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# *Agriculture and Enlargement*



*Zagreb, Croatia, 12 - 13 June 2009*

## **Community policies for the development of rural areas**

**Michael PIELKE**

European Commission

Directorate General for Agriculture and Rural Development

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# Common Agricultural Policy (CAP)

## 1st Pillar:

Market organisations (sugar, wine, olive oil etc.)  
Direct payments (“decoupled” from production)  
Cross Compliance standards

## 2nd Pillar:

Rural Development Policy

Multifunctional agriculture

Food

Environment

Rural livelihoods

Modulation



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# Main policy features

- Strategic and structured approach to programming
- Common framework for monitoring and evaluation
- Single fund EAFRD
- Leader method to strengthen governance and capacity building in rural areas
- Complementarity with Structural Funds



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## Rural development policy 2007-2013: Objectives and Priorities

« **LEADER Axis** » (5%): local development / governance

### Axis 1:

#### Competitiveness 10%:

- *Human and physical capital*
- *Innovation*
- *Knowledge-transfer*
- *IT technologies*
- *R&D of new products*

### Axis 2:

#### Environment and Land Management (25%):

- *Biodiversity*
- *Soil, Water*
- *Climate Change*  
(Win-Win)

### Axis 3:

#### Diversification and quality of life (10%):

- *Employment opportunities in diversification*
- *Quality of life*

**EAFRD: European Agricultural Fund for Rural Development**



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1. EU Strategic Guidelines establish the Community Priorities for the period 2007-2013

***A strategic approach***

2. National Strategies reflect EU-priorities according to the situation in the Member State concerned

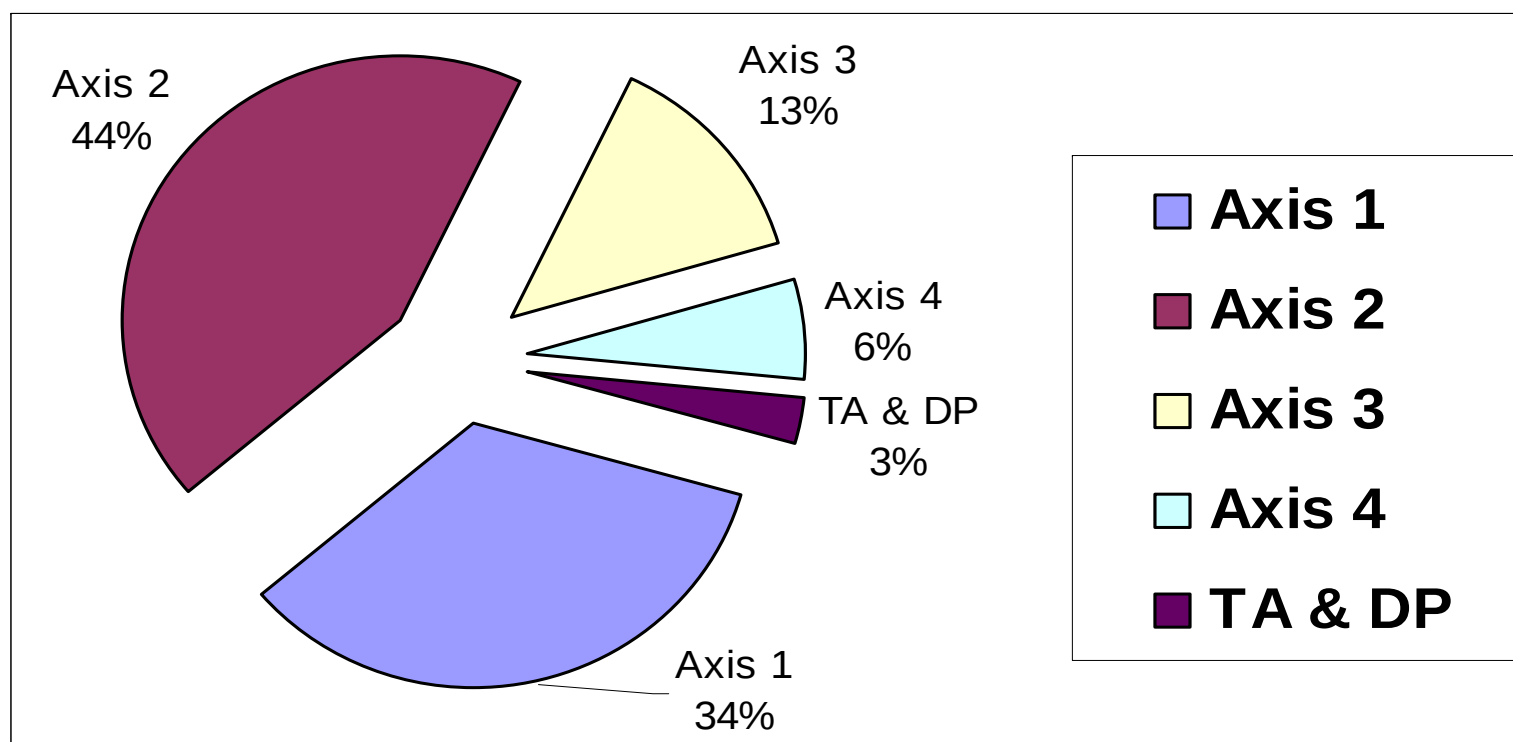
3. Establishment of national or regional programmes on the basis of SWOT analysis

