

MODULE 1  
SUSTAINABLE AGRO-LIVESTOCK FARM AND ANIMAL WELFARE:  
METHOD, TECHNIQUE, AND EXPERIENCES

UNIT 1  
Agricultural multifunctionality and sustainable farm

# RURAL DEVELOPMENT

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## **Introduction**

Living in the countryside has a great deal to offer. People value the quietness and sense of space, the beauty of natural surroundings, the traditions, and a sense of community.

But over the last thirty years, the pace of social and economic change has put increasing pressure on rural communities. While some have attracted new business, many have lost local services and jobs in agriculture and other traditional industries. Poor quality development has encroached on some valued landscapes, and wildlife has declined. Young people have left remote rural areas, while some villages close to cities have become commuter dormitories.

The rural development policy wants to reverse the decline and help country people build a better future.

## Slide2

### What is a “Rural area”?

Rural areas are defined by a wide range of qualities, from the beauty of their nature to the strength of their communities.

Rural areas also face unique challenges, including demographic changes, a high risk of poverty, and a lack of access to basic facilities. To secure the best of their qualities, it is essential to understand and overcome the worst of their challenges. To classify territories into urban and rural areas, the experts measure units 1 km<sup>2</sup> grid cells. Urban grid cells fulfill two conditions: 1) a population density of at least 300 inhabitants per km<sup>2</sup> and 2) a minimum population of 5,000 inhabitants in contiguous cells above the density threshold. The other cells are considered rural. Thresholds for the typology: 50% and 20% of the regional population in rural grid cells. For example: Predominantly urban regions are where the rural population is less than 20% of the total population; intermediate regions are where rural populations are between 20 and 50% of the total population; predominantly rural regions are where the rural population is 50% or more of the total population.



### What is a “Rural area”?

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- A rural area is a geographic area that is located outside cities and towns

- Typical rural areas have a low population density and small settlements, and people live near nature

- In rural areas, agriculture is the primary source of income



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### Slide3

## EU Rural areas in numbers (1)

Rural areas in European Union account for more than 341 million ha, representing 83% of the total EU area in 2018. Agricultural land, forest, and natural areas account for almost 80% of the EU's area.

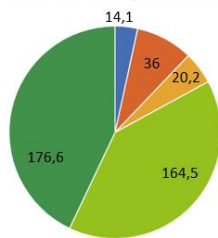
30.6% of the EU's population lives in rural areas. Rural and remote areas have the lowest shares of the EU's population in age groups below 50 years. An elderly population, therefore, lives in rural areas.



### EU Rural areas in numbers (1)

EU land area, 2018 (in million hectares and percentage)

Source: LUISA Base Map 2018 (EC-JRC)

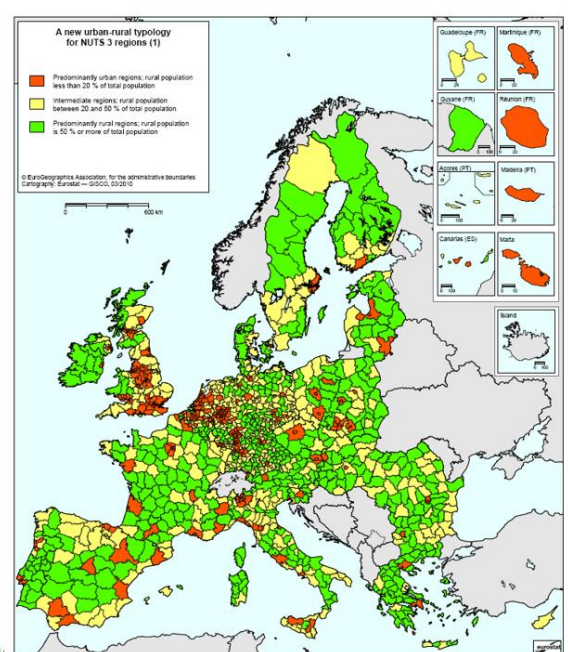


- City
- Town and Suburb, remote
- Rural area, remote
- Town and Suburb, close to a city
- Rural area, close to a city

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<https://ec.europa.eu/info/strategy/priorities-2019-2024/>

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(1) This typology is based on a definition of urban and rural 1 km<sup>2</sup> grid cells. Urban grid cells fulfil two conditions: 1) a population density of at least 300 inhabitants per km<sup>2</sup> and 2) a minimum population of 5,000 inhabitants in contiguous cells above the density threshold. The other cells are considered rural. Thresholds for the typology: 50% and 20% of the regional population in rural grid cells. For Madeira, Azores and the French outermost regions, the population grid is not available. As a result, this typology uses the OECD classification for these regions.

