



European  
Commission



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# Potential for climate action

Examples of how to mainstream  
climate action and the potential  
for doing so

## EAFRD

European Agricultural Fund for  
Rural Development  
2014-2020

*Climate Action*

## Introduction

This Fact Sheet outlines proposals for how climate action could be mainstreamed into the Member States' rural development programmes supported through European Agricultural Fund for Rural Development (EAFRD).

It offers an overview of the potential for climate mainstreaming in the EAFRD and examples of mitigation and adaptation.

The EAFRD is one of the five European Structural and Investment Funds (ESIF), and as such it will also have to be co-ordinated with overall Thematic Objectives (TOs). They are set out in the Common Provisions Regulation (CPR)<sup>1</sup> for all funds under ESIF. This also concerns the cross-cutting objective of climate mainstreaming. As such, the particular situation with regards to climate change and the corresponding funding strategy of each Member State should be addressed in the Partnership Agreement, which covers all funds under ESIF.

The Partnership Agreement is also expected to set out the total indicative amount of support foreseen for climate action.

The overall analysis and strategy set out in the Partnership Agreement will be a basis for the climate mainstreaming programming exercise in each Member State. Among the five funds, the EAFRD should be one of the significant contributors to climate mainstreaming.

## Potential for climate mainstreaming in the EAFRD

The EAFRD aims to improve the competitiveness of agriculture; enhance the sustainable management of natural resources; enhance climate action and ensure balanced territorial development of rural areas. Support from the EAFRD will be channelled across six Union Priorities (UP) and 18 corresponding Focus Areas (FA)<sup>2</sup>.

All the UPs have potential for climate action, even though this might not be immediately obvious, and it is anticipated that they will all make a contribution to the cross-cutting objective of climate change mitigation and adaptation.

Climate action potentials are highest in UP4 and UP5:

- UP4: restoring, preserving and enhancing ecosystems related to agriculture and forestry
- UP5: promoting resource-efficiency and supporting the shift towards a low-carbon and climate-resilient economy in agriculture, food and forestry sectors

Climate action can also be delivered under other UPs, for example, through targeted efforts to prepare rural areas to deal with climate change impacts, such as water scarcity, harvest failures, flooding, diseases, soil erosion, and heat stress in livestock. For example, UP1 addresses innovation and knowledge transfer. This can include providing support for applied research on climate-resilient crops and cropping systems, or on technologies that conserve resources. Climate action can also be achieved through delivery of targeted training and capacity building. UP2, which covers enhancing competitiveness, also has climate action potential. For example, conditions can be introduced to ensure that investments in physical assets in rural areas are climate resilient. UP3, which addresses food chain organisation and risk management, can promote 'carbon footprint' considerations in the integration to local markets and short supply circuits and can also support climate adaptation. Actions could support new cooperation between operators in the value chain, which can help to adapt to changes in the agro-climatic zones. UP6 can, for example, support job creation and

small and medium-sized enterprises (SMEs) in non-agricultural sectors in cases where resource utilisation is challenged by climate change concerns. Synergetic and complementary impacts could be achieved through coordination with the European Social Fund (ESF). Therefore, sub-programmes and LEADER under UP6 may include potentials for climate actions taking advantage of the relevant Rural Development Programme (RDP) measures, particularly under UP4 and UP5.

## Strategic Programming and Climate Mainstreaming

Climate mainstreaming should be an integral part of the programming process. The framework for this process is set out in Article 8 of the EAFRD Regulation.

One of the initial elements of an RDP is the SWOT analysis of strengths, weaknesses, opportunities and threats of the current situation.

The ex-ante evaluation considers the coherence of the RDP with national and regional climate strategies and action plans. Hence, it provides reflections that are of relevance to the mainstreaming of climate change into RDP, with regards the SWOT analysis, the needs identification and the strategy formulation. The ex-ante evaluation can thus be consulted when assessing to what extent a specific RDP is climate mainstreamed.

The situation in the country or region is described in part by a set of Common Context Indicators which can be expanded with Programme Specific Indicators. This description constitutes the basis for the SWOT. Many of these Context Indicators have clear climate change relevance, e.g. "agricultural Greenhouse Gas (GHG) emissions". Others are indirectly relevant to climate action: for example, "forest areas" are an indicator of carbon sink potential and "water abstraction" can be an indicator of the vulnerability of agriculture to water shortages. The indicators can therefore help to identify the climate 'hotspots' in the RDP.

