

EU rural development policy 2007-2013

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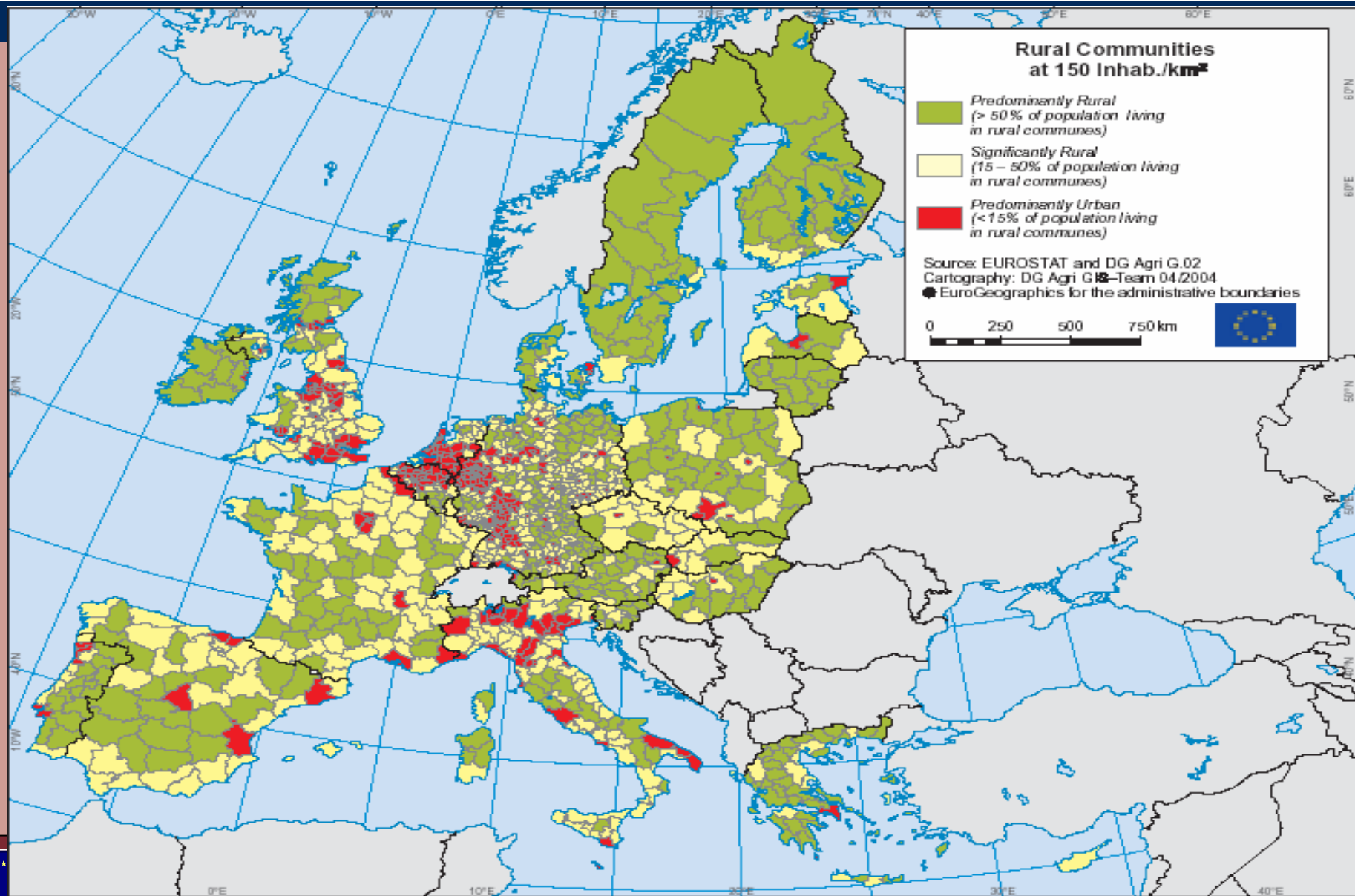
European Commission

