

Rural Development Programme (RDP) of Greece

Πρόγραμμα Αγροτικής Ανάπτυξης της Ελλάδας «ΑΛΕΞΑΝΔΡΟΣ ΜΠΑΛΤΑΤΖΗΣ» 2007–2013¹

(Rural Development Programme of Greece "Alexandros Baltatzis" 2007 - 2013)

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<http://www.agrotikianaptixi.gr>

Other useful links:

Rural Development Programme (RDP):

<http://www.agrotikianaptixi.gr/index.php?obj=0f6d11a5f98dbcc4>

National Strategy Plan (NSP):

<http://www.agrotikianaptixi.gr/index.php?obj=c532c8500b58418b>

Greek National Rural Network (NRN):

<http://www.ead.gr/>



Map of Greece (© European Commission)

General socio-economic situation in rural areas in Greece

Greece is located in the southernmost part of the Balkan peninsula and its position is of strategic importance as a link between East and West, Europe, Asia and northern Africa. It covers a territory of 13,196,887 ha, out of which 1,271,090 ha are characterised as coastal and marine areas. The remaining area is covered by agricultural areas (40.9%), forests (18.9%) and natural areas (37%). The percentage of rural population has been decreasing since the 1960s and in the 1990s rural population was less than one third of the total population. The RDP provides baseline figures for Greece in 2005 and these state that: it contained a population of over 10.9 million, mostly concentrated in the region of Attica; GDP growth was 2.7% while GDP per capita was 77.3% of the EU-15 average.

The Greek primary sector holds a special social and environmental role in the overall Greek economy and provides a significant proportion of employment (16.2% in 2002). The main sectors of the rural economy are those of meat, milk, honey, poultry products, cultivation of vegetables, organic farming etc. There is a strong presence of Greek enterprises from the agri-food sector in international markets, while there are favourable climate and soil

¹ The text of this summary sheet was finalised in April 2010, following the adoption of the Health Check and European Economic Recovery Package and additional funds from Modulation.

conditions for organic agricultural and livestock production. Rural areas in Greece are also rich in cultural heritage and offer opportunities for diversification of the rural economy. In addition, there is a long-term experience in the implementation of local development strategies.

However, the contribution of the rural sector to Gross Added Value (GVA) has been decreasing, reaching only 5.2% in 2005 (down from 9.9% in 1995). Weaknesses of the rural economy vary depending on the geography. Mountain rural areas are characterised by a) low incomes, b) disadvantageous demographic composition, c) low educational level, and d) a lack of basic, social, cultural and various other infrastructures. Island areas, despite their advantageous geographical positioning, face social and transport services problems, resulting in low exploitation levels of their capacity for tourism and business activities. Overall, the most important challenge lies in preventing the population from abandoning agricultural activities and moving to urban areas (during 1961–1981 population movement from rural areas to urban centres peaked, resulting in various problems and structural transformations in rural area economies). Demographic ageing in rural areas further worsens the situation of rural abandonment. On the other hand, the favourable climate, the demand for high-quality products and the large amount of exported agricultural products are opportunities that can be exploited in order to improve the rural sector.

In terms of the environment, Greece has numerous areas of high natural value and is rich in natural heritage and special geomorphology. However, there is a scarcity of water resources (especially in the island areas of the Mediterranean), aggravated by frequent periods of drought, while recurrent forest fires in summer months are a major threat to the preservation of forests and biodiversity. The lack of integrated management practices in forest areas further limit the capacity to deal with the forest fire problems.