The SWOT analysis and identification of needs are two distinct steps that inform one another. The SWOT analysis serves as a way of structuring the information on the current situation according to the six UPs. It sets out the strengths and weaknesses, which are internal and controllable, and the opportunities and threats, which are external and non-controllable. In the SWOT analysis, climate issues are particularly relevant in UP4 and UP5, but it also requires consideration of those elements which deal with climate change action as a cross-cutting objective. For example, agricultural structures which rely on high energy inputs are addressed in the SWOT for UP5, but are also of relevance to others, such as for innovation (UP1), competitiveness (UP2) and economic development in rural areas (UP6).

The SWOT defines the climate 'hotspots' by using indicators (as outlined above). Through combining the 'hot-spots' with the possible mitigation and adaptation options, the SWOT frames the identification of the needs. They should be structured around the priorities and focus areas and the three cross-cutting themes of environment, climate change mitigation and adaptation, and innovation. Depending on the situation in the programme area, the various needs are prioritised in the formulation of the strategy. The importance of issues like erosion, condition of wetlands, CO2 emissions, vulnerability to droughts, floods or loss of biodiversity indicate the direction of the impacts imposed upon the programme area and assist in the formulation and prioritisation of needs. The RDP's strategy should justify at programme level the choice, combination and prioritisation of climate action in light of the results of the SWOT, and go on to identify needs.

<sup>1</sup> Regulation (EU) No 1303/2013, published in the Official Journal, OJ 347 20.12.2013

<sup>2</sup> Cf. EAFRD Regulation (EU) No 1305/2013 published in Official Journal, OJ 347 20.12.2013

It identifies the Focus Areas to be addressed by the programme. The Focus Areas will constitute the basis for selecting the corresponding combination of measures. This exercise is expected to point to substantial potential for climate action. Climate action can be considered directly, e.g. by identifying measures which have the direct effect of reducing GHG emissions. Climate action can also be considered indirectly, e.g. by introducing climate criteria on energy efficiency or requirements for resilience against overheating into activities which foster competitiveness - hence dealing with climate change as a cross cutting issue. In this context, the possible contribution of EAFRD to the 20 % climate expenditure target in the EU budget (2014-2020) should be considered. It should also be noted that, according to the agreement of 26 June 2013<sup>1</sup>, Member States will have to spend at least 30 % of their rural development funding from the EU budget on certain measures related to land management and the fight against climate change<sup>2</sup>.

Well-defined selection criteria for projects supported under individual measures play a vital role in the subsequent successful implementation of the RDP, and the realisation of its climate action potentials. For example, the adoption of horizontal 'climate proofing' principles can ensure that every operation supported by the EAFRD offers a positive contribution in relation to the climate "hotspots" of the RDP, or at least, does not worsen the situation in the pursuit of another objective.

RDPs include a detailed set of output, target, result and impact indicators. They provide information on the RDP's intended contribution to climate change mitigation and adaptation, and also allow for annual monitoring of climate action investments and outputs. These indicators are a powerful tool for monitoring and evaluation, and for tracking the contribution of the programme to climate change mitigation and adaptation. Examples of relevant indicators include: GHG emissions, energy use in agriculture, forestry and food industry, soil organic matter, extensive agriculture, livestock units and irrigated land. They should be complemented by programme specific indicators.

**Programming can be also inspired by a number of focused studies in the field of climate change and rural development. 'Optimal Strategies of Climate Action in Rural Development' (the OSCAR study) should be mentioned as a special case. OSCAR provides a conceptual and methodological framework and software for the spatial assessment of GHG emissions, carbon sequestration and adaptive capacity risks of existing and future rural development operations and measures, so offering a platform for ex-ante simulation, reflection and decision making on climate change mainstreaming in the RDP.**

## Examples of how climate issues were mainstreamed in the EAFRD under the 2007-2013 financial framework

RDPs rely, to a certain extent, on continuity of operations through programming periods. This is especially the case for agri-environment measures (or 'agri-environment-climate measures' as they are called in the new Regulation), which are expected to embody a considerable share of climate actions in RDPs.

