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The EU's rural development policy – state of play and the post 2013 debate

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Rural Development Policy 2007-2013



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1 State of play - Main policy features

- Strategic approach to programming
- Common framework for monitoring and evaluation (CMEF) to maximize added value
- Single fund EAFRD, one set of rules to simplify and improve planning and implementation
- Mainstreaming of Leader to strengthen governance and local initiatives in rural areas
- Complementarity with Structural Funds to allow best use of EU support
- Maintenance of territorial and multi-sectoral approach



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Rural development policy 2007-2013: Objectives and Priorities

« LEADER Axis » local development / governance

Axis 1: Competitiveness :

- Human and physical capital
- Innovation
- Knowledge-transfer
- IT technologies

Axis 2: Environment and Land Management :

- Eco-systems (Natural Resources/ Biodiversity / Habitats)
- Landscape Amenities
- Climate Change

Axis 3: Diversification and quality of life :

- Diversification of economic activities
- Quality of life

EAFRD: European Agricultural Fund for Rural Development

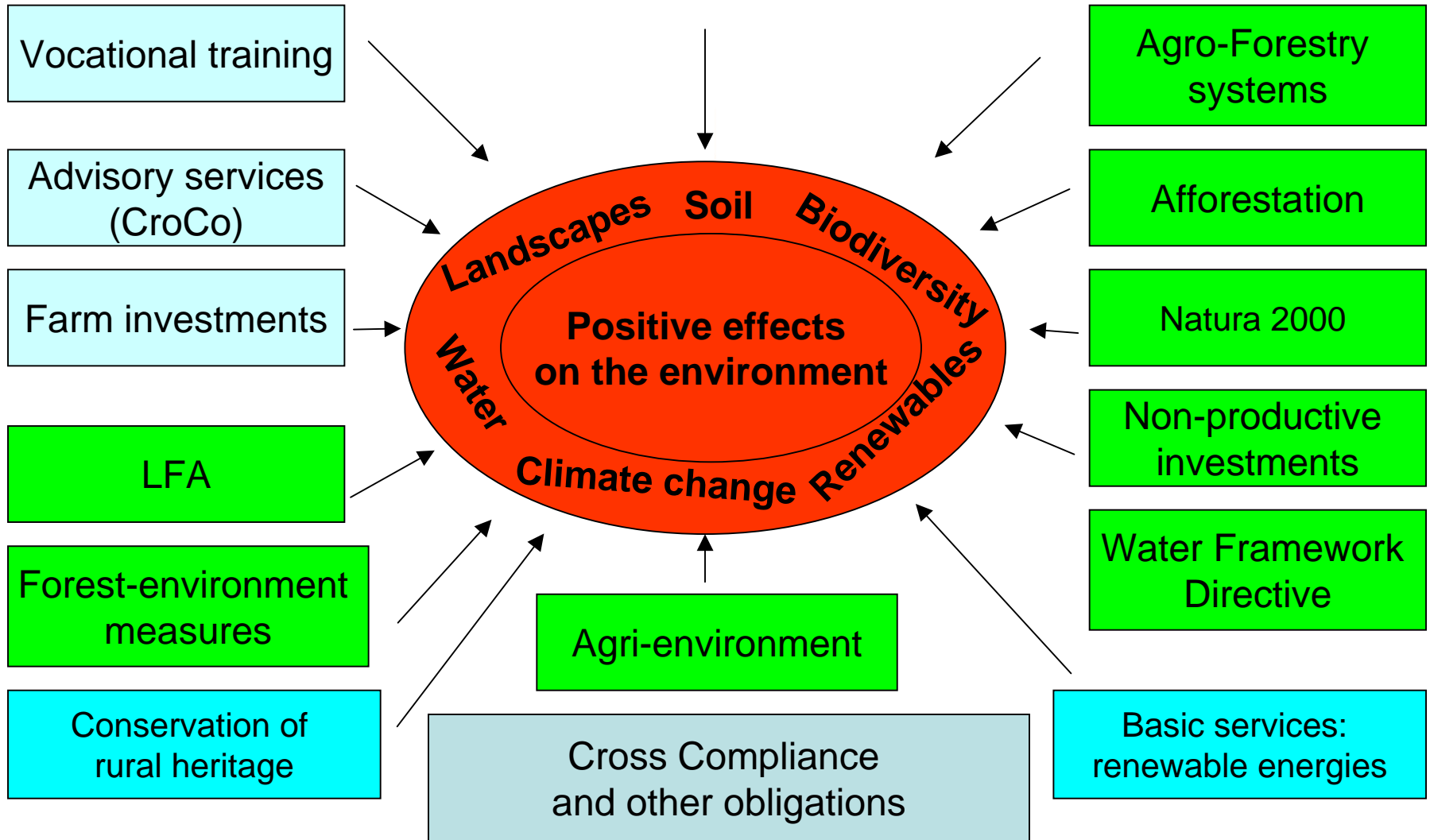


Integrated targeting of main objectives: e.g. the environment



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LEADER-Axis

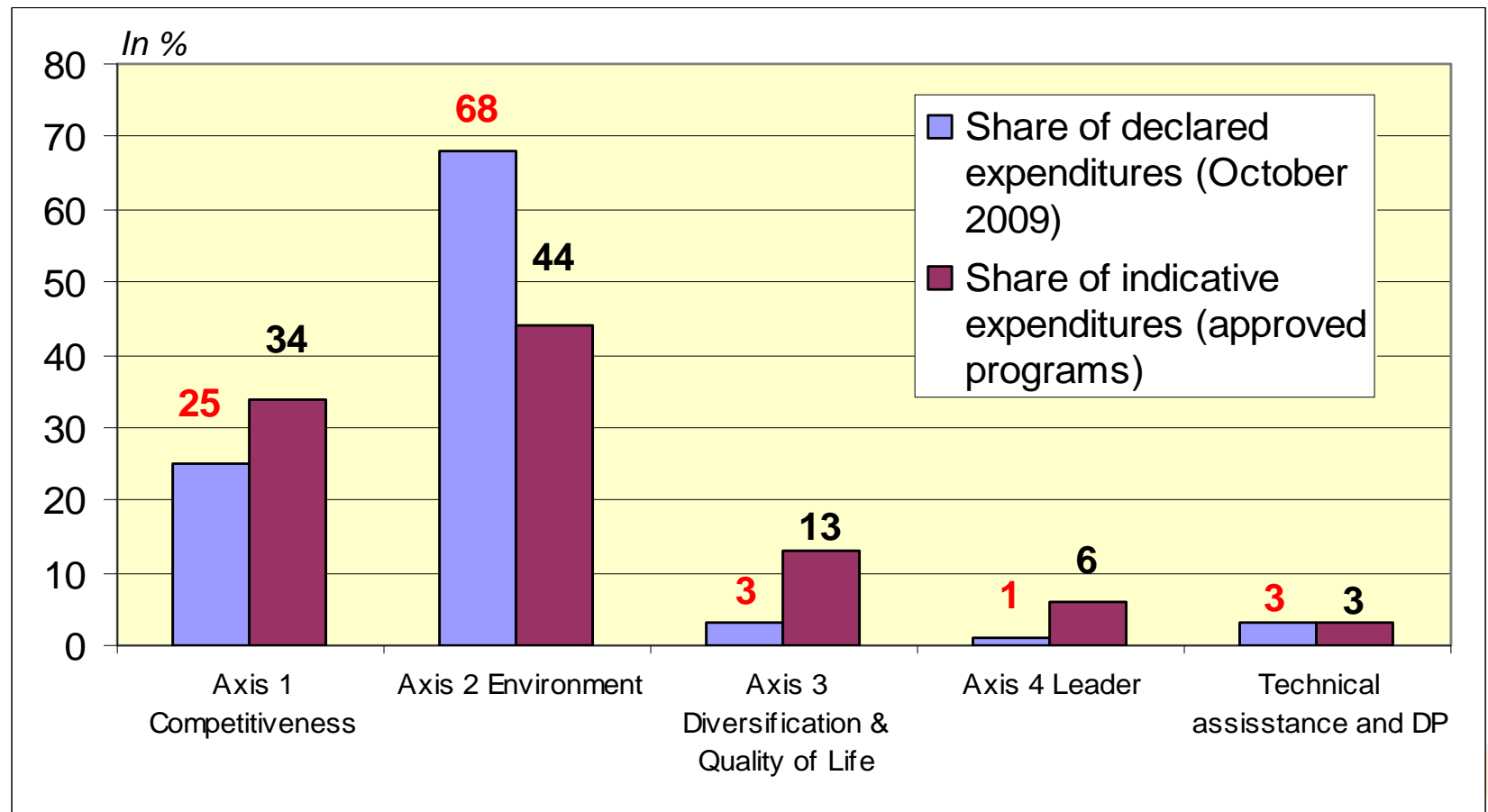




1 State of play

Progress made in implementation

Comparison of EAFRD (for EU 27) expenditures **distribution by axis**: indicative (2007-13) versus declared (01/2007- 10/2009)





1

State of play

Progress made in implementation



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What Member States have paid for until now is by and large **in line with expectations**:

- **Strong focus on axis 2**
 - On-going contracts (agri-environment) and standardised area-based payments (Natural Handicap Payments) facilitate expenditure flow
- Expenditures declared under **axis 3 and 4: low compared to indicative budget**
 - operations which often need a longer preparatory period focused at a local context less standardized.