Following the CAP Health Check, in recognition of the greater emphasis now being given to the 'new challenges' facing agriculture and rural areas, the RDP was revised in 2009 to place additional emphasis on the adaptation to climate change, water management and the restructuring of the dairy sector. The revised RDP states the weaknesses that justify this emphasis. During 2006 and 2007 adverse weather conditions were observed all over the country, such as heat waves, heavy rain falls and strong winds causing droughts and forest fires, which increased the CO₂ emissions. The need for further rationalisation of water resources available as well as for further afforestation and preventive measures for the protection of forest are specified. Concerning the choice of the dairy sector, reference is made to the disappearance of the milk quotas in 2015. The needs for the creation of new small dairy transformation units mainly for quality products in the mountainous and insular parts of the country as well as the need for modernisation of existing dairy factories are elaborated. In addition to the above 'new challenges', the RDP highlights the digital gap in rural areas and the need for better internet high-speed access (broadband) in these areas. According to 2008 figures, the Greek broadband population coverage is approaching (without exceeding) the European average. Within the EU-25, Greece holds the 19th position with 85% concerning the total broadband population coverage and only the 22nd place with 50% concerning the broadband population coverage in rural and island areas. The low position of Greece is due to a large extent to the difficult access to the Greek rural areas. It is therefore required to develop/improve the broadband infrastructure using Information and Communication Technologies (ICTs) to contribute to rural development through the reduction of isolation, the development of relevant economic activities, employment, access to information networks and promoting local products and services.

RDP strategic objectives

The RDP's strategic objectives comprise the following:

- a) Maintain and improve the competitiveness of agriculture, forestry and agro-food sectors;
- b) Ensure environmental protection and sustainable management of natural resources;
- c) Improve quality of life in rural areas and encourage the diversification of the rural economy;
- d) Develop local possibilities for employment and diversification of the rural economy through the Leader approach.

The RDP focuses on the development of economic and environmentally oriented policies. Restructuring the Greek agricultural sector and encouraging diversification and innovation in rural areas are of crucial importance and the new policies address these needs. Developing new ways of cultivation, increasing investments, adapting production to quality standards, modernising the promotion/marketing activities of agricultural products and encouraging the population to retain agricultural activity, are contained in the RDP as the most practical approaches for the achievement of the RDP objectives. The RDP strategy is consistent with the Greek National Strategy Plan.

Taking into account the additional financing in the revised RDP and the socio-economic context in rural areas, greater strategic priority is now given to climate change, water management and the restructuring of the dairy sector. These priorities were already selected both in the 2007-2013 NSP and the original RDP and are now further detailed content wise and financially reinforced. New operations and eligibilities are also proposed in relation to broadband access to support the special objective of the NSP referring to the "improvement of the attractiveness of rural areas". The Digital Strategy 2006-2013 of Greece, is compatible with the basic guidelines and policies of the "i2010" initiative of the EC and aims to achieve a digital leap to address the main reasons for the delay in digital convergence by focusing on two directions: to improve productivity through technology and to improve the quality of everyday life.

Expected impact / outcomes of the policies

Expected socio-economic outcomes include the creation of a flexible, competitive and outward looking economy, the improvement of employment and living conditions. This includes the development of products of high-quality standards by using environmental friendly production methods -including organic produce- and the maintenance of the agricultural population and activity. Expected environmental outcomes are related to the use of alternative sources of energy and the maintenance of biodiversity, according to the targets set at Gothenburg.

