

The European Agricultural Fund for Rural Development

Examples of project linkages
with other EU Funds



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European Network for Rural Development

The European Network for Rural Development (ENRD) contributes to the efficient implementation of Rural Development Programmes (RDPs) throughout the European Union (EU).

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At EU level, the ENRD ensures the networking of these NRNs, national administrations and European organisations.

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The European Agricultural Fund for Rural Development

Information exchange is an important aspect of the NRN and ENRD operations. This brochure forms part of a series of ENRD publications that has been introduced to help encourage such information exchange.

Each edition of the brochure features different types of projects that have received RDP co-finance from the European Agricultural Fund for Rural Development (EAFRD).

This edition of the brochure focuses on how the EAFRD can work alongside other EU funding sources in rural areas through complementary approaches that create synergies.

Further editions in the series of this EAFRD Project Examples brochure can be downloaded from the [ENRD website's library section](#)¹, and a [RDP Projects database](#)² contains many additional examples of EAFRD assistance to rural development initiatives.

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1 http://enrd.ec.europa.eu/en-rd-library/eafrd_examples_of_projects_brochure_en/en/eafrd_examples_of_projects_brochure_en_home.cfm

2 <http://enrd.ec.europa.eu/projects/>

Table of contents

Examples of EAFRD project linkages

Introduction: The EAFRD and other EU development funds in rural areas	2
Joined-up social services: GERMANY	4
Firm foundations: HUNGARY	6
Coastal collaborations: GREECE	8
Linking local product strategies: POLAND	10
Master planning: ROMANIA	12
Downstream benefits: LITHUANIA	14
Rural Learning Regions: AUSTRIA	16
Adding EAFRD value: LUXEMBOURG	18
Multi-funded niche markets: MALTA	20

The EAFRD and other EU development funds for rural areas

Europe's rural areas are benefiting from financial support from the European Agricultural Fund for Rural Development (EAFRD). Within their EAFRD responsibilities, Member States must ensure coherence and consistency with other EU Funds used in rural areas.

A wide range of rural development projects exist that make use of other EU funding sources. Together with EAFRD projects, this combination of EU support for Member States' countryside generates significant advances in development and addresses key socio-economic and environmental challenges.

Linkages can occur between development projects in rural areas which receive different EU funding. This brochure has been produced to illustrate some of the different types of linkages that occur and also how these connections can lead to additional benefits and development synergies for rural areas.

Such links may be deliberate, coordinated and direct at the initiative of project promoters or beneficiaries. For instance, cases are found of single complex integrated projects which go beyond the objectives of the EAFRD and also target objectives

of other EU Funds. Integrated projects like this can be split in several eligible operations in order to be financed by different EU Funds simultaneously (see the German project example on [page 4](#)).

Additional approaches and project examples are presented in this brochure including the 'main project' approach and the 'project chain' method. Under the main project approach one EU Fund tends to take a lead or coordinating project role in order to facilitate other Funds being used to deliver complementary 'sub-projects'. These remain identifiable as eligible projects under the other Funds and act as key components of the main project (see the Austrian example on [page 16](#)).

Within the aforementioned project chain approach, a project concept that has been initiated by one EU Fund can be further developed and implemented later by another EU Fund (see the project examples from Hungary on [page 6](#) and Luxembourg on [page 18](#)).

Other types of linkages can also emerge in less direct or informal ways (see Lithuanian project example on [page 14](#)).



Policy priorities

The EU places an increasing emphasis on encouraging Member States to strengthen linkages between different funding sources. The current rules governing rural development policy (2007-2013) promote this approach and policy proposals for future EU Funds after 2013 aim to further enhance the coordination of EU funding actions.

Coordination will be achieved in particular via a Common Provisions Regulation and '*Common Strategic Framework*'³ (CSF), which will apply to the EAFRD as well as the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF) and the future European Maritime and Fisheries Fund (EMFF). These so-called 'CSF Funds' will pursue complementary policy objectives and their implementing rules will be harmonised as far as possible.

Furthermore, the implementation of integrated territorial development strategies will be fostered by a community-led local development methodology based on the experience of *Leader*⁴ in rural areas. This will provide for common rules for all the CSF funds.

Leader Local Action Groups (LAGs) benefit particularly from coordinated approaches to EU project funding. LAGs will have an enhanced role in managing other EU Funds after 2013 in the next programming period under the proposed common community-led local development approach implementing multi-fund local development strategies. A number of the articles therefore feature EAFRD project synergies that have occurred through LAGs working alongside other EU support sources in rural Europe.

3 <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/12/236&format=HTML&aged=0&language=EN&guiLanguage=en>
4 http://enrd.ec.europa.eu/app_templates/filedownload.cfm?id=C2098A13-A094-502B-81FA-4C9E46AB658D



Joined-up social services: Innovative funding approach enables care for the elderly in rural Germany

Social services are as important to rural communities as they are to towns or cities. Project examples reveal how innovation can help the EAFRD work successfully together with other EU funding sources in delivering effective rural services.

Reform of the Common Agricultural Policy (CAP) is going to lead to greater coordination between the EAFRD and other EU Funds through the Common Strategic Framework (CSF). Referring to this policy development at a *seminar on the topic*⁵, Dacian Cioloș, Member of the European Commission, responsible for Agriculture and Rural Development, said that, “The aim of the Common Strategic Framework is not to complicate things but to create more flexibility. Neither is the aim to make the different Funds lose their specificities but to find synergies and to make the Funds complement each other. The CSF will allow the regions to make use of the Funds that best answer their local needs.”

Insights into how such complementary use of EU Funds can work in practice can be gleaned from an innovative rural development project in Germany’s Mecklenburg Lake District region. Local needs here included (among other things) demands to improve the quality of health care services for this rural area’s aging population.

Rural care

Dementia is a condition that affects around five percent of the EU population. In Mecklenburg Lake District the region’s Leader Local Action Group (LAG) was asked for help in funding a

specialised residency for local people suffering from dementia. The project aimed to enable these rural residents to live together with their life partner within a safe and supportive environment. This form of locally-based care contributes to better pathology and improves relations between families and caring staff.

