



# The EU's Rural Development Policy in the period 2014-2020: Opportunities for action and cooperation in rural development

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**The new CAP- what can we CAPture for rural development?**  
*Saaremaa Island, Estonia, 9 August 2013*

## Main elements of the reform

### Single framework with European Structural and Investment Funds

- Common Provisions Regulation and Partnership Agreement: ensuring coordination, harmonisation and complementarity

### Strengthening the strategic approach and integrated programming

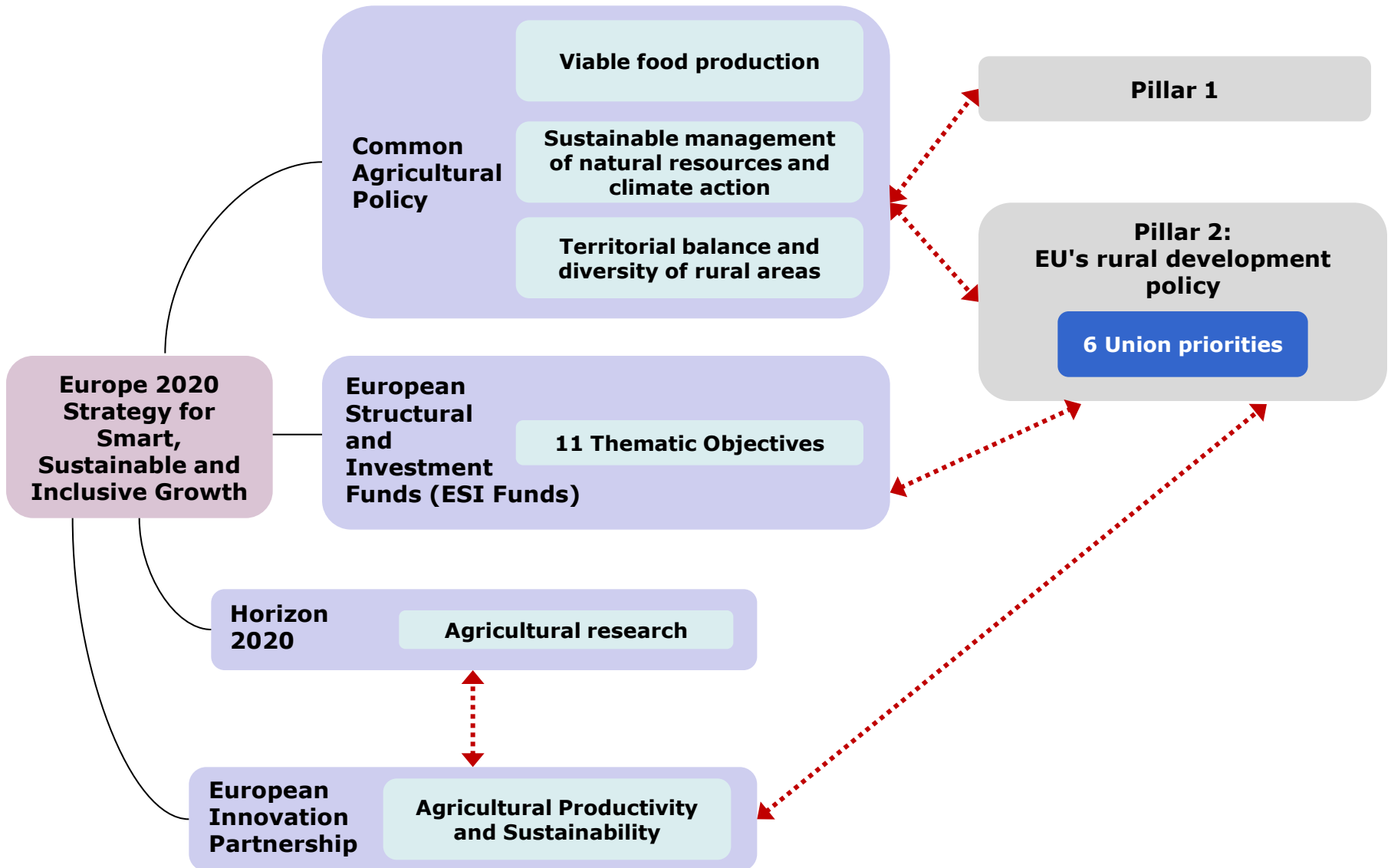
- Clear and structured policy **priorities** – away from 'axis' system
- Enhanced **flexibility** in the use and combination of measures to better address **specific territorial needs**