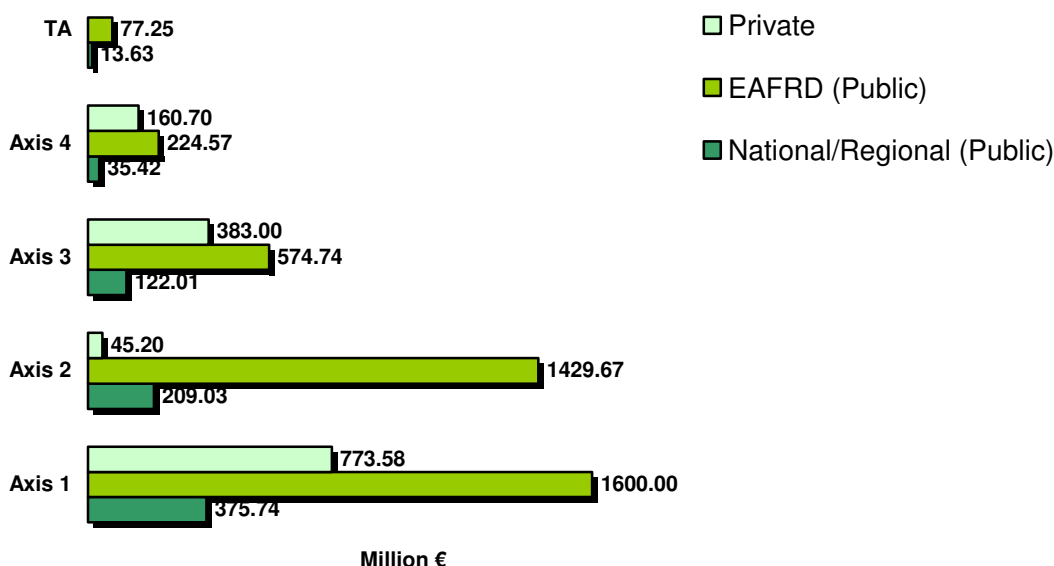
Expected impacts include:

- Economic growth: 616,782,209 net value added in terms of purchasing power units;
- Employment creation: creation of 3,645 employment posts;
- Increases in labour productivity: €14,448 gross value added per employment post;
- Reduction of biodiversity deterioration;
- Maintenance of agriculture and forest areas of high natural value: 21.9% of surface for coniferous trees; 78.1% of surface for flat leaf trees;
- Improvement in the quality of water (balance of nutrients): nitrogen surplus (12 Kg/ha), phosphorous surplus (4 kg/ha);

- Contribution to the fight against climate change: 405 kton increase in the production of renewable energy.

Expected impacts from the 2009's RDP amendment relate to improved competitiveness of the dairy sector, improved water management (use and storage capacity), better carbon retention from forests and reduction of CO2 emissions, mitigation of climate change impact to forests and improved productivity through access to technology in rural areas. There have been modifications to output indicators which are presented below under each axis.

RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €6,024,546,488



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; and Leader). Approximately 46% of the overall RDP budget in Greece is allocated to axis 1 (€2,749,327,699 million); approximately 28% is allocated to axis 2 (€1,683,898,373 million), 18% to axis 3 (€1,079,748,399 million) and 7% to axis 4 (€420,689,663 million), with 2% available to fund Technical Assistance (€90,882,352 million).

Within axis 1, National/Regional public funding represents approximately 14% share of the axis funding; EAFRD 58%; and private funds 28%.

Within axis 2, National/Regional public funding represents approximately 12% share of the axis funding; EAFRD 85%; and private funds 3%.

Within axis 3, National/Regional public funding represents approximately 11% share of the axis funding; EAFRD 53% and private funds 35%.

Within axis 4, National/Regional public funding represents approximately 8% share of the axis funding; EAFRD 53%; and private funds 38%.

Within technical assistance, National/Regional public funding represents approximately 15% share of the technical assistance funding and EAFRD 85%.

As a consequence of the RDP revisions in 2009, Greece has been assigned an additional budget totalling €211,348,800 (including €176,124,000 of EAFRD and a further €35,224,800 of national/regional public funds) focused on climate change, water management, restructuring of the dairy sector and broadband infrastructure. Other amendments are introduced to improve programme implementation and update legal references. They include an additional €1.06 billion as national top-ups to existing measures where the initial financial allocation was not sufficient to cover the needs until the end of the programming period, such as measures 211 and 212 or to reinforce measures for which the investors or the potential beneficiaries had shown high interest, such as measure 125.

Axis Information²

Axis 1 objectives – Improving the competitiveness of the agricultural and forestry sector

The emphasis of this axis is on modernisation of agricultural holdings (measure 121; 32% of total budget for axis 1), adding value to agricultural and forestry products (measure 123; 22%), infrastructure related to the development and adaptation of agriculture and forestry (measure 125; 21%), setting up of young farmers (measure 112; 10%) and early retirement (measure 113; 9%).