Directorate General for Agriculture

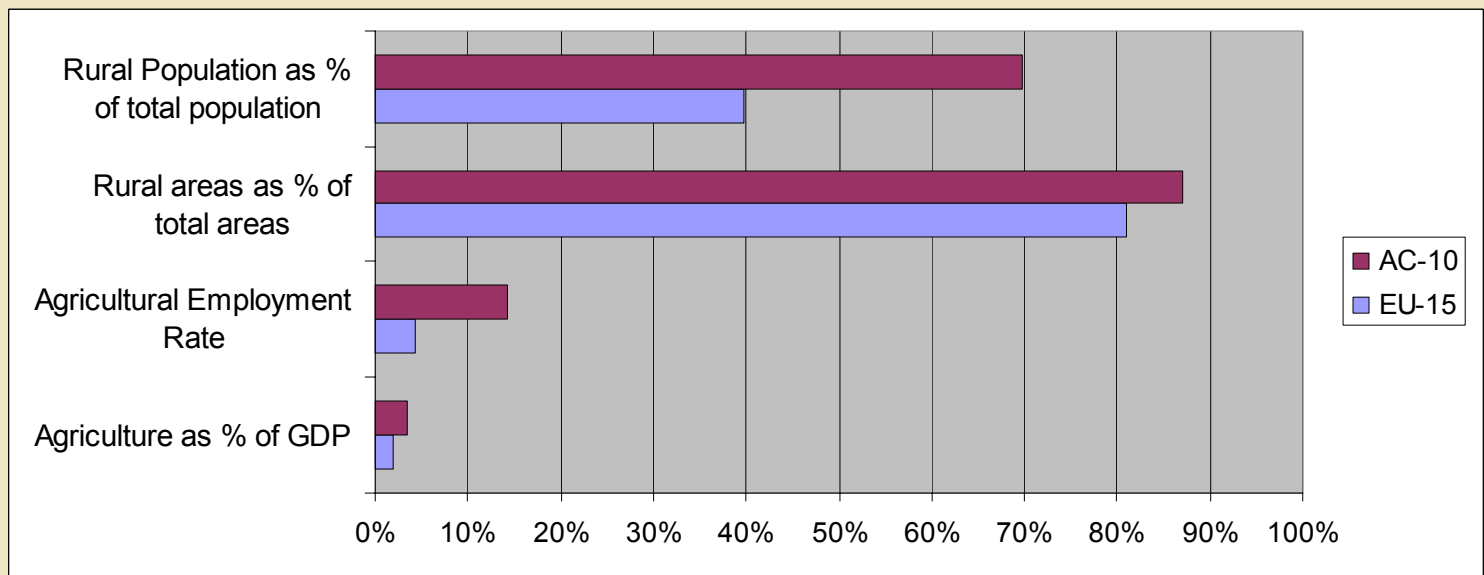
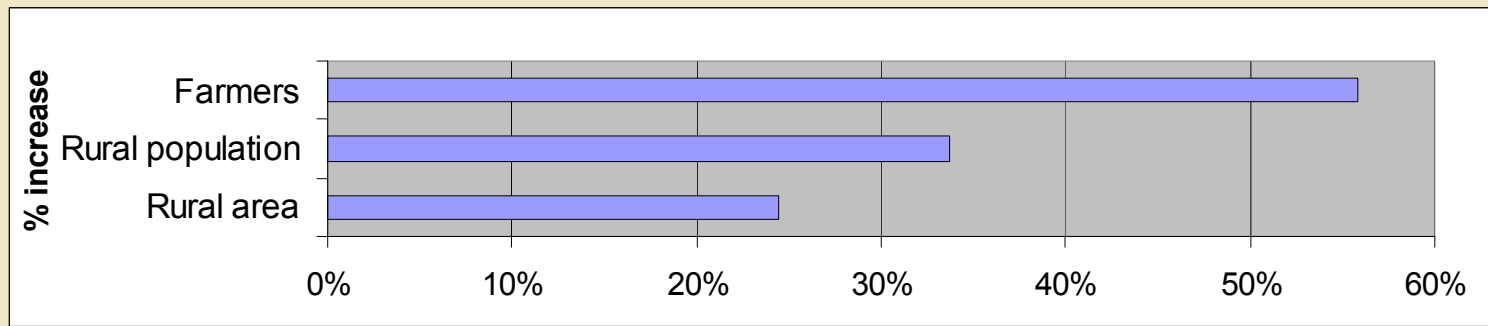
November 2004