## Slide4

### EU Rural areas in numbers (2)

The population at risk of poverty and social exclusion is higher in rural areas than in towns and cities.

#### Economic development and bioeconomy

In 2018, the average Gross Domestic Product (GDP) per capita in rural regions was only three-quarters of the EU average.

The bioeconomy in the EU has an annual turnover of 2.2 trillion euros and employs around 17.5 million people. The whole agri-food chain represents 75% of the employment in the EU's bioeconomy and accounts for two-thirds of its turnover. In a high-growth scenario, the total annual turnover of the EU Bioeconomy sector could reach up to €3 trillion by 2050, with the creation of up to 700,000 jobs, mostly in urban, coastal, and rural areas.

#### Tourism

At the EU level, the number of tourism nights per inhabitant in rural regions is three times higher than in the urban areas.

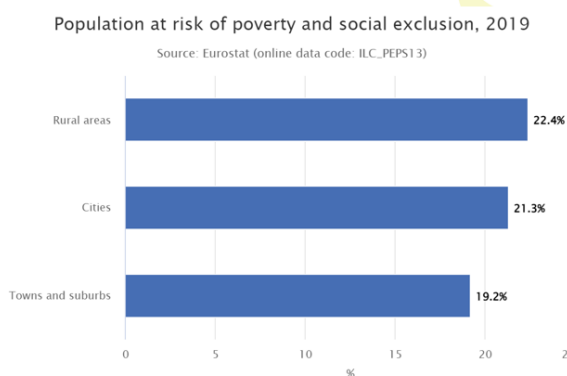
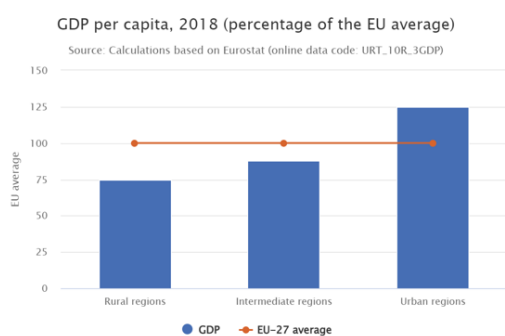
#### Cooperation, innovation, and network

Most local innovation projects (53%) funded under the agricultural European innovation partnership focus on alternative types of farming, such as organic farming, conservation agriculture, adapting circularity principles to farming, agroecology, bio-based production.



### EU Rural areas in numbers (2)

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<https://ec.europa.eu/info/strategy/priorities-2019-2024/>

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## Slide5

### What is “Development”? How do we measure it?

Development is a process that involves both economic growth and social development. It is a process of continuous rise in the capability of the people to control their present and future wellbeing.

The development includes People (self-esteem, dignity, security), Economy, Technology, Culture, Moral value, Environmental preservation, Education (literacy), Change in social structure, Equal distribution of wealth, Organization, Discipline, Freedom (from servitude, debt, et.), Control over political destiny.

#### Access to services and infrastructure

The average road distance to essential services is much shorter in urban areas compared to rural areas. For example, the average distance to the nearest doctor is 3.5km in a city, while the average distance is almost 21.5 km for remote rural areas. Only 60% of households in rural areas have access to fast broadband (>30Mbps), compared to 86% of the EU population as a whole.

#### Employment and education

At an EU level, the employment rate is higher in rural areas than in cities. Since 2012, the employment rate in rural areas for people aged 20-64 has increased across the EU from 68% to 73%. However, the total number of employed persons has not increased, suggesting that the increase in the employment rate is due to the decrease of the active rural population.

The EU rural employment rate was 67% for women and 80% for men in 2019, translating to a gender employment gap of 13 percentage points. In comparison, the employment rate of city residents (for people aged 20-64) was 68% for women and 78% for men, which translates to a gender employment gap of 10 percentage points.

The share of the population aged 25-64 in rural areas with tertiary education has increased from 18% in 2012 to 22% in 2019. Despite the general increase in the share of tertiary educated in rural areas, the growth was higher in cities. As a result, the gap between rural areas and cities increased from 17 percentage points in 2012 to 19 percentage points in 2019.

In the EU, the share of rural residents with at least basic digital skills is 14 pp lower than city residents (48% vs. 62%) in 2019.

## Democracy and governance

In 2018 and 2019, 50% of rural residents tended to trust the EU compared to 55% of the city residents, while only 37% of rural residents tended to trust their national government (compared to 41% in cities). Rural residents are more likely to trust local and regional authorities (57%) than their national government or the EU. Rural residents were more likely to participate in formal and informal voluntary activities (20% and 24%) than city residents were (17% and 22%) in 2015.