1 State of play

Progress made in implementation

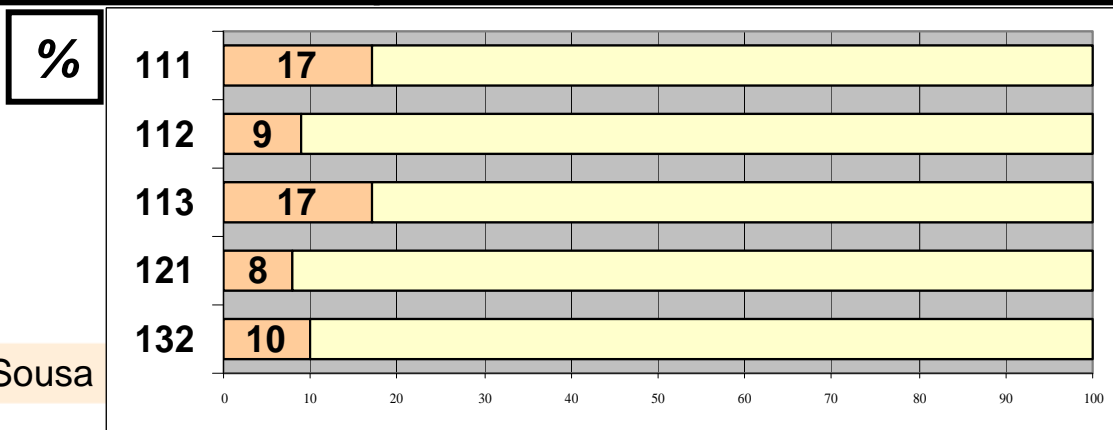
Monitoring indicators (Dec. 2008)



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Axis 1: Monitoring indicators

Output indicator	Implementation 2007-2008	Target 2007-2013
Number of participants that successfully ended a training activity related to agriculture and/of forestry (111)	382.000	2.230.000
Number of assisted young farmers (112)	18.000	191.000
Number of beneficiaries of the early retirement (113)	14.500	81.500
Number of modernisation projects on farms (121)	46.780	592.000
Number of farms participating in quality schemes (132)	37.706	393.000





1 State of play

Progress made in implementation

Monitoring indicators (Dec. 2008)

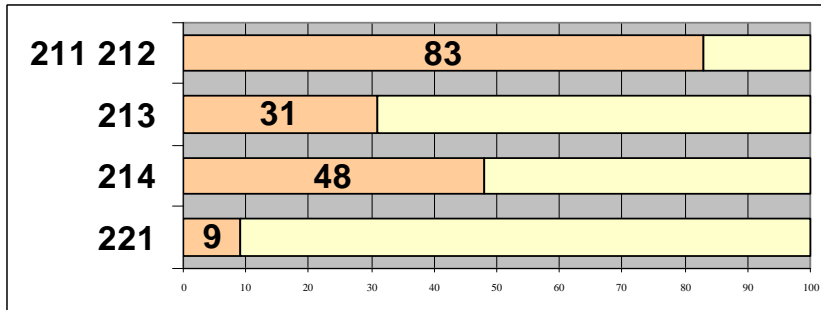


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Axis 2: Monitoring indicators

Output indicator	Implementation 2007-2008	Target 2007-2013
Less Favoured areas (211 212)	42.900.000 ha	51.700.000 ha
Number of hectares supported by the NATURA 2000 measures (213)	346.288 ha	1.100.00 ha
Number of hectares under agri-environment scheme committed since 2007 (214)	18.150.000 ha (of which 1,6 million ha for organic farming)	37.500.000 ha
Number of hectares of first afforested agricultural land (221)	56.000	600.000