An old textile factory was converted into the Malchow Island residence for dementia care and the project investments helped to conserve this building which holds heritage value for the rural community. Several different sources of EU Funds were used to convert, equip and run the social care project.

Speaking to a meeting of the ENRD’s Leader Subcommittee⁶ about the project, Dagmar Wilisch from the LAG Mecklenburgische Seenplatte–Müritz explains that, “The Malchow Island residence took a cross-cutting project development approach and combined three different EU funding sources within a total of six grant approval decisions. These covered a mix of rules and regulations that govern how the various funding systems are used.”

“EU funding was awarded for the project from the EAFRD through our LAG, as well as from the European Social Fund via the Ministry for Social Affairs, and European Regional Development Funds came from the Ministry of Economics. In addition, the project was able to access national funding from the Ministry of Transport.”



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5 http://www.notre-europe.eu/uploads/tx_publication/RuralDevelopment_ChambonMitutaSurubaru_PP50_NE_Dec2011_01.pdf

6 http://enrd.ec.europa.eu/events-and-meetings/committees/leader-subcommittee/en/4th-leader-subcommittee_en.cfm

Each funding application was designed to operate as a unique and individual project. These applications fitted the funders' specific requirements and clear demarcations could be shown between the project boundaries which avoided risks of costs being considered ineligible due to 'double funding' restrictions.

Innovative approaches

No similar multi-funding model was known which could help provide a reference point for the beneficiary (or the stakeholders in the Ministries), so the project had to pioneer its own approach. This involved securing funding commitments by working closely in liaison with the decision makers. At times the knowledge vacuum created challenges as Ms Wilisch points out from her EAFRD perspective, "Even together with the Ministry and the related approval authorities we were not always sure if we might have been going beyond the scope of discretion."

Risk, however, is inherent in innovation and participants at the Leader Subcommittee meeting backed the Malchow project approach suggesting that advantages from innovation can be bigger than the disadvantage of the risk. A 'can do' attitude to managing multi-funding risks may thus open up innovative combinations of EU funding in rural areas. The opposite 'can't do' attitude, however, may lead to opportunities being lost.

Innovation is a valuable tool for finding effective solutions to multi-funding challenges

Ms Wilisch makes clear, "In such a dilemma many innovative projects can get stuck with nowhere to go."

Fortunately for the elderly population of Mecklenburg Lake District, decision makers at EU funding bodies were able to approve each financial package for the Malchow Island residency. It opened its doors in 2010 and, for the first time in the region, dementia sufferers can now feel at home with their families in a specialised rural care centre. Sabine Raatz, Director of the residency concludes, "Without the funding from the ministries the conversion would not have been possible in this form."

“ Looking for creative approaches to funding solutions requires readiness to take a risk when interpreting what may be considered compliant with different EU regulations. ”

Dagmar Wilisch,
LAG Mecklenburgische Seenplatte–Müritz



Firm foundations: EU LIFE funds help inform the design of Hungarian agri-environment scheme

Rural development actions are most effective when constructed on a critical mass of understanding about their particular operating environments. EAFRD projects can make use of other EU Funds to help build such sound knowledge bases.



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6

Of all the measures currently available through EU rural development policy, *agri-environment*⁷ activity consumes the largest amount of financial assistance from the EAFRD. Agri-environment schemes are a mandatory component of all of the Member States' Rural Development Programmes (RDPs). They are delivered through a number of sub-measures, typically supporting sustainable agricultural practices like the extensification of farming systems, crop rotation, or biodiversity conservation.

Being such a prominent part of EU rural development policy (and as with all other EAFRD elements) it is important for agri-environment schemes to be well designed and properly managed. These points were picked up by a *2011 report from the European Court of Auditors*⁸ in an assessment of options for strengthening the effectiveness of agri-environment payments.

Member States have opportunities to apply different approaches for preparing agri-environment proposals and the EU's *LIFE financial instrument*⁹ has been used on numerous occasions to inform the development of agri-environment sub-measures. One such case comes from Hungary where LIFE co-financing helped to feed valuable management information into the process of designing a RDP sub-measure focused on the conservation of rare falcons.

LIFE support

LIFE has accumulated 20 years of experience as a financial instrument for Europe's environment and substantial parts of the LIFE budget have been used to benefit rural areas. Working relations between LIFE and the EAFRD continue to grow and many opportunities for multi-fund cooperation are available. The Hungarian falcon example demonstrates how such synergies can be achieved and replicated elsewhere.

Szabolcs Solt from the Hungarian Ornithological and Nature Conservation Society (MME), the BirdLife partner in Hungary, explains the background to LIFE's collaboration with the EAFRD in this example. "Red-footed falcons are an endangered species protected by EU law. Our *LIFE project*¹⁰ was introduced to improve the long-term survival prospects of the bird by reducing threats caused by the loss of nesting and foraging habitats. LIFE funds helped us to identify what type of land management actions were needed to boost the conservation status of the red-footed falcons. This information was then built into a plan for a new agri-environment sub-measure in Hungary's RDP."

Design work on details for the EAFRD sub-measure took place during 2008 as part of the LIFE project, and the RDP's agri-environment

7 http://ec.europa.eu/agriculture/envir/measures/index_en.htm

8 ECA Special Report n°7/2011 "Is agri-environment well designed and managed?" <http://eca.europa.eu/portal/pls/portal/docs/1/8772726.PDF>

9 <http://ec.europa.eu/environment/life/index.htm>

10 <http://kekvercse.mme.hu/en/content/show>

scheme became operational in 2009. Mr Solt recalls how, “LIFE funded in depth studies about the falcons’ habitat use and behavioural patterns. Results of these were used and served as a basis for developing the dedicated EAFRD sub-measure titled ‘Arable farming scheme with specifications of habitat improvement for red-footed falcon (*Falco vespertinus*)’. The primary objective of this package is to reduce the shortage in foraging grounds during the critical breeding months of May and June.”