On the subject of rural development and climate change action, several sources offer a rich insight into indicative activities possible under an RDP.

The Study on 'Adaptation to Climate Change in the Agricultural Sector' (2007), carried out on behalf of the European Commission, proposed nine agro-climatic zones with a classification of climate change impacts per zone, thus offering a base for the design of adaptation measures.

The FP6 project PICCMAT (Policy incentives for climate change mitigation techniques) has addressed in its final report 'climate change mitigation through agricultural techniques' concrete mitigation actions to be implemented in RDPs.

In the Programming Period 2007-2013, RDPs have already implemented a number of actions fostering climate mainstreaming, thus demonstrating the inherent potential of the fund. Some of them have been targeting climate change explicitly. Others, more often, while not labelled as such, contribute significantly to mitigation and adaptation. A valuable source for climate-relevant RDP measures covering both mitigation and adaptation is the Synthesis Report on 'Addressing Climate Change within the post Health Check Rural Development Programmes (2007-2013)' (ENRD, 2010).

In order to illustrate the above, climate change measures from four RDPs from different agro-climatic zones are presented below.

These regions and zones are characterized by different rural and agricultural structures and, as shown above, they face a range of climate change hazards. However, a few common climate hotspots features can be identified, such as exposure to changing weather events (ranging from droughts to floods), dependency on water availability and changes in crop yields and habitats as well as fossil fuel dependency of agriculture production and related GHG emissions.

## Austria

Austria is in the Alpine zone and is therefore likely to be confronted with intensification of the hydrological cycle, glacial retreat, increases in extreme events, destabilization of soils, changes in habitats, increased temperatures, and changes in land use and non-agricultural economic activities in rural areas such as tourism.

The Austrian RDP has addressed climate change action as a strategic objective, served mainly by agri-environmental measures including mitigation actions for reduced fertiliser use, manure management, organic practices, soil conservation, support for biomass and renewable energy, and afforestation.

Adaptation is addressed through the protection of biodiversity by conserving hedgerows, environmentally sustainable farm operation through adapted plant selection, and reduced pesticide inputs. While these measures have not been directly targeted towards climate change adaptation, they do provide adaptation benefits.

Austrian rural areas are characterised by smaller holdings in mountain areas. Hence, the potential for GHG production emissions is limited. More important is the soil loss caused by erosion, accelerated by the more intense rainfalls, which has implications for organic soil and carbon sequestration. Actions under Article 29 on Agri-environment-climate measures provide many opportunities for mitigating and adapting. Renewable energy is another possible solution for reducing GHG emissions by replacing fossil fuels, e.g. under Article 18 on investments in physical assets.

## Cyprus

Cyprus is in the Mediterranean zone: It faces volatile yields, increased irrigation needs and decreased water availability, along with loss of biodiversity and of good quality soils, and continued land degradation.

In terms of climate action, the Cypriot RDP includes targeted mitigation actions e.g. afforestation in agricultural and non-

<sup>1</sup> On 26 June 2013, the Commission, the Council and the European Parliament (EP) reached a political agreement on the reform of the Common Agriculture Policy - subject to formal approval by the Council and the EP

<sup>2</sup> [http://europa.eu/rapid/press-release\\_MEMO-13-621\\_en.htm](http://europa.eu/rapid/press-release_MEMO-13-621_en.htm)

agricultural land addressing carbon storage, reduced fertiliser and pesticide use, introduction of varieties requiring less material input and organic farming and livestock production. Cypriot holdings are usually very small, operating in an environment reliant on energy and chemical inputs to retain productivity, loss of wetlands and erosion. Measures under Article 19 on the introduction of appropriate preventive actions against potential natural disasters, Article 32 on payments to areas facing specific constraints or under Article 23 on afforestation, can contribute to mitigation.

Investments aiming to prevent forest fires, such as the introduction of native resilient breeds, protective vegetation against wind and erosion and water efficient production methods will be necessary e.g. under Article 26 on investments improving forest resilience and Article 35 on forests' climate services.

## Scotland

Scotland is in the North Atlantic: Facing volatility in water resources, changes in crop growth and yields, increased floods and soil erosion, and more frequent forest fires.

The Scottish RDP included a variety of climate change mitigation actions under several measures including extensification of livestock and grassland management, change of land use (arable land to pasture), reducing nitrous oxide emissions, establishing and maintaining woodland and improving manure storage and biogas capture.

