

## Rural Development Programme (RDP) of La Réunion, France

### Programme de Développement Rural 2007 – 2013<sup>1</sup>

(Rural Development Programme 2007-2013: for a  
long term sustainable rural development)

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<http://www.reunion.pref.gouv.fr>

#### Other useful links:

Rural Development Programme (RDP):

<http://agriculture.gouv.fr/pdr-reunion>

French National Rural Network (NRN):

<http://www.reseaurural.fr/la-reunion>



**Map of La Réunion**  
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## General socio-economic situation in rural areas in the La Réunion region

La Réunion is one of the French overseas departments and has a population of around 800 thousand people, covering a territory of 2,512 km<sup>2</sup>. It is a French island located east of Madagascar in the middle of the Indian Ocean (lat: 20°54' long: 55°27') and the region has some of the least developed rural areas of the country. GDP per capita is on average approximately €15,600 and around 63% of the average in the EU-27. The regional unemployment rate is over 20%, with higher rates for women compared to men.

La Réunion has experienced "rapid and profound changes". In less than 50 years it transformed from an economy mainly based on subsistence agriculture to a service economy. However, it remains a predominantly rural area characterized by zones with low population density, limited service and a traditional lifestyle centred on human relations even on urban areas. The island is experiencing an important population growth. In five years, the island's population grew by nearly 60,000 inhabitants. This led to a need for infrastructure, public services, jobs, and an increase of urbanization that is still in demand. The economic and demographic situation of La Réunion has created unemployment problems; in 2005 the unemployment rate was 32,8% (the highest in France) but it has decreased since then and in 2008 it affected 24,8% of the population. Agriculture regularly decreases in activity; however, agricultural diversification has increased because of the desire to substitute imports with local production. The industry is regarded as a traditional sector because of the dominance of the agri-food industry, in particular the sugar industry.

## RDP strategic objectives

In accordance with the National Strategy Plan, the overall objectives of La Réunion 2009 RDP

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<sup>1</sup> 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.

revision are to boost agriculture without harming the environment, consolidate the economy and create jobs. More specifically, there are four clear objectives: consolidate the economy and create jobs in rural areas; develop organic farming and other extensive agriculture techniques; develop a sustainable economic model for rural and agricultural activities; and create a risk management system. These objectives favour interventions that use technical frameworks for efficient water management; practical measures and training fostering innovation and respect for the environment in the agricultural setting; development of hydro-agricultural perimeters; specific programmes aimed at an efficient use of energy; agro-environmental payments related to the preservation of biodiversity; and promoting the Leader approach by establishing partnerships and bottom-up approaches in local rural communities.

Following the CAP Health Check, and 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 activities to tackle environmental issues namely the need to improve soil and water management, and adapting and mitigating against the impact of climate change. Furthermore, the revised RDP further supports activities to help farmers in natural handicap areas. These new directions, together with action to promote integrated development, should improve quality of life in rural areas and ensure economic and social coherence on the whole island.

Taking into account the additional financing provided by the CAP Health Check and the European Economic Recovery Package, greater strategic priority is being given to initiatives (through existing and new measures) that contribute to the competitiveness of the agricultural model of La Réunion. Unlike the French (Hexagonal) RDP, the essential strategic objective is not to maintain productivity but to improve it and ensure diversification. To reach this objective, axis 1 takes the predominant share, absorbing the bulk of public expenditure. Environmental protection is taken into account and thus, the RDP envisages new directions in terms of innovation and technical progress to improve productivity without damaging the environment, preserving biodiversity, water resources and landscapes.