4. Programme implementation accompanied by monitoring and evaluation („ongoing evaluation ') based on a Community framework



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## EAFRD-Expenditure per axis





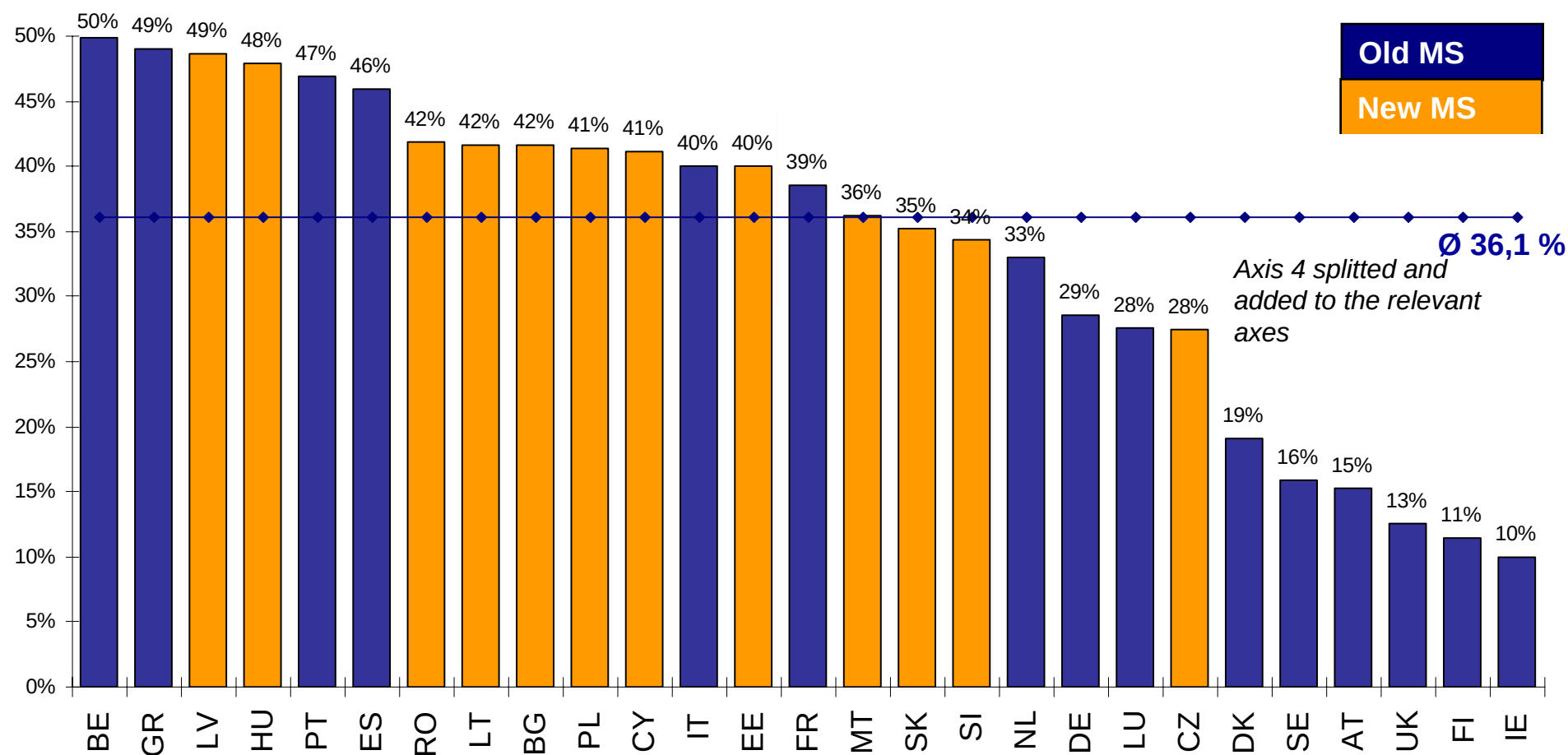
# Axis 1 : Improving Competitiveness

- *Measures aiming at promoting **knowledge** and improving **human potential***: vocational training/information; setting up of young farmers; early retirement; management, relief and advisory services, ...
- *Measures aiming at restructuring **physical potential** and promoting **innovation***: investments to improve production, processing and marketing structures (and infrastructures),...
- *Measures aiming to improve the **quality of agricultural production and products***: adaptation to new EU standards; participation in food quality schemes; promotion for quality products.
- ***Transitional measures for the new Member States (until 2013)***: semi-subsistence farms; setting up of producer groups.



