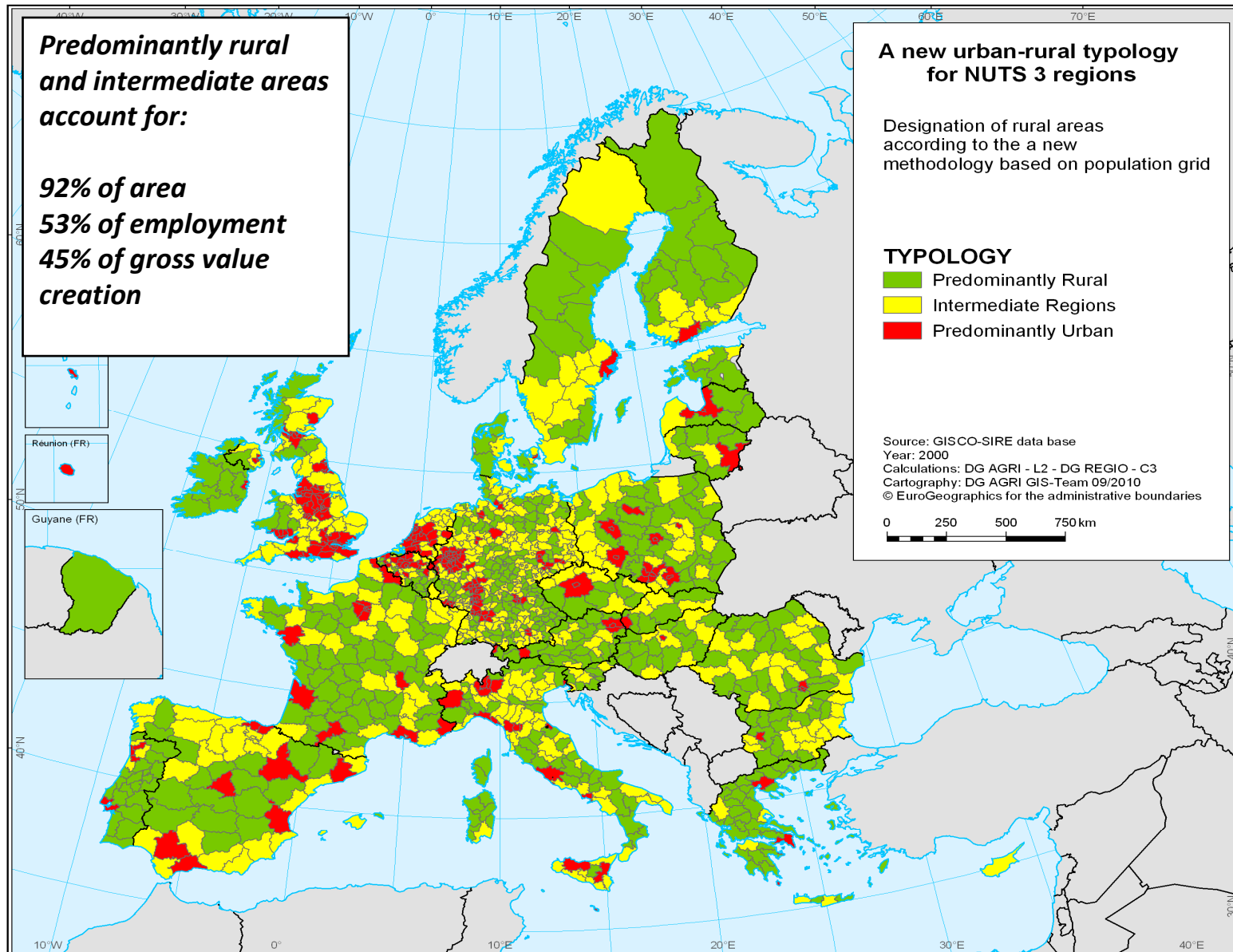
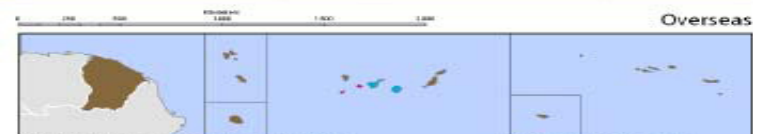