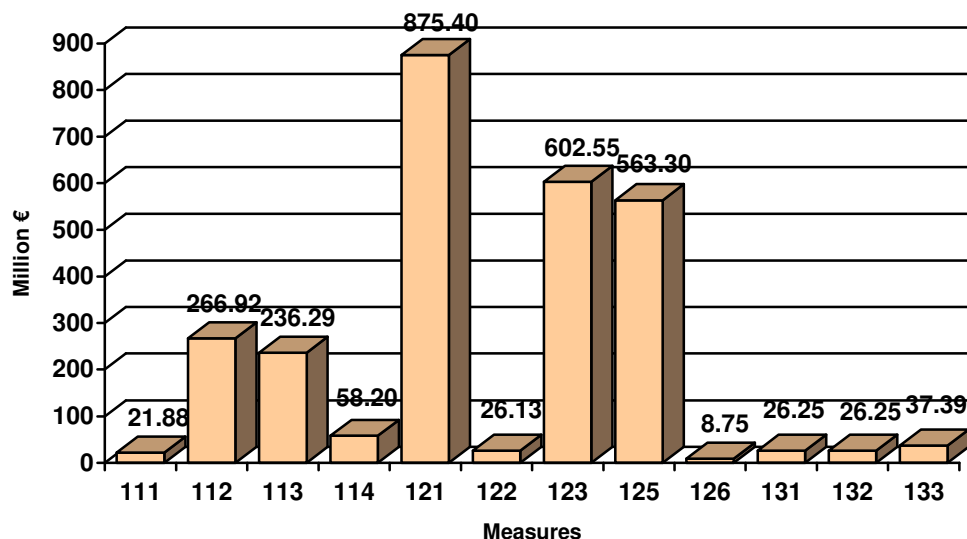
Common result targets for axis 1 comprise: 30,000 participants that have successfully completed training activities; €115,223,453 increase in Gross Value Added (GVA) of supported enterprises/holdings; 3,575 agricultural holdings that introduce new products/methods; €268 million value of production supported by quality systems.

Specific modifications to output indicators only have been made in order to take account of the amendments to the RDP and comprise changes in the number of supported holdings/enterprises, the number of supported actions and the total value of investments.

Strategic objectives	Specific objectives
Maintenance and improvement of competitiveness of the agriculture, forestry and the agri-food sectors	<ul style="list-style-type: none"> - Reverse the age structure and the small average size of agricultural holdings; - Reorganise and develop business structures through the promotion of advanced technological equipment and innovation; - Upgrade and improve primary sector infrastructure; - Develop human resources capacities in order to adapt to new conditions.

² Detailed information on the individual measures can be found in Annex I.

Axis 1 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €2,749,327,700



Following the 2009 RDP update, the total budget for axis 1 is €2,749,327,699 including an additional €136,920,000 (€114,100,000 EAFRD + €22,820,000 national/regional public funds) that is targeted at the restructuring of the dairy sector under measures 121 (modernisation of agricultural holdings) and 123 (adding value to agricultural and forestry products) and at water management under measure 125 (adaptation infrastructure). More specifically, new investments are proposed under measures 121 and 123 (sub-measure 123A 'improving the transformation and commercialisation of the dairy sector') concerning the modernisation of agricultural holdings and the creation of new dairy industries. The reinforcement of measure 125 relates to sub-measure 125A1 (water storage) and includes water storage works creation/upgrading of primary, secondary and tertiary irrigation/water drainage/road networks, etc., in order to rationalise the water use as well as its storing capacity. A non-financial modification concerns the action "grazing land" under measure 125 (infrastructure related to the development and adaptation of agriculture and forestry) which is deleted due to the lack of appropriate national legislation and difficulties in the delimitation of forest and pasture land.