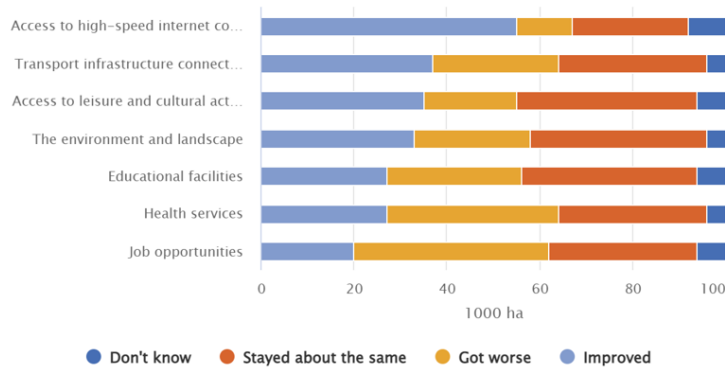


### What is "Development"?

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#### Eurobarometer survey: EU agriculture and the CAP, 2020

Compared with ten years ago, would you say things have improved, got worse or stayed about the same in rural areas in (EU COUNTRY) when it comes to...?



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## Slide 6

### What is “Rural Development”?

Rural development generally refers to the process of improving the quality of life and economic well-being of people living in relatively isolated and sparsely populated areas.

The theory of regional development gives the following definition of rural development: a change that not only includes specific economic indicators but also increases the welfare of the rural population to solve their fundamental problems (low income, unemployment, low quality of social services like education and healthcare) and exploit opportunities for economic growth.

It is a complex concept because it is a multi-level, multi-actor, and multi-faceted process. Rural development shall relate to 1) Global interrelations between agriculture and society (first level); 2) a new development model for the agricultural sector (second level); 3) Individual farm household (third level); 4) the countryside and its economic actors (multi-actor process); 5) a wide array of different and sometimes interconnected practices like landscape management, the conservation of new nature value, etc. (multi-faceted process)



### What is “Rural Development”?

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- A new development model for the agricultural sector (second level)
- Individual farm household (third level)
- The countryside and its economic actors (multi-actor process)
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## Slide 7

### **The Common Agricultural Policy (CAP) and the rural development in Europe (1)**

The EU's Common Agricultural Policy (CAP) is the EU's central regulatory framework on agriculture. Having undergone many reforms over the decades, the history of the CAP has been to increase the market orientation of EU agriculture while providing income support and net safety mechanisms for produce, improving the integration of environmental objectives, and reinforcing support for rural development.

The Common Agricultural Policy (CAP) supports rural areas' vibrancy and economic viability through funding and actions that support rural development.

The CAP is broadly divided into two pillars. Rural development is the 'second pillar of the common agricultural policy, reinforcing the 'first pillar' of income supports and market measures by strengthening rural areas' social, environmental, and economic sustainability.

In particular, pillar I provide market support (public intervention on markets and private storage aid) and income support to farmers in the form of direct payments (subsidies) and market-related expenditures (price support). It is entirely funded by the European Agricultural Guarantee Fund (EAGF).


Instead, pillar II is the rural development dimension of the CAP and is co-funded by the European Agricultural Fund for Rural Development (EAFRD) and by national/regional authorities. It aims at promoting balanced and sustainable rural development.

The CAP contributes to the sustainable development of rural areas through three long-term objectives:

- fostering the competitiveness of agriculture and forestry;
- ensuring the sustainable management of natural resources and climate action;
- achieving a balanced territorial development of rural economies and communities, including creating and maintaining employment.

## The Common Agricultural Policy (CAP) and the rural development in Europe (1)

The CAP rests on two main pillars:



Pillar I provides market support (public intervention on markets and private storage aid) and income support to farmers in the form of direct payments. It is entirely funded by the European Agricultural Guarantee Fund (EAGF).

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## Slide 8

### **The Common Agricultural Policy (CAP) and the rural development in Europe (2)**

In the early days of the common agricultural policy (CAP), so-called common market organizations (CMOs) were created. These were designed to manage the production and trade of most of the EU's agricultural sector. Their purpose was to ensure steady incomes for farmers and a continued supply for European consumers.

Following a series of reforms, 21 separate CMOs were codified in 2007 into a single CMO, covering all agricultural products.

Reforms to the CAP have also made the policy progressively more market-oriented and scaled-down the role of intervention tools, which are now regarded as safety nets to be used only in the event of a crisis.

Until the Macsharry reform, the common agricultural policy was strongly characterized by Common Market Organizations (Coms) in agricultural products.

1992 The CAP shifts from market support to producer support. Price support is scaled-down and replaced with direct aid payments to farmers. They are encouraged to be more environmentally friendly.

