

# Support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

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The Committee on Agriculture and Rural Development adopted a report drafted by Luis Manuel **CAPOULAS SANTOS** (PES, PT), and amended the proposal for a Council regulation amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

The main amendments – adopted in the framework of the consultation procedure – are as follows:

**Revision of national strategy plan:** Members state that, in general, regional and municipal authorities are responsible for carrying out CAP measures. Measures should be applied within the internal context of each Member State and region, taking into account regional diversity. To achieve this, regional authorities should be consulted.

**Operations having certain priorities:** the preservation and sustainable use of biodiversity must form part of the strategic priorities. In addition, agri-environment measures in the area of inland fisheries must again be supported from rural development resources. Lastly, Member States shall ensure that synergies are achieved with similar operations funded from other Community resources, in particular from the Structural Funds, and, where appropriate, shall develop integrated approaches with regard to strategies, measures and financing.

**Innovation and transfer of knowledge from applied research:** from 1 January 2010, Member States shall provide in their rural development programmes, in the light of their specific needs, types of operation targeting the transfer of innovation from applied research to the rural economy. From the same date, for these types of operation, the aid intensity rates may be increased by 10 percentage points.

**Infrastructure relating to the development and adjustment of the agriculture and forestry sectors:** the aid provided for in Regulation (EC) 1698/2005 may, inter alia, cover operations relating to access to agricultural areas and wooded land, re-parcelling and improvement of land, provision of energy, access to information and communication technologies, and water management.

**Start-up aid:** given the difficulties young farmers face in setting up in business, the maximum amount of aid should be increased. Start-up aid may be granted in the form of a single premium the amount of which shall not exceed EUR 50 000 or of an interest subsidy the capitalised value of which shall not exceed EUR 50 000. Where the two forms of aid are combined, the total amount shall not exceed EUR 75 000.

**Priority: renewable energies:** 'Non-agricultural' renewable energies, which help to replace fossil fuels, must be taken into account.

**Priority: water management:** water management should include preventive measures, including quantitative management ones.

**New priority:** Members propose that the discontinuation of milk quotas should be added as a fifth priority. This must be accompanied by action to increase competitiveness (in particular farming investment support), encourage alternative income sources (diversification) and preserve the countryside in unfavourable locations too (e.g. compensatory allowance or pasture premium).