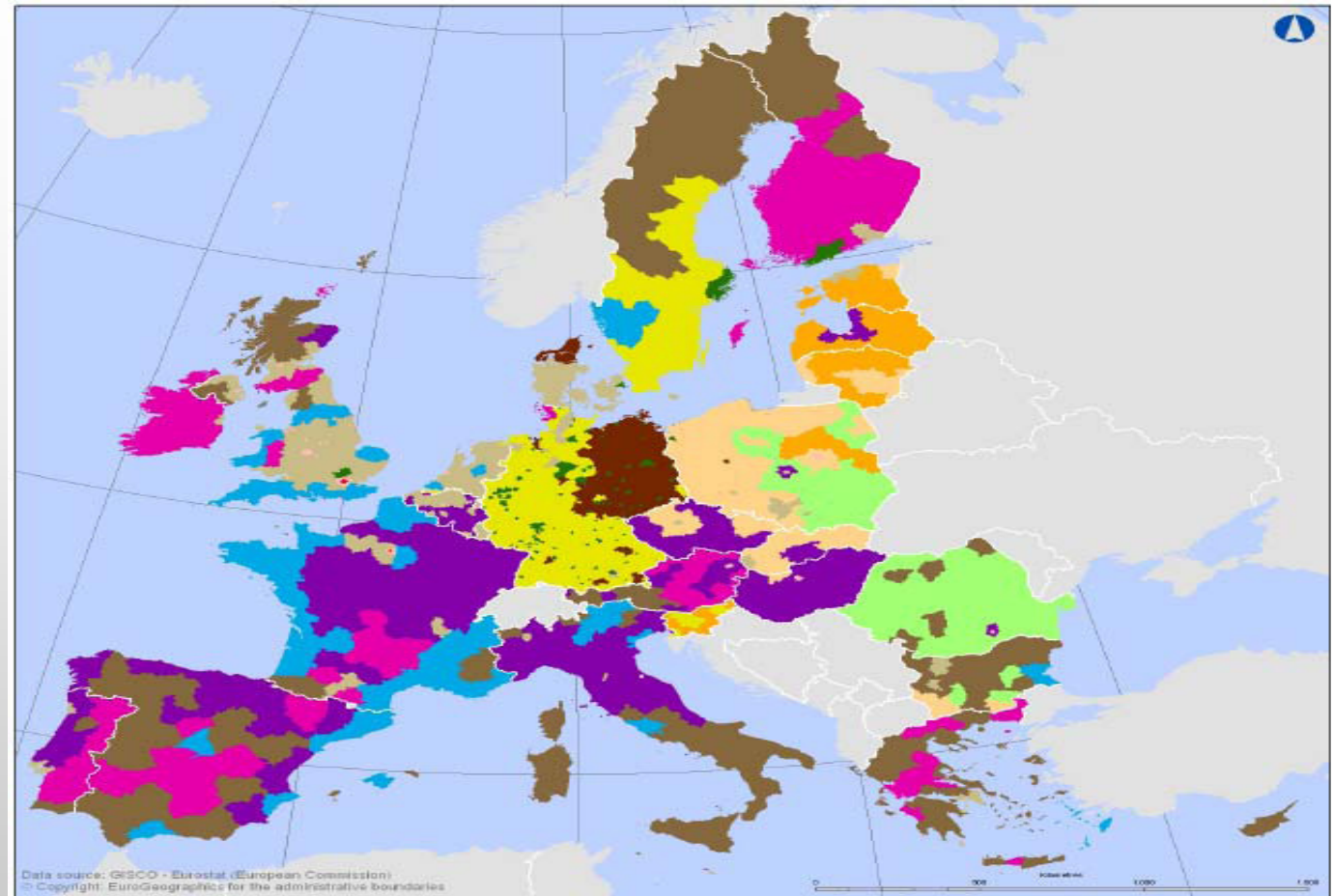


