

Agenda 2000: support for rural development from the European Agricultural Guidance and Guarantee Fund EAGGF

1998/0102(CNS) - 17/05/1999 - Final act

PURPOSE: the Regulation is one of the components of the reform of the common agricultural policy (CAP) and incorporates the Agenda 2000 guidelines with respect to rural development, agri-environmental policy and economic and social cohesion. **COMMUNITY MEASURE:** Council Regulation 1257/99/EC of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations. **CONTENT:** The new Regulations establishes the framework for Community support for sustainable rural development from 1 January 2000. It accompanies and complements other instruments of the CAP and the Community's structural policy and it repeals the existing Regulations on the EAGGF (4256/88/EEC), Objective 5(a) Regulations (950/97, 951/97, 952/97/EC and 867/90/EEC), the accompanying measures introduced under the 1992 CAP reform (Regulations No 2078/92, 2079/92 and 2080/92/EEC) and structural aid for forestry (Regulation 1610/89/EEC). The CAP reform sets out to develop a more modern and sustainable European agricultural sector in the years ahead. The Regulation seeks to ensure improved coherence between rural development and the prices and market policy of the CAP and to promote all aspects of rural development by encouraging the participation of local actors. The policy, therefore, is targeted at the rural population in general, as opposed to solely agricultural producers. The rural development measures fall into two categories: - the accompanying measures of the 1992 reform : early retirement, agri-environment and afforestation, as well as the less-favoured areas scheme; - measures to modernise and diversify agricultural holdings : farm investment, setting up of young farmers, training, investment aid for processing and marketing facilities, additional assistance for forestry, promotion and conversion of agriculture. The main innovation is to have regrouped various measures within a single and coherent framework which makes provision for assistance to all regions in three main ways: - strengthening the agricultural and forestry sector. Measures mainly focus on the modernisation of agricultural holdings and on the processing and marketing of quality agriculture produce. Besides, the viability of holdings will be improved by measures that encourage the setting up of young farmers, by encouraging early retirement and by assistance for vocational training. Forestry is recognised as a vital element of rural development and a new measure will support this sector which has an important ecological role to play. - improving the competitiveness of rural regions. The main objectives in this regard are the support for the quality of life of the rural community and the encouragement of the diversification of activities. The measures aim to create alternative jobs and revenues for farmers and their families and the rural population in general. - environmental conservation and the protection of Europe's rural heritage. Agro-environmental measures will permit the support of production methods which are compatible with the protection of the environment. They will constitute the sole compulsory element in the new generation of programmes in the area of rural development and, as a consequence, are a vital step towards the recognition of the multi-functional role of agriculture. Another measure provides that traditional compensatory allowances for farmers in less-favoured regions will be extended to other regions where agricultural activity is limited by specific environmental constraints. The key principles underlying the new rural development policy are the decentralisation of responsibilities and flexibility. It is up to the Member States to propose rural development plans drawn up at the most appropriate geographical level. In this Regulation, the Member States have at their disposal a complete array of rural development measures to choose from according to their needs and priorities. Outside the less favoured regions of the European Union falling within Objective 1, measures in favour of rural development will be funded from a single source, the EAGGF Guarantee Section. **ENTRY INTO FORCE:** 03/07/1999. The Regulation applies to expenditures undertaken after 01/01/2000.