



Factsheet on 2014-2020 Rural Development Programme for Greece

The Rural Development Programme (RDP) for Greece was formally adopted by the European Commission on 11 December 2015 and last modified on 5 March 2021, outlining Greece's priorities for using the € 5.64 billion of public money that is available for the period 2014-2020 (€ 4.7 billion from the EU budget and € 0.94 billion of national co-funding).

The Greek RDP focuses mainly on enhancing farm viability and competitiveness, preserving and enhancing ecosystems and promoting local development in rural areas. Farmers will receive support to put 17.66% of the Greek farmland under contracts to preserve biodiversity, 17.43% to improve water management and 16.52% to improve soil management and/or prevent soil erosion. Investment support for restructuring and modernisation will be provided to 6 300 agricultural holdings and 25 600 young farmers will receive start up aid. In addition, 12 700 agricultural holdings will receive support to participate in quality schemes, local markets, develop short supply chains and producer groups/organisations and about 450 agri-food businesses will receive support for investments in processing and marketing of agricultural products. Support for knowledge and innovation activities makes up almost 4% of the planned public expenditure and the RDP will create around 67 500 training places for farmers and other rural businesses. The RDP will also support local development via LEADER Local Action Groups covering more than half of the country's rural population and improve access to basic services for approximately 10% of the rural population, including IT infrastructures (e.g. broadband internet).

In 2020, as a response to the COVID-19 pandemic, the Greek RDP introduced exceptional, temporary support to the olive oil sector to an estimated 143 648 potential beneficiaries.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States¹. The RD Regulation for the period 2014-2020 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

This document provides a brief overview of how the challenges and opportunities Greece is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budgets.

¹ The UK left the Union on 31st January 2020; in accordance with the Withdrawal Agreement support under Rural Development continues to apply in the UK during the 2014-2020 programming period

1. SITUATION AND KEY CHALLENGES

Greece will implement a single national Rural Development Programme. The country covers an area of 132 049 km², of which 62.6 % is predominantly rural and where 31.9% of the population live. Over half of the country's 709 500 agricultural holdings have less than 2 hectares and the small and fragmented land parcels constitute one of the main characteristics of Greek agriculture. The lack of a skilled workforce is a barrier to growth for farms. Only 5.2% of farm managers are less than 35 years old and merely 5.5% of all farm managers have agricultural training. The indicator measuring the standard of living of farmers stands at 80% of the standard of living of persons employed in other sectors.

Agriculture contributes 4.3% of the Greek Gross Value Added (2018) of the country. In terms of employment, agriculture accounts for 12% and the agri-food sector for 4% of the total. The economic importance of the sector is therefore significant and enhancing its competitiveness by overcoming its structural, environmental and climatic limitations remains a key challenge.

Areas with natural constraints² make up 70.75% of the Utilized Agricultural Area (UAA), of which 44.19% is mountainous regions. Forests make up 50% of the total land area of the country and organic farming covers 3.8% of the UAA. Irrigated land accounts for 19.8% of the UAA and 86% of water use in Greece is consumed in agriculture, often with considerable water losses. Greece's unemployment rate is 16.6% (2019) and lies above the EU average.

2. HOW THE GREEK RDP WILL ADDRESS THESE CHALLENGES

In addressing the abovementioned challenges, the Greek RDP will fund actions under all six Rural Development priorities – with a particular emphasis on the competitiveness of the agricultural sector and sustainable forestry, and on restoring, preserving and enhancing ecosystems related to agriculture and forestry. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

Under this priority, the Greek RDP aims at supporting 285 cooperation projects, including the framework of the European Innovation Partnership, as well as by stimulating the development of supply chain partnerships in the agri-food sector. About 67 500 training places will be made available to enhance knowledge transfer in the fields of environmental awareness, innovative technologies, and research to encourage practical implementation on farms and in forests.

Competitiveness of agricultural sector and sustainable forestry

About 25 600 Greek farms will benefit from business development plan support for Young Farmers and about 6 300 farms will benefit from support for restructuring and modernising their businesses. It should be noted that young farmers will also benefit from training and a higher support rate for their investments under the corresponding measures of the programme. As a response to the COVID-19 pandemic, an estimated 143 648 farmers of the olive oil sector may receive exceptional, temporary support.

Food chain organisation, including processing and marketing of agricultural products and risk management in agriculture

12 700 agricultural holdings will receive support to participate in quality schemes, local markets, and develop short supply chains and producer groups/organisations, and 450

² Following the completion in December 2018 of the new delimitation of areas with natural constraints and specific constraints, except mountainous areas

agri-food businesses will receive support for investments in the processing and marketing sector.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Greece aims at bringing 17.66% of agricultural land under contracts to preserve biodiversity, 17.43% to improve water management and 16.52% to improve soil management. Measures to support agro-forestry and afforestation aim at bringing a small part of Greece's forest land under management contracts.

Resource efficiency and climate

This priority aims at supporting a more efficient use of natural resources, in particular water, and the development of renewable energy sources in Greece. Almost 5% of the irrigated land will contribute to better water efficiency through public and private investments in irrigation infrastructure. It is expected that 51 000 hectares of irrigated land will switch to more efficient irrigation systems. Integrating this support with measures, such as investments in physical assets and knowledge transfer activities and advisory services, is expected to improve water efficiency reduce and agriculture's share in overall water consumption.

Social inclusion and local development in rural areas

More than half of Greece's rural population is expected to be covered by a local development strategy while approximately 10% of the rural population will benefit from improved services and ICT infrastructure. LEADER aims at creating 2 000 new jobs. Furthermore, 560 beneficiaries will receive support for investments in non-agricultural activities in rural areas thus contributing to the creation of 675 jobs.