Rural Areas (OECD definition)



Rural Development - Rural issues reinforced by enlargement

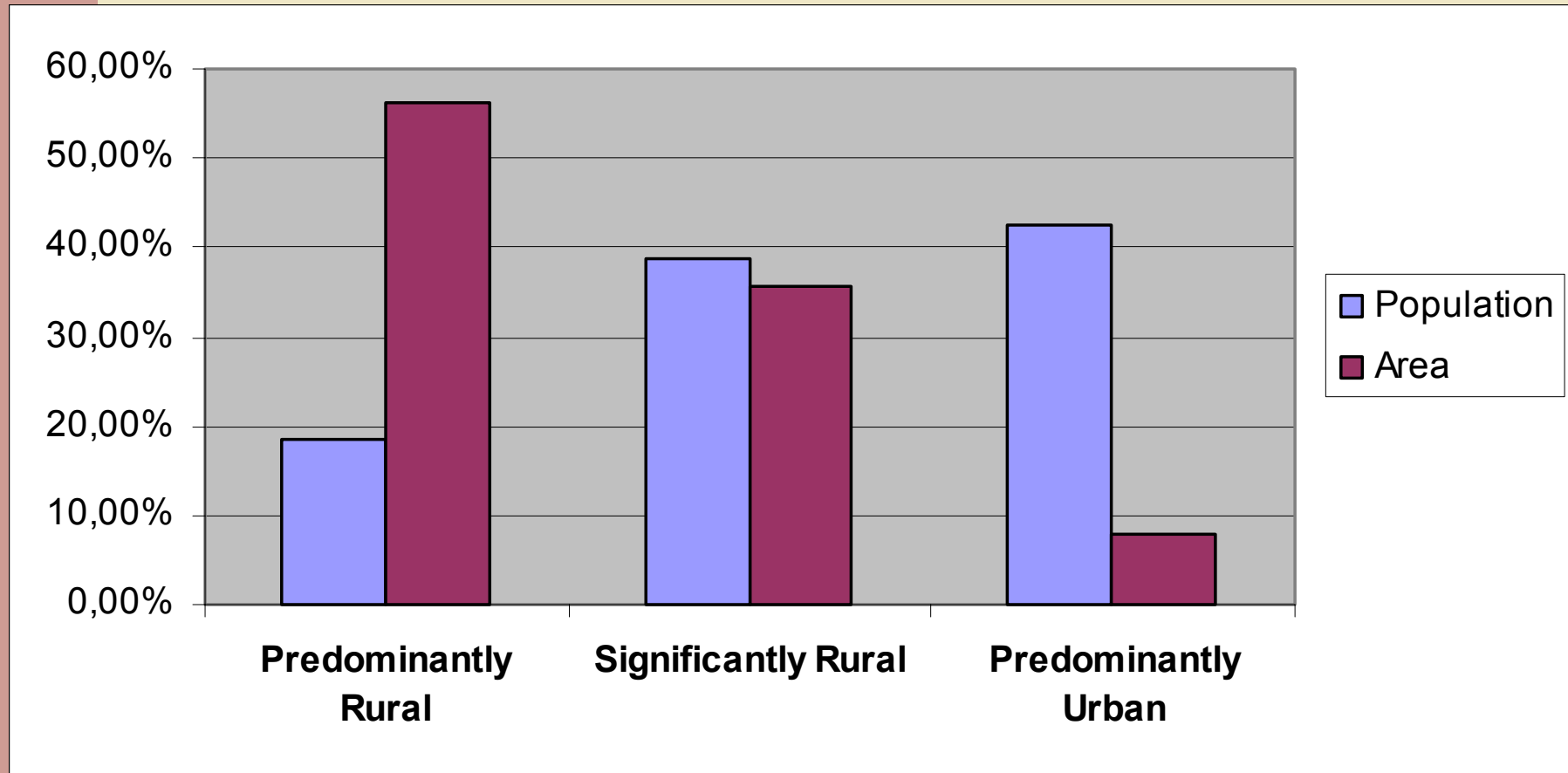


Rural Population (OECD) = People living in predominantly and significantly rural areas