### Increased emphasis on effectiveness and performance

- **Result-oriented**: setting of quantified targets at programme level
- Streamlined system of monitoring and evaluation
- Ex ante conditionalities and performance review

### Reinforcing complementarity with the CAP's Pillar 1

- Horizontal Regulation for financial management and controls



## Coordination and complementarity with ESI Funds

European  
Level

### Common Provisions Regulation for ESI Funds

- Covering the EAFRD, ERDF, ESF, CF, EMFF
- Reflecting EU2020 through 11 common thematic objectives to be addressed by key actions for each of the funds

National  
Level

### Partnership Agreement

National document outlining the intended use of the funds in the pursuit of EU2020 objectives

National or  
Regional  
Level

- **Rural Development Programme(s)**
- (Other funds' operational programmes)

## A reinforced strategic programming approach

Clear focus on policy priorities

- **6 Union priorities** for rural development
  - Define the points of emphasis of the policy with respect to the needs for intervention identified at the level of the Union
  - Are broken down into **operational focus areas** to better structure attribution of measures and planned interventions
- **3 cross-cutting objectives**: Innovation, Environment, Climate Change

Strengthened result-orientation of programmes

- Quantified targets to be established ex ante
- Performance framework based on milestones

High degree of flexibility in the use and combination of measures to better address needs and opportunities in rural areas

Possibility to establish thematic sub-programmes (mountains, women, young farmers, small farmers, short supply chains, biodiversity, climate adaptation)

## 6 Union priorities for rural development

*1. Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas*

**2. Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forests**

**3. Promoting food chain organisation, including processing and marketing of agricultural products, 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 towards a low carbon and climate resilient economy in agriculture, food and forestry sectors**

**6. Promoting social inclusion, poverty reduction and economic development in rural areas**

# RD policy: broad menu of measures

Knowledge transfer	Basic services & village renewal	Payments to areas facing constraints
Advisory services	Investments in forest area development	Animal welfare
Quality schemes	Setting-up of producer groups and organisations	Forest-environmental payments
Investments in physical assets	Agri-environment-climate	Co-operation
Restoring agricultural production potential	Organic farming	Risk management
Farm and business development	Natura 2000 and Water Framework Directive payments	(Leader approach)



