describe at beginning of the tree that for what type of planning level and for what type of users the decision tree is meant for?
- At the end of the decision tree, there could be piloting/testing phase and in a case that the piloting phase provides negative outcome for a larger scale implementation, the arrow could be returned to "Consider other approaches".
- The decision tree gives only yes/no answers. In practise, contracts that are partly based on result-based models e.g., result-based bonus, are likely. **THIS IS IMPORTANT!**
- There are two questions in one step (step 4). It would be better to keep them separate to be able to give yes/no answers.

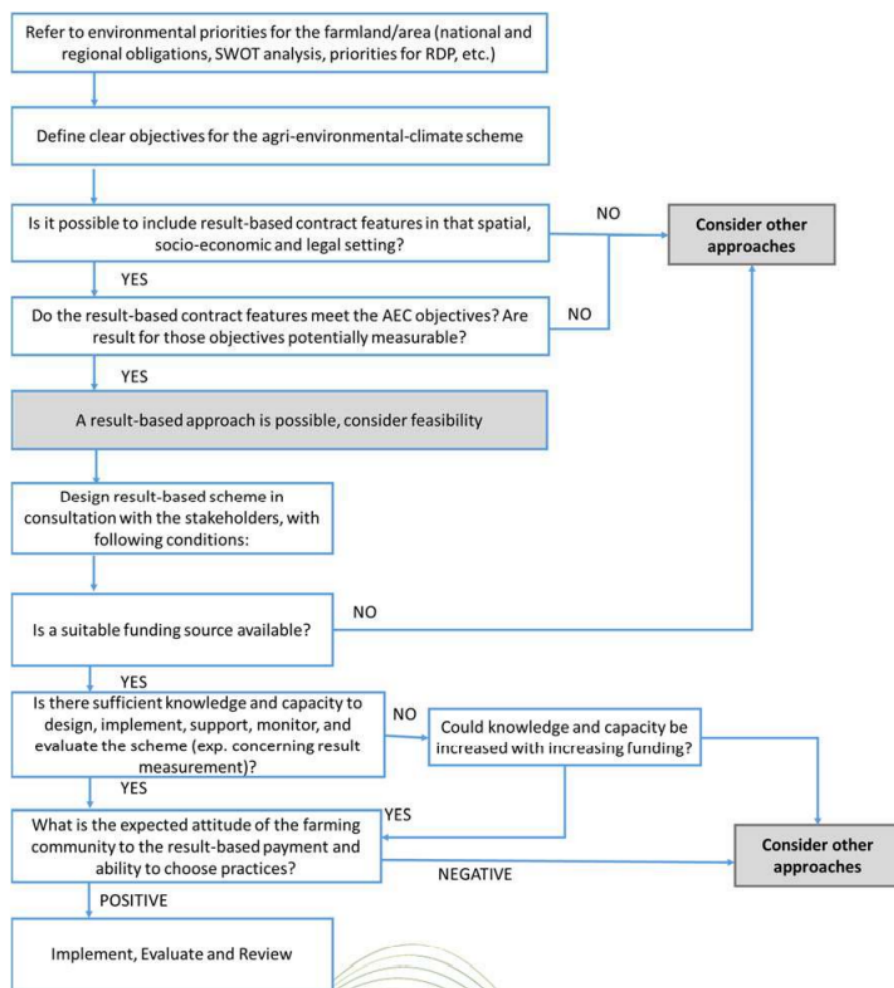


Fig 6 Decision tree for designing results-based schemes

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous). -

Date of the event: 12/05/2022

Responsible partner(s): TRAME and INRAE

Responsible person(s): H  l  ne Paillard and Alice Issanchou

Number of participants: 10

Questions to be answered:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

We provided the participants with a document containing some of the diagrams and decision trees proposed in the short design guide, in particular those related to the result-based and collective contracts (see attached). We have translated the diagrams in French.

We did not collect other written input besides the output of the workshop.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

Collective and result-based contract types, with a bundle of AECPGs. It is connected with the contracts that are experimented within the local COPs.

3. What AECPs did you address? What was the reason for the selection?

We did not address specific AECPGs, since in our local COPs, farmers aim at addressing a bundle of AECPGs. Indeed, most of them are interconnected. Hence the combination of collective and result-based contract types: for numerous AECPGs (water quality, quantity, biodiversity, landscape...), an efficient provision requires a critical mass of farmers, and a collective contract can favour participation and coordination among participants.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

We discussed the diagrams presenting the main features of the model contracts.

We propose to explain in the diagram the importance of the results in the characteristics of the result-based contract and specify what is non-compliance in this case. We also suggest to indicate that for this contract it is the obligation of result to achieve the environmental objective in terms of ecosystem services which is addressed. The characteristic of results should rather be included in the objectives.

The duration of the contract is decisive for a performance-based contract.

Possible to put water in the RB contract.

Others participants are not comfortable with the fact that we are talking about public goods: how can an individual solve the problem or have an impact?

There is something missing to have a common language on what the type of services can represent concretely – biodiversity or climate regulation, it is very broad. When we present this, what indication for environmental ambition?

Non-compliance can lead to the termination of the contract, but obviously this is not always the case. Maybe this is written because we don't want to break a dynamic, for example collective, but doesn't that diminish the environmental value of the PES?

Not everyone understood the same thing with noncompliance: noncompliance in relation to what? to the PES objective? to the obligation of the contract? which ?

Collective contract: the device could also include private funding. Important to specify what flexibility means : flexibility in the implementation ? Sanctions should come last in the diagrams.

The category “conditions of participation” should be indicated upstream, after the category “actors involved”.

Comment about the results-based contract: it is a modality and not a type of contract; in any case, an individual contract can be either results-based or means-based.

Add two lines Interests/limits for each contract type to include in the short guide, also maybe a short example (in 3 lines).

For one participant, RB and CO contracts are inseparable: if someone locally does something and all the neighbors do the opposite, there will be no environmental results. What is local/individual is necessarily a contract based on means (practices), while the quantification of results is necessarily collective (ie to obtain measurable environmental results you have to be on a larger scale, with a collective effort). The combination is essential. The PES risks losing its meaning in terms of environmental effectiveness.

In RB why are farmers not allowed to have other contracts? Is it observable? Is this even possible? As long as it is not contradictory ? This does not seem generalizable.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

General “decision tree”:

Very public political prism: not suitable for companies for example. Is it voluntary? Who is the guide aimed at? Practice? Reading through the “innovative” prism of private financing, and for these actors, these documents are not necessarily easy to read. The characteristics of the contract should come much further (after the feasibility): there is a mix between what induces the choice of the contract and what results from it.

Regarding the arrows in the diagram : arrows in both ways? or no arrows? Otherwise, it suggests a chronology within the different items. Is it the case ?

Public goods rather than environmental goods?

Decision tree for the collective and result-based contracts :

Is the box "include flexibility in the device" missing something? the arrow goes straight down, maybe schematize it differently?

Regarding the box "What is the expected attitude of the farming community to the risks of collective working? " Maybe it should go after "a collective approach is possible" ? Unless it is the acceptability of the risk? payment risk? are we really talking about the agricultural community at large? Not just the collective involved? Maybe clarify that.

Steps 2 and 3, it is good to propose to re-examine the environmental objectives to be achieved.

For the box "Other approaches": is it other types of PES?