The reform coincides with the 1992 Rio Earth Summit, which launches sustainable development.

The Mid 1990s The CAP focuses more on food quality. The policy introduces new measures to support farm investment, training, improved processing, and marketing. Steps are taken to protect traditional and regional foods. The first European legislation on organic farming is implemented.

The rural policy started with Agenda 2000 reform of the Common Agricultural Policy (CAP). This aims to reverse rural out-migration, combat poverty, stimulate employment and inequality opportunity, respond to growing requests for more quality, health, safety, personal development, and leisure, and improve rural well-being.

2000 The CAP centers on Rural Development. The CAP focuses on rural Europe's economic, social, and cultural development. At the same time, the reforms started in the 1990s are continued to make farmers more market-oriented.

2003 A CAP reform cuts the link between subsidies and production. Farmers are more market-oriented and, given the specific constraints on European agriculture, they receive income aid. They have to respect strict food safety, environmental and animal welfare standards in exchange.

In the mid-2000s, the CAP opens to the world. The EU has become the world's largest importer of agricultural products from developing countries, importing more than the US, Japan, Australia, and Canada combined. Under the 'everything but arms' agreement, the EU has given free market access to all least developed countries. No other developed country gives such openness, commitment, and real market access to developing country farmers.

2007 The EU farming population doubles, following the 2004 and 2007 enlargements, with 12 new countries. Eighteen years after the fall of the Berlin Wall, the European Union numbers 27 member states and over 500 million citizens. EU's agricultural and rural landscape changes as well.

2011 A new CAP reform seeks to strengthen the agricultural sector's economic and ecological competitiveness, promote innovation, combat climate change, and support employment and growth in rural areas.

2014 The reform of Common Agricultural Policy for 2014–2020 aims at promoting greater competitiveness, efficient use of public goods, food security, preservation of the environment and specific action against climate change, social and territorial equilibrium, and a more inclusive rural development. The economic crisis of the last years, the globalization, the increasing pressure on natural resources, the growing diversity of agriculture and rural areas in the new enlarged Europe, and citizens' expectations regarding the environment, safety and food quality, health and welfare, preservation of the countryside, biodiversity and climate change, and the unequal distribution of resources are some of the major issues that this policy has faced, in a production context directed by principles of fairness and efficiency.



Stage 1: 1962-1968	Transitional period
Stage 2: 1968-1984	Operation of the common organization of the markets (Coms) in agricultural products
Stage 3: 1984-1988	First reform of the common agricultural policy
Stage 4: 1988-1992	Second reform of the common agricultural policy
Stage 5: 1993-1999	<u>MacSharry reform</u>

❖ Sustainable rural development was put at the top of the agenda of the EU from the 1996 Cork declaration.

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Stage 6: 2000-2004	Agenda 2000 ( <u>started of the rural policy</u> )
Stage 7: 2005-2009	Fischler <u>reform</u> - Mid-term review
Stage 8: 2010-2013	Health check
Stage 9: 2014-2020	Europe 2020 (2022)
Stage 10: 2022-	The new common agricultural policy

## Slide 9

### Cork declaration 1996 – A living countryside

The Cork Conference highlighted the need for rural development and outlined its main features: endogenous, integrated, and sustainable.

Conference on Rural Development in Cork concluded with the signing of the original Cork Declaration that laid the foundations for EU Rural Development policy.

*Endogenous.* According to the principle of subsidiarity, rural development policies must be as decentralized as possible, promote initiatives and the participation of local stakeholders and exploit the resources available at the local level.

*Integrated.* Rural development policies must be multidisciplinary in design and multi-sectoral in the application. The approach to development must include the adaptation and development of agriculture, the diversification of the economy, the management of natural resources, the strengthening of environmental functions, and the promotion of culture, tourism, and recreational activities.

*Sustainable.* Rural development policies must promote rural development that protects the quality of Europe's rural landscapes (biodiversity, natural resources, and cultural identity) so that their exploitation by present generations does not jeopardize the prospects of future generations.

The 10 points rural development program of Cork declaration were:

#### Point 1 - Rural Preference

Sustainable rural development must be put at the top of the agenda of the European Union and become the fundamental principle that underpins all rural policy in the immediate future and after enlargement. This aims to reverse rural out-migration, combat poverty, stimulate employment and equality of opportunity, respond to growing requests for more quality, health, safety, personal development, and leisure, and improve rural well-being. The need to preserve and enhance the quality of the rural environment must be integrated into all Community policies related to rural development. There must be a fairer balance of public spending, infrastructure investments, and educational, health and communications services between rural and urban areas. A growing share of available resources should promote rural development and secure environmental objectives.

