



European Commission  
Agriculture and Rural Development



# Development policies for rural areas lagging behind

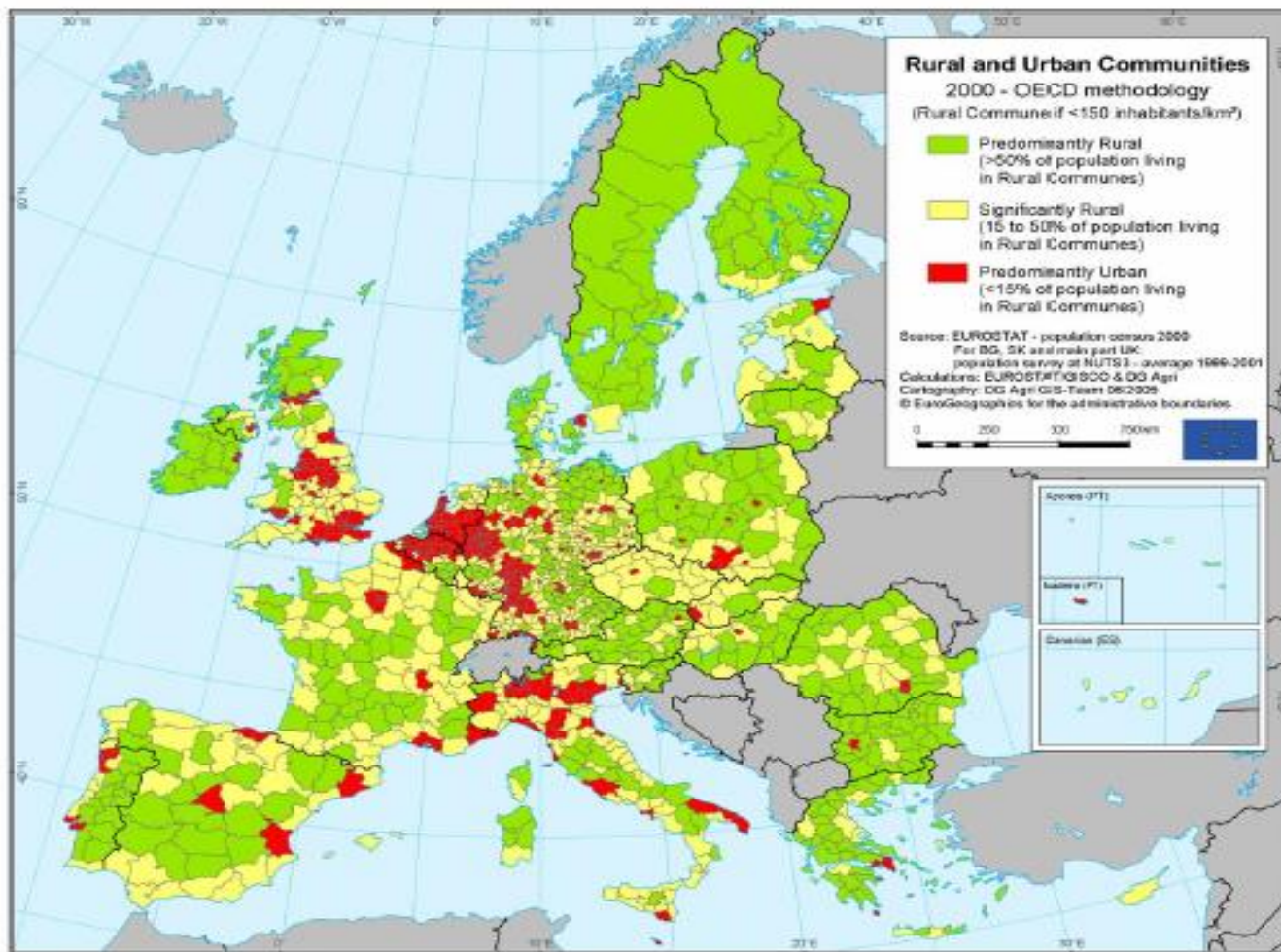
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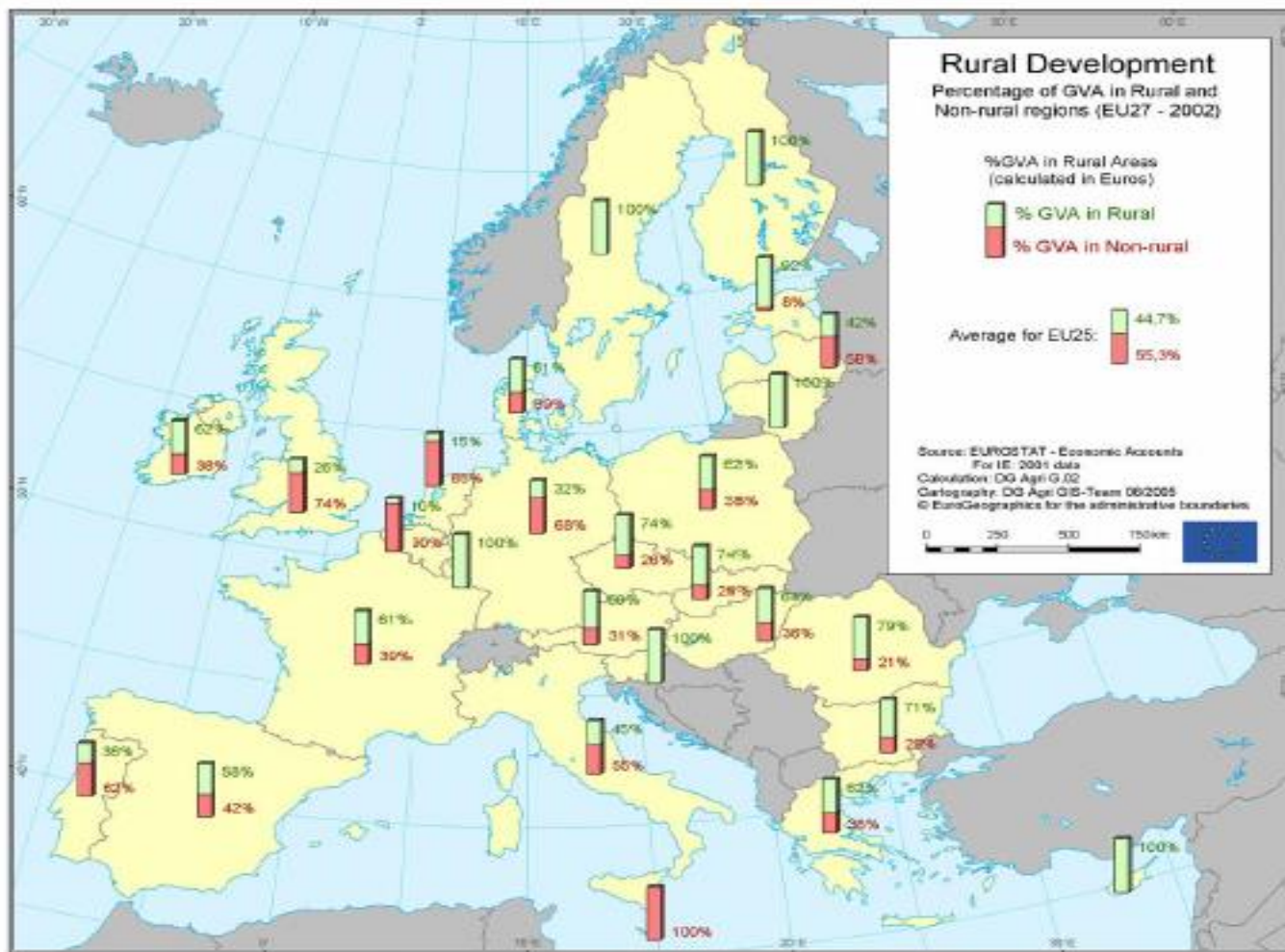