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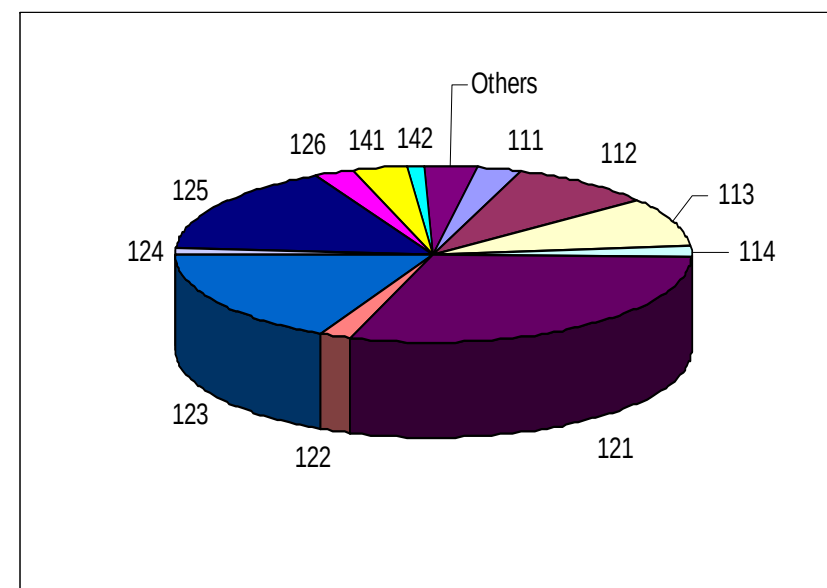
## EAFRD-Expenditure in Axis 1 (Competitiveness) as part of Total by MS





# Important measures under Axis 1

- 'Modernisation of Agricultural Holdings' (121)
- 'Adding Value to agricultural and Forestry products' (123)
- 'Improvement and Development of Infrastructure' (125)





## Axis 2 : Environment / Land Management

- *Measures targeting the sustainable use of **agricultural land***: mountain areas; other areas with handicaps; Natura 2000 areas; agri-environment; animal welfare; support for non-productive investments
- *Measures targeting the sustainable use of **forestry land***: first afforestation; first establishment of agro-forestry systems, Natura 2000 areas; forest-environment; restoring forestry potential and introducing prevention actions; support for non-productive investments