How “rural” is the EU?



Rural areas are extremely varied

- Some rural regions in economic difficulties; others show good rates of growth / employment compared to urban areas
- No “typical rural region”: different types of “rurality” determined by the regional “mix of functions” rather than a single economic activity



- Greater London**
CLUSTER
- I - Large European Cities
 - II - Semi-urban areas with land use pressure
 - III - Cities not aggregated with their surroundings
 - V - Balanced rural areas with declining manufacturing sector
 - VI - Southern and Northern periphery and mountains regions
 - VII - Coastal and mountain areas
 - VIII - Eastern periphery - agriculturally dominated
 - IX - "Stomp" rural regions in new MS
 - X - Central and Northern European industrial regions
 - XI - Rural regions with significant industry
 - XII - Global cities
 - XIV - Eastern periphery
 - XV - Rural areas with strong rural development

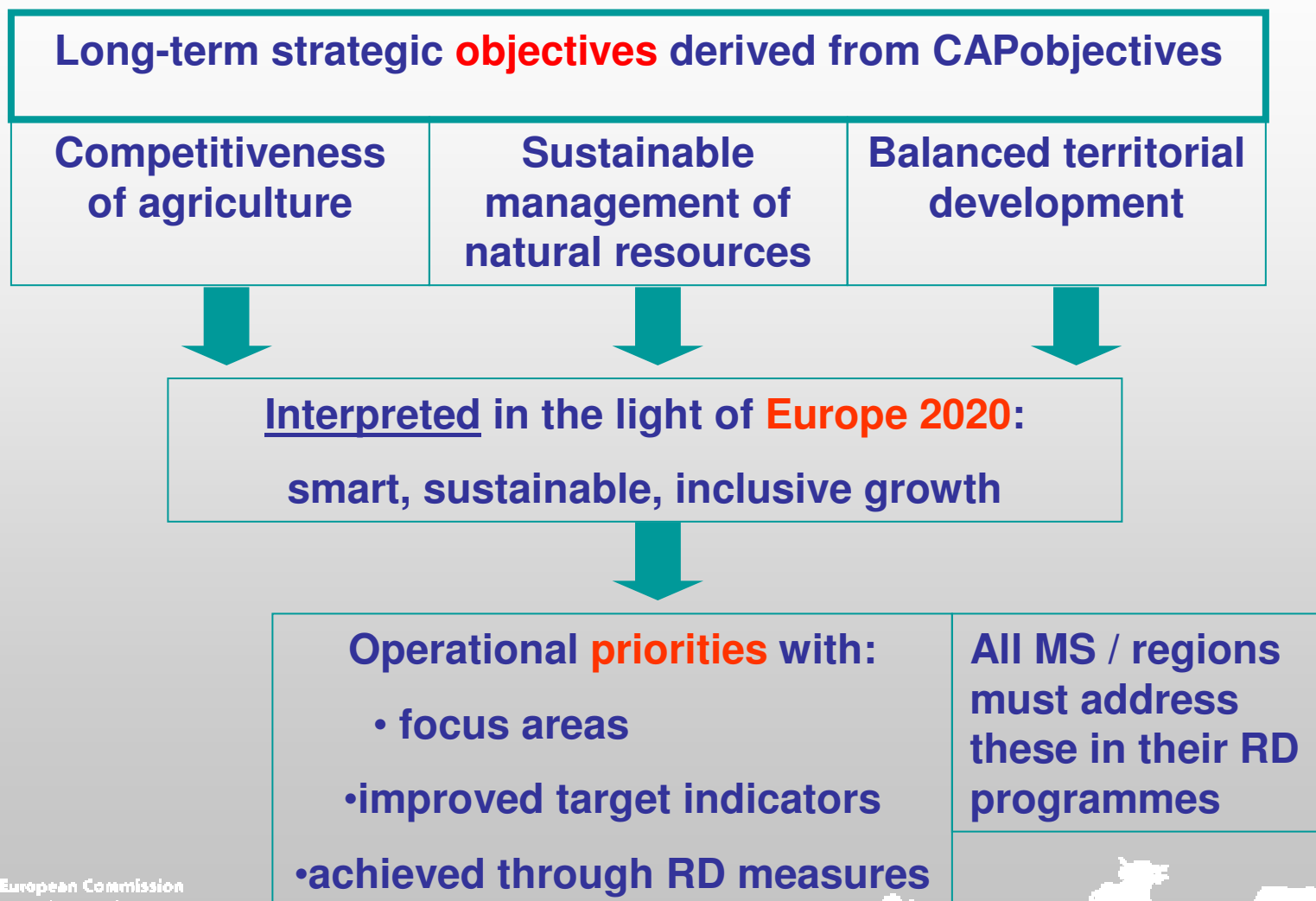
- Variables**
- Ind_01_houurban
 - Ind_02_GDP_pec_capita
 - Ind_03_change_gap_pes
 - Ind_04_unemployment
 - Ind_05_change_unemploy
 - Ind_06_training_education_ogn
 - Ind_07_emp_dev_prim
 - Ind_08_change_emp_prim
 - Ind_09_tourism_gainfu
 - Ind_10_lower_ruralf
 - Ind_11_lower_artif
 - Ind_12_tourism_beds
 - Ind_13_change_tourism_beds
 - Ind_14_lower_ruralf
 - Ind_15_lower_artif
 - Ind_16_ppc_dens