%





1 State of play

Progress made in implementation

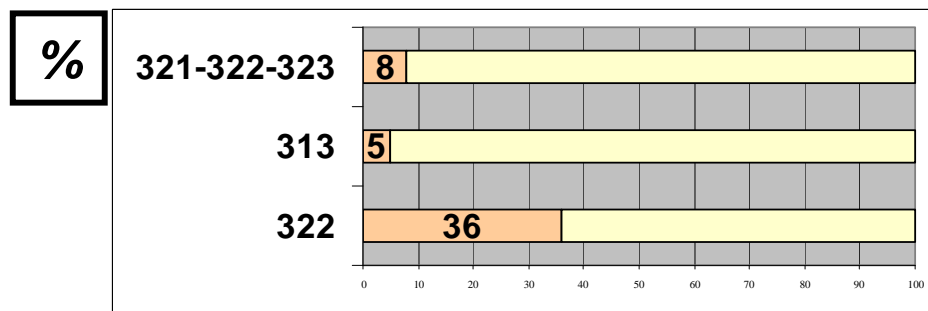
Monitoring indicators (Dec. 2008)



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Axis 3: Monitoring indicators

Output indicator	Implementation 2007-2008	Target 2007-2013
Population in rural areas benefiting from improved services (axis 3)	6.000.000	71.000.000
Number of new tourist actions (313)	2.144	44.000
Number of villages renewed applications approved (322)	11.700	32.400





2 Health Check and Recovery Package



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- **Health Check**
 - Modulation increases funds by 3.4 billion €
 - “New challenges” – five key priorities:
 - Climate change,
 - bioenergy,
 - water management,
 - biodiversity,
 - dairy restructuring

- **Recovery Package**
 - Adds another 1.02 billion €
 - Adds “support for broadband infrastructure” as a 6th key priority
 - But, support can also go to Health Check priorities