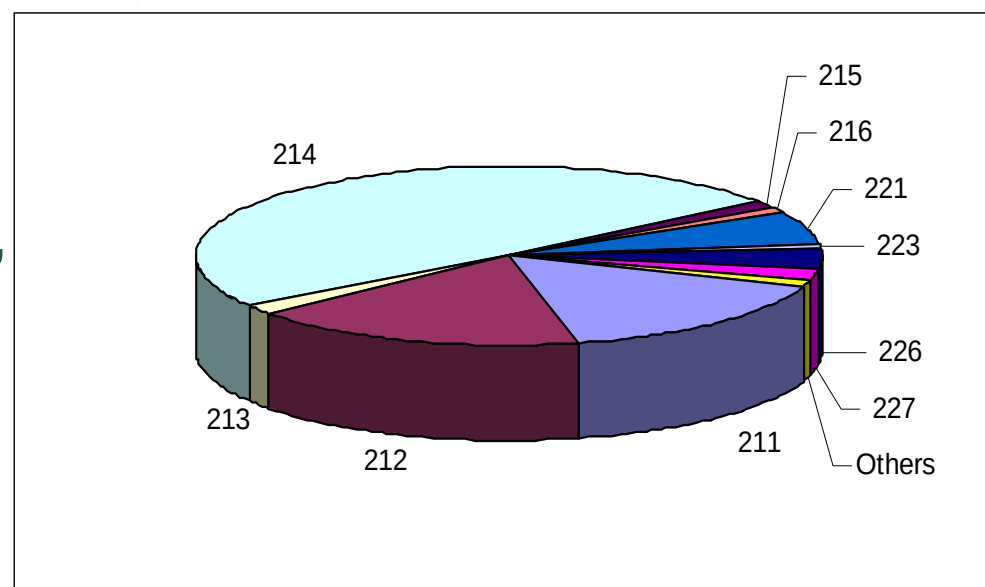
N.B.:

- Agri-environment measures are compulsory for each programme
- Cross compliance sanctions apply



## Important measures under Axis 2

- 'Agri-environmental Payments' (214)
- 'Less Favoured Areas' (211+212)





## Axis 3 : Diversification, quality of life

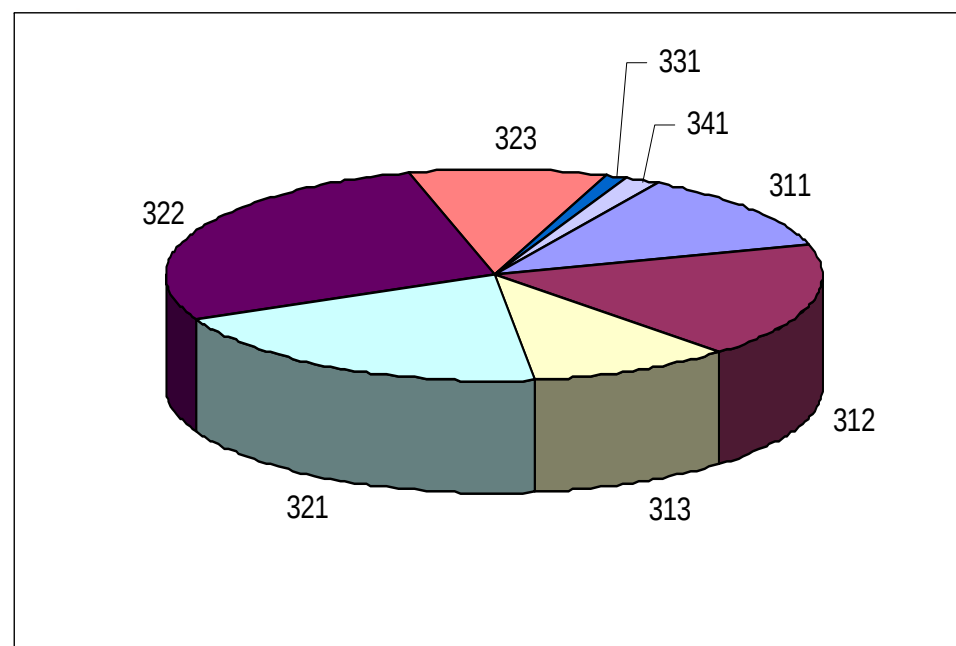
- *Measures aiming at the **diversification of the rural economy**:*  
diversification to non-agricultural activities; support for micro-enterprises; tourism
- *Measures aiming at the **improvement of the quality of life**:*  
basic services; village renewal; conservation and upgrading of the rural heritage (natural and cultural)
- *Measures aiming at the **training and capacity building***