For this kind of diagram, there is normally an entry point, it should be made explicit, the same for the exit point. And there is a difference between the activities and the questions we ask ourselves. Either it's just a question, or there's an extra activity.

Activity = rectangle, and question = kind of diamond-square, which makes it possible to distinguish what will take time and what will make it possible to switch/ to make a decision to stop or go.

The box "is there any knowledge.... »: is it explained elsewhere? Otherwise a lot of things are mentioned. Besides if time is necessary to have more knowledge, will the actors remain mobilized over time? Maybe it should also be considered or mentioned somewhere ?

Maybe there should be a diagnosis on the actors of the territory in parallel with the environmental diagnosis, so that the environmental priorities are also accepted by the other stakeholders: moment of appropriation by all the actors.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

Feedbacks regarding the decisions trees, considering the COP itself.

In the approach taken in our COPs, the attitude of the agricultural community was at the top, and it could be almost in parallel of some stages that require that there is a collective decision.

Who defines the clear objectives? It is a recurrent questions in our COPs. If they are also the buyers, should they be involved earlier? It is not easy to involve them at the right time: in our COPs it seems that they were involved too late, but were they mature before? It takes a minimum of inputs on the objectives and things to do before presenting them. On the other hand, the premise in our COPs was to have contractual solutions designed at the initiative of farmers. For us, the definition of clear objectives was done through meetings with different actors. Today in our COPs, there is a level of detail that we can provide to potential buyers.

Nevertheless, you also need to have fairly clear objectives before going to see the funders. If local actors validate the offer, this adds credibility to the process and facilitates the search for funders. In the diagram it is a little too disembodied, we do not insist enough on the fact that it must be a unifying project that allows us to move forward together and to take the steps.

In our COPs, we have seen the distinction between the demand in environmental goods and the potential buyers of such services. These may not be the same actors.

5 GERMANY - Reporting sheet

Date of the event: 23.05.2022 from 13:00 till 14:00

Responsible partner(s): Thünen Institute

Responsible person(s): Tania Runge

Number of participants: 3

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

One week before the online-meeting a ppt presentation with some explanations and selected figures from the draft short design guide translated to German has been send to the participants. The figures included as slides were: the general framework for contract design, potential combinations of selected contract features, model contracts for the four types based on an individual contract feature, the decision tree for contract types and finally the decision tree for designing land tenure schemes (split into 3 phases: decision in principle, feasibility, target group). No written input has been collected.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

All four contract types were briefly presented using the figure with the potential combinations of the four CONSOLE contract types. The in-depth discussion was about the land tenure contract with environmental clauses with the two interview partners being engaged in the Greifswalder Agrarinitiative (GAI) that targets tenants of publicly owned agriculture land.

3. What AECPs did you address? What was the reason for the selection?

The focus was put on biodiversity and nature protection as this is the core topic for the initiative while overall sustainable land use has been addressed as well.

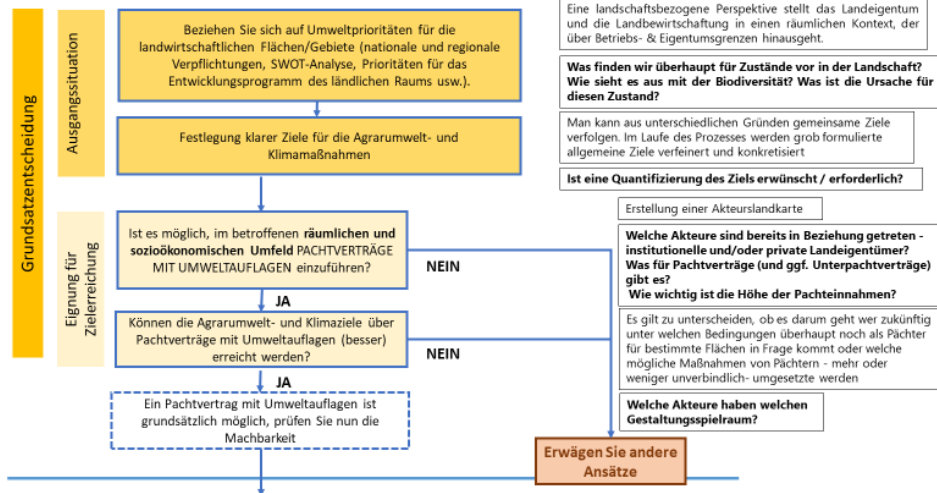
4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects / elements to be added or amended?

The discussion started with the figure that displays model contracts for the four types based on an individual contract feature, but only the box for land tenure was looked at in more detail. Here it has been said by the participants that the empty cell for sanctions should be filled by "Non compliance leads to non-renewal of the contract". It has been discussed that an early termination is legally difficult, but that there should be somehow a sanction mechanism. Regarding monitoring it has been mentioned that support from science (and students) is used to carry out at least a minimum monitoring of rented land with some management prescriptions. When it comes to the GAI initiative it has to be noticed that the engagement of the farmers goes beyond the rented land parcels themselves. They sign a self-commitment where it is stated that they undertake efforts towards sustainable farming.

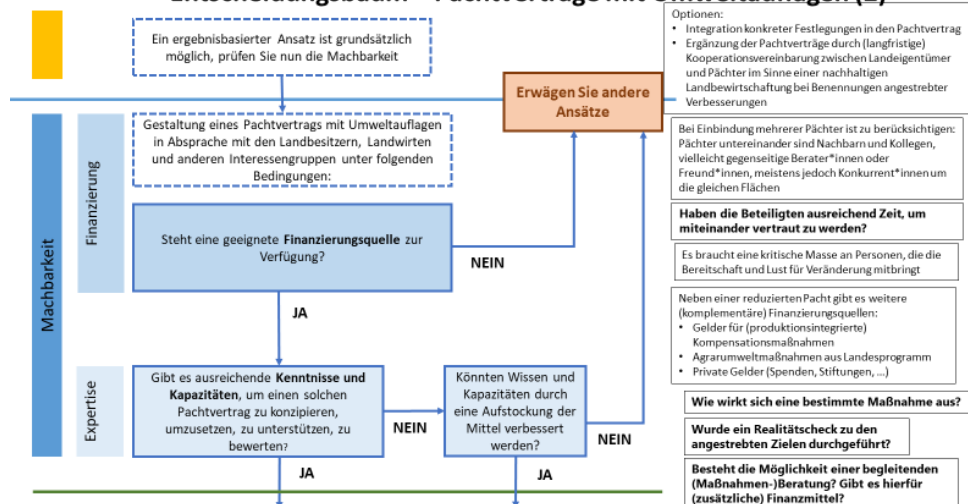
As next step, the decision tree for land tenure contracts with environmental clauses has been discussed. This was done taking advantage of the fact that for the GAI initiative a guidelines document has been established. In order to prepare the discussions from that document some leading questions and statements have been put alongside to the boxes of the decision tree and discussed in view of their position, content and relevance. It quickly became obvious that the general structure of the decision tree

has been appreciated with its three parts: decision in principle, feasibility, target group, but that farmers as key actors are addressed too late.