- Variables**
- Ind_17_change_ppcdens
 - Ind_18_share_oldage
 - Ind_19_oldage_develop
 - Ind_20_change_gwa_prim
 - Ind_21_change_gwa_sec
 - Ind_22_change_gwa_tert
 - Ind_23_change_emp_sec
 - Ind_24_change_emp_tert
 - Ind_25_emi_sec
 - Ind_26_emp_tert
 - Ind_27_P1_Capita
 - Ind_36_P2_Capita
 - Ind_37_ProvP2_Capita

Map developed by OIR
 © September 2010

Sources:
 DG AGRI (Expenditure Data)
 "Study on employment, growth and innovation in rural areas" (2010) managed by DG AGRI.

Objectives and priorities for RD policy - overview



Rural development in a new framework

Europe 2020 strategy

Common Strategic Framework (CSF)

– covering the EAFRD, ERDF, ESF, Cohesion Fund and EMFF, and reflecting EU2020 through common thematic objectives to be addressed by key actions for each of the funds

Partnership Contract

– national document outlining the intended use of the funds in the pursuit of EU2020 objectives

Rural development policy: EAFRD

Other CSF funds (ERDF, ESF, CF, EMFF)

Innovation, Environment and Climate Change as cross-cutting objectives

Priorities

Fostering knowledge transfer and innovation in agriculture, forestry and rural areas

Enhancing competitiveness of all types of agriculture and farm viability

Promoting food chain organisation and risk management in agriculture

Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry

Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

Promoting social inclusion, poverty reduction and economic development in rural areas

Rural Development Programme(s)



European Commission
Agriculture and Rural Development

Streamlined set of measures

- **Continuity** with respect to the present programming period, but:
 - Reduced number of measures (grouping based on typology of interventions) to simplify financial management
 - Fine-tuning (eligibility conditions, scope, etc.) to address bottlenecks in implementation
 - New measures to cover emerging needs (e.g. risk-management tool to address economic and environmental production risks, cooperation and start-up toolkit for LEADER)
- **Flexibility** in the choice of measures within any priority to fully exploit their possible synergetic effects towards the established targets

Rural development measures

- **Knowledge transfer and information actions**

- Traditional training courses, better adapted to the needs of rural actors
- Workshops, coaching, demonstration activities, information
- Short-term farm exchange or visit schemes

What's new?