He goes on to talk about the cooperation that occurred between the LIFE project and RDP authority, saying that, “The LIFE team were able to work closely on a continuous basis with the Ministry while developing the nature conservation package. This allowed agreements on how to use the RDP funds for maximum effect and how to monitor these effects. Stakeholders including the Directorate of Körös-Maros National Park and MME/BirdLife Hungary were involved to make the scheme become a reality.”

Farming for falcons

One of the farmers who now receives EAFRD payments through the red-footed falcon agri-environment scheme is Tibor Balázs from Hevesvezekény in eastern Hungary. He is keen to help conserve his country’s biodiversity and he has become well acquainted with techniques for protecting the falcons. “I received training in how to manage my land in ways



© Szabolcs Solt

EAFRD projects can draw on experiences from other EU-funded initiatives during planning and implementation phases

that maintain the type of habitat that is favoured by red-footed falcons.”

“For example, I cultivate alfalfa which encourages prey for the birds. I take care to harvest two times during the important nesting period, and we don’t plough the fields annually so that more small rodents stay in the area and provide food for the falcons. In addition, we leave the bales in the fields and these provide good look-out perches for the birds.”

Mr Balázs says he is satisfied with the results of his agri-environment work and he considers it to be a good scheme. He feels that the RDP payments (€267/ha/annual for five years) offer enough compensation for him to follow through on his nature conservation commitments and he is pleased with the results that he has seen so far.

Practical indicators for measuring RDP outcomes from the agri-environment scheme were designed during the LIFE-funded preparation stages. Monitoring systems have already recorded an increase in the number of breeding pairs of red-footed falcons following introduction of the EAFRD assistance.

This case study shows how the EAFRD can make a tangible difference in sustaining the nature conservation legacies from EU LIFE funding. Similarly, LIFE’s assistance has been shown to help accentuate the effectiveness of the EAFRD’s implementation. Whilst LIFE is not specifically part of the new Common Strategic Framework (CSF) approach, such synergies still represent useful models for future rural environmental policy approaches within CSF principles.

“LIFE funded detailed studies about the falcon’s habitat use and behavioural patterns. Results of these were used and served as a basis for developing the dedicated EAFRD sub-measure.”

Szabolcs Solt, MME/BirdLife Hungary

Coastal collaborations: Greek eco-tourism routes receive boost from corresponding EU funding actions

Advantages for local development can be shown to arise when an organisation with an overview of a rural territory is able to coordinate the roll out of different EU Funds. Using such coordination to plan complementary actions by different EU Funds can create opportunities for rural development synergies.

Member States with coastal zones are gaining useful experiences from coordinating complementary EU Funds within Local Development Strategies. This is happening through links between Leader Local Action Groups (LAGs) using the EAFRD, and Fisheries Local Action Groups (FLAGs) using the European Fisheries Fund (EFF).

Several countries have closely aligned the activities of FLAGs and LAGs through operational frameworks which succeed in generating development synergies for local communities, whilst still distinguishing clearly between the different governing procedures of the two EU Funds. Greece is a country that illustrates how such a tactic can work, and project actions from Thessaloniki verify the positive outcomes that are possible.

Natural resources have been a focus for coastal collaborations between Thessaloniki's regional LAG and FLAG. This part of northern Greece is renowned for its attractive environment and tourism-friendly surroundings. Vasileios Papavasileiou (general manager) and George Petridis (LAG and FLAG co-ordinator) from the Thessaloniki Development Agency are involved with managing both the LAG and FLAG.

Mr Papavasileiou notes how, "The quality of our wildlife and countryside here provide good development opportunities for rural and coastal areas. The LAG and FLAG have common strategies for supporting their respective target audiences using related means in the environmental field. These plans

include an emphasis on developing sustainable eco-tourism routes because we are located close to Thessaloniki and so we have a large potential tourist population. The routes also provide good recreation services to improve quality of life for rural communities in the LAG and FLAG areas."

Thessaloniki's neighbouring LAG and FLAG territories contain national parks and are on a main migration route for birds. Rare European species among these include pelican, avocet, glossy ibis and pygmy cormorant. Interesting animals like turtles, otters and herds of wild horses also live on the flood plains of Thessaloniki's river estuaries. Furthermore, "Over 500 species and subspecies of plants are found, which change colours during the year, giving each season a different landscape", adds Mr Petridis.

Such rich biodiversity has been the inspiration for separate but complementary eco-tourism project proposals using EAFRD and EFF support, each of which is coordinated through the Thessaloniki Development Agency.

Eco routes

EAFRD support has now been approved for the first of the new eco-tourism routes. It fits well with the Thessaloniki LAG's objectives for making sustainable use of 'dormant' natural resources, boosting the area's attractiveness, and encouraging entrepreneurship. "The Leader project will concentrate on helping people experience the wildlife in our fields and meadows. It will



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provide a new rural tourism product and also an environmental education resource”, says Mr Petridis.

New information and viewing points are being co-financed by the EAFRD project which is also establishing an information awareness campaign to waymark and promote the new route. Younger tourists and school parties will benefit particularly from the project activities that involve producing a website and series of informative guides for children about the wildlife which can be seen along the route.

“We have developed a programme of similar eco-routes in the past with help from the EU Funds and the Hellenic Ornithological Society,” comments Mr Papavasileiou and goes on to explain the rural development rationale behind such an eco-route system.

“This new route in the LAG area adds to range of quality tourism services for our region. It will specifically encourage visitors to explore undiscovered parts of the countryside where local residents and businesses will be able to take advantage of new opportunities from eco-tourism for selling products and providing services. The FLAG’s Local Development Strategy has been designed with the same aims in mind. For instance, we expect to soon launch an EFF project based on an eco-tourism route which will benefit our mussel fisheries”

Mussel routes

Much of the Thessaloniki FLAG’s fishery sector is reliant on the region’s extensive network of mussel farms, which are located in calm waters close to the coastline. Whilst the mussel farms are clearly visible for tourists no visitor information is available to explain these culturally important local landmarks. The EFF project aims to address this information gap and also establish an eco-route that will help visitors enjoy previously inaccessible parts of the coastal environment.

