Importance of rural areas in the EU
How is rural development policy framed within the overall Common Agricultural Policy (CAP)?
Historical development of the CAP (1962 →)

Food security

Competitiveness

Sustainability

Cohesion

Policy Efficiency

The Early Years (60s)

- Price support
- Productivity improvement
- Market stabilisation

The Crisis Years (70s/80s)

- Over production
- Exploding expenditure
- International frictions
- Supply controls

The 1992 REFORM

- Price cuts
- Surplus reduction
- Income and budget stabilisation

Agenda 2000

- Deepening the reform process
- Rural development

CAP REFORM 2003

- Market orientation
- Cross compliance
- Consumer concerns
- Environment
- Enlargement

CAP Health Check 2008

- Reinforcing 2003 Reform
- Dairy quotas

CAP REFORM Post-2013

- Greening
- Targeting
- Redistribution
- End of production constraints
- Food chain
- Research & Innovation
The two "Pillars" of the CAP

- **Pillar 1 – funded exclusively by EU (in general)**
  - Direct Payments (> 94% of Pillar 1 budget in 2014)
  - Market-related expenditure

- **Pillar 2 – co-funded by Member States**
  - Rural Development
  - 118 national or regional programmes
Costs: Distribution of EU agricultural expenditure (payments)

1991:
- Market support (export refunds and intervention): 71%
- Direct payments: 4.5%
- Rural Development: 9.3%

2014:
- Market support (export refunds and intervention): 75.3%
- Direct payments: 20.2%
- Rural Development: 4.5%
How does rural development policy interact with other Policies of the Union?
• A "Common Strategic Framework" and harmonised rules for all "European Structural and Investment Funds" (ESIF)

• National Strategies ("Partnership Agreements") covering all ESIF, towards common thematic objectives

• Stricter links with the Union Policy for Research ("Horizon 2020")

• Convergence towards overarching goals of the Union (growth and jobs, sustainability)
What is the scope of Rural Development?
Challenges and Opportunities

- Habitats Biodiversity
- Food
- Culture and Values
- Energy Biomass
- Climate Change
- Socio-Economic Context
- Economic Viability
- Resource-management
How does rural development policy address these challenges?
Union Strategic Priorities for Rural Development

1. Knowledge transfer and innovation
2. Economic viability and competitiveness
3. Food chain organisation and risk management
4. Restoring, preserving, and enhancing ecosystems
5. Resource efficiency and climate change
6. Diversification and social inclusion
How much money do we have?
## 2014 – 2020 EAFRD funding / MS (€ million)*

<table>
<thead>
<tr>
<th>Country</th>
<th>Funding (€ million)</th>
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<tr>
<td>BE</td>
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<td>5 200</td>
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<tr>
<td>EU</td>
<td>99 586**</td>
</tr>
</tbody>
</table>


**Includes EU level technical assistance (239 mil. EUR)
In total, around €161 billion of total public funding

- Public: €50.9 billion
- EAFRD: €99.6 billion
- Top-up: €10.7 billion
Share of funds per RD priority

1. Promoting resource efficiency (9%)
2. Enhancing farm viability (20%)
3. Promoting food chain organisation (10%)
4. Ecosystems in agriculture and forestry (43%)
5. Promoting social inclusion (15%)
6. Knowledge Transfer and Innovation (cross cutting)
How many programmes are there?
Number of Rural Development Programmes per country (total of 118)

- Approved programmes: 91
- Budget share: 82.5%

(situation at 23/10/15)
How will we achieve all this?
1. Assessment of needs

2. Choice of priorities / focus areas

3. Attribution of relevant measures to focus areas

4. Budgetary allocations to measures

5. Implementation

Consistency with PA
Synergies & complementarities with 1st Pillar and ESIF

Target setting

Monitoring & Evaluation Reporting
Which instruments are available?
Broad categories of Rural Development Measures

**Investments** (examples):
- Physical assets (agriculture, forestry)
- Business start-up
- Infrastructures
- Non-productive investments
- Restoration/prevention natural disasters (agriculture, forestry)

**Land management** (examples):
- Environmental commitments (agriculture, forestry)
- Organic Farming
- Animal welfare
- Areas with natural constraints
- Areas subject to specific management requirements

**Training/technology** (examples):
- Knowledge transfer
- Advisory services
- Cooperation
- European Innovation Partnership for agricultural productivity & sustainability

**Other schemes** (examples):
- Technical Assistance
- Joining quality schemes
- Setting-up of producer groups
- Risk management toolkit
- Local Development Strategies
What are the roles and responsibilities?
Commission:
• Establishes the Union objectives & priorities for intervention
• Defines:
  • the instruments (rural development measures),
  • the delivery mechanisms for the support (grants, financial instruments, local development), and
  • the rules for the functioning of the support
• Supervises progress and correctness of implementation
• Supports Networking activities, studies and evaluations

Member States:
• Draw the national/regional programmes (approval by the Commission!)
• Define national / regional rules for implementation
• Manage the rural development funding
• Report to the Commission on progress and correctness of implementation
What do we expect from implementation?
The following slides show examples of the targets set for specific Focus Areas. They are the aggregate of targets set in each RDP by Member States and regions. They are linked to actions programmed under the stated Focus Area only. The values given do not include additional effects from other parts of the RDP.

Example:
The target value for non-agricultural jobs created under Focus Areas 6a and b does not include new jobs created as a direct/indirect effect of actions under other Focus Areas (e.g. for renewable energy).
Target for Knowledge Transfer & Innovation (KTI)

Priority 1: Knowledge transfer and Innovation

4.3% of total expenditure under the measures for KT, Advisory Services and Cooperation

14,000 cooperation projects supported

3.7 million participants trained

2,000 EIP Operational Groups

% of RDP public expenditure on KTI measures

Figures show the targets set in the RDPs by Member States and regions
Target for Productive Farm Investments

FA2a: Facilitating farm restructuring and modernisation

334 000 holdings supported

2.8% of EU holdings supported*

Ranging from 47.3% BE to 0.1% RO

*: % of holding supported is based on all EU farms. If it were only based on commercial farms, 7% of holdings would receive support.
Target for Job Creation

FA6ab: Diversification, creation and development of small enterprises, job creation and local development

In total 112,000 non-agricultural new jobs directly created, of which:

- 70,000 in relation to diversification actions and creation and development of small enterprises
- 42,000 from actions aiming at fostering local development in rural areas

Figures show the targets set in the RDPs by Member States and regions
Target for Biodiversity

FA4a: restoring preserving and enhancing biodiversity

19% of total agricultural land under management contracts supporting biodiversity and/or landscapes

4.4% of total forest area under management contracts supporting biodiversity

Figures show the targets set in the RDPs by Member States and regions
Targets linked to Climate Change

FA5d: reducing greenhouse gases and ammonia emissions from agriculture

7.4% of total agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions

2.3 % of total Livestock Units concerned by investments in livestock management in view of reducing GHG and/or ammonia emissions

Figures show the targets set in the RDPs by Member States and regions
Targets for Renewable Energy

$\text{FA5c: supply of renewable sources of energy}$

€ 3.2 Billion total investment in renewable energy production

Figures show the targets set in the RDPs by Member States and regions.
Start-up aid and development of non-agricultural activities

22 MS implementing

58 250 beneficiaries

€ 3 billion TPE

Figures show the targets set in the RDPs by Member States and regions
IT infrastructure (broadband)

Population benefiting from new or improved IT infrastructure

14 MS
5 100 projects
27 million people benefitting
€ 1.6 billion TPE

Figures show the targets set in the RDPs by Member States and regions
Thank you for your attention!