Axis 2 objectives - Improving the environment and the countryside

The emphasis of this axis is on agri-environment payments (measure 214; 46% of total budget for axis 2), natural handicap payments to farmers in mountain areas (measure 211; 21%), restoring forestry potential and introducing prevention actions (measure 226; 11%), first afforestation of agricultural land (measure 221; 9%) and payments to farmers in areas with handicaps, other than mountain areas (measure 212; 8%).

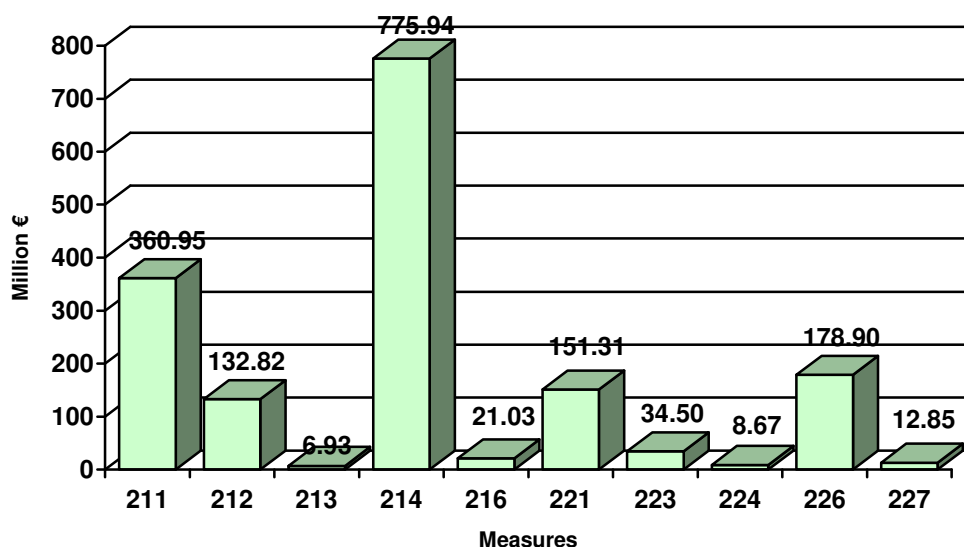
Common result targets for axis 2 include a surface of 2,727,600 ha that contributes to: improvement of biodiversity and agriculture of high natural value; improvement of water quality; fight against climate change; improvement of soil quality; and avoiding land marginalisation and abandonment.

Specific modifications to output indicators only have been made in order to take account of

the amendments to the RDP and comprise changes in the number of supported actions, the number of supported holdings, the size of the areas covered by interventions and the total value of investments.

Strategic objectives	Specific objectives
Environmental protection and sustainable management of natural resources	<ul style="list-style-type: none"> - Protect the soil; - Protect water resources; - Mitigate climate change; - Protect biodiversity; - Protect and maintain natural landscapes; - Improve the ecological balance of forests.

Axis 2 indicative budget breakdown by measure: Total allocated budget (including national /regional public funds + EAFRD + private funds) of €1,683,898,373



Following the 2009 RDP update, the total budget for axis 2 is €1,683,898,373 including an additional €24,000,000 (€20,000,000 EAFRD + €4,000,000 national/regional public funds) that is targeted at climate change through measure 226 (restoring forestry potential and introducing prevention actions). More specifically, the additional funding: supports new preventive actions against forest fires and natural disasters related to climate change; and reinforces the existing action on reforestation – mountain anti flood actions for burned forest areas. In addition, as a result of other modifications with a view to strengthening or adapting the way in which the EU priorities are taken into account, the total budget of action 2 (study and resulting small projects for addressing a parasite disease affecting chestnut trees) of measure 227 (non-productive investments) is increased from €2 million to €5 million to cover new needs.