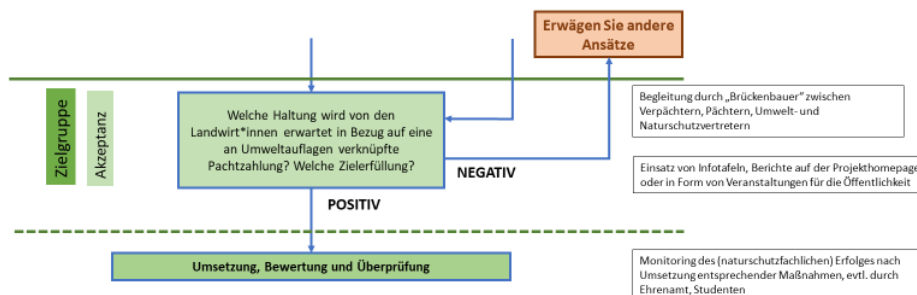
Entscheidungsbaum – Pachtverträge mit Umweltauflagen (1)



Entscheidungsbaum – Pachtverträge mit Umweltauflagen (2)



Entscheidungsbaum – Pachtverträge mit Umweltauflagen (3)



Technical aspects were not addressed while legal aspects have been discussed as they heavily influenced the shaping of the GAI initiative itself as well as the content of the land tenure contracts. The creation of an association supporting the implementation of land tenure contracts with a focus on environmental

sustainability at regional is seen as crucial to ensure duration beyond the project funding period. Another legal aspect that has been addressed by the representative of the city of Greifswald was to what extent management practices are to be prescribed in the tenure contract itself. This is legally relevant in two respects: the rule of no double funding (of relevance as the land owners in the GAI are public authorities) and the revenue foregone for the public purse itself. Therefore, a balance has to be found between farming restrictions and lease cost for the land. It has been highlighted that it is necessary for public entities under municipal law to achieve a certain lease price. Besides the responsibility to valorise the property that is in the hands of the public sector in order to generate public revenues there is also the state aid law to be respected. A reduction of the renting price might be perceived as government grants given to farms as private entrepreneurs. Regarding the double funding it was mentioned that farmers should remain eligible to engage in agri-environmental commitments to be financed inter alia with EU funds. Therefore, the obligations fixed in the land tenure contracts have to be different from the voluntary engagements of the farmers. Here, it became obvious that the self-declaration is a crucial element as farmers engage to undertake efforts for a (more) biodiversity friendly management on the land they farm by signing them independently from the lease contract itself. It was even emphasised that the objective is to not reduce the lease price, but to facilitate access to dedicated funds for sustainable farming, besides the EU co-financed AECMs also private initiatives like AgoraNatura which is a private (online) biodiversity certificate market (<https://agora-natura.de/produkt/moorfroschinsel-bei-alt-negentin/>). Also, the contracts contain a clause regarding subleasing to make sure that the land is managed in line with GAI principles. Another more legal-technical aspect is that the GAI is aiming at testing an alternative to reduced rents. There is the will to set up a special purpose budget at level of the city of Greifswald for sustainability measures, so that instead of a reduced rent, farmers get directly paid for dedicated environmentally friendly practices – this is seen as legally easier to handle. By both participants it was highlighted that it is “learning-by-doing” and that all GAI partners still accommodate their common approach where the GAI association with tenants and land owners as members and its advisory board plays a crucial role for taking basic decisions.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

The decision tree was seen as helpful to structure the approach, while the late mentioning of farmers in the decision tree – being the core actor for its successful implementation - was seen critically. Yet it needs to be made clearer, is to whom the decision tree is addressed. It was seen as positive that in the decision tree key aspects for a successful implementation were highlighted and that in case of a “No” alternatives need to be looked at. This “no” does not automatically mean that land tenure is not an option at all, but that adjustments for its functioning are required (see example of legal and financial decisions in view of a successful GAI initiative).

Regarding the decision in principle for the GAI initiative, initially it was foreseen to carry out a SWOT-analysis, but as this is quite challenging, in particular if all 4 areas have to be filled out, it has been decided to focus on the strengths. In order to gather this information at individual farm level, it has been decided that farmers engage in a nature protection assessment at farm level as a prerequisite for further negotiation of land lease agreements from the public entities engaged in GAI. In order to enable them to do so, farmers were supported to apply for dedicated public EAFRD funds, so that an assessment could be carried out by a nature expert without implying cost for the farmers. This concept contains concrete farm-specific proposals already taking into account farmers social and economic constraints (“what is possible”). It is explicitly not a pure nature conservation concept. The concept agreed by the farmer is then handed out to the land owner (e.g. the city of Greifswald) and is then used as starting

point when looking into options for biodiversity and overall sustainability improvements on land to be rented out (again).

Somewhat the willingness to engage in nature protection is still limited – for both sides public entities owning farmland and the farmers – and therefore already in the early phase a stronger engagement of the farming community, but also the lessors is seen as being important. In the decision tree the question about acceptance from farmers' side comes too late and possibilities to increase their willingness to engage like accompaniment by "bridge builders" between landlords, tenants, environmental and nature conservation representatives, as well as the use of information boards, reports on the project homepage or in the form of events for the public are seen as helpful.

In addition, it was recommended to develop a check list with some key questions to be addressed when deciding about implementation of tenure contracts and their design. This was seen as being helpful and giving more flexibility regarding the order of aspects to look at. Such additional questions might be: decision in principle: What is the state of the landscape? What is the situation with biodiversity (or other AECPGs)? What is the cause of this state? Is quantification of the target desired / required? Which actors have already entered into a relationship - institutional and/or private landowners? What kind of leases (and sub-leases, if any) are in place? Feasibility: How important is the amount of lease income? Which actors have what room for manoeuvre? Do those involved have enough time to become familiar with each other? What is the impact of a particular measure? Has a reality check been carried out on the intended goals? Is there the possibility of accompanying (measure) advice? Is there (additional) funding for this? Target group /acceptance: Is there the will to talk together? Is the owner of the land willing to make a long-term and continuous commitment? (Land leases are usually negotiated once every 12 (6) years).

While at the start of GAI it was particularly burdensome to persuade farmers to engage, now pride grows in participating.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The small number of participants allowed an intensive and very much focussed exchange on land tenure contracts. The fact that no tenant was present could be seen as a weakness.

6 IRELAND - Reporting sheet

Date of the event: 20th April 2022

Responsible partner(s): University College Cork, Ireland

Responsible person(s): Prof. Thia Hennessy and Dr Tracy Bradfield

Number of participants: 1

Questions to be answered:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

A copy of the decision tree for results-based contracts was circulated at the time of inviting members of the BRIDE project to the event. The BRIDE project is one of the case studies listed on the CONSOLE website (<https://drive.google.com/file/d/1skp1bQfUr72swV6ZMb7xv579xOHONrc7/view>). While 3 – 5 members were expected, there was only one participant at the event who is both the project leader and an active farmer. He provided great insight into the design, workings and challenges of AES contracts with discussion focusing on the practical workings of the BRIDE project in particular. Although the decision tree was circulated in advance of the workshop, the participant's input was only recorded during the event.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

Results based contracts were discussed in-depth and it was mainly in relation to the BRIDE project. Collective contracts were briefly discussed as an alternative to results-based contracts for the BRIDE project. However, results-based contracts were the dominant topic of the workshop.