The six **biggest RDP measures** in budgetary terms (total Public contribution) are:

- € 1 399 million allocated to Areas facing natural or other specific constraints
- € 1185 million allocated to Investments in physical assets
- € 768 million allocated to Organic farming
- € 446 million allocated to support for LEADER local development / CLLD
- € 440 million allocated to Agri-environment and climate measures
- € 422 million allocated to Farm and business development

Annex: Indicative public support for the Rural Development Programme in Greece

Target	Measure	€ Total Public	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas³			-
1A - Innovation, cooperation, knowledge 3.54% of RDP expenditure	M01 – Knowledge transfer		
	M02 – Advisory services		
	M16 – Cooperation		
1B – Research and innovation 285 cooperation projects	M16 – Cooperation		
1C – Lifelong learning and vocational training 67 500 participants trained	M01 – Knowledge transfer		
Priority 2: Enhancing Farm viability and competitiveness in agriculture and promoting innovative farm technologies and the sustainable management of forests			1 005 991 973
2A - Farm performance 0.87% farms with RDP support 6 300 agricultural holdings receiving support for investments in restructuring and modernisation 143 648 holdings supported by exceptional temporary support	M01 – Knowledge transfer	21 134 054	0.37%
	M02 - Advisory services	8 417 614	0.15%
	M04 - Investments	434 739 652	7.71%
	M06 - Farm and business development	50 095 412	0.89%
	M16 - Cooperation	27 798 611	0.49%
	M21 COVID-19 crisis	125 074 913	2.22%
2B - Young farmers 3.54% farms with RDP support for YF 25 600 agricultural holdings receiving support for business development plans for young farmers	M06 - Farm and business development	338 731 717	6.01%
Priority 3: Promoting food chain organisation, including processing and marketing of agricultural products, and risk management in agriculture			328 804 936
3A - Competitiveness of producers 12 700 (1.76%) farms supported for participating in quality schemes, local markets, short supply circuits and producer groups/organisations 450 agri-food enterprises supported for investment in processing and marketing of agricultural products	M01 – Knowledge transfer	837 379	0.01%
	M03 - Quality schemes	26 812 165	0.48%
	M04 - Investments	226 551 946	4.02%
	M09 - Producer groups / organisations	27 798 611	0.49%
	M16 - Cooperation	20 015 000	0.35%

³ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

3B - Risk management 1 522 (0.21%) farms participating in risk management schemes	M05 - Restoring agricultural potential	26 789 835	0.48%
Priority 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry⁴		2 676 901 710	
4A – Biodiversity, HNV and landscapes 17.66% of UAA under contract	M01 – Knowledge transfer	15 572 927	0.28%
	M02 - Advisory services	62 299 349	1.10%
	M04 - Investments	8 702 906	0.15%
4B – Water management 17.43% UAA under contract	M07 - Basic services	1 001 183	0.02%
	M08 - Forest	106 196 473	1.88%
	M10 - AEC	439 895 199	7.80%
	M11 – Organic farming	638 389 017	11.32%
4C – Soil management 16.52% UAA under contract 0.84% forestry land under contract 55 000 hectares covered by restoration after damages in forests	M13 - ANC	1 398 728 962	24.81%
	M16 – Cooperation	6 115 694	0.11%
Priority 5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors		755 331 209	
5A - Water efficiency 51 000 (4.97%) hectares of irrigated land supported for switching to more efficient irrigation systems	M01 – Knowledge transfer	9 445 095	0.17%
	M02 - Advisory services	10 510 912	0.19%
	M04 - Investments	465 582 782	8.26%
	M16 - Cooperation	6 671 667	0.12%
5B - Energy efficiency €27 796 785.18 Total investment for energy efficiency	M04 - Investments	12 508 553	0.22%
5C - Renewable energy €66 442 664 Total investment in renewable energy production	M02 - Advisory services	200 924	0.004%
	M04 - Investments	29 899 199	0.53%
	M16 - Cooperation	2 779 861	0.05%
5D - Reducing GHG and NH3 0.01% LU concerned under contract 2.70% UAA under contract	M02 - Advisory services	410 047	0.01%
	M04 - Investments	1 243 272	0.02%
	M11 – Organic Farming	129 575 542	2.30%
	M16 - Cooperation	2 223 889	0.04%
5E - Carbon conservation / sequestration 0.38% UAA and forestry land under contract 45 000 hectares covered for	M01 – Knowledge transfer	558.253	0.01%
	M02 - Advisory services	883 655	0.02%
	M04 - Investments	5 020 611	0.09%
	M08 - Forest	76 705 003	1.36%

⁴ Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas

prevention of damages in forests	M16 - Cooperation	1 111 944	0.02%
Priority 6: Promoting social inclusion, poverty reduction and economic development in rural areas		595 431 711	
6A - Diversification, SMEs and job creation 560 holdings receiving start up aid/ support for investments in non- agricultural activities in rural areas 675 jobs created	M06 - Farm and business development	33 649 224	0.60%
6B - Local development 66.34 % rural population under local development strategies 75 000 (1.24%) people in rural areas with improved services/infrastructure 2 000 jobs created (via LEADER)	M04 - Investments	885.649	0.02%
	M07 - Basic services	30.139.628	0.53%
	M19 - LEADER and CLLD	445 900 558	7.91%
6C - ICT 9.95% of population with improved services/ infrastructure (ICT)	M01 - Knowledge transfer	2 491 814	0.04%
	M02 - Advisory services	325 988	0.01%
	M07 - Basic services	82 038 850	1.46%
M 113 (transitional)		223 232 716	3.96%
Technical Assistance (TA)		52 631 579	0.93%
Total public expenditure €		5 638 325 834	100.00%