“People using the mussel route will be able to see how the mussels are produced and meet local shellfish farmers. The route will direct visitors through points of interest in the coastal landscape like picturesque settlements of wooden fishing family homes and a lighthouse. It will also pass through appealing countryside such as flooded rice fields which are a unique spectacle when they sparkle in the spring sunshine”, remarks Mr Petridis.

Other elements planned for the route include a fishing museum and investigations are underway to assess the possibilities for

Mutual development benefits can flow from cooperation between LAGs and FLAGs

visitors to take guided tours on fishing boats out to the mussel farms. These tours would provide an opportunity for diversifying income sources for the region’s shellfish sector, plus give rise to an alternative and distinctive visitor experience for tourists.



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Coordinated action

The Thessaloniki Development Agency can use its management of both EAFRD and EFF local development strategies to achieve complementary effects by coordinating their priorities favourably. “Both the LAG and FLAG areas have similar socio-economic challenges and they also have similar development potential. We are pleased that we are able to channel EU funding streams in such a way that projects results from the EAFRD and EFF can reinforce each other,” sums up Mr Papavasileiou.

“*The FLAG and LAG have common strategies for supporting their respective target audiences using related means.*”

Vasileios Papavasileiou,
Thessaloniki Development Agency

Linking local product strategies: Parallel goals unite the EAFRD and EFF in southern Poland

Cooperation between the EAFRD and European Fisheries Fund (EFF) is not only limited to coastal zones. Useful examples are available from inland fisheries which demonstrate how the two EU Funds can work together coherently.

EU co-finance from the EFF is being used as a development tool in rural areas by a network of Fisheries Local Action Groups (FLAGs) which cover sizeable parts of the European countryside. In Member States such as Poland more than half of the FLAGs focus on freshwater fisheries.

Poland's freshwater FLAGs have benefitted from the experience of Leader Local Action Group (LAG) methods for implementing bottom-up rural development approaches. Close links between the operations of FLAGs and LAGs can, for instance, be found in the Galicia region, where the 'Carp Valley' LAG is coordinating its support for local food product promotion with the area's FLAG of the same name.

Located in the south of Poland near Slovakia's border, the Carp Valley LAG's territory is home to high numbers of small-scale subsistence farms. Unemployment (especially among young people) continues to be a challenge here. Hence, the LAG has targeted its EAFRD assistance towards economic diversification, in an attempt to offer more alternative income options than agriculture.

For centuries Galicia has been famous for its fish production and the local zator carp species is registered for *Protected Designation of Origin (PDO)*¹¹ status with the European Commission's database of foodstuffs. Carp like the zator are popular in Poland but fish consumption in the country is generally lower than that of

other Member States. LAG Members thus identified the local carp sector as a potential source of growth and rural economic diversification. The Leader area's Local Development Strategy included adopting the 'Carp Valley' brand name for the LAG (which subsequently was used by the FLAG as well).

Local products

LAG operations under the EAFRD started in 2009 and EFF co-finance for Carp Valley projects started supporting beneficiaries during early 2012. Both the LAG and FLAG coordinate their development activity to maximise the use of EU funding which is available to them. Their strategic directions are aligned but they remain distinct and separate entities, managing their own administrative and selection procedures.

In its initial phases, the EAFRD support helped carp-based businesses through the LAG's Local Development Strategy measures that encourage producer groups and development of local products. The introduction of the EFF resources has since allowed the LAG to concentrate on wider strategic promotion of local food products, which naturally features an emphasis on fish.

One of these EAFRD projects is an inter-regional cooperation initiative which has six LAG partners from Poland as well as an Austrian LAG. Entitled *Smak na produkt*¹² (Taste of the Product) and based on the promotion of high quality, tasty local food



© Smak na produkt

11 http://ec.europa.eu/agriculture/quality/schemes/index_en.htm

12 <http://www.smaknaprodukt.pl>

products, the project ran a series of events during 2010 and 2011.

Barbara Petek-Matuła from the LAG describes how, "Local food is the cornerstone of our LAG strategy which supports projects and initiatives that promote local products. Cooperation between the partners on the Smak na produkt project encouraged promotion of our local products over a very large area. We were able to reach food customers and producers from many towns and villages outside our LAG territory. Products from Carp Valley were marketed at food festivals and other events. This was an innovative approach that had not been tried before."

Successful branding

Attention attracted by the EAFRD project was also used to raise awareness among farmers about the income diversification options available from rearing and marketing local speciality products, such as the zator carp.

This rural development work, which was started by the EAFRD with its focus on fish products, is now being taken further forward by the EFF. As FLAG Coordinator Anna Świątek remarks, "Cooperation between the LAG and FLAG allows for better achievements of their particular objectives. Visible results so far have built a successful 'Carp Valley' brand which has drawn good media coverage for the area's local products."

"The Carp Valley FLAG puts great emphasis on activities related with the promotion of local products. This represents one of the specific objectives contained in the Carp Valley FLAG's Local Development Strategy which can help with co-finance for projects that organise trade fairs and promotional events, or issue materials and publications related to the promotion of local products."



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Promoting local food products can be a common domain suitable for LAGs and FLAGs to work together on creating synergies for rural economies

Selection criteria used by the Carp Valley FLAG provide incentives for these sorts of local product promotion projects (and also reflect the EAFRD approach of advertising the area's food brand in external market places). Approvals of EFF grants have already been made for such local product promotions, which will build on the development benefits gained through the EAFRD project.

"We now have a collection of successful EFF applications that have been approved for FLAG assistance under the measure supporting interregional and international cooperation for the year 2012. These projects include organising food promotional events like the 'Feast of the Carp' in Kanev, a 'Regional Fisheries Day' in Skoczow, and a 'Fisherman's Feast' in Zator," reports Ms Świątek.

"A lot of interest has come from potential producer groups including Farmers'Wives Associations, who plan to take advantage of available EFF resources and promote Carp Valley products. This shows that the local population is now identifying with the Carp Valley brand name that has been developed by the LAG and FLAG. We have people coming to ask when the next Carp Valley event is so they can promote their own products and services there."

“Cooperation between the partners on the Smak na produkt project was used to encourage promotion of our local products over a very large area.”