Scotland will be affected by the impact of climate change on important mitigation contributors (i.e. its forests, soils and wetlands). Hence, mitigation potential will have to be addressed e.g. through Article 29 on agri-environment-climate measures and Article 25 on prevention and restoration of damage to forests from forest fires and natural disasters.

Adaptation can be addressed e.g. within wetland management, flooding zones and biodiversity-enhancing crops, conversion to resilient forest stand type and improvement of infrastructure to cope with climate change stresses through Article 31 on Natura 2000 and Water Framework Directive (WFD) payments, in Article 26 on investments improving the resilience of forest ecosystems and in Article 18 on investments on physical assets.

## Poland

Poland is in the Northern continental zone and is likely to experience intensification of the hydrological cycle, increases in extreme events, increased floods, changes in crop production, and new pests and diseases.

Polish rural areas have to overcome a natural productivity deficit (due to weak soils, poor rainfalls, low temperatures and a short growing period) compared to the EU, which provides advocacy for energy-intensive cultivation. Hence, net GHG emissions have to be reduced through carbon sequestration and alternative forms of energy generation. The Polish RDP acknowledges the importance of sustainable silviculture, renewable energy sources and soil management as direct means of mitigation and adaptation, but it also addresses water availability in the context of the efficiency of infrastructure. It includes mitigation actions such as production methods which reduce GHG emissions and restore forests. Many of these actions can be continued e.g. under Article 23 on afforestation, under Article 18 on the investment in physical assets but also by the opportunities offered by Articles 15 on knowledge transfer and Article 16 on advisory services.

Adaptation is addressed through support for biodiversity via landscape protection, by improving the resilience of water management infrastructure and by supporting farmers in unfavourable areas. These measures can be continued under e.g. Article 29 on agri-environment-climate, Article 31 on Natura 2000 or Article 32 on payments for areas facing specific constraints.

## Examples of how climate change mitigation and adaptation can be addressed by the EAFRD

Article in EAFRD Regulation	Rural Development Measures	Examples for climate change mitigation and adaptation
Art. 7	Thematic sub-programmes	Member States can develop thematic oriented 'mini-programmes' aiming to address specific needs identified in the analysis of the status quo. The Rural Development Programmes can structure their thematic sub-programmes around the Measures listed in the Regulation, giving emphasis to the importance of the needs to be addressed by allowing an increased EAFRD support percentage. Climate change is one of the topics explicitly mentioned. Climate change sub-programmes can, for example, be developed on avoidance of damage from extreme events, avoidance of heat stress, improved water management and improved soil management, forest management and risk management. Sub-programmes may also refer to climate change hotspots, such as the condition of organic soil matter, the maintenance of wetlands and peat, lands, and the level of methane emissions. Thematic sub-programmes on climate change does not exclude the consideration of climate change elsewhere in the RDP
Art. 14	Knowledge transfer and information actions	Actions related to improving knowledge transfer and information on energy efficiency in agricultural installations, environmentally sustainable new practices like new sowing cycles, climate change risks and adaptation tools. Relevant actions can address both mitigation and adaptation. As a general rule all knowledge transfer and information actions aim to improve the utilization of existing resources, so they also contribute to climate action.
Art. 15	Advisory services, farm management and farm relief services	Training/advisory services, guidance documents, thematic groups related to topics like those mentioned above. Relevant actions can address both mitigation and adaptation.