#### Point 2 - Integrated Approach

Rural development policy must be multi-disciplinary in concept and multi-sectoral in the application, with a clear territorial dimension. It must apply to all rural areas in

the Union, respecting the concentration principle through the differentiation of co-financing for those areas in need. It must be based on an integrated approach, encompassing within the same legal and policy framework: agricultural adjustment and development, economic diversification - notably small and medium scale industries and rural services - the management of natural resources, the enhancement of environmental functions, and the promotion of culture, tourism, and recreation.

#### Point 3 - Diversification

Support for diversification of economic and social activity must focus on providing the framework for self-sustaining private and community-based initiatives: investment, technical assistance, business services, adequate infrastructure, education, training, integrating advances in information technology, strengthening the role of small towns as integral parts of rural areas and key development factors, and promoting the development of viable rural communities and renewal of villages.

#### Point 4 - Sustainability

Policies should promote rural development that sustains Europe's rural landscapes (natural resources, biodiversity, and cultural identity). Their use by today's generation does not prejudice the options for future generations. In our local actions, we must be aware of our global responsibilities.

#### Point 5 - Subsidiarity

Given the diversity of the Union's rural areas, rural development policy must follow the principle of subsidiarity. It must be as decentralized as possible and based on partnership and cooperation between all levels concerned (local, regional, national, and European). The emphasis must be on participation and a 'bottom-up approach, which harnesses the creativity and solidarity of rural communities. Rural development must be local and community-driven within a coherent European framework.

#### Point 6 - Simplification

Rural development policy, notably its agricultural component, needs to undergo radical simplification in legislation. While there should be no renationalization of the CAP, there must be greater coherence of what is presently done through many separate channels, a limitation of EU law on general rules and procedures, more subsidiarity in decisions, decentralization of policy implementation, and more flexibility overall.

#### Point 7 - Programming

The application of rural development programmes must be based on coherent and transparent procedures and integrated into one single programme for rural

development for each region and a single mechanism for sustainable and rural development.

#### Point 8 - Finance

The use of local financial resources must be encouraged to promote local rural development projects. More encouragement must be given to using financial engineering in rural credit techniques to mobilize better the synergies between public and private funding, reduce financial constraints on small and medium-sized enterprises, promote productive investment, and diversify rural economies. Greater participation by the banking sector (public and private) and other fiscal intermediaries must be encouraged.

#### Point 9 - Management

The administrative capacity and effectiveness of regional and local governments and community-based groups must be enhanced, where necessary, through the provision of technical assistance, training, better communications, partnership, and the sharing of research, information, and exchange of experience through networking between regions and between rural communities throughout Europe.

#### Point 10 - Evaluation and Research

Monitoring, evaluation, and beneficiary assessment will need to be reinforced to ensure transparency of procedures, guarantee the good use of public money, stimulate research and innovation, and enable an informed public debate. Stakeholders must be consulted in the design and implementation and involved in monitoring and evaluation.



Cork declaration 1996 – A living countryside



The Cork Conference highlighted the need for rural development and outlined its main features:

**Endogenous:** rural development policies must promote initiatives and exploit the resources available at the local level.

**Integrated:** rural development policies must be multidisciplinary in design and multi-sectoral in the application.

**Sustainable:** policies must promote rural development that protects the quality of Europe's rural areas for the future generations

The 10 points rural development program of Cork declaration:

- Point 1 - Rural Preference
- Point 2 - Integrated Approach
- Point 3 - Diversification
- Point 4 - Sustainability
- Point 5 - Subsidiarity
- Point 6 - Simplification
- Point 7 - Programming
- Point 8 - Finance
- Point 9 - Management
- Point 10 - Evaluation and Research



## Slide 10

### Cork 2.0 declaration 2016 – A better life in Rural life

The Cork 2.0 Declaration came exactly 20 years after the ground-breaking 1996 European original Cork declaration.

The Cork 2.0 European Conference on Rural Development participants have written guidelines for an innovative, integrated, and inclusive rural and agricultural policy in the European Union. These guidelines have been articulated in ten policy orientations: Point 1 – Promoting rural prosperity; Point 2 – Strengthening rural value chains; Point 3 – Investing in rural viability and vitality; Point 4 – Preserving the rural environment; Point 5 – Managing natural resources; Point 6 – Encouraging climate action; Point 7 – Boosting knowledge and innovation; Point 8 - Enhancing rural governance; Point 9 – Advancing policy delivery and simplification; Point 10 – Improving performance and accountability.