Barbara Petek-Matuła, Carp Valley LAG

Master planning: EAFRD plugs rural gaps in Romania's water and sewerage systems

Substantial allocations of EU finance from different funding sources are involved in providing basic infrastructure to help ensure a 'level playing field' for economic growth around the Member States. Synchronised investments from the EAFRD can make key contributions to this important development process.

Besides its importance for the health and well-being of rural Europe, water is also a major development resource. Yet despite its importance in the countryside, access to water and water related services differs markedly between and within Member States. Some parts of the countryside enjoy the benefits of modern infrastructure for drinking water, wastewater treatment and sewerage networks. However, in a significant proportion of other European rural areas people still have to source water by hand from ground wells and they lack proper access to basic services.

At the EU level, the *Water Framework Directive*¹³ (WFD) provides a macro plan of action to redress these imbalances. Funding through several EU channels is available to help Member States make the investments required to fulfil the WFD objectives and EAFRD support is one of these co-finance sources.

Successful examples from the water sector demonstrate how Member States can plan and coordinate their EU co-financing to address local needs in the context of a regional strategy. In Romania for instance, the EAFRD is used for investments in water and wastewater infrastructure in rural localities below 10 000 inhabitants through the implementation of regional 'Master Plans'.



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Tackling challenges

Around 90% of Romania's rural population do not have access to public sewerage systems and some 70% are not served by running water supplies. The situation is even worse regarding hot water systems. The National Rural Development Programme (RDP) therefore notes that rural water supply systems represent a major development constraint for rural areas, and the regional Master Plans are designed to help tackle this challenge.

These Master Plans are developed at regional or county level as management tools for coordinating improvements in water and wastewater infrastructure. They identify a set of priority investments within a geographic area and link each project to a specific funding package. The Cohesion Fund, European Regional Development Fund (ERDF) and EAFRD are the main sources of EU co-finance. Eligibility rules for the EAFRD support ensure that it is targeted to fill gaps in the provision of rural infrastructure.

The EAFRD is used for investments in water and wastewater infrastructure in rural localities with populations below the equivalent of 10 000. There are exceptions when this type of investment project is included as a Regional Project being funded under the Sectoral Operational Programme Environment (ERDF, Cohesion Fund) or when water and wastewater infrastructure in rural spa resorts are supported through the Regional Operational Plan (ERDF).

13 http://ec.europa.eu/environment/water/water-framework/info/intro_en.htm

Daniel Stefan is involved with implementing the Master Plan for Călărași County in southern Romania. Working within the municipality's European Integration Office, he has first-hand knowledge of the Master Planning process and he describes how this works in practice, "Our Master Plan for improving drinking water and wastewater systems in the county covers the period up to 2026. This entails the construction and upgrading of infrastructure which is being financed with help from the EU."

"Approximately two thirds of the works are allocated to the Cohesion Fund and a third of the projects are in rural areas so they are eligible for the EAFRD. In addition we also have a similar waste management Master Plan for the county that is making use of the ERDF. Preparation of the Master Plans used other EU finance which was available through the pre-accession *ISPA*¹⁴ funds."

"During the Master Plans' design stages local consultations were carried out to identify the list of projects. By coordinating the targeting of EU co-financing sources for the Master Plan projects we are well equipped to help achieve our development objectives for our county."

A number of EAFRD projects were included in the Călărași county Master Plan for water projects and one of these is an integrated project in the Unirea commune. Costing the equivalent of €2.5 million in total, this project is setting up a much-needed new sewage system with wastewater treatment plant for the rural commune. Following its completion in early 2012,

Regional planning approaches can help provide rural areas with equal opportunities to access key development resources like water, energy and transport infrastructure

the EAFRD project is expected to greatly improve both quality of life and development opportunities for residents in Unirea's two main farming villages.

Regional planning

Coordinating the delivery of EU Funds for rural areas through a thematic regional plan for infrastructure makes good sense, and could be replicated by other development sectors. Transparent planning and selection processes aid the overall effectiveness of this approach and strengthen the synergies that are possible between EU Funds.

Master Plans, like in this example from Romania, also provide advance knowledge of the works needed to prepare the way for infrastructure investments, and improve the stability of budget forecasting for public bodies. Overall, this type of joined-up regional planning approach can considerably boost the coherence and efficiency of development action in rural Europe whilst at the same time facilitate a controlled absorption of different EU Funds.



“By coordinating the targeting of EU financing sources for the Master Plan projects we are well equipped to achieve our development objectives.”

Daniel Stefan, County Council of Călărași

14 http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/ispa_en.htm

Downstream benefits: Lithuanian EAFRD project profits from ERDF tourism marketing drive

Whilst linkages between different EU funding operations in rural Europe can be planned to provide direct complementarities, development synergies can also be shown from indirect associations which connect projects and create mutual benefits.

Exploring these types of, often originally unintentional, linkages helps to identify prospective opportunities for establishing more deliberate and direct correlations between rural development projects.

In Lithuania for instance, a project supported by the European Regional Development Fund (ERDF) that has been promoting water-based tourism in the border region with Latvia has had useful indirect knock-on effects for rural business development projects funded by the EAFRD.

Baltic lakes

Water tourism in the Baltic lakes is a growing sector of the rural economy. Consequently, Latvia's Rural Development Programme (RDP) foresees its co-finance being available for water recreation projects. Lithuania's RDP also underlines the potential of water sports tourism as a generator of alternative income sources for businesses which can make use of the country's large network of natural lakes and rivers.

Additional EU support for water tourism infrastructure and promotion of visitor attractions in these rural areas is available from ERDF Operational Programmes (OPs), like the *Latvia-Lithuania Cross Border Cooperation Programme*¹⁵. Over 70 projects have received funds from this OP which covers a predominantly rural territory.

ERDF rural development projects within the 'Lat-Lit' Programme's portfolio include the so-called *Water Joy*¹⁶ initiative. Area



© Tim Hudson

marketing aspects of this Water Joy project were nominated as a finalist in the 2011 RegioStars Awards run by the European Commission's Directorate General for Regional Policy.