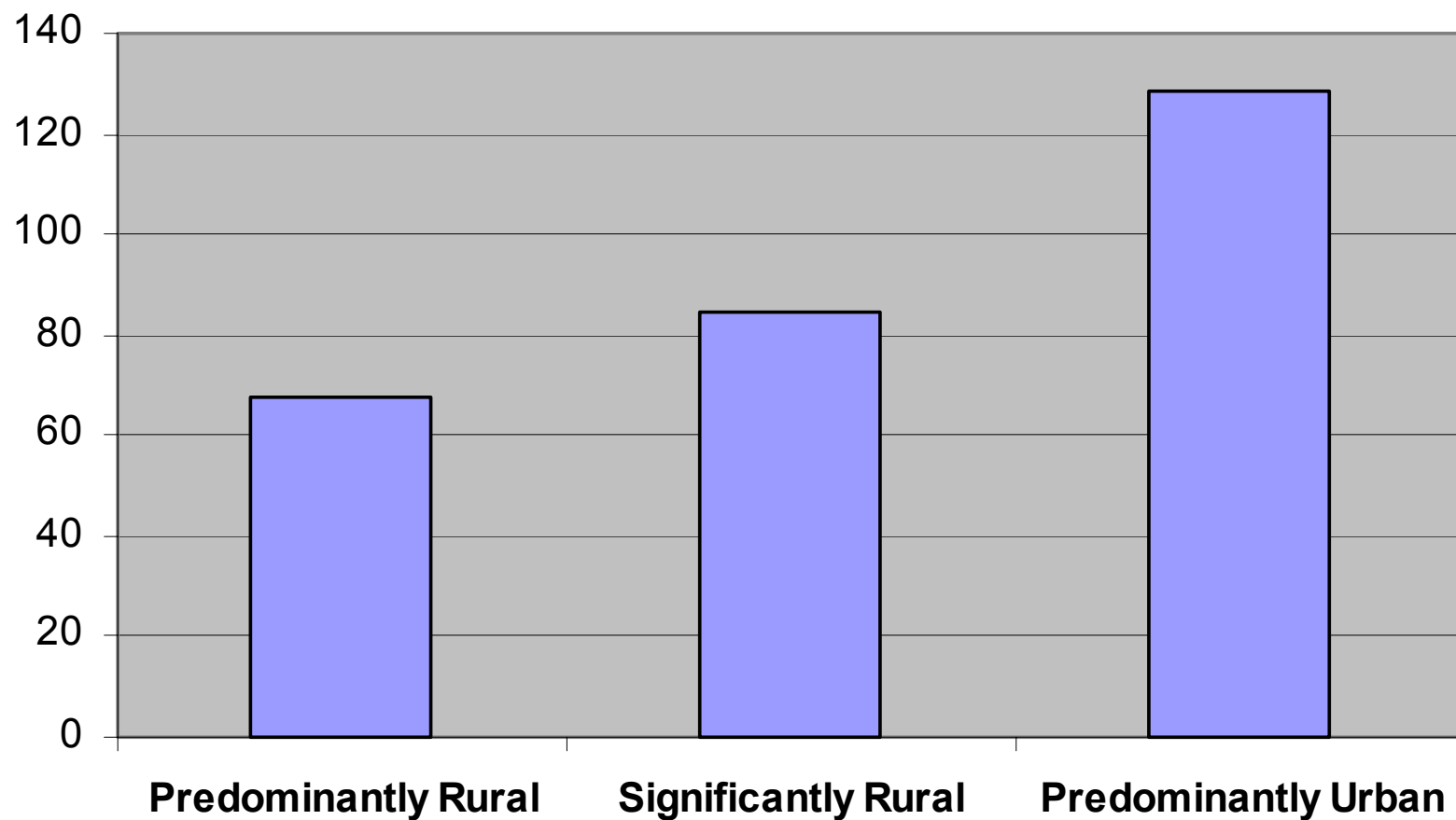
Rural Area = Area under agriculture and forestry



Rural Population and Area (EUR-25)



GDP per capita (EUR-25)



Evaluation results (1)

- Long shopping lists of measures can lead to a dispersal of support, reducing efficiency
- Presence of significant deadweight effects, requiring better targeting of measures, particularly for investment and establishment aids
- Questionable effectiveness of LFA scheme in certain areas
- Positive benefits of LEADER



Evaluation results (2)