- Unified, more visible measure with stronger profile and broader scope

- **Advisory services, farm management and farm relief services**

- Advice related to cross-compliance, green elements of direct payments, other agricultural, environmental and economic issues

What's new?

- No limit on frequency of use
- Open to non-agricultural SMEs
- Training for trainers / advisers supported

- **Setting-up of producer groups**

What's new?

- Extended to all Member States
- Limited to groups which classify as SMEs

Rural development measures

- **Investment in physical assets**

- Improving overall performance of farm (economic, environmental, other)
- Processing, marketing, development of agricultural products and cotton (output of process can be non-agricultural product)
- Infrastructure related to development of agriculture
- Purely environmental improvements ("non-productive" investments)

What's new?

- Output of production process may be non-agricultural product
 - Higher support rates for:
 - young farmers
 - collective investments and integrated projects
 - investments in areas facing natural constraints
 - investments in framework of European Innovation Partnership

- **Quality schemes for agricultural products and foodstuffs**

What's new?

- Cotton included

Rural development measures

- **Farm and business development**

- Setting-up aid for:
 - Young Farmers
 - Non-agricultural activities in rural areas
 - Development of small farms
- Investments in non-agricultural activities
- Support for farm restructuring

What's new?

- Current support for semi-subsistence farms increased, extended to all "small" farms in EU (defined by Member States)
- Support for further development of non-farm businesses in rural areas extended from micro- to small businesses
 - Restructuring aid to encourage small farmers to transfer farm

- **Basic services and village renewal in rural areas**

- Local basic services
- Broadband infrastructure; small-scale infrastructure, renewable energy
- Recreational infrastructure, tourist information
- Cultural & natural heritage of villages & landscapes, relocation of activities, conversion of buildings to improve quality of life

Rural development measures

- **Organic farming** – separate measure for increased visibility
- **Agri-environment-climate payments**

A wide range of commitments going beyond legal requirements, related to (for example):

- biodiversity & ecosystems
- climate change
- water quality & quantity
- soil quality & quantity
- landscapes
- conservation of genetic resources

What's new?

- Greater flexibility in length of contracts (e.g. possibility to renew annually after 5 years)
 - Joint contracts encouraged
- Member State to ensure that adequate training / information is available

Rural development measures

- **Natura 2000 and Water framework directive payments**

What's new?

- Provision for payments for "stepping stone" areas

- **Payments to areas facing natural or other specific constraints**

- **Designation of areas facing natural or other specific constraints**

What's new?

- New delimitation under revision

- **Animal welfare**

- Animal welfare commitments going beyond legal requirements

What's new?

- More flexible obligations: annual contracts



Rural development measures

- **Investments in forest area development and improvement of forest viability**
 - Afforestation, woodland creation
 - Establishment of agro-forestry systems
 - Prevention and restoration of damage to forests from fires and natural disasters
 - Investments in resilience, environmental value of forest ecosystems
 - Investments in new forestry technologies, processing & marketing of forestry products

What's new?

- Streamlining of several measures and various changes to eligibility, level, duration of support
- **Forest-environmental and climate services and forest conservation**
 - Forest-environment commitments going beyond legal obligations
 - Conservation & promotion of forest genetic resources

What's new?

- Addition of support for forest genetic resources

Rural development measures

- **Co-operation**
 - Development of new products, practices, processes and technologies
 - Pilot projects
 - Co-operation among small operators in organising joint work processes, sharing facilities and resources
 - Horizontal and vertical co-operation between supply chain actors to promote short supply chains and local markets
 - Local promotion activities related to short supply chains and local markets
 - Joint approaches to environmental projects and ongoing practices
 - Local development strategies outside the scope of Leader

What's new?