"The aim of Water Joy was to establish bordering regions as a joint tourism destination and ensure sustainable use of water resources by developing water-based tourism infrastructure in the *Country of Lakes*," says Laura Milne from the Lat-Lit Programme. "It was nominated for a RegioStars prize in the photo category because of the use of a single promotional image titled 'Two sunsets in one evening' which was considered very attractive and an innovative idea for presenting the beauty and tourism possibilities of the joint region as one."

This type of marketing activity funded through the Water Joy project helped to indirectly support other rural businesses that are operating water-tourism services in the Lat-Lit OP's border region. Ms Milne informs that following the Water Joy project, "The number of water tourists significantly increased, including visitors from abroad".

Canoe touring

Lake and river networks in the Baltics provide a perfect setting for canoe tours through unspoilt scenery and tranquil forested backwaters. More exhilarating faster-water routes can also be enjoyed. Such natural assets are a prime resource for rural development ventures and Vytautas Morkūnas has used EAFRD support from Lithuania's RDP to help him address a growth demand for his canoe tour business.

15 <http://www.latlit.eu>

16 http://www.latlit.eu/eng/running_projects/lli050_water_joy

“Our area here in north eastern Lithuania is well known for its lakes and we have an amazing mix of natural resources that include great wildlife and some of the country’s longest river systems. Canoes are an ideal and relaxing way to experience our beautiful district”, says Mr Morkūnas.

He operates his family business of renting out canoes for domestic and international visitors who go on self-guided kayak tours lasting between a day and a week. “Our district is convenient for water tourism and when I started offering canoe tour services I had five kayaks plus two canoes for rent. As the area became more popular for water tourism we became busier with more people using our company.”

“This increase in demand gave us the stimulus to expand and buy 15 new kayaks. We received funding from the RDP which meant we could cater for a larger clientele group. This has had a positive impact on our business and during the summer we are now making a better income from canoe hire to tourists and other groups.”

Marketing links

Mr Morkūnas’ marketing strategy for his canoe tours targets various audiences. “I mostly advertise my business on Internet web pages, sometimes in rural media like the local press. I also count on the recommendations of my clients. I find this combination of marketing methods works well in promoting my business.”

He is upbeat when asked whether he feels that area marketing schemes like those implemented through the Water Joy project will help his business by attracting more people to enjoy the lakes and rivers in northern Lithuania. “I think the Water Joy project most probably will attract more tourists to the area who could be more inclined to take kayak tours. I hope that the Water Joy marketing will help encourage more people to visit during the week because although we find we have enough people using our business during the weekends, we have had spare capacity on working days.”

“*We received funding from the RDP which meant we could cater for a larger clientele group.*”

Vytautas Morkūnas

Evaluating indirect benefits caused by links between EU funding sources can aid design of complementary support measures



© Water Joy

15

EU benefits

Other projects from Lithuania’s RDP have supported investments by rural businesses in canoes, kayaks, camp sites and water-tourism infrastructure in the Lat-Lit OP territory. Some of these may also be downstream recipients of benefits from Water Joy’s marketing campaign.

Cases such as this Lithuanian example demonstrate how rural development actions funded through one EU source can produce useful outcomes for other local economic actors. In these circumstances the linkages may have initially been unintentional but the resultant synergy nevertheless provides cost effective added value for the EU’s investments in rural areas.

Rural Learning Regions: Austrian Leader project linkages with the European Social Fund

EAFRD support can be designed to provide effective forms of lifelong learning assistance for rural areas in ways which complement work of other EU Funds involved in professional training and adult education for rural businesses and residents.

*Lifelong learning*¹⁷ is a key tool for the development of Europe's countryside. Training support and professional development of the rural workforce remain vital ingredients for business competitiveness. New skills are also needed to help tackle contemporary challenges like climate change and social inclusion.

Knowledge-based priorities are well integrated into EU rural development policy and the EAFRD sponsors significant amounts of lifelong learning activity.

Such RDP support co-finances a diversity of projects across the 27 Member States and bolsters other EU-funded development work aimed at implementing the *European Employment Strategy*¹⁸ in rural areas.

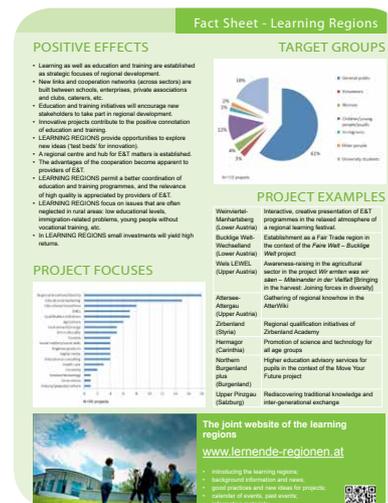
An interesting model of the learning synergies available from links between the EAFRD and the European Social Fund (ESF) is found in Austria, where Leader funds are assisting a network of *Learning Regions*¹⁹.

Learning Regions cover considerable parts of the Austrian countryside and are primarily involved in coordinating the delivery of quality training, which includes working closely with learning services supported by the ESF.

17 http://ec.europa.eu/education/lifelong-learning-programme/doc78_en.htm

18 <http://ec.europa.eu/social/main.jsp?catId=101&langId=en>

19 <http://www.lernende-regionen.at>



Learning for all

Klaus Thien from the Austrian Institute for Adult Education is part of the Learning Regions project and he explains how this EAFRD initiative is operating effectively alongside the ESF. "EAFRD support from the Austrian RDP is used to bring together all the important lifelong learning organisations within a Learning Region to produce, and then roll out, a strategy for rural training services. We have at the moment 39 regions within the EAFRD project which takes in several hundred partner bodies of different interests or specialisations in training and lifelong learning."

"We are operating over 140 rural training activities and various themes have been adopted by the individual Learning Region strategies such as strengthening agriculture, building regional know-how, improving youth employment, providing training for economic migrants, and promoting education opportunities for all. We have found that applying regional development approaches creates strategic advantages because it brings together many peoples' ideas and we are able to gain efficiencies since we can develop links between different projects that operate in the training sector."

