Rural Development 2007-13

Axis 3: Diversification of the rural economy and Quality of Life in rural areas
Axis 4: The Leader approach

DG AGRI, October 2005
The strategic guidelines for axis 3

The EU priorities:

- The creation of employment opportunities
  - through the diversification of the rural economy (all sectors)
  - with the improvement of the quality of life (attractive places to live and work)

Key actions: supporting traditional and new activities, the participation of women in the labour market, micro-enterprises, training, diffusion of ICT, renewable resources, tourism, local infrastructure
The strategic guidelines for axis 4

The EU priorities:

- Use the Leader approach for introducing innovation in axis 1, 2 and 3
  - better governance at the local level
  - endogenous development (local resources for growth and jobs)

*Key actions: local capacity building, public-private partnerships, networking and cooperation, mutually supportive actions between agriculture, the environment and the wider rural economy and population, sustainability*
The national strategy plans

National priorities for axis 3 and 4
Identifying target indicators to measure progress

Challenges for sustainable rural areas:

- The employment situation in different economic sectors, relevance of farmers with other gainful activities, availability of job opportunities. Assessment of the development potential.
- Capabilities (level of education, skills) of the rural population in relation to actual and potential labour demand. Entrepreneurship and risk taking. Assessment of training, animation and information needs.
- Local capacity (private and public) for developing a sustainable strategy using local strengths and opportunities. Assessment of local governance needs.
Rural Development Programme

The Member State has to indicate:

- The resources it plans to spend on axis 3 (minimum of 10%) and on axis 4 (phasing in for the new Member States) of the Community contribution

- Which measures it wishes to implement and how they fit with the strategy (EU + national priorities)

- An indicative breakdown of funding per measure
The toolbox for axis 3

Three blocks of measures targeting:

- the diversification of the rural economy
  Non-agricultural activities of farmers; small business creation and development, tourism, small scale infrastructure

- the quality of life in rural areas
  Basic services for the rural population, rural heritage and renewal

- training, skills acquisition and animation
  Area studies, information, training animators, leaders, promotional events, partnerships
The toolbox for axis 4 (Leader)

- 7 distinctive features + support for LAGs
  - Area based local strategies
  - Public-private partnerships (local action groups)
  - Bottom up approach
  - Multi-sectoral and integrated
  - Innovative
  - Cooperation
  - Networking
Implementing the diversification of the rural economy:

Diversification into non-agricultural activities
- The beneficiary is a farm-household member

Micro-enterprises, entrepreneurship
- Less than 10 staff, turnover < 2 million €
- Addressed to the wider rural population

Tourism activities
- Small scale infrastructure, recreation infrastructure, development and marketing services
- Addressed to the wider rural population
Implementing the improvement of the quality of life

Basic services for the economy and rural population

- Setting up of basic services, including cultural and leisure activities in one or more villages, small scale infrastructure

Conservation and upgrading of the natural and cultural rural heritage

- Drawing up management plans for Natura 2000 and high natural value places, environmental awareness and maintenance, restoration of natural heritage (landscape), cultural studies and investments for conservation and upgrading of heritage
Implementing the improvement of the quality of life (continued)

**Training, skills acquisition and implementation**

- Studies of the area, information about local strategies, training animators for preparation and implementation of strategies, promotional events, implementation of local development public-private partnerships other than Leader

_The rural population at large is beneficiary for the diversification and quality of life axis_
Demarcation (distinguishing between investments made with EAFDR and the Structural Funds)

- The Member State indicates in its programme what operations are supported by each fund.

- In general small scale infrastructure, small-capacity accommodation, ad hoc training courses linked to projects, may be supported by the EAFRD, while larger investments are better placed with the Structural Funds.
Implementing the Leader approach

- Leader is a *method* rather than a list of measures,
- It may be *applied to any of the three other axes* and measures and/or to a combination of them
- Its 7 distinctive features should be *implemented as a set*, they complement each other
- Local action groups must be *well balanced between public and private partners (50/50)*
- Leader is particularly suited *for innovation* since measures are not pre-defined and networking facilitates knowledge transfer
- Experience shows that it is a successful approach, but that *it takes time to implement* well
- Cooperation and networking (at national and European level) are useful for exchanging experience, realising collective projects, acquiring capabilities
Conclusions

The diversification of rural economies and the improvement of the quality of rural life, more so when realised through Leader, are key factors for:

- providing a more positive context for farmers
- facilitating the economic and social sustainability of rural areas
- reducing the abandonment of rural areas through job creation and innovation in all sectors
- creating an attractive environment for society at large