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## Important measures under Axis 3

- 'Village Renewal' and 'Basic Services' (321+322)
- 'Business Creation and Development' (312)
- 'Diversification to non-agricultural activities' (311)





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## “LEADER” Axis

- Implementation of local development strategies by a Local Action Group which addressed local strength and weaknesses
- Inter-territorial and trans-national cooperation
- Capacity building and working of local action groups

NB: Leader is compulsory for each programme



## Assistance on EU level: European Rural Development Network

- Establishment of a platform to ensure better information, exchange of « best practice » and communication between national networks and with the broad society
- Structure:
  - A European RD Network (implementation of RDP) and an expert network on evaluation
  - ERDN: a Coordination Committee, thematic working groups, Leader sub-committee
  - Separate Expert network focusing on evaluation



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## Assistance on EU level: Common Monitoring and Evaluation Framework

- Introduction of a Common Monitoring and Evaluation Framework
- Obligation for all Member States to clearly identify/quantify the baseline situation, to determine the targets and to measure progress



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# Health Check: Addressing the New Challenges

The Health Check identified :

- a) climate change
- b) bio-energy
- c) water management
- d) biodiversity
- e) dairy accompanying measures

as crucial and new challenges for European agriculture.

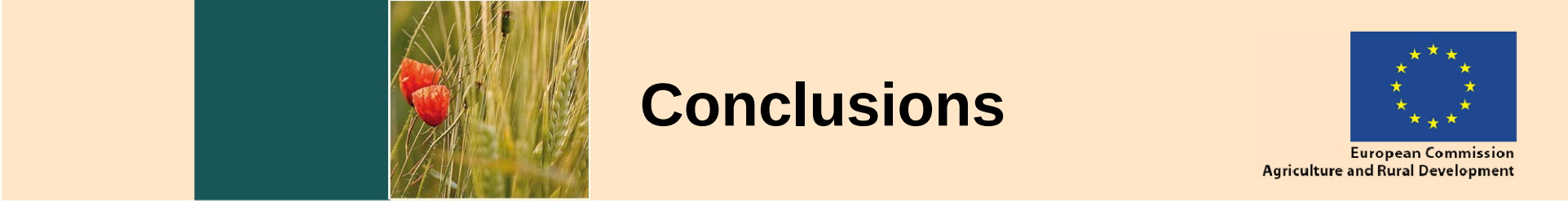
→ Support for INNOVATION related to the priorities climate change, bio-energy, water management, biodiversity, may facilitate the strengthening of these priorities



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# The Economic Recovery Package

- endorsed by the European Council in December 2008 as a measure against the financial crisis
- a short-term stimulus target on long-term goals
- → € 1.02 billion channelled through the EAFRD:
  - for broadband infrastructure in rural areas
  - to tackle the New Challenges identified in the Health Check



# Conclusions



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- The second pillar of the CAP is a „tool-box“ which **offers „tools“** to the 27 Member States **to address their specific situation** in rural areas
- The implementation of the rural development policy on the basis of the **principle of subsidiarity** is a key for the success of this policy area
- The **strategic approach** chosen helps to increase efficiency and „value added“ of funds used under this policy



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# Thanks for your attention!!!

- More information on Rural Development and the CAP:
  - [http://ec.europa.eu/dgs/agriculture/index\\_en.htm](http://ec.europa.eu/dgs/agriculture/index_en.htm)
  - [http://ec.europa.eu/commission\\_barroso/fischer-boel/index\\_en.htm](http://ec.europa.eu/commission_barroso/fischer-boel/index_en.htm)