Leader Local Development Strategies can provide valuable and ready-made targeting tools for other EU Funds

Learning Regions' strategies in this way provide a focal point ensuring that lifelong learning does not take place in isolated pockets and projects can be managed to complement each other. Mr Thien draws attention to the case of the Lower Austrian Educational Advisory Service noting that, "This is a counselling service funded by the ESF which helps adults to find appropriate educational or vocational training. It is located in Lower Austria, a federal state in the east of Austria that includes 14 Learning Regions. The counsellors are members of the Learning Regions networks in Lower Austria which are funded by the RDP. Embedding the ESF counselling service is part of the EAFRD work carried out by the Learning Regions networks."

Mutual benefits are gained by both projects through their coordination. Gerald Hehenberger from the Lower Austrian Educational Advisory Service describes how, "Our outreach services offer important advice for disadvantaged groups about what type of adult education will help them and how they can access the most suitable form of lifelong learning for them in their area. This work is funded by the ESF as a distinctive activity but it also acts as a component of the larger Learning Region project. In this way our advisory support is an integrated part of rural development in Lower Austria and the Learning Region publicises our services."

Complementary actions

Referring to the complementary benefits associated with using different EU Funds for learning purposes in rural regions, Michael Fischer from the Austrian Institute for Adult Education believes that, "It is useful to think of possibilities about how to gain more synergies between EU Funds and learning is a very suitable topic for a common framework." He continues, "Learning Regions assisted by the EAFRD provide a regional 'node' for learning and can have a catalysing function for ESF measures. The EAFRD acts as a useful resource for setting up and running strategic learning networks on local and regional levels, with the potential to support the ESF in delivering learning courses, counselling and related services within the wider framework."

Leader LAG involvement is highlighted as advantageous by Mr Fischer who observes that, "Learning Regions have strong links with Leader groups and so their actions are all aligned with the LAGs' Local Development Strategies. This alignment helps the

ESF address bottom-up needs and so provides ESF authorities and territorial employment pacts with an additional, valuable, ready-made targeting mechanism."

Mr Fischer sees potential for more complementary links between EU Funds in the future and says, "We see learning as an integrated process that cannot be entirely covered by one Fund only. Learning is a place where all the Funds can meet. This can happen when the Funds are able to answer the question: how can I, according to my own strategy, contribute to the common goals? An important aspect of such joined-up thinking is good information flows and understandings between governing bodies at local, regional and national levels."



© Klaus Thien / Austrian Institute for Adult Education

“It is useful to think of possibilities about how to gain more synergies between EU Funds and learning is a very suitable topic for a common framework.”

Ján Michael Fischer, Austrian Institute for Adult Education

Adding EAFRD value: Luxembourg Leader projects expand outcomes of cross-border forest action

Findings from EU-funded project activity in rural areas can be taken forward and applied by other EU co-finance bodies through approaches which add value to, and make best use of, the overall EU funding strategy for a region.



© LAG Müllerthal

European forests offer a host of development opportunities for rural areas and the EAFRD has an established track record in supporting *forest projects*²⁰. Other EU funding sources are also involved in helping the forest sector optimise its resources. These include the European Regional Development Fund (ERDF) Operational Programmes (OPs).

Good linkages and synergies are possible between the EAFRD and ERDF OPs in this sector. Such potential is well illustrated by Leader activity from Luxembourg which has been successful in adding value to the outcomes of an ERDF project entitled '*Regiowood*'²¹. Regiowood received ERDF support through a European Territorial Cooperation (ETC) budget²² for cross-border cooperation.

Hubert de Schorlemer from Luxembourg's association of private forest owners played a main role in both the Leader and ERDF projects. He explains that, "The aim of our Regiowood project, was to mobilise the owners of forests who were not managing their forests. This was a common issue for our region which stretches across France, Belgium, Luxembourg and Germany."

"Here we find a significant number of people that have inherited forest land from their family but they themselves may not know much about the forest. We were also aware of instances where people who owned forest land did not know where their

forest plot was actually located. Even more common was a lack of knowledge among these types of owners about how to manage their forests. We wanted to change this and help local people get greater benefits from their forests."

Due to the number of countries involved, ERDF cross-border cooperation support was suitable through the ETC for a project based on building a common approach to improving the potential of under-used forest resources. Elisabeth Freymann worked on the Regiowood project and notes that, "We used most of the ERDF project's time to identify the owners of small private forest plots that were not under active management. In total we were able to find and connect 110 people with under-used forest plots. Most people owned about two or three hectares each and between them they owned around 600 hectares of forest."

A variety of methods were used to find the forest owners including negotiating searches through land registries and carrying out informal conversations in places where rural community members gathered. "It was during this process that it became clear a forest management skills' gap existed", says Mr de Schorlemer, who continues, "This is where Leader was so useful. We were able to use the Rural Development Programme funds to help prepare and run training courses for the forest owners in how to use and take care of their woods."

20 http://enrd.ec.europa.eu/app_templates/filedownload.cfm?id=EEE2003A-F5ED-474C-4ED3-8174C9547597

21 <http://www.regiowood.eu>

22 Formerly referred to as INTERREG, the ETC encourages different parts of the EU to work together and learn from each other through common programmes, projects and networks. See http://ec.europa.eu/regional_policy/cooperate/index_en.cfm

Forest Licence

Two of *Luxembourg's Leader areas*²³ (LAG Müllerthal and LAG Redange-Wiltz) were involved in filling the forest owners' skills gaps. Anette Peiter from LAG Müllerthal welcomed the good response to proposals for a 'Forest Licence' capacity building project. She says, "Consultations involved in the preparation of our LAG's Local Development Strategy confirmed community interest in support for private forests and we were very pleased to see 100 people attend the information event that was organised to explain the Forest License project. It showed that this type of rural development was obviously relevant locally."

Some 77 people went on to complete the Forest Licence's innovative training modules. "The Leader funds co-financed eight different training courses that were new and specially tailored to meet the needs of our target group. This training provided useful added value to the ERDF project's results", comments Ms Peiter.