- Measure is very significantly expanded
 - Support for technological co-operation strengthened
 - Support made possible for a wide range of types of economic, environmental and social co-operation

Rural development measures

- **Risk management tools**

- Contributions to premiums for crop, animal and plant insurance against problems caused by weather and disease
- Contributions to mutual funds offering compensation for losses caused by animal & plant disease and environmental incidents
- Income stabilisation tool (operating through the mechanisms of a mutual fund) offering compensation for severe drops in income

What's new?

- New toolkit to address increasing economic and environmental risks

Plus:

- Restoring agricultural production potential damaged by natural disasters and introduction of appropriate prevention actions

What's new?

- Higher aid intensity possible for collective projects



Rural development measures

- **Prize for innovative, local cooperation**
 - Awarded to cooperation projects involving at least two entities located in different Member States that realise an innovative, local concept
- **Leader: making it fit to better serve innovation and local governance**
 - Leader approach strengthened across EU funds
 - Common provisions on community led local development
 - Considerable scope for ensuring that local partnerships are free to use these EU funds in a coordinated way
 - Selection committee for a 'multi-fund' local development strategy to decide whether to designate a "**lead fund**"
 - Preparatory support
 - "LEADER start-up kit" and support for small pilot projects
 - Capacity building, training and networking with a view to preparing and implementing a local development strategy

The rural development programming: sub-programmes

- Possibility of designing **thematic sub-programmes** to put emphasis on and address specific needs of particular sectors, geographical areas or types of beneficiaries, in particular in relation to young farmers, small farmers, mountain areas, short supply chain:
 - Higher support rates (aid intensities)
 - Specific SWOT analysis and identification of needs
 - Specific targets at sub-programme level and selection of measures
 - Specific separate indicator plan
- **No separate specific financial management** for sub-programmes



Example: what can the EU's rural development policy do for Young Farmers?

- **Thematic sub-programme** on Young Farmers
- **Combination of measures** into a “Young Farmers” package, including for instance:
 - Business start up aid: EUR 70.000 per young farmer
 - Investments in physical assets: increased max aid intensity by 20% for young farmers setting up
 - Knowledge transfer and information actions, including exchange programmes
 - Co-operation
- Use of **selection criteria** to give priority to young farmers
- Setting up **modalities for access** to other measures for young farmers under the setting up measure

Example: what can the EU's rural development policy do for fostering short supply chains?

'A supply chain involving a limited number of economic operators, committed to co-operation, local economic development, and close geographical and social relations between producers and consumers'

- **Thematic sub-programme** on Short supply chains with higher aid intensities: **+10%**
- **Combination of measures** into a “Short supply chains” package, including for instance:
 - Co-operation
 - Setting up of producer groups
 - Quality schemes for agricultural products and foodstuffs
 - Basic services and village renewal in rural areas
 - Investments in physical assets
 - Leader

How the CAP will be financed

- Commission proposals on EU budget for the period 2014-2020 maintain CAP spending at 2013 levels in nominal terms

In constant 2011 prices

- Pillar I – Direct payments and market expenditure	€281.8 bn
- Pillar II – Rural development	€89.9 bn
Total Pillar I and II	€371.7 bn
- Food safety	€2.2 bn
- Most deprived persons	€2.5 bn
- Reserve for crisis in the agricultural sector	€3.5 bn
- European Globalisation Fund	Up to €2.5 bn
- Research and innovation on food security, the bio-economy and sustainable agriculture	€4.5 bn
Total additional funds	€15.2 bn
Total proposed budget for the period 2014-2020	€386.9 bn

Source: Commission Communication 'A budget for Europe 2020' – COM(2011) 500 final, part II.

Thank you!



European Commission
Agriculture and
Rural Development