## LEADER/Community-led local development - context

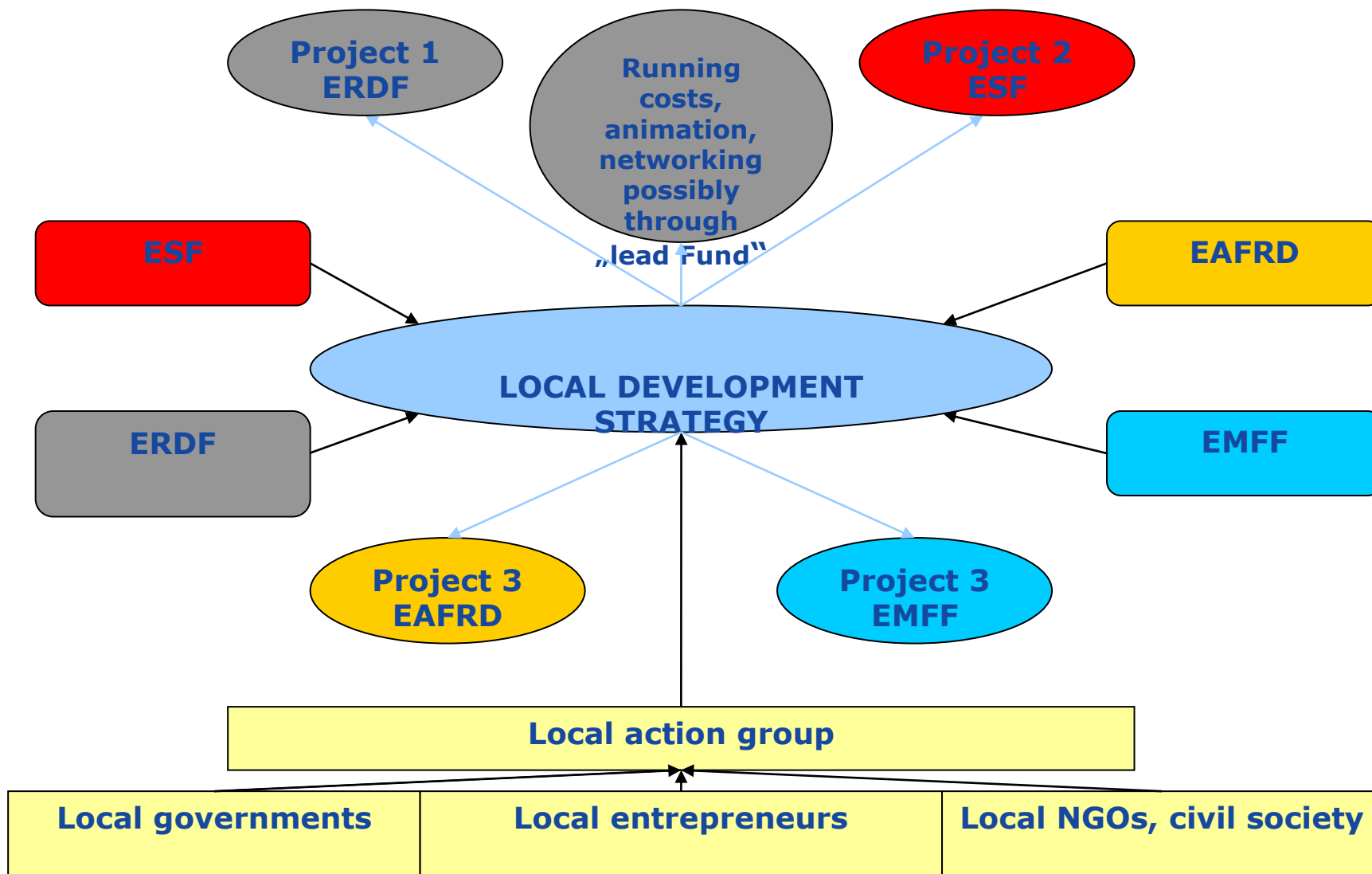
### PAST

- **A method for involving partners at local level including the civil society and local economic actors in designing and implementing local integrated strategies**
- **Four rounds of LEADER since it started in 1991 as a small scale Community Initiative.**
- **Similar approaches:**
  - local development in fisheries areas (axis 4 EFF)
  - Other locally based development initiatives supported by ERDF (URBAN, URBACT II) and ESF (EQUAL)



## Community-led local development: common LD approach for the ESI funds

- **Common local development approach facilitates integrated territorial development**
  - **Multi-funded strategies** enable various EU policies to contribute to local development according to their policy objectives
  - **Advantages:**
    - **Harmonised rules** for design and implementation of CLLD
    - **Added value for rural areas:** broader strategies and Local Action Group partnerships, possible financial contributions from all ESI funds, improvement of rural-ruban relations, synergies with Fisheries Local Action Groups
- **Methodology layed down in Common Provisions Regulation**
  - Greater focus on **capacity building and animation**
  - **Stronger local strategies**
  - **Better LAG governance:** strengthening the participation of the private sector in the partnerships, making sure that different interest groups are appropriately represented



## Leader / CLLD method

- **Key characteristics:**

- Focused on **sub-regional territories**
- Led by **local communities** (Local Action Groups) – composed of representatives of public and private socio-economic interests
- Carried out through **integrated** and **territorial local development strategies**
- Takes into consideration local needs and potential, including local **innovation, networking, and co-operation**

## Implementing Leader/CLLD at local level - key steps (1)

- **Capacity building**

- to provide local actors with the necessary capabilities (project ideas, know-how, financial skills)
- networking and other communication tools can assist in creating those
- collective activity

- **Bringing together local actors**

- to help ideas emerge and discuss the area needs
- through e.g. seminars and workshops, public meetings, media and ICT, fairs and exhibitions