## Designation of rural areas (OECD methodology)





## Share of Gross Value Added in rural areas







## **Rural Development Policy contributing to the development of regions lagging behind – specific mechanisms**

- Elaboration of a National Strategy Plan to ensure priority setting and focusing on specific problems/regions
- Availability of a set of measures under RDP to respond to specific requirements of regions
- Possibility to concentrate financial resources in convergence regions
- Higher co-financing rates and aid intensities available for convergence regions
- Requirement to ensure synergy and complementarity between structural, employment and rural development policies



# Overall strategy issues

- Weight of the different EU and national priorities such as Lisbon and Göteborg
- Balance between the axes based on an assessment of the economic, social and environmental situation and of needs and gaps
- Match funding capacity
- Implementation mechanisms (national, regional, local)



# Strategic issues linked to axes

- Balance between restructuring and innovation
- Balance between AE, Natura 2000 and LFA
- Balance between rural infrastructure/renovation/basic services and diversification/local economic development
- Choice of delivery systems (bottom up/top down)
- Balance between local capacity building and implementing local development strategies



## Measures available - Axis 1: Improving Competitiveness (1)

### 1. Measures aimed at promoting **knowledge** and improving **human potential**:

vocational training,

setting up of young farmers,

early retirement,

provision of advisory services;

setting up farm management, farm relief and advisory services.



