

Rural development: support by the European Agricultural Fund for Rural Development (EAFRD)

2009/0011(CNS) - 25/05/2009 - Final act

PURPOSE: to allow Member States to use additional funds for rural development programmes within the framework of the European Economic Recovery Plan (EERP).

LEGISLATIVE ACT: Council Regulation (EC) No 473/2009 amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and Regulation (EC) No 1290/2005 on the financing of the common agricultural policy

CONTENT: the European Council, at its meeting on 11 and 12 December 2008, approved a European Economic Recovery Plan (EERP), which envisages the initiation of priority action to enable Member States' economies to adjust more rapidly to current challenges. The EERP is based on an effort equivalent in total to around 1.5 % of European Union GDP, a figure amounting to around EUR 200 billion.

Of the above amount, **EUR 1 020 million** will be made available to all Member States via the European Agricultural Fund for Rural Development (EAFRD) with a view to:

- developing **broadband Internet in rural areas**;
- strengthening the operations related to the priorities laid down in Council Regulation (EC) No 1698/2005, which are referred to as **new challenges**. These include climate change, renewable energies, water management, biodiversity and measures accompanying restructuring of the dairy sector.

This Regulation makes several amendments to Regulation (EC) No 1698/2005 in order to establish the legal framework to allow Member States to use the amount of EUR 1 020 million, in continuity with the amendments introduced by Council Regulation (EC) No 74/2009 which enables Member States to use amounts resulting from increased compulsory modulation and unused funds generated under Council Regulation (EC) No 73/2009 on direct support schemes on operations related to the new challenges.

According to a common declaration by the European Parliament, the Council and the Commission, an additional EUR 600 million will be available for broadband internet and the CAP Health Check in the framework of rural development in 2009, while EUR 420 million will be secured through a compensation mechanism during the 2010 EU budgetary conciliation procedure.

Given the additional resources to be made available as Community support for rural development under the EERP, Member States must revise their national strategy plan (NSP) by 15 July 2009, since all Member States will receive additional funds from 2009.

The main priority will be to develop broadband Internet, including in areas that are poorly served. Because rural areas often suffer from insufficient Internet access, support for broadband infrastructures in rural areas is strengthened with the support of EAFRD. Given the importance of this priority, Member States must, in accordance with their needs, provide in their programmes for operations related to this priority by

the end of 2009. A list of types of operations related to broadband infrastructures is established in order to allow Member States to identify the relevant operations in the context of the legal framework for rural development.

As the additional funds from the EERP will be made available to all Member States in 2009 and 2010, all Member States should provide in their rural development programmes for types of operations related to the new challenges already as from 2009. The obligation to submit revised rural development programmes by 15 July 2009 applies to all Member States.

ENTRY INTO FORCE: 09/06/2009.

APPLICATION: from 01/01/2009.