Axis 3 objectives - The quality of life in rural areas and diversification of the rural economy

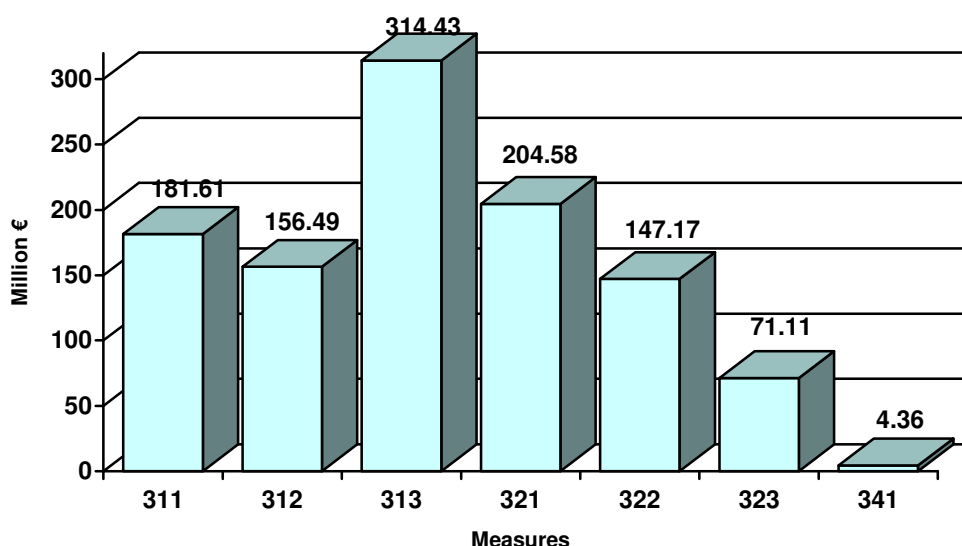
The emphasis of this axis is on the encouragement of tourism activities (measure 313; 29% of total budget for axis 3), basic services for the economy and rural population (measure 321; 19%), diversification into non-agricultural activities (measure 311; 17%), support for business creation and development (measure 312; 15%), village renewal and development (measure 322; 14%) and conservation and upgrading of the rural heritage (measure 323; 7%).

Common result targets for axis 3 include an increase of €21,435,153 in non-agricultural gross value added of subsidised enterprises, 2,945 gross employment creation, 800,000 additional number of tourists and 1,600,000 members of the rural population benefiting from improved services.

Specific modifications to output indicators only have been made in order to take account of the amendments to the RDP and comprise changes in the number of supported actions, the number of villages supported, the number of heritage preservation actions and the total value of investments.

Strategic objectives	Specific objectives
Improve the quality of life in rural areas and encourage the diversification of the rural economy	<ul style="list-style-type: none"> - Improve the attractiveness of rural areas; - Reinforce entrepreneurship in rural areas.

Axis 3 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €1,079,748,399



Following the 2009 RDP update, the total budget for axis 3 is €1,079,748,399 including an additional €50,428,800 (€42,024,000 EAFRD + €8,404,800 national/regional public funds)

under measure 321 (basic services for the economy and the rural population). The target is to cover the "white spots" in the digital map of the country (less than 50% of the population in rural areas has broadband access) and to provide easy, safe and rapid access to the international "electronic network" of knowledge. In rural areas the internet penetration is two to four times lower than that in urban areas and it increases more slowly than in urban areas. As a result of the new funding, rural areas will have modern connections to the internet as well as provision of ICT in the development of the agri-food and rural tourism sectors.

Axis 4 objectives - Leader

This axis is dominated by quality of life/diversification (measure 413; 73% of total budget for axis 4). It is followed by competitiveness (measure 411; 13%) and running of the local action group (LAG), skills acquisition, animation (measure 431; 12%).