3. What AECPs did you address? What was the reason for the selection?

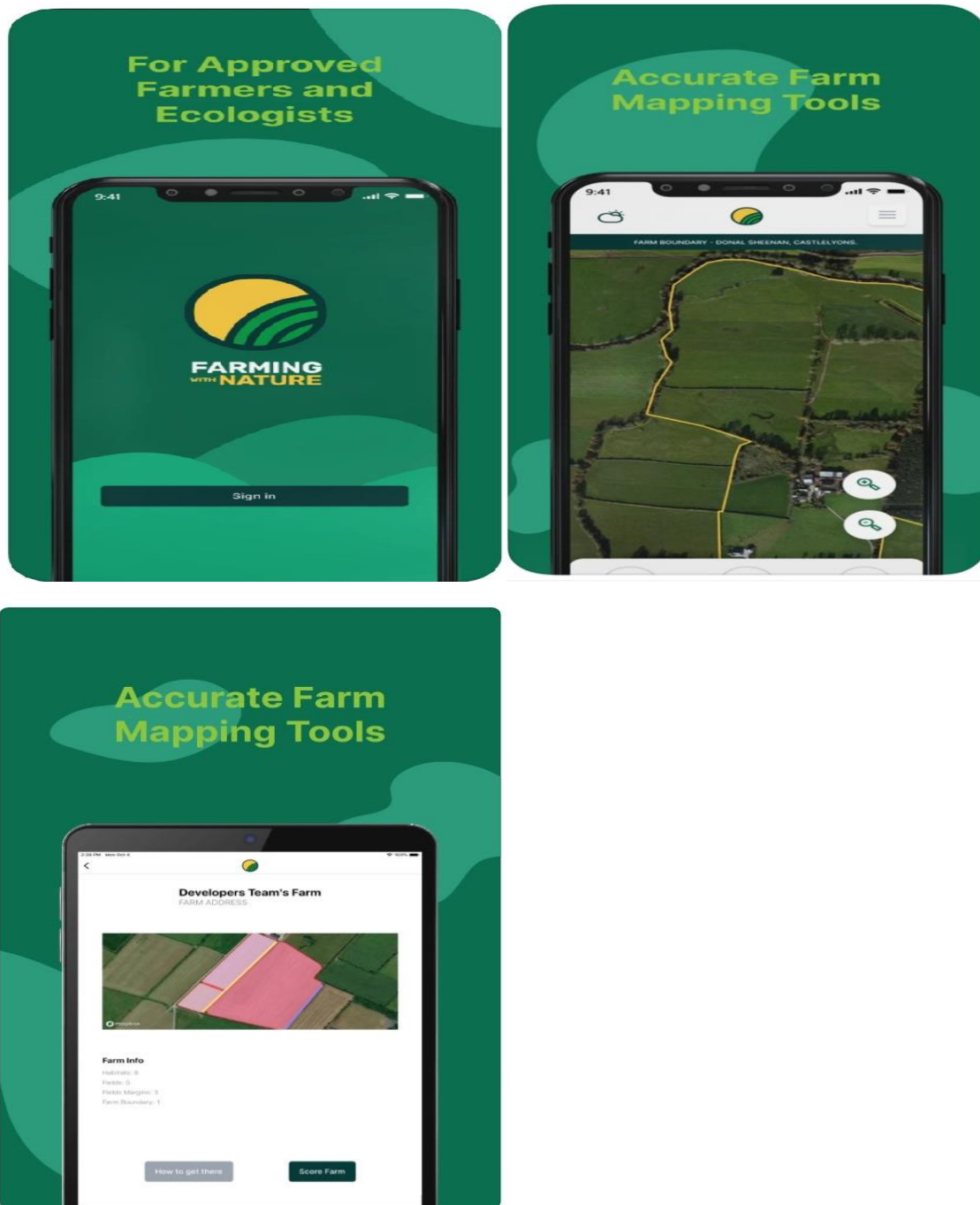
The workshop focused on improving biodiversity as this is the main goal of the BRIDE project. However, other AECPs can be improved through such schemes, which was noted.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

The decision framework for results-based contracts was discussed in entirety. In terms of legal or administrative aspects, the project leader advised that he's grateful that the project staff and farmers have considerable independence. Aside from reporting financial details to the funder, the farmers and project staff feel that they have control over how the project's objectives are achieved. The success of the project can be attributed to this.

In terms of technology, the project staff have developed an app called Farming With Nature which provides detailed maps of farms and their structure e.g. land for grazing, hedges, margins, space

allocated for nature etc. The app is an efficient way for farmers to record biodiversity on their farms which reduces monitoring costs. The app is available on both Google Play and the App Store.



5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

Yes. The participant reviewed the decision tree for results-based contracts and noted that the initial step for the BRIDE project was to get collective agreements from all farmers in the area. This is because, although farmers are measured on the results of actions on their own farms, collective

action is required to improve biodiversity in the area. With this in mind, the decision was made to design results-based contracts under the principle that, for example, if a particular bird is found on a farm, there must be a reason why it is there. Following the step of 'Define clear objective for the AECS,' the participant stated that getting the message of the project across to the whole group is important. This also involves making sure that contracts are tailor made to farms as the scheme's participants are operating different farm systems. This means that a target for one farmer may not be applicable to all.

When targets are being negotiated, they have to be very clear. For example, bird boxes must be in specific location and target certain species. This is an aspect the workshop participant felt that previous action-based contracts failed to achieve.

In relation to the two steps in the decision tree that ask 'Is there sufficient knowledge...?' and 'Could knowledge and capacity be increased...?', the participant highlighted that farmers' knowledge of biodiversity and ecology is generally poor. One example of this was the surprise some farmers experienced when they received their score card after one year of biodiversity measures. It became apparent that many didn't fully understand the biodiversity measures. The participant noted that improving knowledge is an ongoing process, rather than fixed at one point of the decision tree, and farm advisors and processors would be best placed to increase knowledge. It was also noted that, in many cases, ecologists have a better knowledge of how nature can be managed to improve productivity rather than to protect biodiversity. A reason for this is that productivity has traditionally been the focus of farmers and ecologists have focused on meeting the demand for this type of knowledge. This, however, is expected (and hoped) to change as farmers become more conscious of the environmental impact of their farming practices.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The participant feels that the Irish government should commit to paying farmers to maintain 10 percent of their land as designated space for nature which is in-line with EU objectives. From this, other farmers could gain similar benefits to those of the BRIDE project, and it would ensure that all regions are contributing to protecting biodiversity.

7 ITALY (UNIBO) - Reporting sheet

Date of the event: 4/05/2022

Responsible partner(s): UNIBO

Responsible person(s): Davide Viaggi, Stefano Targetti, Emilia Pellegrini

Number of participants: 10

Premise:

The workshop hosted two representatives of the Life agriCOLture project (<https://www.lifeagricolture.eu/en/>) who presented their activities which are briefly summarized below. Moreover, they were asked to explain how they used the framework and decision trees developed by CONSOLE to support the elaboration of their collaborative agreement.

Life agriCOLture project:

The project tested and evaluated a set of good practices on 15 pilot farms located in areas that are particularly representative of the geographical and pedoclimatic context of the Emilian Apennines. The good practices are indicated by scientific research as effective for protecting soil organic carbon and for reducing GHG emissions.

The results collected with the pilot farms are used to create the “Pact for Soil”. The latter is an innovative territorial contract for the production of agro-climatic-environmental services, notably increasing carbon stock and reducing soil erosion. The contract is a collaborative agreement between institutions (e.g., Land and Reclamation board, national park) and livestock farms. On one hand, farmers commit to selecting and implementing some good practices for soil management within a kit of about 63 practices identified by the project Life agriCOLture. On the other, institutions provide farmers with technical and financial support. Moreover, by engaging a wide range of public and private actors, the Pact for Soil aims at creating a new territorial governance able to promote sustainable soil management.