- Territorial and bottom-up approaches are particularly promising
- Networking and exchange of good practice increase programme efficiency
- Funding provisions and delivery mechanisms need simplification



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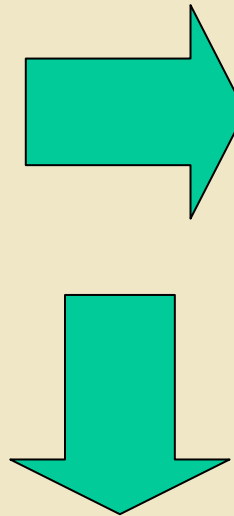
Simplification

today:

- 2 Sources of finance (funds)
- 3 systems for financial management and controls
- 5 types of programming

in future:

- 1 fund
- 1 system for financial management and controls
- 1 programming system



For all rural areas in the EU



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Three core objectives:

- Improving the competitiveness of the farm and forestry sector through support for restructuring, modernisation and quality production
- Enhancing the environment and the countryside through support for land management
- Enhancing the quality of life in rural areas and promoting diversification of economic activities



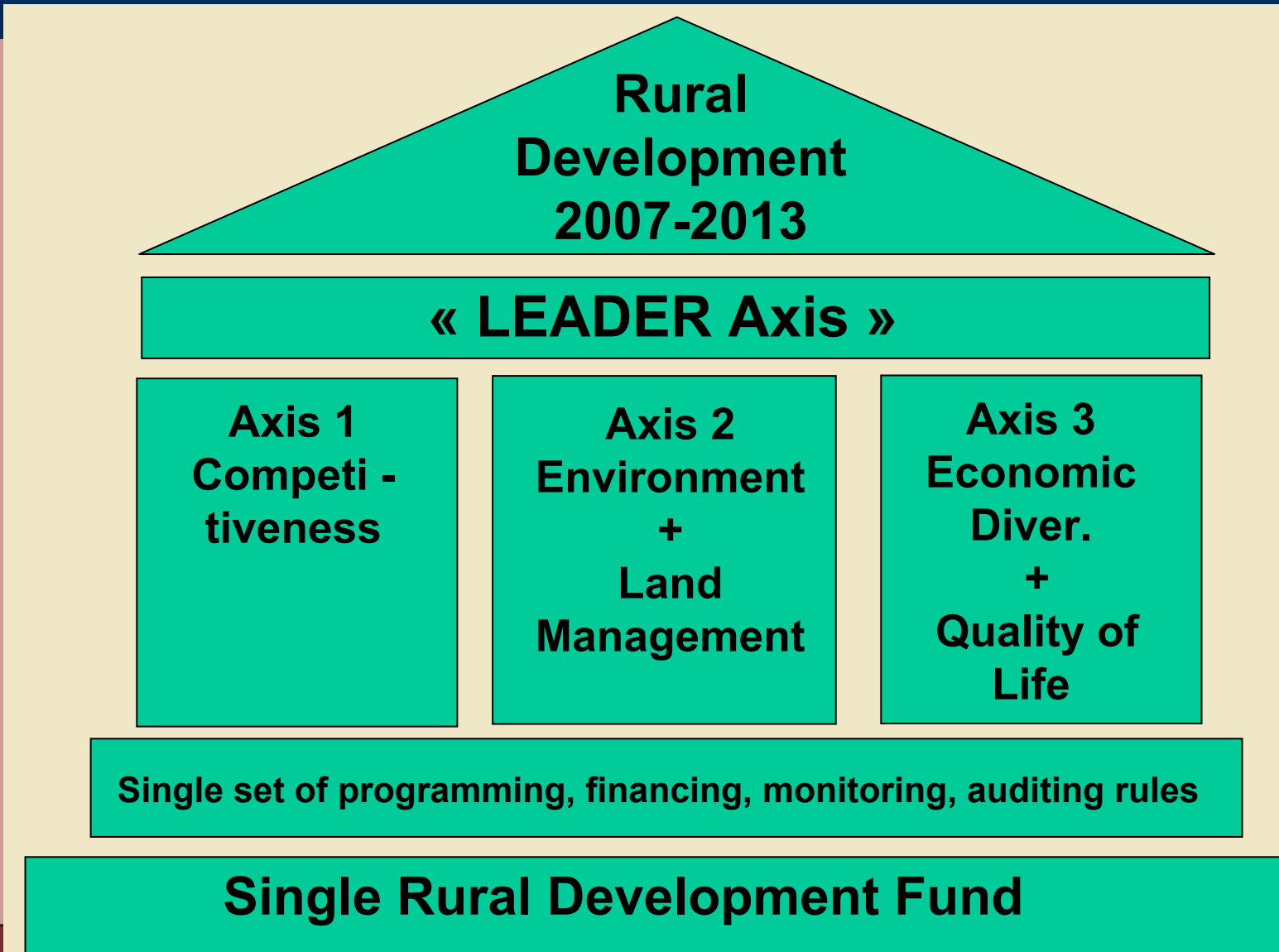
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3 core objectives – 4 priority axes:

- To each core objective corresponds a thematic axis in the rural development programme
- The three thematic axes are complemented by a « methodological » axis dedicated to the LEADER approach (LEADER axis)
- A minimum funding for each axis is required to ensure some overall balance in the programme
- As building blocks for each thematic axis a range of pre-defined measures is available



Rural Development Policy 2007-2013: Architecture



Axis 1: Improving Competitiveness

1. **Human potential**: vocational training; setting up of young farmers; early retirement; management, relief and advisory services, ...
2. **Physical potential**: investments to improve production, processing and marketing structures (and infrastructures), ...
3. **Quality of agricultural production and products**: adaptation to new EU standards; participation in food quality schemes; promotion for quality products.
4. **Transitional measures** for the new Member States (until 2008)



Axis 2: Land Management

1. Sustainable use of agricultural land: mountain areas; other areas with handicaps; Natura 2000 areas; agri-environment and animal welfare; ...
2. Sustainable use of forestry land: first afforestation; first establishment of agro-forestry systems, Natura 2000 areas; forest-environment; restoring forestry production potential and introducing prevention actions; ...

N.B.:

- Agri-environment measures are compulsory for each programme.



Axis 3: Diversification of the rural economy and quality of life in rural areas

- 1. Diversification of the rural economy: on farm diversification; off farm diversification (micro-enterprises); tourism; protection and management of natural heritage; ...**
- 2. Improvement of the quality of life: Basic services; village renewal; training and capacity building; ...**

N.B.:

- Implementation preferably through local development strategies.**



“LEADER” Axis

- **Implementation of local development strategies through a LEADER approach to contribute to the achievement of the objectives of one or several of the three thematic axes.**
- **Inter-territorial and trans-national cooperation.**
- **Capacity building and working of local action groups.**



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Programme Balance

Axis 1: *“Increasing Competitiveness”*

=> at least 15% of EU programme funding

Axis 2: *“Environment and land management”*

=> at least 25%

Axis 3: *“Improving quality of life and economic diversification”*

=> at least 15%

Axis 4: *“LEADER approach”*

=> at least 7%

(but counts for the thematic axes)



To support the implementation of strategies and programmes will be available:

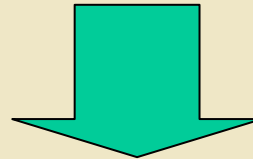
- Technical assistance at programme level for preparation, management, monitoring, evaluation, information and control activities (up to 4% of programme funding)
- A national rural network supporting and bringing together the organisations and administrations active in rural development (financed from the technical assistance at programme level)
- A European rural development network to interface with the national networks and administrations (financed from the technical assistance at Commission initiative, 0.3% of RD funding)



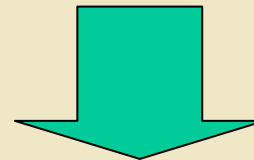
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Programming Steps

- 1) EU strategy document setting out the EU priorities for the three thematic axes