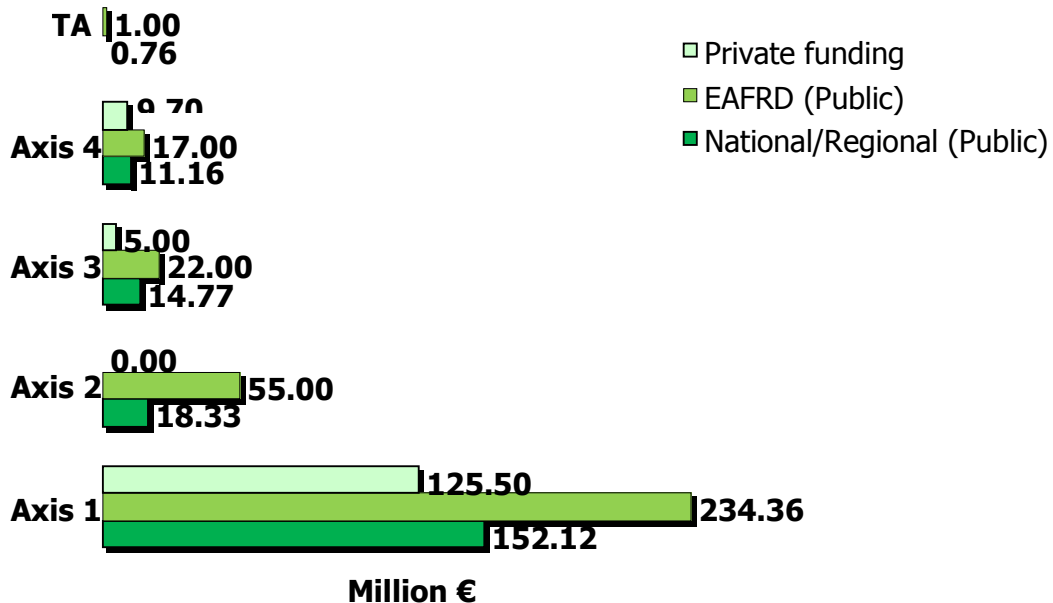
### **Expected impact / outcomes of the policies**

It is expected that the RDP in La Réunion will have an impact on economic growth by contributing to an increase in the value of agricultural production, the agricultural gross value added, and the value added of agro-food industries. It is also expected that the policy will ensure the maintenance of the agricultural labour force to the level registered in 2005 or 20,103 persons and the maintenance of employee jobs in the food industry (3,191 in 2003). In terms of environment, it is expected that the RDP will contribute to maintain biodiversity by preserving the number of endemic species, and the forest land with high natural value that covers 85,000 ha.

Specific modifications to impact indicators have been made to take account of the RDP’s 2009 alterations. These include new targets for actions that contribute to the modernisation of agriculture and the agri-food sector by boosting the number of farms or industries using new technology and production techniques more efficient in terms of water and energetic usage. Detailed information on impact indicators for individual measures is provided in the RDP indicator tables.

### **RDP budget breakdown by axis: Total expenditure (including**

**national/regional + EAFRD + private funding) of €666,790,948**



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 77% of the updated RDP budget in La Réunion is allocated to axis 1 (€511.98 million), approximately 11% is allocated to axis 2 (€73.33 million), 6% to axis 3 (€41.99 million) and 5,6% to axis 4 (€37.60 million), with 0,3% available to fund Technical Assistance (€1.89 million).

Within axis 1, National/Regional public funding represents approximately 30% share of the axis funding; EAFRD 46%; and private funds 24%.

Within axis 2, National/Regional public funding represents 25% share of the axis funding; EAFRD 75%; and no private funds.

Within axis 3, National/Regional public funding represents approximately 35% share of the axis funding; EAFRD 53% and private funds 12%.

Within axis 4, National/Regional public funding represents approximately 30% share of the axis funding; EAFRD 44%; and private funds 26%.

Within technical assistance, National/Regional public funding represents 40% share of the technical assistance funding and EAFRD 60%.

As a consequence of the 2009 RDP amendments, La Réunion region has been assigned a total of €9,554,500 (including €8,418,000 EAFRD and €1,136,500 of national/regional public funds) to support "new challenges" (climate change, renewable energy targets, etc.). In addition, further

funds (€1,942,000) unrelated to the “new challenges” were allocated to compensate farmers in natural handicap areas (for the first 25 ha supported).

## Axis Information<sup>2</sup>

### ***Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector***

The table below provides an indication of the RDP’s axis 1 priorities.