Article in EAFRD Regulation	Rural Development Measures	Examples for climate change mitigation and adaptation	
Art. 16	Quality schemes for agricultural products and foodstuffs	Introduction of a “climate” quality label and certification scheme for products reducing GHG emissions or for products resilient to climate change impacts. These need not be additional quality labels but could constitute additional information on “locally adapted” products with “Protected Designation of Origin” or “Protected Geographical Indication” labels.	
Art. 17	Investments in physical assets	Actions which reduce input intensity, energy demand and emissions, such as energy efficiency installations in buildings, use of renewable energy sources, manure storage facilities and biogas digesters.	Actions which reduce the exposure of holdings to climate change impacts, such as on-farm water storage installations for drought periods, highly efficient irrigation systems, investments in farm buildings and installations to cope with heat and water stress.
Art. 18	Restoring agricultural production potential damaged by natural disasters and catastrophic events and introduction of appropriate prevention actions	Actions preventing soil degradation, low tillage, and winter green cover. Establishing agro-forestry systems can also provide synergies to improve soil management, including on soil carbon stock depletion.	Investments in hard and soft infrastructure to manage climate hazards (e.g. flood risk and volatility in water supply). Introduction of climate-resilient crops and species potentially including local crop varieties and livestock breeds.
Art. 19	Farm and business development	Support to young farmers to introduce efficiency-oriented measures to optimise production processes. These may relate to on-farm or off-farm non-agricultural activities (e.g. land cultivation, energy consumption, and use of fertiliser and forage).	Business plans including climate adaptation considerations and cost estimations. This is also relevant to Articles 38, 39, 40 (see below).
Art. 20	Basic services and village renewal in rural areas	Climate proofing of local development plans, measures to adapt small scale infrastructure (water supply, energy production etc.). Relevant actions can address both mitigation and adaptation.	
Art. 22	Afforestation and creation of woodland	In general, all afforestation measures are beneficial to mitigation. Where possible, attention should be given to measures with an optimal input/output ratio (i.e. investments in relation to carbon capture) taking in account location, soil quality, rapidness of tree growth etc.	Forest management actions to preserve and improve the ecosystem services provided by forests which help with climate resilience (e.g. reduction of flood risk, erosion protection and soil buffering/filtering functions).
Art. 23	Establishment of agroforestry systems	Actions which reduce input intensity, energy demand and GHG emissions, because of improved efficiency of resource use through tree cover.	Mixture of agriculture and forestry to improve soil protection, prevent erosion, improve water and soil quality, lessen water demand, and create shelter and shaded areas for livestock and crops.
Art. 24	Prevention and restoration of damage to forests from forest fires and natural disasters and catastrophic events	Actions that prevent forest fires and mitigate impacts from fires and natural disasters.	Protective infrastructure such as observation posts, forest roads, water reservoirs, fire resistant plants, forest maintenance and fire ecology infrastructure, remote sensing, post-fire protection installations (fascines) and forest protection belts.
Art. 25	Investments improving the resilience, and environmental value of forest ecosystems	In general, all investments improving the resilience of forest ecosystems are beneficial to mitigation. Emphasis can be given to management and investment options which maximise carbon sequestration in the long term e.g. on tree species composition which is likely to be better adapted to site and growing factors under changing climatic conditions. Actions related to the function of forests as carbon sinks.	Investments improving the ability of the forest to regenerate itself (e.g. herding control, fences), introduction of alternative species, enhancement of fire-ecosystems, enhancement of the welfare and protective functions of forest ecosystems, including location management and accessibility
Art. 28	Agri-environment climate	Actions and agricultural practices can be structured along three lines: - Increase biomass-based renewable energy production; e.g. through cultivating annual and perennial crops, such as grasses and coppiced trees.	