Hence, the CONSOLE framework and decision trees were used to reflect on the development of the Pact for Soil.

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

Deliverable D1.4 short version was circulated before the meeting.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

Decision trees related to Result-based and Collective schemes were addressed during the workshop. The type of contracts developed by the Life agriCOLture, in fact, can be considered a combination of these two types of contracts.

- Result-based: a pure result-based was considered not feasible in the case studies conducted by the Life agriCOLture. Stakeholders highlighted that, even when good practices are implemented, this cannot guarantee that results are achieved (e.g., an increase in carbon stock). The Pact for Soil, instead, could be considered a result-oriented scheme because payments are not linked to the results but to the adoption of good practices selected from the set of 63 practices. Notably, payments should be based on a fixed component linked to the commitment

of farmers to implementing good practices, and on a variable component related to the number of implemented practices.

- Collective schemes: cooperative dairies and social cheese factories characterize the livestock system of the Emilian Apennines (i.e., the target of the Life agriCOLture project). For this reason, there might be the possibility to develop the Pact for Soil also as a collective scheme. They also made a concrete example of how collective approach could work in the Emilian Apennines. Some farmers, in fact, flagged to the local Land and Reclamation Board that they were suffering from severe soil erosion. Consequently, on one hand, the Land and Reclamation Board committed to investing financial resources for reducing soil erosion, on the other, the board asked farmers to adopt a kit of good practices to improve the delivery of AECs. In this territory, subsidiarity and reciprocity could be key principles to create collective agreements with farmers.

3. What AECs did you address? What was the reason for the selection?

Increasing carbon stock and reducing soil erosion.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

Questions 4 and 5 were answered together.

As said, the Pact for Soil is still under development and the decision trees were used by the Life agriCOLture to reflect which aspects should be considered while developing new territorial contracts. They made a step-by-step compilation of the decision trees, trying to fill each box with the characteristics of the Pact for Soil. Thanks to this exercise they could understand that the Pact for Soil can be considered neither a value chain nor a land tenure contract, while it shows characteristics of both result-based and collective schemes. Moreover, it was useful to reflect on key aspects, such as funds' availability.

During the step-by-step exercise, however, they realized that some characteristics of the Pact for Soil are not consistent with result-based schemes: even if monitoring is foreseen by the project, payments cannot be linked to the results. One refinement could be to include in the decision tree some options that explicitly consider result-oriented approaches when payments are based on variables other than the results.

Another aspect raised by many stakeholders was the presence of a public entity that has the capacity to control and monitor the results. In the case of collective schemes, the public entity should ensure that the activities conducted by each farm contribute to the achievement of the overall objective. The clarity of the objective is, indeed, very important.

The pilot case studies of the Life agriCOLture project also show the importance of considering the existing social structure of the territory. Exploiting the opportunities of the existing cooperative farming system through pilot studies is a key aspect for designing contract solutions.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The stakeholders found the workshop very useful. They appreciated the hybrid format (in presence and online) and that the workshop was organized with a small group of experts. In this way, everyone could talk, and the interaction was open and fruitful. Project partners of both CONSOLE and the Life agriCOLture considered the link between the two projects as a satisfying and useful outcome.

8 ITALY (UNIFI) - Reporting sheet

Date of the event: 02/05/2022

Responsible partner(s): UNIFI, UNIFE

Responsible person(s): Daniele Vergamini, Fabio Bartolini, Matteo Olivieri, Maria Andreoli

Number of participants: 9

Questions:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

We circulated a synthesis of CONSOLE results and activities carried out so far, the main goal for the third CoP event and the methodology applied. We didn't collect any written input outside the workshop. Some of the participants to the CoP event participated also as experts during the stakeholder survey.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

We started from the discussion of the CAP reform, with a focus on how this policy will tackle the issue of provisioning public goods by agriculture. By looking at the greater inefficiencies of past programming we introduced the topic of new contracts. Then the CONSOLE objectives and main activities were explored, and results were introduced. We then decided on which contractual categories to focus the discussion. Based on different experiences, we tried to discuss all the aspects related to the design and implementation of the contracts. We then analysed the decision trees for these contractual categories, and we discussed in search for open issues that were not included in the current designed process. We mainly focussed on Collective agreements and Result-based approaches. The discussion about collective agreements was related to the ITP project of the Elba Island. Unfortunately, COVID, Russian Invasion and other problems make the "experimental" experience not closed (pilot level). The ITP helped us to start the discussion that then moved away from the specific case study and focussed on the analysis of the contract type. The participant also underlined the importance of case-study areas as laboratories for innovative contracts. This may be added to the design guide of the CoP. Furthermore, they underlined the importance of the two less used contracts for future scenarios (land tenure and value chain solutions). For example, in Emilia Romagna there is an example of land tenure and value chain contract (Consorzio Uomini di Massenzatica) based on the public-private interface is managing salty soils. This Value chain solution can be useful to guarantee supply chain control and public-private participation. A participant underlined the possibility to use Land tenure to put cultivation obligations on land through ownership contracts. This for the need to guide the cultivation of the fields to avoid the use of valuable agricultural land for photovoltaics, for example. It is necessary also for landscape protection. In the end, all the participants stated that the contracts and their intersections can broadly satisfy all the necessary environmental interventions at landscape level.

3. What AECPGs did you address? What was the reason for the selection?

As a first step, we drove the discussion to find a common environmental objective and about the way this objective is usually defined at the design level within RDP programmes. When we asked what the key objectives for the next programming can be, the participants replied underlining the problems of the current programming period. The first objective is to reconcile time, simplicity, and integrated territorial planning. This is important for example for multi-objective measures like the ITP of the islands (a kind of collective approach), a measure that started around 2016 and in the middle of 2022 is still going on. Safeguarding and protecting the landscape is one of the objectives that can best be taken up for the new program. The participants underlined these AECPGs as the best to address in the future and in the CoP event. This was not surprising, because in Italy we have a particular awareness of the farmers' custodians' activities on the landscape. One of the best examples regarding our sample area is the Liguria region with the dry-stone terraces' maintenance. Environmental agro-climatic interventions promoting the recovery of abandoned land (olive trees) are included in the national strategic program for the future.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects / elements to be added or amended?

We addressed both technological and legal aspects. The CoP talked about every type of contract analysed in the draft framework. The discussion was more focussed on the result based and collective implementation contracts. The participants showed also good ideas about land tenure and value chain solutions. They said that a contract integrating elements of result based, and collective implementation can be of great importance to improve the actual situation. They underlined the need to find more satisfactory instruments to quantify the results of a measure rather than to find new objectives to pursue. It is easy to find new objectives, but the toughest part in the process is the quantification of the results without strong indicators. The participants underlined the need of adequate preparation and knowledge for the farmers to be autonomous in the quantification and optimization of the results. The experts highlighted the problem related to the transfer of knowledge between the institutions and the farmers. They said that in the past there were activities such as meeting and lessons able to guarantee the transfer of knowledge. Today farmers associations help the farmers in their economic and agricultural activities, but they do not care to improve the farmers knowledge.

Passing to the legal aspects, CoP participants underlined the need of a reform to simplify the bureaucracy and to slim the procedures with the same controlling activities. They used as an example the problem of the integrated territorial project as regards administrative tasks and procedures. In fact, although several ITPs started in Tuscany, no one has concluded its activities, yet. A Participant from the Tuscany region stated that an area-based difference in the regulation is crucial, although differentiation must not complicate too much the measure progresses. The participant also underlined the importance of case studies areas regarding innovative contracts. This may be added to the design guide of the Cop.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

The decision tree was helpful to organize the discussion and drive the meeting without losing time. However, in our meeting we tended to stimulate the participants as much as possible leaving to them the possibility to talk about different contract-related problems. It is always useful to have a roadmap to utilise without getting lost in these types of meeting. In the CoP starting ppt there were a lot of interesting points of view; however, we limited a bit the total number of slides and simplified the table to focus on the most interesting aspects. We modified the table to improve clarity and try to understand and make it easy to think about the problems and solutions.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The community of practice is crucial for projects like CONSOLE. The discussion between academic related people (PhD, professors, researchers) and the practice-oriented world (farmers, municipalities, and counselling associations, practitioners) can strongly improve the outcomes of the projects. The CoP is useful to gather and define all the problems of the process in various phases. Only with a contamination that covers the entire process we can gather such an amount of information trying to make our best to improve efficiency and effectiveness of the project. It is important to include the right professional figures in the community of practice. Participants were proud to participate in a project that aims to improve the CAP ineffectiveness situation.

9 LATVIA - Reporting sheet

Date of the event: 2.05.2022.

Responsible partner(s): Union “Farmers’ Parliament”, Latvia

Responsible person(s): Inga Berzina

Number of participants: 6 participants + 5 participants from organisation

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

Before the event, the document “D1.4 Short design guide” was circulated along with information about our goals regarding feedback. During the event, the full version of the Draft Framework was explained and oral feedback collected. After the event, the presentation as well as both written documents were circulated to collect additional written feedback.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

All the main contract types were addressed during the event, shortly explaining them as well as the fact that these can be mixed and matched. Keeping in mind the survey results that show strong preference for result-based contract solutions among the landowners in Latvia, the result-based contract solution was discussed in more detail. While discussing this solution, examples from case studies were mentioned.

3. What AECPs did you address? What was the reason for the selection?

Various AECPs were addressed, including humus, biodiversity and water-related. These were the better-known examples, picked to illustrate different solutions.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

We talked through all of the draft framework, with focus on main chapters – chapter 4: Model Contracts, Chapter 5: Design guide: list of potential parameters and options and Chapter 6: Design guide - decision trees for innovative contract types. The focus was on ways to use these chapters.

Regarding additions, participants mentioned more focus on risks. References and links to case studies were appreciated. In fact, participants mentioned that they would appreciate more references to case studies, for example, by focusing one chapter on risks connected to different solutions with references to case studies (there are references to various risks in the document, but the stakeholders would like to see a chapter that focuses specifically on the risks; this could include categorising risks, risk analysis, risk mitigation measures etc.).

Participants also pointed out elements that could be useful. A new scheme designer usually looks at two things: (a) examples from other countries of which the scheme is composed (this is already well illustrated in the document) and (b) the potential risks that could interfere with the design of the

scheme. If there was an opportunity to expand, the participants would prefer that we develop sections on the risks, the problems identified, the challenges in implementing these schemes. For example, pointing out expectations versus reality, reasons why contracts have been terminated, problems in evaluating results, standard situations for combining different financial sources, restrictions on state aid, etc.

The stakeholders would really like to see some standard forms for contracts concluded in different countries (even if they would be in the local languages). On a practical level, this would allow for a better understanding of the relationships between landowners and other parties. It is possible that some projects reveal the actual contracts.

Given that the document is intended for planners, it would be worthwhile to include additional information on the coordination of plans, state aid, de minimis, funding issues.

Regarding amendments, formatting and perceptibility of the document was addressed. While people found the extensive and detailed tables extremely useful, in order to make them more user-friendly, design aspect needs to be revalued. The tables are a great tool for finding information quickly. In the current state, though, they are not well formatted. At least these aspects should be considered:

- The header rows should be repeated in each page;
- The column width should be altered to reduce empty cells;
- Colour coding could be used to make them more perceptible;
- Various ways to emphasize bits of text could be used, etc.
- The contract solutions in references could be linked to their descriptions;
- Other links also could be used (linking directly to study case, etc.).

The illustrations were found to be not clear resolution wise, and could be designed better.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

Chapters 4 and 5 seemed more interesting and useful to attendees than Chapter 6, as they provide opportunities to look up specific elements of contract solutions and evaluate them, as well as link them to real experiences, given the references to case studies. The links to the case studies were found useful to most participants, because it provides proof to practicing the solutions or their elements. This is also a way to generate ideas.

Regarding the Chapter 6 and decision trees, the participants pointed out that the information in the decision trees is correct and important, although the use requires deeper investigation. They mentioned that expected that planners or decision makers would look on the decision trees to make or evaluate the decisions. However, it was mentioned that the decision trees depict the actual planning process and may be used to learn about planning and decision making in this area. They mentioned that the decision trees potentially could help some planners, especially keeping in mind the great diversity of situations and the many other considerations that need to be considered by the parties involved in making up the scheme. This section seemed to be of least interest to readers, we were advised not to invest too much further time and expertise in it.

In general, people are ready to use the document to look up elements that are important to them, but not keen on designing a contract solution by following chapters one by one or any decision tree.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The Participants could be divided in two parts – listeners and active talkers. The listeners participated in order to gather more information and form an opinion later, the talkers had already made up some opinions beforehand and were ready to share it. In general, people seem interested to take action in this field, but more often than not, they are waiting for someone else to take action.

10 NETHERLANDS - Reporting sheet

Date of the event: 3 separate interviews, 8 April 2022

Responsible partner(s): VU

Responsible person(s): Nynke Schulp, Kina Harmanny

Number of participants: 1

Questions to be answered (2-4 pages) – will be further developed:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

The set of design guide images and a short summary of the design guide. We diagonally read through the design guide together.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

Interview 1: all. It was a loose interview where primarily result-based and collective contracts and all kinds of hybrid contracts were discussed, related to the region and the collective contract in the region of the interviewee. The region of the interviewee has a set of collective contracts in place and is (not related to console) regularly piloting measures for AECP delivery.

3. What AECPs did you address? What was the reason for the selection?

Interview 1 primarily circled around biodiversity and recreation, as these are key AECPs in the Netherlands in general as well as in the work region of the respondent specifically.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

Interview 1: A lot of the discussion was about the level of simplification that the framework makes, where the respondent wasn't 100% convinced about the usefulness. The contract setting in the Netherlands is often more complicated and non-hybrid contracts seem to be more rare than hybrids between three different types of contracts. Legal aspects and the level of complexity of that were discussed.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

Reasonably, but see question 4. Particularly the decision tree helps structuring thoughts and helps identifying which components are included in these complex Dutch situations.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

11 POLAND - Reporting sheet

Date of the event: 10/05/2022

Responsible partner(s): SGGW - WULS

Responsible person(s): Agata Malak-Rawlikowska

Number of participants: 31

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

We had ppt. presentation during the workshop as well we distributed D.1,4 Short Decision Guide for Practitioners (to limited number of CoP members for comments). We received comments, which we attach to the report.