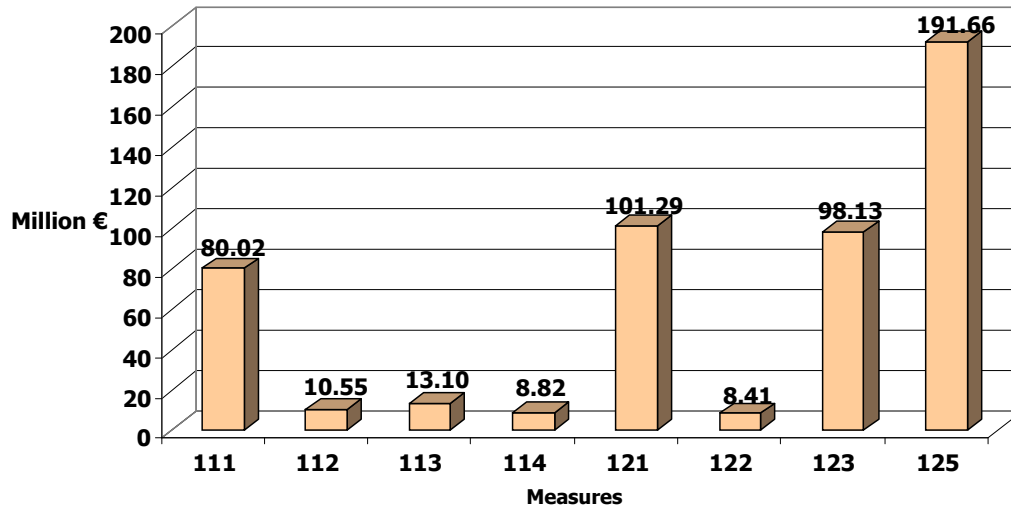
Strategic objectives	Specific objectives
Enable agriculture to meet the needs of a growing population and replace imports by local production	<ul style="list-style-type: none"> <li>- Promote modernisation of infrastructure;</li> <li>- Increase competitiveness in agricultural and forestry sectors;</li> <li>- Promote a sustainable economic development system regarding agriculture and rural areas;</li> <li>- Promote modernisation, innovation and dissemination of scientific and technical knowledge.</li> </ul>
Mitigate problems associated with insularity and remoteness	<ul style="list-style-type: none"> <li>- Improvement and development of physical and telecommunication infrastructures;</li> <li>- Improve rural access (i.e. transportation, public roads);</li> <li>- Improve the management of irrigation systems.</li> </ul>

Result targets include: 60 interns receiving 960 hours of technical training on how to save water divided into 4 sessions (per year); 240 participant farmers involved in environmental awareness campaigns each year; number of financed ETPs (2,5 per year); total surface covered by training and knowledge development regarding biodiversity (960 ha); number of farm holdings improving energy efficiency (200) and related investment (€1 million); and number of actions introducing technology allowing to save water (5) and related investment (€5 million).

Specific modifications to results indicators have been made to take account of the amendments to the RDP including reduction in water consumption, increase in renewable energy production targets, increased efficiency of operations related to preservation of biodiversity and modernisation of agricultural holdings. For further information on specific results indicators please refer to the result indicators table in the RDP.

<sup>2</sup> A full list of the RDP measures can be found in Annex I.

**Axis 1 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €511,979,782<sup>3</sup>**



Following the 2009 RDP update, the total budget amount for axis 1 is €511,979,782 including an additional €8,248,500 (€7,423,650 EAFRD + €824,850 national/regional public) that is targeted at several measures: improving water management and biodiversity (€5,760,450 EAFRD, measure 111) by introducing production techniques allowing to save water and promoting dissemination of knowledge and information (i.e. marketing, training) about ways to protect biodiversity; fighting against climate change (€675,000 EAFRD, measure 121) by improving energy efficiency; and improving water management (€988,200 EAFRD, measure 125) by introducing technology and equipment allowing to save water.

**Axis 2 objectives: Improving the environment and the countryside**

The table below provides an indication of the RDP's axis 2 priorities.