Participants started by considering the key role of rural areas and communities in implementing the United Nations Sustainable Development Goals (SDG) and preserving Europe’s manifold natural and cultural landscapes and heritage. They, therefore, stressed that the rural potential to deliver innovative, inclusive, and sustainable solutions for current and future societal challenges such as economic prosperity, food security, climate change, resource management, social inclusion, and integration of migrants should be better recognized.



Cork 2.0 declaration 2016 – A better life in Rural life

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The ten policy rural development  
orientations of 2016 Cork declaration

- Point 1 – Promoting rural prosperity
- Point 2 – Strengthening rural value chains
- Point 3 – Investing in rural viability and vitality
- Point 4 – Preserving the rural environment
- Point 5 – Managing natural resources
- Point 6 – Encouraging climate action
- Point 7 – Boosting knowledge and innovation
- Point 8 - Enhancing rural governance
- Point 9 – Advancing policy delivery and simplification
- Point 10 – Improving performance and accountability



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## Slide 11

### Rural development programmes (2014-2020)

The ten-point programme of the Cork 2.0 Declaration has been incorporated into rural development policy programmes for 2014-2020.

Six EU Rural Development policy priorities have been identified. They provide the basis for rolling out support from the European Agricultural Fund for Rural Development (EAFRD) to rural areas. EU Member States and regions need to address at least four of these priorities when designing their Rural Development Programmes (RDPs).

The Six common EU priorities are: 1) fostering knowledge transfer and innovation in agriculture, forestry, and rural areas; 2) enhancing the viability/competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management; 3) promoting food chain organization, animal welfare and risk management in agriculture; 4) restoring, preserving and enhancing ecosystems related to agriculture and forestry; 5) promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in the agriculture, food and forestry sectors; 6) promoting social inclusion, poverty reduction, and economic development in rural areas.

These broader policy priorities are broken down into specific areas of intervention, known as Focus Areas (FAs). The RDPs set out quantified targets against the selected Focus Areas (18 specific focus areas) and outline the programme Measures and their allocated funding that will be used to reach the targets. Countries set out targets relating to their chosen priorities and focus areas in their programs and a strategy for meeting their targets.

#### **Priorities, Focus areas, and Targets**

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##### **Priority 1: Knowledge Transfer and Innovation**

1A: Fostering innovation, cooperation, and the development of the knowledge base in rural areas

1B: Strengthening the links between agriculture, food production, and forestry and research and innovation

1C: Fostering lifelong learning and vocational training in the agricultural and forestry sectors

*3.9 million training places*

*3.9% of expenditure on knowledge transfer. Advice and cooperation*

*15,250 Co-operation projects*

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## **Priority 2: Farm Viability and Competitiveness**

2A: Improving the economic performance of all farms and facilitating farm restructuring and modernization

2B: Facilitating the entry of adequately skilled farmers into the agricultural sector and generational renewal

*335,000 agricultural holdings with RDP support for investments in restructuring or modernization (2.8% of holding)*

*175,000 agricultural holdings with RDP supported business development plan/investments for young farmers (1.5% of holdings)*

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## **Priority 3: Food Chain Organisation and Risk Management**

3A: Improving the competitiveness of primary producers by better integrating them into the agri-food chain

3B: Supporting farm risk prevention and management

*300,000 agricultural holdings receiving support for participating in quality schemes, local markets, short supply circuits, and producer groups/organizations*

*645,000 agricultural holdings participating in risk management schemes*

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## **Priority 4: Restoring, Preserving, and Enhancing Ecosystems**

4A: Restoring, Preserving and Enhancing biodiversity

4B: Improving water management

4C: Preventing soil erosion and improving soil management

*17.7% of agricultural land and 3.45% of forest area under management contracts supporting biodiversity and landscape*

*15% of agricultural land and 4.3% of forestry land under management contracts to improve water management*

*14.3% of agricultural land and 3.6% of forestry land under management contracts to improve soil management and prevent erosion*

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## **Priority 5: Resource-efficient, Climate-resilient Economy**

5A: Increasing efficiency in water use by agriculture

5B: Increasing efficiency in energy use in agriculture and food processing

5C: Facilitating the supply and use of renewable sources of energy

5D: Reducing greenhouse gas and ammonia emissions from agriculture

5E: Fostering carbon conservation and sequestration in agriculture and forestry

*7.6% of agricultural land under management contracts targeting the reduction of GHG and ammonia emissions*

*2% of Livestock Units concerned by investments in livestock management in view of reducing GHG and ammonia emissions*

*15% of irrigated land switching to more efficient irrigation systems*

*€ 2.8 billion total investment in energy efficiency*

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*€ 2.7 billion invested in renewable energy production  
4% of agricultural and forestry land under management to foster carbon sequestration/conservation*