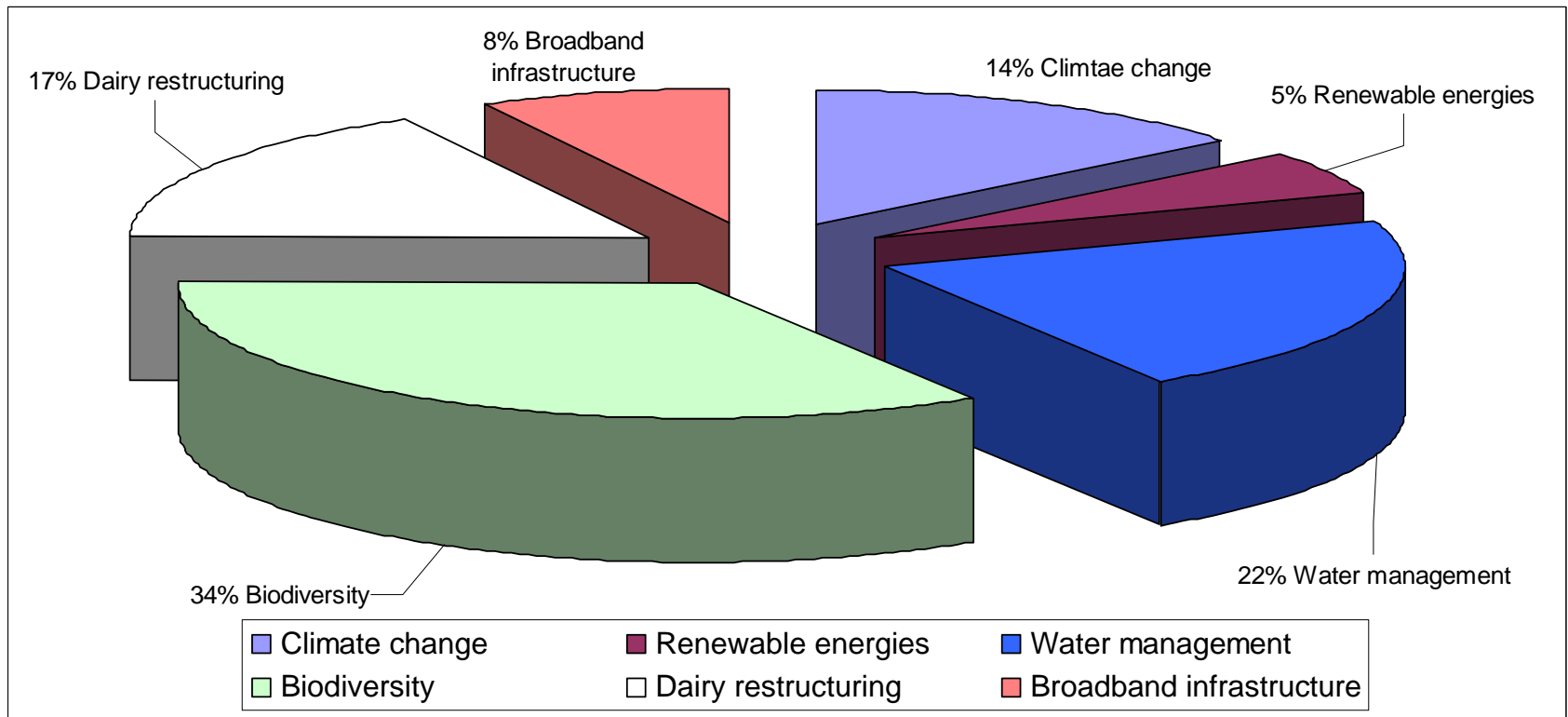


2 Health Check and Recovery Package



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How Member States intend to meet the requirement to spend an equivalent amount (i.e. HC & RP) on six priority themes:



Notes:

- * Preliminary data (11/2009) based on approximate estimates provided for in the NSPs.
- ** The overall amount actually programmed for broadband on the basis of submitted RDPs currently equals 364 million €. Funds from HC cannot be spend on broadband.



2 Health Check and Recovery Package



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Total indicative rural development expenditures for EU-27 (2007-13) with Health Check and Recovery Package

- EAFRD: €91.9 billion* **with HC/RP 96.3*****
- National co-financing: €57.7 billion** ?
- Private expenditures: €64.8 billion** ?
- National „top-ups“: €12.4 billion** ?

TOTAL : at least €226.8 billion

* This figure includes adjustments of the EAFRD budget made prior to Health Check & Recovery Package as a consequence of various transfers from first to second pillar (compulsory modulation, wine and sugar reform etc.)

** These figures are based on the indicative budget as shown in the 94 programmes at the time of approval (no adjustments related to reprogramming).

*** This figure includes the additional amounts from Health Check and Recovery Package



3. Rural development beyond 2013 - the debate



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- Institutional context
 - New European Parliament and Commission
 - Lisbon Treaty
 - WTO
 - New financial perspectives
 - New priorities for EU budget
 - Budget for CAP?





3. Rural development beyond 2013 - the debate



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- What are the main concerns for the CAP?
 - Food security – shield our production base against crises and physical damage
 - Looking after our natural resources and climate change
 - The wider development of rural areas





3. Rural development beyond 2013 - the debate



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- What are the key challenges for rural areas in the EU to be addressed with targeted support coming from a common rural development policy?
 - Continued globalization of agricultural markets, increasing price volatility and on-going restructuring of the agricultural sector
 - Increasing scarcity of natural resources (e.g. land due to desertification, water, biodiversity)
 - Climate change with extreme weather events accentuating uncertainties and between rural areas in EU-27
 - Lower incomes and important demographic change in rural areas



3. Rural development beyond 2013 - the debate



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- How are they linked to the EU political guidelines of President Barroso and the “EU 2020 strategy” for the next Commission?
 - Investing in new sources of sustainable growth and social cohesion
 - Boosting the knowledge society through research, development and innovation
 - Action against climate change and
 - Action for energy security
 - Making our economies and societies more sustainable





3. Rural development beyond 2013 - the debate



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- What kind of CAP is needed to address these concerns?
 1. A common CAP
 2. A CAP with two pillars

Pillar 1

- Continues with Direct Payments
- Together with Cross Compliance providing a “basic level” of environmental care
- Safety net through market measures for times of crises





3. Rural development beyond 2013 - the debate



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- Pillar II
- Which objectives of a future Rural development policy would result out of challenges and overall EU objectives?
 - Foster a competitive agricultural sector
 - Preserve natural resources
 - Develop rural areas





3. Rural development beyond 2013 - the debate



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- **Rural development post 2013 under the banner of “Green Growth”**
 - „Produce more with less“: providing incentives for making better use of all of the resources available in rural areas
 - Stimulate growth and create new jobs while increasing the overall well-being of the rural population (through preservation of the natural resource base, balanced territorial development etc.)



3. Rural development beyond 2013 - the debate



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- **Criteria and trade-offs:**
 - Effectiveness and efficiency in creating measurable added value
 - Simplification versus accountability
 - Flexibility versus targeting





"Just as the CAP has proved able to transform itself in recent years, there is a need to decide on the future needs and role of agriculture and rural development in the EU 2020 vision and to gear public investment and innovation efforts to deliver a thriving rural economy."

- p. 24 of the Political Guidelines for the next Commission



Many thanks for your attention!!!

- More information on Rural Development and the CAP:
- http://ec.europa.eu/agriculture/index_en.htm
- http://ec.europa.eu/commission_barroso/fischer-boel/index_en.htm