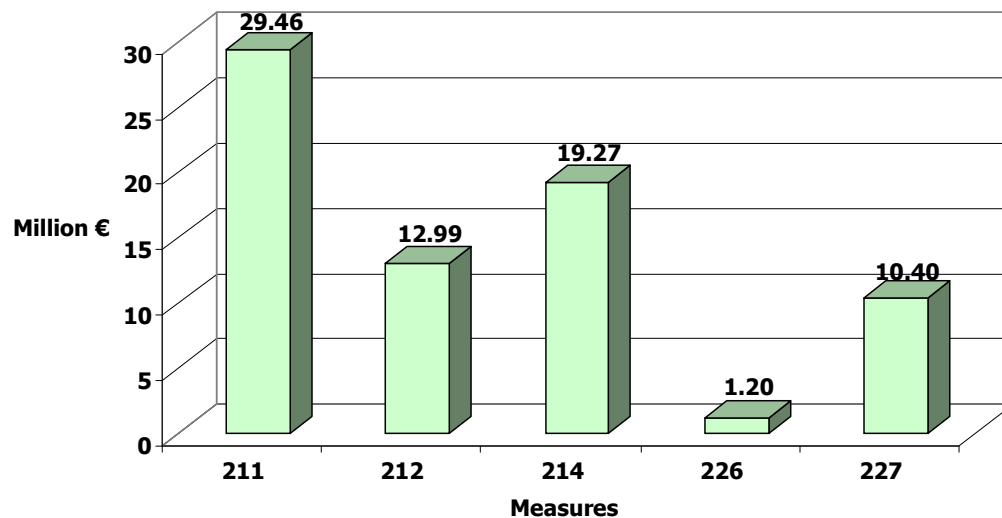
Strategic objectives	Specific objectives
Support agriculture in natural handicap areas	<ul style="list-style-type: none"> <li>- Direct compensations to farmers in mountain areas and other less favoured areas;</li> <li>- Creation of a risk management system;</li> <li>- Conserve agricultural activity in disadvantaged areas;</li> <li>- Promote land settlement.</li> </ul>
Protection of the territory	<ul style="list-style-type: none"> <li>- Introduce and spread organic and extensive farming techniques;</li> <li>- Prevention against erosion;</li> <li>- Introduce integrated pest management systems.</li> </ul>
Conservation of biodiversity and agricultural and forestry areas of high environmental value	<ul style="list-style-type: none"> <li>- Protection of the environment and biodiversity of Natura 2000 sites;</li> <li>- Value the environment and landscape through agricultural and forestry practices (i.e. in terms of preservation of biodiversity and all other environmental aspects).</li> </ul>

<sup>3</sup> Please note that for measures 112, 113, 115, 122, 124, 126, 131, 132, 133, 141, 142 and 143 no private spending has been allocated.

Result targets include: number of farm holdings receiving funding (500); number of contracts (150); and number of farmers involved (100).

Specific modifications to result and output indicators have been made to take account of the amendments to the RDP. In addressing the biodiversity priority, these include under measure 214: the end of spreading manure and pesticides on the arable lands with high natural value; and increased levels of conservation regarding several species. Measures 211 and 212 include modifications to protect farmers in natural handicap areas. For further information on specific results indicators please refer to the result indicators table in the RDP.

**Axis 2 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €73,329,667<sup>4</sup>**



Following the update of the RDP in 2009, the total budget allocation under axis 2 is €73,329,667. Alterations to funding under the axis include further support for measure 214 (Agri-environmental payments, €1,207,000 total with €905,250 EAFRD and €301,750 from regional or national public funding) aimed at protecting biodiversity, including support for the conservation of genetic diversity and interventions intending to stop the spreading of manure and pesticides on arable lands with high natural value. Further relevant support available under axis 2 (although not a “new challenge”) includes actions to support payments to farmers in areas with handicaps (€1,942,000) under measures 211 and 212. For further information on measures please refer to the indicator tables in the revised RDP.

<sup>4</sup> For axis 2 no private spending has been allocated.

**Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy**

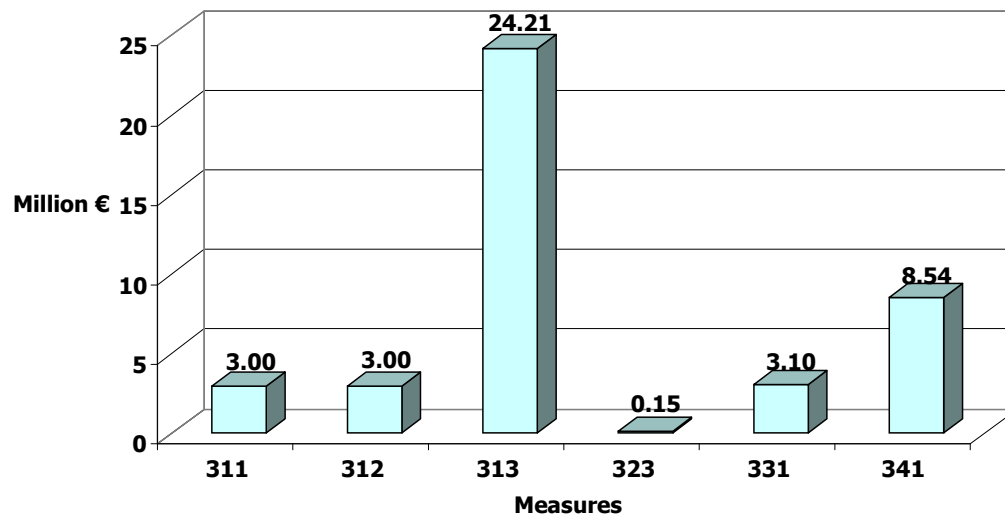
The table below provides an indication of the RDP's axis 3 priorities.

Strategic objectives	Specific objectives
Improve general conditions in rural areas for inhabitants and enterprises	<ul style="list-style-type: none"> <li>- Conservation of rural areas to stimulate tourism;</li> <li>- Improvement in the provision of services;</li> <li>- Improvement of forest areas to be populated;</li> <li>- Particular attention to the specific problems in the natural handicap areas called "Hauts".</li> </ul>
Formulation of development strategies and actions negotiated among different actors	<ul style="list-style-type: none"> <li>- Help rural areas in organising and adapting themselves to the changes they have to face;</li> <li>- Promote the sharing of skills to cope with the necessary changes.</li> </ul>
Maintain and create employment opportunities and income in rural areas	<ul style="list-style-type: none"> <li>- Diversification of the rural economy into non-agricultural activities</li> <li>- Create places to attract tourists and tourist accommodation;</li> <li>- Create new employment opportunities;</li> <li>- Create new professional profiles.</li> </ul>

Result targets include the number of beneficiaries (1) and the related volume of investment (€0,1 million).

Specific modifications to result and output indicators have been made to take account of the amendments to the RDP. These are included under measure 323 and relate to the conservation of protected fauna and flora.

**Axis 3 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €41,992,167<sup>5</sup>**



Following the 2009 update of the RDP the new total budget allocation for axis 3 is €41,992,167

<sup>5</sup> For measure 321, 322, 323, 331 and 341 no private spending has been allocated.

including additional funds for measure 323 (Conservation and upgrading of the rural heritage, €99,000 total including €89,100 EAFRD and €9,900 regional or national public funds), which will concentrate efforts on developing an environmental awareness on the local population by organising seminars, relevant training actions, practical support and other related actions addressed at changing attitudes and behaviours. In parallel, axis 3 receives the funds aimed at developing tourism activities under measure 313, representing almost 58% of the axis total. For further information on measures please refer to the indicator tables in the revised RDP.