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

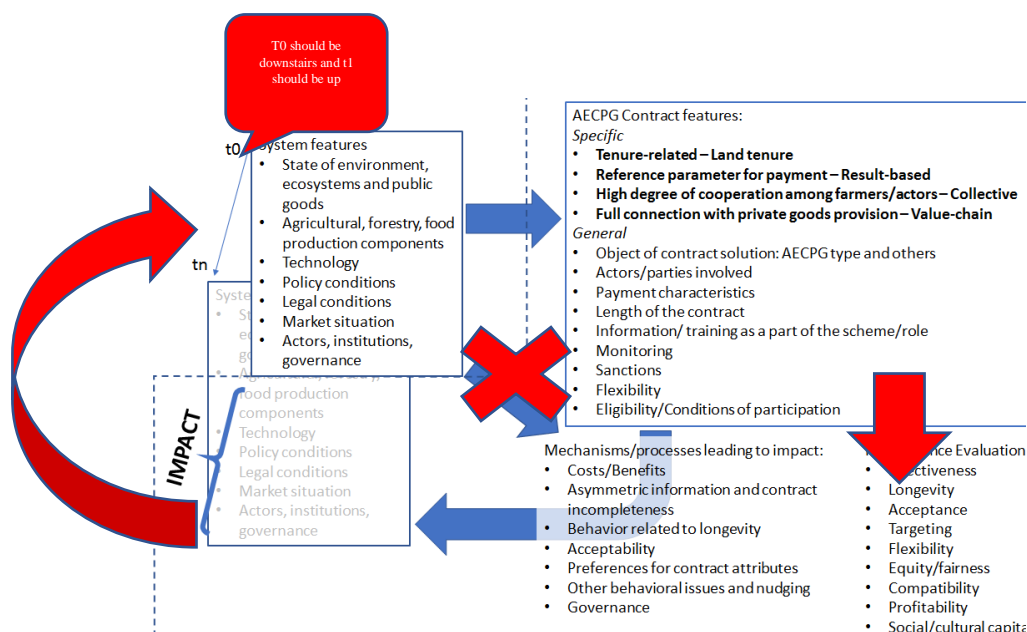
The general example during the presentation was based on the result base case and result base + value chain examples. The D.1,4 Short Decision Guide for Practitioners covered all types of contracts.

3. What AECPs did you address? What was the reason for the selection?

All, we did not focus on the AECPG but on the contract types and models.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

We discussed all the draft framework, illustrating it part by part. The comment was that there is one arrow missing from "AECPG contract features" to "Mechanisms" and "Performance" frame (see graph). Additionally the loop should be closed to System features because it is a continuous process.



5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

The draft guide received a lot of comments. There is a general need for clarifications, since people less familiar with the topic get lost a bit.

- 1) General comment was that the Figure 1 with the general framework should be explained in the document. The description provided in point 2 is too small.
- 2) Section 3.1 was a bit unclear for CoP. They understood well the contract types, but it was difficult to link them to the “qualifying features”. Generally the term “qualifying features” was not clear to them. Contract types should be introduced first – than contract features and at the end model contracts. So section 3.2 first and then 3.1. Starting with 3.1 brings confusion. It is difficult to follow by CoP.
- 3) The point 3.1 1) was not well understood. Each of the contract type has environmental dimension. Why this is so special?
- 4) Point 3.2. Contract types. In general there was a suggestion to start with description of 4 basic and clear contract types. Presenting combinations without clarifying basic contracts as we did in other deliverables – made it not clear to the CoP. Even there was a suggestion to skip the “3.1 features” or give them later after 3.2.
- 5) Point 3.3 – first paragraph – was not understood by CoP it is really very complicated when we do not see the description of 4 pure types of contracts before.
- 6) Figure 3 – there was a suggestion to write full names of the contracts instead of RB, CO, VC, LT – there is a place for it. Some detailed comments we attach in the file.
- 7) Figure 4. It was the most difficult – CoP did not understand it. It was too detailed and there was no clear KEY of the combinations. It was not corresponding well to figure 3. For example In result based contract in figure 3 there is “biodiversity...” and in Value chain “environmental benefits...” so there was a question why in RB+VC there is no biodiversity + “environmental benefits”? ...there were many such questions to this figure.
- 8) Section 4. Point D – CoP did not understand the word Actor. Maybe Participant? Stakeholder is not an Actor?

- 9) “Decision tree for designing” – who is designing? If the intention was to create an universal approach – it is not. If I was an individual founder, some of the elements are not relevant – e.g. “is a suitable funding source available”. ..
- 10) Jargon (scientific, official) should be avoided – e.g. “institutional capacities”, page 10. To whom this text is addressed?
- 11) Page 10, 5.1. ... “to check if the scheme can comply with funding requirements”. Isn’t funding part of the scheme? Who, why is supposed to do this?
- 12) Figure 6.

Row 1 – can be, but considering private funding it is not the issue of the key importance, I guess.

Row 2 – Instead of “scheme” I would use ACTIVITY, subject of contracting – it was not clear to CoP what is scheme?

Row 3. Doesn’t make sense! “Contract features” (all – specific?) is a set of characteristics – in what way they can be “included”? CoP didn’t understand. May rather “do contract features” comply with

Row 3 – “consider different approaches” – what “approaches” stand for?

Row 4 – logic: “contract features” cannot meet any objectives, with one exception - type of the public good.

Also – “results for objectives” - hardly acceptable phrase. Results of actions may meet objectives.

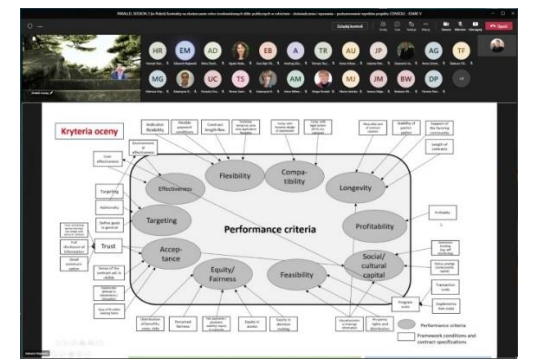
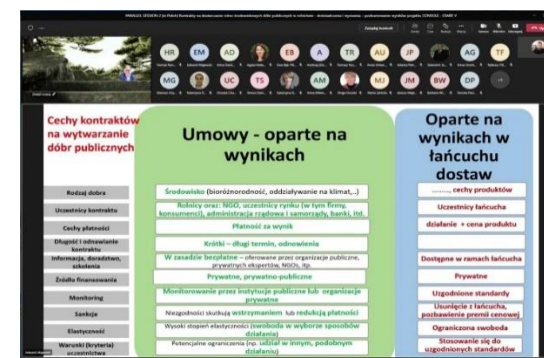
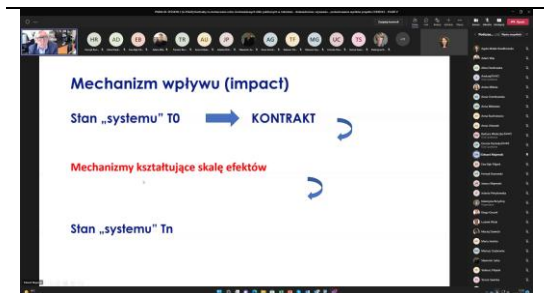
Also – Link after NO goes up, we understand – it should be indicated with an arrow;

Row 5 – may be prior to this also stakeholders were consulted on the matter of justifying the action?