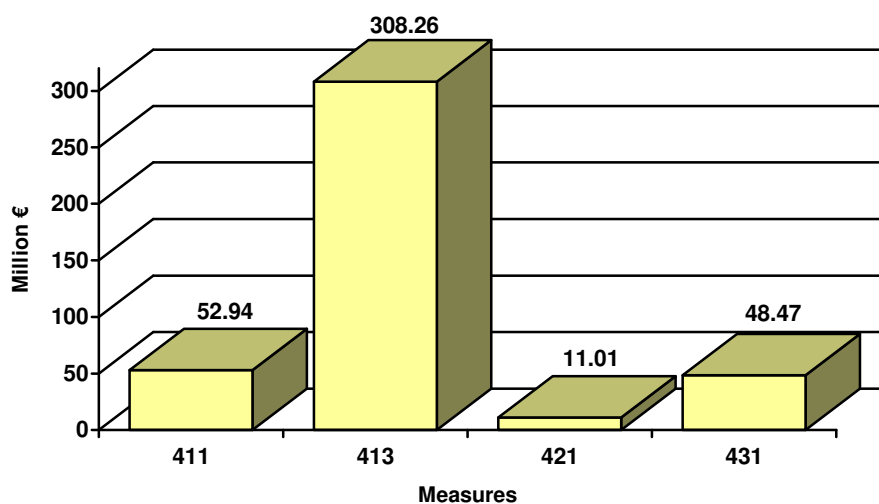
There are output indicators provided for axis 4 and these include: 40 LAGs set up; 82,000 km² covered by LAGs; 2,200,000 total population covered by LAGs; 1,000 projects financed by LAGs; 1,000 supported beneficiaries; 30 cooperation projects; 35 LAGs that cooperate with each other; 130 capacity building actions.

Number of LAGs operational in the RDP areas as of March 2010 was 41.

There were no modifications to axis 4 indicators following the RDP update in 2009.

Strategic objectives	Specific objectives
Development of local capacities for employment and diversification in rural areas through the Leader approach	<ul style="list-style-type: none"> - Implement cooperation schemes; - Reinforce the capacity of local actors and mobilise the population for the design and implementation of local development strategies.

Axis 4 indicative budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €420,689,663



There were no financial modifications in relation to axis 4 following the 2009 RDP update.

The National Rural Network

The Greek National Rural Network (GR NRN) has been set up in line with the EU Rural Development Regulation, to help exchange good practice and expertise on rural development policy design, programme management and implementation between the stakeholders of the Greek RDP and the European Rural Development Network.

The Greek NRN consists of 145 members that fall under two categories: a) organizations representing RDP beneficiary categories or other members involved in areas relative to the aims and objectives of the RDP measures; b) administrative authorities involved in programme implementation on a national and regional level.

The overall aim of the network is to bring together all its members, i.e. local and national actors involved in rural development in order to facilitate the exchange of experience and support the implementation of rural development policy.

The National Rural Network has five main strategic objectives:

1. Track, analyse and disseminate information on local and national level on transferable good practices for rural development;
2. Disseminate the results of the rural development programme at local, national and EU level;
3. Organise the exchange of experience and knowledge on rural development at local, national and EU level;
4. Provide technical assistance, interterritorial and transnational cooperation projects in the context of Axis 4 "LEADER approach";
5. Cooperate and network with the European Rural Network and the other National Rural Networks.

The Greek NRN is chaired by the Greek Managing Authority, which is in the Ministry of Rural Development and Food, Administrative Sector for Community Resources and Infrastructure. There is a Steering Committee, consisting of NRN members and executives of the Managing Authority, which has an advisory role to the NRN structure and to the NRN Action Plan preparation and implementation.

Monitoring and evaluation strategy

The Monitoring and Evaluation (M&E) Committee for the RDP is led by the Special Secretary of the Ministry of Rural Development and Food. It is responsible for issuing opinions on the selection criteria for financing actions, monitoring the achievement of targets based on the documentation provided by the Managing Authority, assessing and approving the annual and final reports. The Managing Authority and the M&E Committee jointly monitor the quality and progress of programme implementation through output and result indicators defined by the Common Monitoring and Evaluation Framework (CMEF). The chosen indicators correspond to the specificities of the programme, its objectives as well as the socio-economic and environmental conditions of rural territories of Greece.

