

RURALITY-ENVIRONMENT-DEVELOPMENT
RURALITE-ENVIRONNEMENT-DEVELOPPEMENT
association internationale – international association

Multiannual financial framework 2014 - 2020 :
a bad answer to the crisis

**The international association
Rurality-Environment-Development
calls the European Parliament to a strategic view
which gathers all rural actors
in the pursuit of the objectives of the Europe 2020 Strategy**



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- The adoption of the Europe 2020 Strategy and the agreement on the Common Strategic Framework for five of the European funds have showed a real European ambition to face the European challenges in a joint approach.

The budgetary decisions on the multiannual financial framework 2014-2020 adopted on 8 February 2013 by the European Council aren't a good sign: they doesn't meet the citizens' expectations and they doesn't offer a better place to the EU into the world macro economy.

The global decreasing of the European budget of 3,5% is a bad answer to the social, economic and environmental crisis which asks for a consolidation of the European dynamics.

- While rural territories and their varied actors, agricultural and other, are important components for the success of the Strategy 2020, the adopted financial framework would affect their contributions to the smart, inclusive and sustainable development of the E.U.

Lowering the CAP budget in its whole could reduce the emergence of a renovated agriculture in the East European countries and thwart European farmers' efforts towards smarter environmental practices and more adding value on their territories.

In that context, the budget of the rural development policy, second pillar of the CAP, is decreased to 85 billion €. This reduction of 14% is contrary to the UE strategic choices that aim to reinforce the agriculture and the rural territories into the European growth.

Rural world as a whole carries also initiatives and economic potentialities complementary with urban poles. While resources allocated to local development strategies have showed their efficiency as multiplying factor, this financial reduction will weaken the current dynamics, though they are essential for the European objectives.

- Taken budgetary decisions don't fit in with the positive strategic view to involve all rural active forces in the pursuit of the objectives of the Strategy 2020: on the contrary, they will provide prejudicial competitions between farmers and other actors in the rural territories.

The opportunity given to the Member States to transfer 15%, sometimes 25%, from the second to the first pillar is only a financial instrument that risks to be activated without any strategic view.

That possible modulation from the second to the first pillar doesn't only open a field of opposition between farmers and other actors of rural development but it also opens the risk to put an end, in medium term, to the means for the development of the rural territories.

The former proposal of Rurality-Environment-Development¹ to set up a specific Fund for rural development and territorial agriculture (FEDRAT), next to an Agricultural Fund, an Urban Development Fund and the FEDER, would have avoided these oppositions, negative for all rural components, and would give real perspectives to the rural actors.

- Even if the increasing of the budget allocated to the competitiveness is a positive sign in regard of the crisis, the reduction of the cohesion budget of 8,5% will thwart especially the objective of territorial cohesion into the countries.

The support of the FEDER to sub-regional projects is often determining in the decisions of States or Regions to implement them. The reduction of the European means will certainly

¹ « Proposal for a European policy for rural territories after 2013 » - [REDCom2010-3](#)

decrease the number of projects and their future economic impacts, with, in the future, a lowering of the internal demand in the E.U.

That no-consolidation of the activities based on domestic supply and demand – decision based exclusively on the expectation of a growing up competitiveness on the external but highly competitive market – is speculation, in opposite of States using technical barriers, undervalued money and various aids in order to support their economy and their own interior market.

- About the limitation of eligible national co-financing only to public sources, Rurality-Environment-Development considers that this way will strongly reduce the impact of the territorial policies. As public entities have great financial problems in the current context, it is important to facilitate the access to European funds by an eligible supply of both public and private financial means.

In this context, the international association Rurality-Environment-Development calls the European parliament:

- to object to the modulation from the second to the first pillar, source of opposition between the two complementary actors who are farmers and other rural actors; if necessary, to agree only a transfer of a small percentage;
- to object to a different modulation for the European East countries where supporting rural development is particularly important for the territorial cohesion and the vitality of the major part of their areas;
- to consider private contributions as eligible for the co-financing of the European aids.

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