## Measures available - Axis 1: Improving Competitiveness (2)

### 2. Measures aimed at restructuring **physical potential** and promoting **innovation**:

farm modernisation,

improving the economic value of forests,

processing and marketing of agricultural and forestry products,

improving and developing of infrastructure,

natural disasters and prevention actions.





## Measures available - Axis 1: Improving Competitiveness (3)

### 3. Measures aimed at improving the **quality** of agricultural production and products:

adaptation to new EU standards,

participation in food quality schemes,

promotion for quality products.



## Measures available - Axis 1: Improving Competitiveness (4)

### 4. Transitional measures for the new Member States:

support for semi-subsistence farms undergoing restructuring,

setting up of producer groups,

provision of advisory services (only for Bulgaria and Romania for the period of 3 years)



## **Measures available - Axis 2: Improving the environment and the countryside (1)**

### 1. Measures aiming at the sustainable use of agricultural land:

Natural handicap payments in mountain areas

Payments in areas with handicaps, other than mountain areas

Natura 2000 and WFD payments

Agri-environmental payments

Animal welfare payments

Support for non-productive investments



## **Measures available - Axis 2: Improving the environment and the countryside (2)**

### **2. Measures aiming at the sustainable use of forestry**

**First afforestation of agricultural land**

**First establishment of agroforestry systems on agricultural land**

**First afforestation of non-agricultural land**

**Natura 2000 payments**

**Forest-environment payments**

**Restoring forestry potential and introducing prevention actions**

**Support for non-productive investments**



## Measures available - Axis 3: Diversification of the rural economy (1)

### Diversification into non-agricultural activities

- The beneficiary is a farm-household member

### Micro-enterprises, entrepreneurship

- Less than 10 staff, turnover < 2 million €
- Addressed to the wider rural population

### Tourism activities

- Small scale infrastructure, recreation infrastructure, development and marketing services
- Addressed to the wider rural population





## Measures available - Axis 3: Diversification of the rural economy (2)

### Basic services for the economy and rural population

- Setting up of basic services, including cultural and leisure activities in one or more villages, small scale infrastructure

### Conservation and upgrading of the natural and cultural rural heritage

- Drawing up management plans for Natura 2000 and high natural value places, environmental awareness and maintenance, restoration of natural heritage (landscape), cultural studies and investments for conservation and upgrading of heritage

### Training, skills acquisition and implementation

- Studies of the area, information about local strategies, training animators for preparation and implementation of strategies, promotional events, implementation of local development public-private partnerships other than Leader

***The rural population at large can benefit from the diversification and quality of life axis***



## Leader Axis

### **7 distinctive features + support for LAGs**

- Area based local strategies
- Public-private partnerships (local action groups)
- Bottom up approach
- Multi-sectoral and integrated
- Innovative
- Cooperation
- Networking



## Implementing the Leader approach

- Leader is a method rather than a list of measures,
- It may be applied to any of the three other axes and measures and/or to a combination of them
- Its 7 distinctive features should be implemented as a set, they complement each other
- Local action groups must be well balanced between public and private partners (50/50)
- Leader is particularly suited for innovation since measures are not pre-defined and networking facilitates knowledge transfer
- Experience shows that it is a successful approach, but that it takes time to implement well
- Cooperation and networking (at national and European level) are useful for exchanging experience, realising collective projects, acquiring capabilities



## EAFRD Co-financing

- The EAFRD co-financing rate shall be defined for each axis as a share of the total eligible public expenditure:
  - For axes 1 and 3 the maximum EU co-financing rate is 50 % (75 % in the Convergence areas)
  - For axes 2 and 4 (Leader) the maximum EU co-financing rate is 55 % (80 % in the Convergence areas)
  - For all axes 85% in outermost regions
- The minimum EAFRD co-financing rate at axis level is 20 %

# Rural Development Coverage – EU Policies