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

The CoP was quite interested in the presentations. The discussion was similar to this during the Workshop2, (discussion related to WP3 results). The large concern was expressed for the funding of such schemes and lack of the knowledge of farmers about the need of delivery of AECPG.

The question was posed: Is there common knowledge and awareness of the goals and necessity of producing AECPG, and thus taking appropriate actions? Answer: Definitely not. Why? Theory of Perspective - people weight the probability of the consequences of events according to the size of the perceived outcome, rather than objective evidence of the probability of such events occurring. Resistance to change (e.g. fear of the unknown, lack of information, lack of perceived or demonstrable benefits). This is all strengthened by “confirmation bias” - preferring information that confirms previous expectations and hypotheses, regardless of whether or not this information is true. This leads to a selective choice and misinterpretation of information so that it confirms one's opinion. There is also a lack of elementary knowledge. So the Dunning-Kruger effect arises - a kind of loop: lack of knowledge (unconscious ignorance) leads to a lack of awareness (unconscious unawareness) and this, in turn, to a lack of knowledge. Breaking the loop is possible through: education - knowledge transfer, conditionality (compulsion to implement), nudging - Incentives, other means of shaping awareness about necessity of AECPG provision/delivery.



12 SPAIN - Reporting sheet

Date of the event: 19/04/2022

Responsible partner(s): EVENOR

Responsible person(s): Francisco José Blanco Velázquez, Félix González Peñaloza

Number of participants: 11

Questions to be answered:

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?
A brief description of the contract types, summary of case studies and some remarks from WP3 were circulated for this event. The audience highlighted that results based are more easy to be monitored and estimated the economic revenue for farmers. However, value chain contracts was cited as more interesting for private sector taking into account the needs and demands from the consumers.
2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?
Mainly results-based and value chain due to the Spanish case studies (value chain) and the potential use of technologies for monitoring in results-based.
3. What AECPs did you address? What was the reason for the selection?
Carbon sequestration, soil quality, and water quantity. This three AECPGs were selected due to the potential climate change impacts on them in our region.
4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects / elements to be added or amended?
A brief definition of the four contract types were provided. Regarding technological aspects, some remarks from D1.6 were discussed. Mainly, the types of technologies available for monitoring AECPGs and their suitability for each contract type.
5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?
The audience considered that the decision trees could be a first step to facilitate the implementation of new contract relationships that promote AECPGs provision. However, further information and policy support for the implementation are key to have a real implementation. Financial support was remarkable.
6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).
The spanish CoP shown interest on the implementation of new ways to obtain new products under sustainable and environmental friendly way. The use of new technologies and the provision of AECPGs interested by the final consumers could be a marketing strategy to increase profitability for farmers and private sector.

13 UK - Reporting sheet

Date of the event: 31/05/2022

Responsible partner(s): University of Leeds

Responsible person(s): Emmanouil Tyllianakis

Number of participants: 6

1. What documents did you circulated ahead of the CoP event(s)? Did you collect written input besides the one you got during the workshop(s)?

Items utilised in the 3rd CoP meeting included the D1.4 Framework deliverable of the CONSOLE project, the 1st and 2nd CoP Reporting sheets for WP5 in CONSOLE and the layout of the foreseen changes in UK's farming from the Department of Environment, Food and Rural Affairs (available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1003924/farming-changing.pdf)

2. What contract types or combinations did you address? Which one were addressed in-depth? Was the discussion connected to a case study / pilot testing?

Result-based and value chain contracts were addressed in depth, with a slightly less focus on collective implementation. The focus of previous CoPs was on collective implementation schemes with a prospect of some hybrid collective implementation and result-based schemes but the changes in the proposed AES proposed by the UK government indicated a desire from the government's part for value chain contracts and therefore a higher emphasis was placed on this as it had been previously under-studied in the CONSOLE's UK case studies. All discussions were driven by the five UK case studies and previous CoP meetings and Roadshows. The discussions were focused primarily on UK1 and UK5 case studies that have been exploring the involvement of private organisations as guarantors and buyers of biodiversity credits provided by farmers (UK1) and of water quality (UK5, with the local water company as the "buyer").

3. What AECPs did you address? What was the reason for the selection?

As stated above, the focus of the discussion was on biodiversity provisioning, water quality improvements and carbon sequestration. Reasons for selecting these public goods were the following: i) carbon sequestration has been in the forefront of the new AES introduced in the UK and was also thoroughly investigated in the land managers' survey in WP3, ii) biodiversity increase and improvements in water quality have been the targeted PGs of the aforementioned case studies for at least 5 years now and it is expected that these groups have increased knowledge in the delivering-side of these PGs.

4. What aspects / elements of the draft framework were discussed? Did you address legal or technological aspects? If yes, which ones? Are there aspects/elements to be added or amended?

The hybrid contract types appear to be an interesting addition to the existing four previously defined contract solutions. Providing information and examples using the CONSOLE case studies was also considered to be a helpful element. In particular, for the UK the RB/CO

action is also being proposed as part of the new Environment Land Management schemes, the new AES being rolled out. One of the offered options for UK farmers/land managers is that of collaborative implementation over a large enough geographical extent and receive individual payments after completing the agreed upon environmental improvements (such as biodiversity conservation, carbon sequestration and improvements in water quality).

Suggestions were made regarding potential clarifications on payments and the source of said payments. In cases where payments are provided by both public and private sources, clarity is required for land managers to ensure timely and agreed-upon compensation being paid. Additionally, suggestions were made that payments need to be also reflective of the production process. For example, one-off bonus or vouchers might be unsuitable to cover start-up costs and therefore be considered as a disincentive. Finally, in terms of legal requirements, tenants need to be able to consider (and be protected against) legal actions against the owner of the land if contractual agreements are not met without worrying about their future work prospects in the field.

5. Was the draft design guide and in particular the decision trees seen as helpful? Are there parts that need to be changed or where refinement would be required?

The decision trees regarding the result-based and value chains were examined during the meeting. A general suggestion is to extend the investigation of the market conditions to include examining legal and environmental conditions as well in the decision tree when the suitability of proposed contracts.

The proposed additions/clarifications were made:

- a. In value chain contracts, the legal aspects of the agreement need to be spelled out- a focus should be placed on the length of the contract and assurances need to be given by businesses that their long-term commitment is guaranteed.
- b. From a contractual point of view of value chain contracts, businesses as well as farmers' attitudes towards providing (lasting) AEPPGs should be defined. This is suggested as businesses are more likely to move out from an area or have their long/sort-term plans change faster than those of local farmers. Also, provided the high average age of farmers, long term commitments would be least preferred by both farmers and businesses (which might wish to re-evaluate their practices more frequently than farmers).
- c. For both value chain and results-based contracts a distinction should be made on whether monitoring is included in the set of objectives (second decision in the proposed decision trees in D1.4). If monitoring is not included then other sets of objectives need to be agreed (e.g., land set aside, type of fertilisers used, tillage/no tillage periods, amount of riparian areas fenced, etc.).
- d. Regarding result-based contracts, a decision needs to be inserted after the "Are results potentially measurable" decision. This should refer to whether measuring results is cost-efficient/possible and with a "YES/NO" decision tree this should lead to "examine other approaches" if NO is selected.

6. Please provide some feedback about observations made regarding the CoP itself (please keep it anonymous).

Not enough time was available to properly discuss potential options provided by CONSOLE case studies and UK's future agri environment contracts.

Acknowledgment

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