Article in EAFRD Regulation	Rural Development Measures	Examples of climate change mitigation and adaptation	
Art. 28 (cont.)	Agri-environment climate	<p>Actions and agricultural practices can be structured along three lines:</p> <ul style="list-style-type: none"> <li>- Increase carbon sequestration in soils and biomass: e.g. through conservation- and zero-tillage systems, cover crops that add nutrients to the soil, minimisation of summer fallows and periods with no groundcover, application of compost and manure to increase nutrients in the soil, improvement of pastures, and rangelands through grazing, vegetation, and fire management to increase organic soil matter, cultivation of perennial grasses and restoration of agricultural wetlands.</li> <li>- Reduce direct and indirect energy use to avoid GHG emissions: e.g. by using grass-based grazing systems to reduce methane emissions from ruminant livestock, composting to reduce manure methane emissions, using biofuels for fossil-fuel consumption or reducing the use of inorganic nitrogen fertilizers.</li> </ul>	<p>Actions which reduce the impact of climate hazards, such as introduction of resilient crops, crop rotation, intercropping, undersowing and cover crops, terrace cultivation, hedges and buffer strips, extensification of livestock breeding and improved livestock management, support to local crop varieties and livestock breeds.</p>
Art 29	Organic farming	<p>Organic farming is generally beneficial to mitigation by reducing energy-intensive production inputs such as synthetic fertilizers and pesticides, reducing nitrous oxides and methane emissions.</p> <p>Apart from the farming practices defined in the Council Regulation (EC) No 834/2007 on organic production and labelling of organic products, several additional actions can enhance mitigation, such as in situ recycling of manures and crop residues by composting, soil fertility-conserving crop rotations with inter-cropping and cover cropping as well as the use of leguminous crops to deliver additional nitrogen etc.</p>	<p>Organic farming is generally beneficial to adaptation by adopting locally adapted solutions, which compensate the yield disadvantage towards conventional agriculture.</p> <p>Relevant are agricultural practices encouraging farming and crop diversification (variation in season and space), adaptation to local conditions (e.g. through local breeds and techniques enhancing soil organic matter), integration of landscape features as protective measures.</p>
Art. 30	Natura 2000 and Water Framework Directive payments	Particular attention and explicit referral to actions reducing material input and emissions and enhancing the carbon storage potential.	Particular attention and explicit referral to actions which reduce the impact of climate hazards, such as increasing natural water retention and storage or restoring riparian vegetation.
Art. 31	Payments to areas facing natural or other specific constraints	Considering carbon sequestration potential of constrained areas to be maintained (i.e. areas with low-output, high-value semi-natural pastures).	Designation of areas especially affected by temperature increase and stress, erosion, fires, floods, pests and diseases or areas where topography accentuates climate change impacts as areas 'facing specific constraints'.
Art. 34	Forest environmental and climate services and forest conservation	Actions related to the enhancement of the function of forests as carbon sinks e.g. through introduction of climate change mitigation elements in the required forest management plans.	Actions related to the ecosystem services of forests which help with climate resilience, such as flood risk management, erosion protection and shelter from heat through introduction of climate change adaptation elements in the required forest management plans.
Art. 35	Co-operation	Networks, exchanges and pilot projects on climate change and agriculture/rural development. (See also Articles 15 and 16). Relevant actions can address both mitigation and adaptation.	
Art. 36 Art. 37 Art. 38 Art. 39	Risk management Crop, animal, and plant insurance Mutual funds for adverse climatic events, animal and plant diseases, pest infestations and environmental incidents Income stabilization tool.		Development of risk analysis models and modus operandi for assessment and management of changing climate hazards; creation or modification of existing insurance and compensation funds and schemes according to changing hazards; introduction of climate resilient practices and crops as requirements for participation in insurance schemes.
Art. 42 – 44	LEADER	Introduction of climate proofing and climate mainstreaming as an integral element of Local Development Strategies, promoting of "climate resilient regions". Inclusion of climate change actions and awareness in the activities of Local Action Groups.	

## Background information

### Why do we need to take climate action?

Tackling climate change is one of the great challenges facing the EU and its global partners.

The need for urgent action is clearly reflected in the Europe 2020 Strategy and the EU's ambitious 20/20/20 targets for climate change mitigation, i.e. to cut greenhouse gas emissions by 20 % (30 % if the conditions are right); reduce energy consumption by 20 % through increased energy efficiency; and to meet 20 % of energy needs from renewable sources.

Climate change is already happening and its effects will become more severe in coming years. So we need to take action on mitigation, and we also need to act to protect people, buildings, infrastructure, businesses and ecosystems from the impacts. These adaptation measures, which will make us more resilient to the adverse impacts of climate change, will become increasingly important. Adaptation measures can be taken at national, regional and local levels. Adaptation measures include for example actions that can stimulate more efficient water use, and development and use of design standards that protect constructions against the impacts of future climate conditions and extreme weather events. Other examples include the building of flood defences, raising the levels of dykes, and replacing exposed power overhead lines with underground cables. It also includes measures to take advantage of possible opportunities arising from climate change. The aim of the EU Strategy on adaptation to climate change is to help make Europe more climate-resilient and enhance its preparedness and capacity to respond to the impacts of climate change.

Building a low-carbon and climate-resilient economy will enhance Europe's competitiveness, create new, greener jobs, improve energy security and bring health benefits to Europe's citizens by improving air quality.

### EU funding over the period 2014-2020

The EU budget has an important role to play in promoting climate action in all sectors of the European economy and in catalysing the investment needed to meet the climate targets and ensure climate resilience. Investment is needed in a wide range of technologies that improve energy efficiency, in renewable energy sources and related infrastructure, and in the adaptation to climate change.