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### **Priority 6: Social Inclusion and Economic Development**

6A: Facilitating diversification, creation, and development of small enterprises, as well as job creation

6B: Fostering local development in rural areas

6C: Enhancing the accessibility, use, and quality of information and communication technologies (ICT) in rural areas

*115,500 non-agricultural new jobs directly created, of which: 73,000 about diversification actions and creation and development of small enterprises and 44,500 through LEADER groups*

*51 million rural citizens benefitting from improved services*

*153 million rural citizens coming under local development strategy*

*18 million rural citizens benefitting from improved access to ICT services and infrastructure*

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The three long-term strategic objectives for the 2014-2020 period are:

1. investing in rural jobs and growth to foster the competitiveness of rural businesses
2. Ensuring the sustainable management of natural resources and climate action, for example, by supporting the use of environmentally-friendly farming practices and investments in renewable energy
3. Achieving a balanced territorial development of rural economies and communities, for example, through the rollout of fast and ultra-fast broadband in rural areas



From the ten policy rural development orientations of 2016 Cork declaration to six priority of Rural development programmes 2014-2020

Point 7 – Boosting knowledge and innovation	➔	Priority 1: Knowledge Transfer and Innovation (cross cutting), (3%)
Point 3 – Investing in rural viability and vitality	➔	Priority 2: Farm Viability and Competitiveness (20%)
Point 2 – Strengthening rural value chains	➔	Priority 3: Food Chain Organisation and Risk Management (10%)
Point 4 – Preserving the rural environment	➔	Priority 4: Restoring, Preserving, and Enhancing Ecosystems (44%)
Point 5 – Managing natural resources	➔	
Point 6 – Encouraging climate action	➔	Priority 5: Resource-efficient, Climate-resilient Economy (8%)
Point 1 – Promoting rural prosperity	➔	Priority 6: Social Inclusion and Economic Development (15%)
Point 8 - Enhancing rural governance		
Point 9 – Advancing policy delivery and simplification		
Point 10 – Improving performance and accountability		

*In brackets is the share of funds per RD priority*

## Slide 12

### European Agricultural Fund for Rural Development (1)

EU countries implement EAFRD funding through rural development programmes (RDPs). RDPs are co-financed by national budgets and may be prepared on either a national or regional basis. While the European Commission approves and monitors RDPs, decisions regarding selecting projects and granting payments are handled by national and regional managing authorities. A core principle is co-financing: rural development is supported by the European budget (the EAFRD) with compulsory co-financing by national/regional budgets.

118 RDPs were eligible for funding. The EAFRD budget for the 2014-20 programming period amounted to roughly €100 billion.

Under the CAP transitional regulation (adopted on 23 December 2020), RDPs have been conditionally extended for 2021 and 2022. During these years, RDPs will be provided with €26.9 billion from the EAFRD budget for 2021-27 and an extra €8.1 billion from the next generation EU recovery instrument. Due to this extension, many of the projects and schemes included in RDPs will continue to run until the end of 2025.

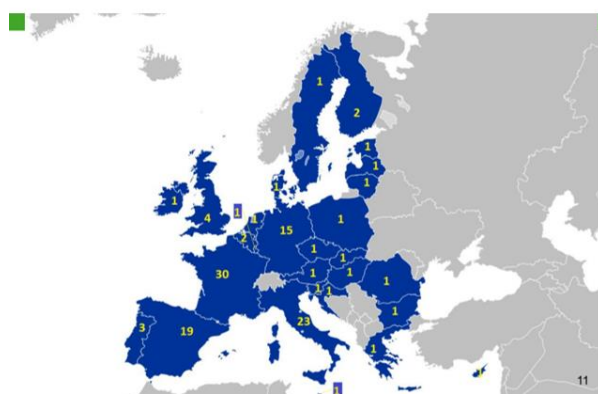
From 2023 onwards, all new rural development actions will be incorporated into national CAP strategic plans. Each national plan will be built around key social, environmental, and economic objectives for EU agriculture, forestry, and rural areas.