Training content was first delivered in 2010 for forest owners in the Redange-Wiltz LAG area. A second set of these courses were then run in Müllerthal during 2011. In 2012 a series of more advanced courses for forest owners (deepening subjects and further enhanced with new topics) is to be held in the Redange-Wiltz LAG region.

"One of the success factors behind the Leader-funded courses was their blend of theory and practice" says Ms Peiter. All of the theoretical material was collated in a Handbook for the forest owners to use as a future reference, and each course involved the owners spending time in various forest situations, using different forest techniques to gain personal experience of applied management approaches.

"Our initial course involved helping owners to recognise the traditional methods that had been used in the past to mark the boundaries of forest plots" points out Mr de Schorlemer, and explains further, "These helped the owners look for the border ditches and tree 'notches' that separated their land from their neighbours. From this starting point we then trained owners in topics ranging from environmentally sustainable silviculture skills for different forest species to chainsaw health and safety."

Consistent and simplified EU funding systems can help facilitate rural development synergies

Leader leverage

Analysis funded by the ERDF project indicated that every €1 invested in mobilising passive forest owners could generate €6 of return for the rural economy. Leader funds helped to lever these economic outcomes for rural Luxembourg and Françoise Bonert from the Ministry of Agriculture, Wine Growing and Rural Development is satisfied with the end results. "We appreciate the benefits that can be achieved by using different EU Funds to add value to each other and we are using our experience here to plan for the new Common Strategic Framework that we will implement in the next funding period. We acknowledge the gains from using consistent systems for simplifying and easing uptake of all EU Funds."



19

“One of the success factors behind the Leader-funded courses was their blend of theory and practice.”

Anette Peiter, LAG Müllerthal

Multi-funded niche markets: Heritage tourism strategy in rural Malta combines EU financial instruments

Proposals in the Common Strategic Framework (CSF) promote more coordination of EU funding streams at national levels. This approach can also be applied with effect for sectoral policy action such as a tourism support and heritage conservation.



© 123RF

Malta is one of the EU's cultural gems and the islands which make up this southern Member State host an impressive array of high value heritage resources. Some ten sites in Malta are designated by the World Heritage organisation UNESCO for their international importance. These include well preserved relics from ancient European civilisations and prehistoric times.

Maltese rural areas are well endowed with such high quality heritage sites which, when managed effectively, can help to attract considerable revenue for rural communities from tourist income. Tourism is one of the major sectors offering employment in Malta. At least half of the country's tourists take visits to cultural sites during their stay and cultural tourism is therefore a priority area for development support from EU funding sources.

EAFRD support for cultural tourism is planned to complement finance available from the European Regional Development Fund (ERDF) and European Social Fund (ESF). ERDF is used for projects including tourism marketing, investments in cultural sites, and improved access to rural infrastructure through roads and communications. The ESF is helping equip tourist operators with a variety of professional and quality skills such as visitor information and hospitality services.

Malta's EAFRD interventions in cultural tourism are focused on projects and sites in rural areas. An example of which is the rehabilitation of Roman Baths and Christian Catacombs at Mgarr and Mosta.

Funding coordination

Assistance from the EAFRD here is providing support as part of a holistic and larger scale cultural tourism initiative which covers many of the island's main heritage sites. Both the EAFRD and ERDF are involved in this initiative and they are coordinated by a common beneficiary, namely the 'Heritage Malta' organisation.

Suzannah Depasquale is a Senior Curator for Archaeology at Heritage Malta. She confirms that, "Malta has a rich cultural heritage that lies within the rural environment and this project will support Malta's efforts in becoming a more competitive cultural tourism destination. It will provide accessibility to Malta's rural archaeological sites and ensure that these sites are preserved for the enjoyment of future generations."

Activities funded by the EAFRD combine a coordinated programme of research and investment, which started in 2010 and will be completed at the end of 2013 when the heritage project opens to the public.

Research studies are underway to determine the conservation requirements for sites at the Ta' bistra Christian catacombs and Ghajn Tuffieha Roman Baths. Study findings will inform the ongoing heritage conservation work and the subsequent introduction of new visitor infrastructure.

Special shelters are being planned to protect important mosaics, rubble walls are to be reconstructed and new viewing points are all included in the EAFRD project. Downloadable maps of the sites will also be prepared featuring footpaths which link archaeological sites. These features are accompanied by a visitor centre which will act as an orientation facility for tourists coming to see the areas' cultural resources. High-tech interpretation techniques are proposed for the visitor centre using interactive ICT tools and solar energy will be harnessed to reduce the project's carbon footprint.

Ms Depasquale believes that, "The creation of recreational areas, heritage trails and interpretative aids will develop this area into a prime rural attraction for archaeological and ecological audiences, which are niche tourism markets. Four new jobs will be created when the project becomes operational and other employment should also be encouraged. It will help generate tourism, particularly in the low seasons, and will offer the opportunity for the development of related businesses providing regional products or services in the area."

"In addition, local people and school pupils will visit the sites to explore Maltese history and understand further the importance of safeguarding our natural environment."



Tourism and other sectors in the rural economy can benefit from strategic or territorial approaches to collaboration between EU funding sources

ERDF aspects

Support from the ERDF is also being used by Heritage Malta to help develop complementary aspects of their holistic heritage tourism project. "A clear physical dividing line exists between the EAFRD and ERDF actions", states Ms Depasquale. "Each project has similar mutual objectives regarding rural regeneration through heritage preservation but they are positioned on different sites adjacent to one another. This allows us to apply a consistent and continuous strategic approach at a territorial level to developing cultural heritage in rural areas."

"We do this in collaboration with partners from national bodies which provide strategy frameworks for developments in culture and tourism sectors. Heritage Malta coordinates its EAFRD and ERDF grant applications to maximise the benefits from letting these EU Funds reinforce each other."

This EAFRD project example therefore highlights the development gains that can be attained from applying principles advocated by the Common Strategic Framework (CSF) during the design of policy support for sectors involved with rural regeneration in EU Member States.

“ A clear physical dividing line exists between the EAFRD and ERDF actions. **”**

Suzannah Depasquale, Heritage Malta

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