- **Territory analysis**

- focus on the area assets (people, activities, landscapes, heritage, know-how)
- to identify possible local development strategies

## Implementing Leader/CLLD at local level - key steps (2)

- **Identifying existing activities**
  - to review the existing (rural development) measures implemented or planned in the area
  - to decide whether to build on them or replace them
- **Creation of a partnership**
  - awareness raising among and involvement of various interest groups (e.g. by setting up ad hoc working groups)
  - identification of local actors to be included in the partnership and manage the implementation: creation of a LAG
- **Preparation of a local development strategy**
  - to formalise the agreed local development approach
  - includes objectives, definition of strategic priorities, ranking of the actions to undertake
  - basis of the LAG application for support

## What can be supported ?

- **Types of support under CLLD**

- Preparatory support (also when the CLLD strategy will not be selected, start-up kit – special case)
- Implementation of operations under the CLLD strategy
- Preparation and implementation of co-operation activities of the LAG
- Running costs
- Animation costs

- **Examples of projects supported under Leader:**

- Diversification of activities
- Adding value to local products
- Improving rural services
- Environmental improvements
- Small-scale infrastructure
- Village renewal, training, etc.

## How will the EAFRD support it financially?

- EAFRD support rate to LEADER up to 80% (Or 90% for less developed, transition regions etc.)
- Minimum 5% EAFRD contribution to LEADER (only for the EAFRD not for the other ESI funds)



## RIVEO: a locally-led environmental project

- **RIVEO: eco-tourism scheme, Wallonian LAG Pays de l'Ourthe**
- **Part of an ongoing bottom-up project**
  - Conversion of an old manor house into a visitors centre
  - Upgrading of environmental interpretation facilities
  - Current RIVEO focus: development of river-based tourism and community services
- **Outcome:**
  - Network of new "fishing stations", marketing campaign, awareness raising products about "Nature and Fisheries"
  - Result: public's attention caught helping to safeguard environmentally sustainable approaches to angling tourism
- **Impact:**
  - Quality of life benefits for the local community
  - Economic development (new part-time jobs, tourist income)
  - Conservation of the aquatic species and the river environment

# Examples on how the LEADER approach can be used

- The RDP project database  
[http://enrd.ec.europa.eu/policy-in-action/rdp\\_view/en/view\\_projects\\_en.cfm](http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm)
- The LEADER Gateway tool  
[http://enrd.ec.europa.eu/leader/en/leader\\_en.cfm](http://enrd.ec.europa.eu/leader/en/leader_en.cfm)
- Cooperation under LEADER  
[http://enrd.ec.europa.eu/leader/leader/en/transnational-cooperation\\_en.cfm](http://enrd.ec.europa.eu/leader/leader/en/transnational-cooperation_en.cfm)

# Why we need the *Co-operation* measure?

## Fragmentation in rural areas

- **Operators often smaller**
- **Communication sometimes more difficult**
  - Especially between rural areas
- **Therefore, economies of scale more difficult to achieve in various types of activity**
  - Economic
  - Environmental
  - Social
- **Particular support needed to overcome these difficulties, achieve multiplier effect**

## Types of RD support in the current period

- **Investments**
  - In farming, forestry, other
  - Economic gain, environmental benefit, social [services]
- **Knowledge transfer, training, advice**
- **Area-based environmental payments**
  - Farming, forestry
  - To compensate for disadvantages or voluntary commitments
- **(Limited) forms of organisation**
  - Producer groups
  - Participation in quality schemes
- **Leader approach**
  - Detailed strategies involving many types of participants
- **Technological development**
  - New products, processes & technologies
  - For agri-food and forestry sectors

## So what are the "gaps"?

- **Investments**
  - Useful, but don't solve everything!
- **Knowledge transfer, training, advice**
  - Also useful, but must be applied
- **Technological development (measure 124)**
  - Low use of measure
  - Need to always involve primary producer or processor
- **Leader approach**
  - Certain sectors have felt "on the margins"
  - Not suited to less comprehensive strategies / projects