Based on a proposal put forward by the Commission, the European Council concluded on 7-8 February 2013 that 'Climate action objectives will represent at least 20 % of EU spending in the period 2014-2020 and therefore be reflected in the appropriate instruments to ensure that they contribute to strengthen energy security, building a low-carbon, resource efficient and climate resilient economy that will enhance Europe's competitiveness and create more and greener jobs'.

### European Structural and Investment Funds (ESIF)

ESIF include the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD), and the European Maritime and Fisheries Fund (EMFF).

The ultimate responsibility for implementing the EU budget lies with the European Commission, but the ESIF are implemented under 'shared management', with individual EU countries actually distributing the funds and managing expenditure. Checks and balances are in place to ensure the funds are managed properly and in accordance with the rules.

## Common Provisions Regulation (CPR)

The CPR sets out the means to achieve consistency with the economic policies of the EU and its Member States, coordination mechanisms among the ESI Funds and with other EU policies and instruments, horizontal principles and cross-cutting policy objectives. It lays down arrangements to address territorial challenges, suggests action with high European added value and sets out the principles and the priorities for action.

Each Member State will prepare a Partnership Agreement, in cooperation with its partners and in dialogue with the Commission. In preparing the Partnership Agreement, each Member State translates the elements set out in the CPR into the national context and sets firm commitments to achieve the EU's objectives through the programming of the ESIF.

ESIF will be implemented through programmes in accordance with the Partnership Agreement. Each programme will cover the period 2014 - 2020. It will set out a strategy explaining how the programme will address the national and/or regional needs and contribute to the EU's strategy for smart, sustainable and inclusive growth, in line with the applicable regulations and the Partnership Agreement.

The CPR defines eleven Thematic Objectives (TOs), which will contribute to the implementation of the EU's strategy for smart, sustainable and inclusive growth. The eleven TOs are:

1. Strengthening research, technological development and innovation
2. Enhancing access to, and use and quality of, ICT (information and communication technologies)
3. Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF)
4. Supporting the shift towards a low-carbon economy in all sectors
5. Promoting climate change adaptation, risk prevention and management
6. Preserving and protecting the environment and promoting resource efficiency
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures
8. Promoting sustainable and quality employment and supporting labour mobility
9. Promoting social inclusion, combating poverty and any discrimination
10. Investing in education, training and vocational training for skills and lifelong learning
11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration

The fund-specific regulations define for each TO the corresponding investment priorities.

TO4 and TO5 are dedicated to climate change mitigation and adaptation. In addition, climate action issues can be mainstreamed into other TOs. Hence, ESIF can significantly contribute to the achievement of the climate objectives and the transition to a low-carbon and climate resilient economy.

The European Agricultural Fund for Rural Development (EAFRD) will make a major contribution to the transition to a low-carbon and climate-resilient Europe.

This Fact Sheet shows how this can be done and outlines the potential for climate mainstreaming in this fund.

The EAFRD is one of the five European Structural and Investment Funds (ESIF) under the Common Provisions Regulation (CPR). These funds have a key role to play in achieving the Europe 2020 Strategy for smart, sustainable and inclusive growth. The five funds will contribute to the target that the climate-related expenditure will represent at least 20 % of EU spending in the period 2014-2020, while helping to improve energy security, build a low-carbon, resource-efficient and climate-resilient economy that will boost Europe's competitiveness and create more and greener jobs.

The EAFRD shall contribute to the Europe 2020 Strategy by promoting sustainable rural development throughout the Union in a complementary manner to the other instruments of the common agricultural policy; to cohesion policy; and to the common fisheries policy.

It shall contribute to a more territorially and environmentally balanced, climate-friendly and resilient, competitive and innovative Union agricultural sector.

The CPR defines eleven Thematic Objectives that will contribute to the implementation of the Europe 2020 Strategy. The EAFRD translates these Thematic Objectives into Union Priorities. There is great potential for mainstreaming climate action in all the Union Priorities of the EAFRD. By doing so, the EAFRD can contribute towards reaching at least 20 % climate-related expenditure out of the overall EU budget.

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#### Further information

DG Climate Action:  
<http://ec.europa.eu/clima>



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