**Axis 4 objectives: Leader**

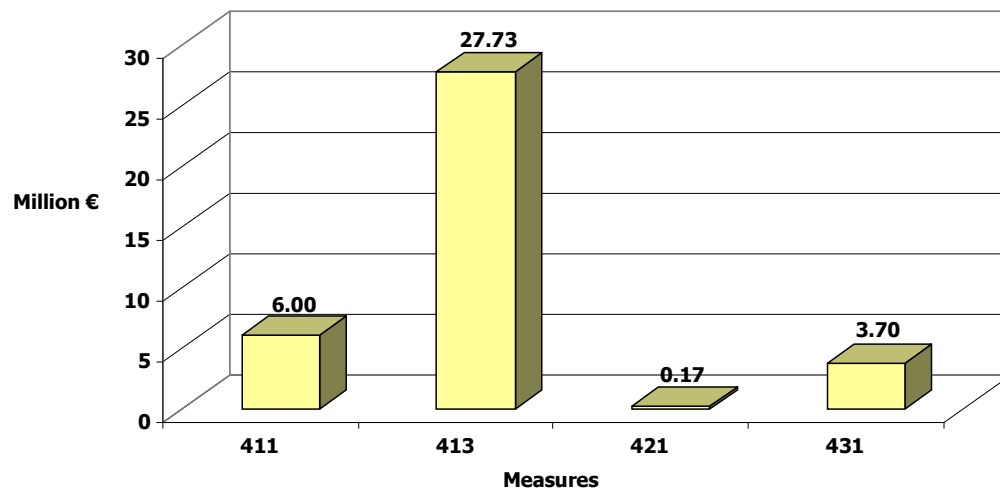
The main priority under axis 4 is support local development strategies that promote quality of life actions and diversification of rural activities (measure 413). Other support is targeted at the implementation of competitiveness actions and improvements to the environment and land management practices to be supported through local development strategies, and acquisition of skills.

Strategic objectives	Specific objectives
Promote better local governance	<ul style="list-style-type: none"> <li>- Strengthen the participation of local communities in defining rural development policies;</li> <li>- Create LAGs and increase local participation in defining policies (i.e. there was no creation of LAGs during 2000-2006).</li> </ul>
Value endogenous resources in rural areas	<ul style="list-style-type: none"> <li>- Overcome rural isolation (i.e. particularly in the mountain areas called "les Hauts").</li> </ul>

Number of LAGs operational in the RDP areas as of March 2010 was 2.

No modifications were made to axis 4 during the 2009 RDP update.

**Axis 4 budget breakdown by measure: Total allocated budget (including national/regional public funds + EAFRD + private funds) of €37,596,000<sup>6</sup>**



<sup>6</sup> For measure 412, 421 and 431 no private spending has been allocated.



## **Monitoring and evaluation strategy**

To ensure regular monitoring of the programme and decide on the effectiveness of actions, a Local Monitoring Committee, co-chaired by representatives of the State, the Regional Council, and the General Council holds a monthly meeting. This is the body in charge of the practical implementation of the RDP. The Committee proposes, in agreement with the managing authorities, all the necessary adjustments for the execution of the programme. It covers measures relating to technical assistance, communication, computerisation, and the development of criteria for selecting projects. It checks monitoring and evaluation of reports and discusses the annual progress report and all documents submitted to the National Monitoring Committee. The evaluation strategy draws from the one envisaged at national level based on 'intervention logic' as a key tool to ensure the evaluation of the program for its preparation (ex-ante), implementation (mid-term) and completion (ex-post).

## **Communication and publicity**

To ensure publicity and communication for the RDP, a Multi-fund plan of Action and Communication concerning ERDF, ESF, EFF and EAFRD funds has been implemented to provide the establishment of action for information and publicity. The choice of only one action plan and communication for all funds aims to rationalise resources and to maintain a coherence of action; this plan is financed by the ERDF. A total cost of €0.66 million (of which 60% EAFRD contribution) is provided. The plan aims to increase awareness and transparency of EU action in La Reunion, which is the furthest region of the European continent. Tools to ensure information dissemination are websites, meetings, press conferences, brochures, and information leaflets. In case of regional operational program, the prefect, who is the managing authority supported by a Local Monitoring Committee elaborates the purpose of the annual action plan and its implementation.

## Annex I – Measures

Measures selected by the RDP Measures selected by the updated RDP

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

	<b>431</b>	Running the local action group, skills acquisition, animation
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