# What's in the *Co-operation* measure?



## Essence of the Co-operation measure

- **New opportunities to bring people / entities together, overcoming disadvantages of fragmentation**
- **Additional "soft" support (organisational costs)**
- **More "focused", less comprehensive co-operation than Leader...**
- **...but broader co-operation than through other measures**
- **Experimentation / development / pilot projects: identity of participants more flexible than in current period, scope set more broadly**

## "Forms" of co-operation (types of beneficiary)

- **Co-operation between.....**
  - ...different actors in the EU agriculture sector, food chain and forestry sector....
  - ...other actors helping to achieve objectives / priorities of RD policy (including producer groups, co-operatives & inter-branch organisations)
- **Creation of clusters and networks**
- **Establishment of operational groups of the European Innovation Partnership (EIP) for Agricultural Productivity and Sustainability**
- **N.B. Always at least 2 entities involved, except in one specific case.**

## Types of co-operation (main eligible activities) – (1)

- **Pilot projects / development of new products, practices, processes and technologies in agri-food & forestry sectors**
  - Key element: experimentation, "trying something out"
  - Possible themes very broad – economic, environmental etc. – including topics covered by other points of this paragraph in the Regulation
- **"General" economic co-operation between small operators; development of tourism services**
  - A category of economic co-operation that doesn't fall into other categories
- **Short supply chains / local markets**
  - Establishment & development
  - Promotion (of whole supply chain / market involved – not individual products)

## Types of co-operation (main eligible activities) – (2)

- **Joint action over environment, climate**
  - E.g. creation of common nature-friendly zone
- **Sustainable provision of biomass**
  - E.g. organisation, storage of biomass for use by energy producers
- **Non-Leader local development strategies**
  - Less comprehensive than Leader approach
  - E.g. can be sector-specific, but with territorial impact
- **Drawing-up of forest management plans**
- **Diversification of farming activity into fulfilment of various social functions**
  - Health care
  - Social integration
  - Community-supported agriculture
  - Education about environment, food

## Types of cost eligible for support

- **Preparatory studies, drawing-up of business plan etc.**
- **"Animation"**
  - Esp. recruitment of participants
  - Would cover use of innovation brokers to set up EIP group
- **Running costs "of the co-operation"**
  - I.e. related to act of co-operation itself
- **Other "direct costs" of specific projects in certain cases**
  - (i.e. investment costs)

## Support levels

- **Maximum co-financing rate: 80 % (90 % in certain regions) – Commission proposal**
- **Maximum aid intensity: no specific limits regarding "soft costs" (studies, animation, running costs of act of co-operation)**
- **"Direct costs" of specific projects – either:**
  - cover these under other relevant measures, "soft costs" under art. 36; or
  - in certain circumstances, cover all costs under art. 36 – but maximum aid intensities of other relevant measures still apply to direct costs
- **N.B. Aid intensity bonus of 20 % for collective investments in following measures:**
  - Art. 18 – Investments in physical assets
  - Art. 19 – (Investments to reduce consequences of probable natural disasters)

## **A few further details....**

- **Support for up to 7 years**
- **Operators involved can be in different regions / MS**
- **Support can be combined with support from other Union funds on same territory**



## ***Co-operation* measure & EIP: establishing Operational Groups**

- **Programming**
  - Include art. 36 support for EIP groups in programme
  - Possible combination with project funding (e.g. investment)
- **Setting up Operational Groups**
  - Call for proposals
  - Bottom-up approach towards forming Operational Groups – with assistance for "animation" under art. 36.... This can involve use of innovation broker
- **Targeting towards certain themes / innovation actors**
  - Specification of eligibility and selection criteria
- **General requirements for applicants**
  - Project plan (objectives, outcome, approach, decision making)
  - Dissemination via EIP network

## ***Co-operation* measure & EIP: what is "innovative"?**

- **"Innovation" refers to approaches that are new and widely applied**
- **This cannot be determined in advance**
- **Innovation is "relative"**
  - Varies from region to region
- **Impossible to use "innovative" character of project as ex-ante eligibility condition for support**
- **Supporting innovation can, therefore, only work on the basis of action-related eligibility conditions:**
  - Cooperation in view of copying, combining, und creating knowledge in projects aiming to result in innovative solutions