

# **Rural development: Community strategic guidelines, support by the EAFRD, programming period 2007–2013**

2005/0129(CNS) - 20/02/2006 - Final act

**PURPOSE** : the adoption of Community strategic guidelines for Rural Development (Programming period 2007–2013).

**LEGISLATIVE ACT** : Council Decision 2006/144/EC.

**CONTENT** : the Council unanimously adopted this Decision on the strategic guidelines for rural development for the programming period from 1 January 2007 to 31 December 2013 to set the priorities for rural development. These strategic guidelines are intended to reflect the multifunctional role farming plays in the richness and diversity of landscapes, food products and cultural and natural heritage throughout the Community.

The Community strategic guidelines for rural development will help to:

- identify and agree the areas where the use of EU support for rural development creates the most value added at EU level;
- make the link with the main EU priorities (Lisbon, Göteborg) and translate them into rural development policy;
- ensure consistency with other EU policies, in particular in the fields of cohesion and environment;
- accompany the implementation of the new market-oriented common agricultural policy (CAP) and the necessary restructuring it will entail in the old and new Member States.

The future rural development policy focuses on three key areas: the agrifood economy, the environment and the broader rural economy and population. The new generation of rural development strategies and programmes will be built around four axes, namely: axis 1, on improving the competitiveness of the agricultural and forestry sector; axis 2, on improving the environment and the countryside; axis 3, on the quality of life in rural areas and diversification of the rural economy; and axis 4, on Leader.

Under axis 1, a range of measures will target human and physical capital in the agriculture, food and forestry sectors (promoting knowledge transfer and innovation) and quality production. Axis 2 provides measures to protect and enhance natural resources, as well as preserving value farming and forestry systems and cultural landscapes in Europe's rural areas. Axis 3 helps to develop local infrastructure and human capital in rural areas to improve the conditions for growth and job creation in all sectors and the diversification of economic activities. Axis 4, based on the Leader experience, introduces possibilities for innovative governance through locally based approaches to rural development.

The strategic guidelines set out below identify priorities for the Community. For each set of priorities, illustrative key actions are presented. On the basis of these strategic guidelines, each Member State will prepare its national strategy plan as the reference framework for the preparation of rural development programmes.

The guidelines are as follows:

**Improving the competitiveness of the agricultural and forestry sector:** Europe's agricultural, forestry and food-processing sectors have great potential to further develop high-quality products that meet the growing demand of Europe's consumers and world markets. The resources devoted to axis 1 will focus on the priorities of knowledge transfer, modernisation, innovation and quality in the food chain, and on priority sectors for investment in physical and human capital. Key actions include restructuring and modernisation of the agriculture sector, and improving integration in the agrifood chain.

**Improving the environment and the countryside:** the resources devoted to axis 2 should contribute to three EU-level priority areas: biodiversity and the preservation and development of high nature value farming and forestry systems and traditional agricultural landscapes; water; and climate change.

The measures available under axis 2 should be used to integrate these environmental objectives and contribute to the implementation of the agricultural and forestry Natura 2000 network, to the Göteborg commitment to reverse biodiversity decline by 2010, to the objectives laid down in Directive 2000/60/EC establishing a framework for Community action in the field of water policy, and to the Kyoto Protocol targets for climate change mitigation. Key actions could include promoting environmental services and animal-friendly farming practices, preserving the farmed landscape and forests, and combating climate change.

**Improving the quality of life in rural areas and encouraging diversification of the rural economy:** The resources devoted to the fields of diversification of the rural economy and quality of life in rural areas under axis 3 should contribute to the overarching priority of the creation of employment opportunities. The range of measures available under axis 3 should in particular be used to promote capacity building, skills acquisition and organisation for local strategy development and also help ensure that rural areas remain attractive for future generations. In promoting training, information and entrepreneurship, the particular needs of women, young people and older workers should be considered. Key actions include raising economic activity and employment rates in the wider rural economy, encouraging the entry of women into the labour market, developing micro-business and crafts, and training young people in skills needed for the diversification of the local economy.

**Building local capacity for employment and diversification:** the resources devoted to axis 4 (Leader) should contribute to the priorities of axes 1 and 2, and in particular of axis 3, but also play an important role in the horizontal priority of improving governance and mobilising the endogenous development potential of rural areas. Key actions could include building local partnership capacity, promoting private-public partnership, promoting cooperation and innovation, and improving local governance.

**Ensuring consistency in programming:** in working out their national strategies, Member States should ensure that synergies between and within the axes are maximised and potential contradictions avoided. Where appropriate, they may develop integrated approaches. They will also wish to reflect on how to take into account other EU-level strategies, such as the Action Plan for Organic Food and Farming, the commitment to increased use of renewable energy resources, the need to develop an EU strategy to combat climate change, and the need to anticipate the likely effects on farming and forestry, the EU Forestry Strategy and Action Plan (which can help deliver on both the growth and employment and the sustainability objectives) and the priorities set out in the Sixth Community Environment Action Programme laid down by Decision 1600/2002/EC), particularly those priorities identified as requiring thematic environmental strategies.

**Complementarity between Community instruments:** The synergy between structural, employment and rural development policies needs to be encouraged. In this context, Member States should ensure complementarity and coherence between actions to be financed by the European Regional Development Fund, the Cohesion Fund, the European Social Fund, the European Fisheries Fund and the EAFRD on a

given territory and in a given field of activity. The main guiding principles as regards the demarcation line and the coordination mechanisms between actions supported by the different funds should be defined in the national strategic reference framework and the national strategy plan.