The programme remains subject to continuous evaluation, which will produce an interim evaluation report in 2010 and a final evaluation report in 2015 as well as any other evaluations that the Managing Authority deems useful for the improvement of programme management. The evaluation reports cover the evaluation activities carried out, with particular reference to the development of skills and methodologies, the collection of data

and the difficulties encountered. When necessary, the annual evaluation reports refer to and propose amendments to the existing set of indicators. Furthermore, the evaluation reports help the Monitoring Committee define the need for additional horizontal/thematic evaluations in relation to specific measures, axes or challenges. The Monitoring Committee uses the information contained in evaluation reports to propose necessary amendments of the RDP.

Communication and publicity

The aims of the RDP communication strategy are to ensure the maximum possible transparency for measures and actions, the maximum possible mobilisation of public authorities and private, economic and social partners and NGOs, as well as providing the maximum possible communication to potential beneficiaries, concerning the full and efficient utilisation of the opportunities provided by the RDP. The communication strategy further seeks to communicate to the public (both Greek and European) the RDP's interventions, possibilities, benefits and impacts on the Greek economy and population, as well as the number of complementary actions in all sectors and regions of Greece. Moreover, the communication strategy aims at communicating the important role the EU plays in implementing the programme. The main target groups are: a) those that directly and indirectly benefit (e.g. businesses with agricultural and commercial activity, young people who want to be occupied as farmers, etc); b) final beneficiaries; and c) various administrative levels that are involved in the implementation of RDP actions. Key communication tools comprise: a) information activities (wide publicity of the RDP over the website, newsletters, establishment of an Info Desk, electronic and printed publications, press announcements, information events and press conferences, etc.); b) publicity and advertising actions in the mass media (press, radio, TV); c) promotional activities (e.g. participation in exhibitions, organisation of conferences, seminars and workshops, etc.); and d) activities organised by the 'Office for Press and Public Relations' (press conferences, press releases, etc).

Annex I – measure

Measures selected by the RDP		Measures selected by the updated RDP	
Axis 1 - Improving the competitiveness of the agricultural and forestry sector	<i>Promoting knowledge and improving human potential</i>	111	Vocational training and information actions
		112	Setting up of young farmers
		113	Early retirement
		114	Use of advisory services
		115	Setting up of management, relief and advisory services
	<i>Restructuring and developing physical potential and promoting innovation</i>	121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
		123	Adding value to agricultural and forestry products
		124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
		126	Restoring agricultural production potential
	<i>Quality of agricultural production and products</i>	131	Meeting standards based on EU legislation
		132	Participation of farmers in food quality schemes
		133	Information and promotion activities
	<i>Transitional measures</i>	141	Semi-subsistence farming
142		Producer groups	
143		Providing farm advisory and extension services	
Axis 2 - Improving the environment and the countryside	<i>Sustainable use of agricultural land</i>	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
		216	Non-productive investments
	<i>Sustainable use of forestry land</i>	221	First afforestation of agricultural land
		222	First establishment of agroforestry systems on agricultural land
		223	First afforestation of non-agricultural land
		224	Natura 2000 payments
		225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
Axis 3 - Quality of life in rural areas and diversification of the rural economy	<i>Diversify the rural economy</i>	311	Diversification into non-agricultural activities
		312	Support for business creation and development
		313	Encouragement of tourism activities
	<i>Improve the quality of life in rural areas</i>	321	Basic services for the economy and rural population
		322	Village renewal and development
		323	Conservation and upgrading of the rural heritage
		331	Training and information
		341	Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy
Axis 4 - Leader	<i>Implementing local development strategies</i>	411	Competitiveness
		412	Environment/land management
		413	Quality of life/diversification
		421	Implementing cooperation projects
		431	Running the local action group, skills acquisition, animation