### European Agricultural Fund for Rural Development (1)

Co-funded by the Erasmus+ Programme of the European Union 

Number of Rural Development Programmes per country (total of 118)



2014-2020 EAFRD funding / MS (euro million)

BE		648	HR		2 026	PL		8 698
BG		2 367	IT		10 444	PT		4 058
CZ		2 306	CY		132	RO		8 128
DK		919	LV		1076	SI		838
DE		9 446	LT		1 613	SK		1 560
EE		823	LU		101	FL		2 380
IE		2 191	HU		3 431	SE		1 764
EL		4 718	MT		97	UK		5 200
ES		8 297	NL		765			
FR		11 385	AT		3 938	EU		99 586**

\*Envelopes in place after entry into force on 23<sup>rd</sup> May 2015 of COMMISSION DELEGATED REGULATION (EU) No 2015/791 amending Annex I to Regulation (EU) No 1305/2013 of the European Parliament and of the Council on support for Rural Development by the European Agricultural Fund for Rural Development, i.e. after transfers between Direct Payment envelopes and the RDP envelopes;  
\*\* includes EU level technical assistance (239 mil. EUR)

[https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/rural-development\\_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/rural-development_en)

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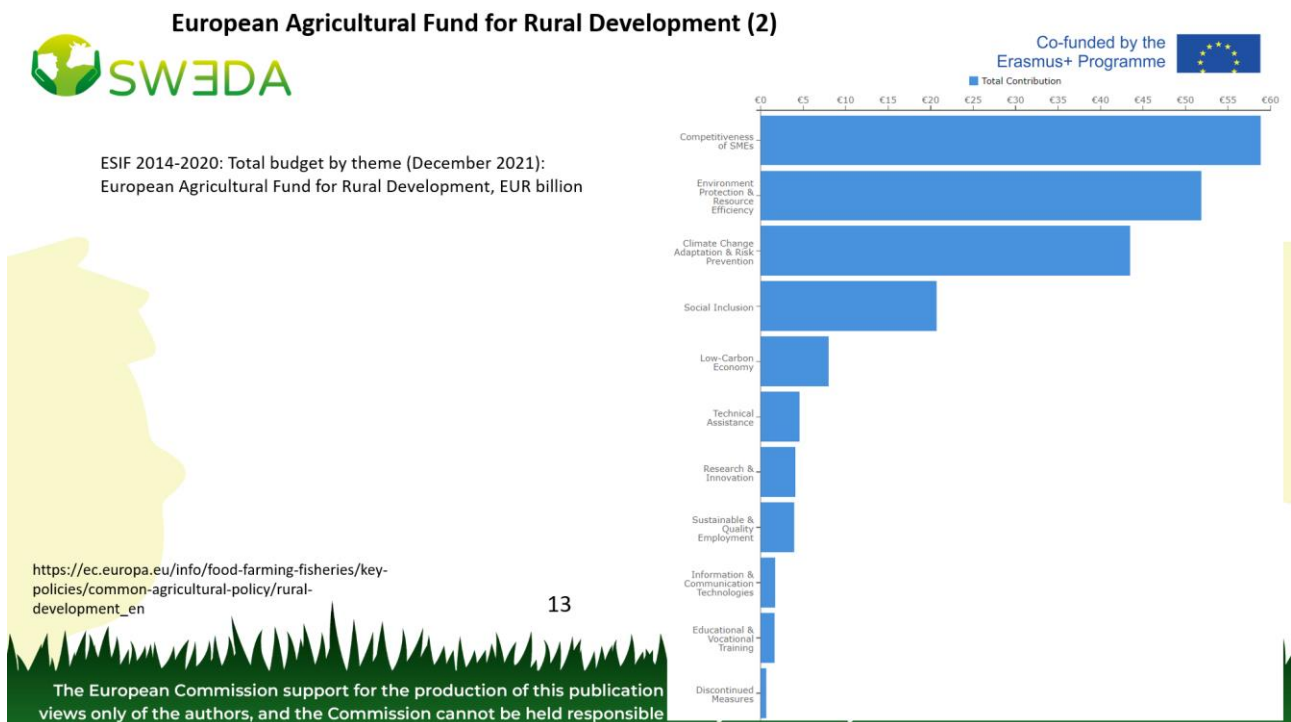
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## Slide 13

### European Agricultural Fund for Rural Development (2)

The EU supports farm diversification, given its many benefits not only for the farmers themselves but also, more generally, for the sustainability of the sector and the added value it brings to rural economies. Agriculture is considered a vital activity, along with forestry, as a driver of rural economy and a platform for economic diversification in rural areas. It is closely related to the food industry and tourism, two major activities employing nearly 15 million people in the EU and trade.

Therefore, it is deemed essential to maintain agricultural jobs and help farmers earn a decent living while fulfilling their various missions. European policymakers, over time, have developed rural development policies providing tools to help the farming sector address economic, social and environmental challenges. The current policy reinforces this trend and, among many other forms of support, includes direct and indirect measures which help farmers achieve their diversification projects.



## Slide 14

### Bibliography for further reading



#### Bibliography for further reading

Co-funded by the  
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1. European Union (2016). *CORK 2.0 Declaration "A Better Life in Rural Areas"*. Publications Office of the European Union, Luxembourg