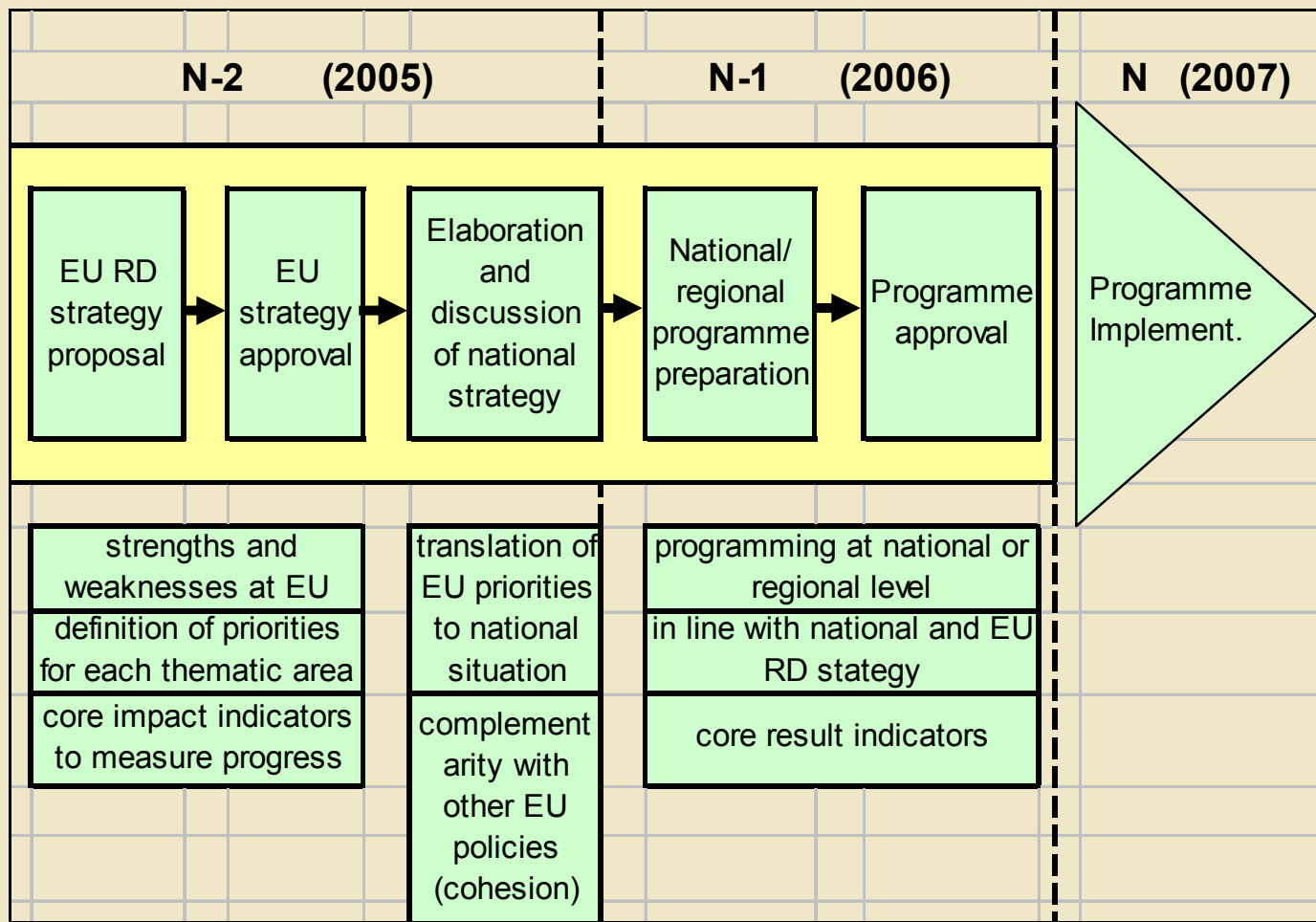
- 2) National strategy plans translation the EU priorities to the national situation and ensuring complementarity with other policies (Cohesion policy – ESF/ERDF)



- 3) National or regional rural development programmes articulating the four axes



Rural Development 2007-2013 : Programming steps



Financial management and control based on principles:

Similar to the Structural Funds:

- Differentiated appropriations, automatic decommitment (n+2)

Using Guarantee bodies and procedures:

- A paying agency
- A certifying body
- An annual financial clearance of accounts and conformity clearance decisions



Financial resources:

<i>bio EUR 2004</i>	2007-2013
total funding	88.75
from:	
Guarantee	56.0
Guidance	31.3
LEADER	1.5
p.m. modulation/other transfers	8.4

3% or 2.66 bio EUR LEADER axis reserve

0.3% or 0.27 bio EUR Commission technical assistance



Indexation at 2%:

