

## Rural Development Programme (RDP) of Sweden

### Landsbygdsprogram för Sverige 2007-2013<sup>1</sup>

(Rural Development Programme for Sweden 2007-2013)

### Relevant Contact Details

**Managing Authority Website:**

<http://www.sjv.se>

### Other useful links:

Rural Development Programme (RDP):

[http://enrd.ec.europa.eu/country-information/programming/en/programming\\_home\\_en.cfm](http://enrd.ec.europa.eu/country-information/programming/en/programming_home_en.cfm)

National Rural Network (NRN):

<http://www.landsbygdsnatverket.se/>

## General socio-economic situation in rural areas in Sweden

According to the RDP 2007 to 2013, Sweden has a total land area of 449,964km<sup>2</sup> and a population of roughly 9 million inhabitants.

The population is concentrated in the South with the Northern part being sparsely populated. 24% of the population live in rural areas which are for the most part accessible (2% live in sparsely populated areas). In recent years, accessible rural areas have experienced population increases whilst sparsely populated areas face depopulation pressures. The rural population tends to be older (up to 25% are pensioners) and many young people move away from rural communities. Over half of Sweden is forest (23 million ha) and includes a further 10 to 15 ha of wetlands and mountain forests; a tenth of the surface area consists of lakes. 8% of the land area is agricultural land which is concentrated in the South with 2.7 million ha being arable land and 0.5 million ha being pasture land. About half of agricultural land is classified as a Less Favoured Area.

The RDP makes clear that the economy has grown relatively strongly in recent years but employment has not grown apace (the 2005 national unemployment rates was 6% and employment rate was 77.4%). Employment levels also vary by region, with the highest levels being in urban areas and the lowest rates in the sparsely populated rural areas. For men in rural areas, the most important source of employment is the manufacturing industry, while for women it is either healthcare, other care or teaching. The RDP baseline figures illustrate that around 60,000 people are employed in the food industry (9% of industrial employment), some 90,000 jobs are found in the forestry industry (13% of industrial employment) and the number of full and part time workers in the agriculture sector is approximately 168,000 (1.4% of total employment in 2004). The agriculture, forestry and food sectors have undergone restructuring in recent years (the number of farm holdings has reduced by 25% since 1995) and require further investment to retain and develop competitiveness. However, they are perceived as being modern and having efficient



**Map of Sweden**

(© European Commission)

<sup>1</sup>Latest updated RDP, following the adoption of the Health Check and The European Economic Recovery Package

production methods with respect to the environment and animal welfare (thereby producing in line with public regulations and consumer demand). Farming and forestry are also regarded as key players in the transition to sustainable development. The landscape has a high natural value and is perceived as being a high quality environment with clean waters. Yet valuable landscapes and biodiversity have become gradually threatened by changes in production methods, land use and social development. In rural communities, entrepreneurship and self-employment are less common than in urbanised areas, which render rural Sweden more vulnerable to globalisation. Sparse areas, vast distances and changes in services and infrastructure have resulted in poorer growth conditions for rural companies such as farms in less favoured areas. However, rural areas have great resources such as natural assets and social capital which can help foster growth potential.

### **RDP strategic objectives**

The Swedish RDP has four key strategic objectives:

- First, it will focus on measures promoting rural, agricultural and forestry enterprise growth, competitiveness and employment whilst contributing to a sustainable use of natural resources and society;
- Second, the programme has a strong environmental focus particularly on measures aiming to contribute to efficient, high-quality and competitive production by using natural resources in a sustainable fashion and meeting environmental objectives;
- Third, the RDP will support positive development in rural areas, culminating in a diversified economy with income-generating employment and a stronger focus on rural resources in the shape of an attractive landscape for living and recreation and on local services and infrastructure. Local participation and partnerships will also be supported; and
- Fourth, planning and implementation will be undertaken in an integrated manner with coordination between different policy areas, which will be combined with greater regional influence and involvement.

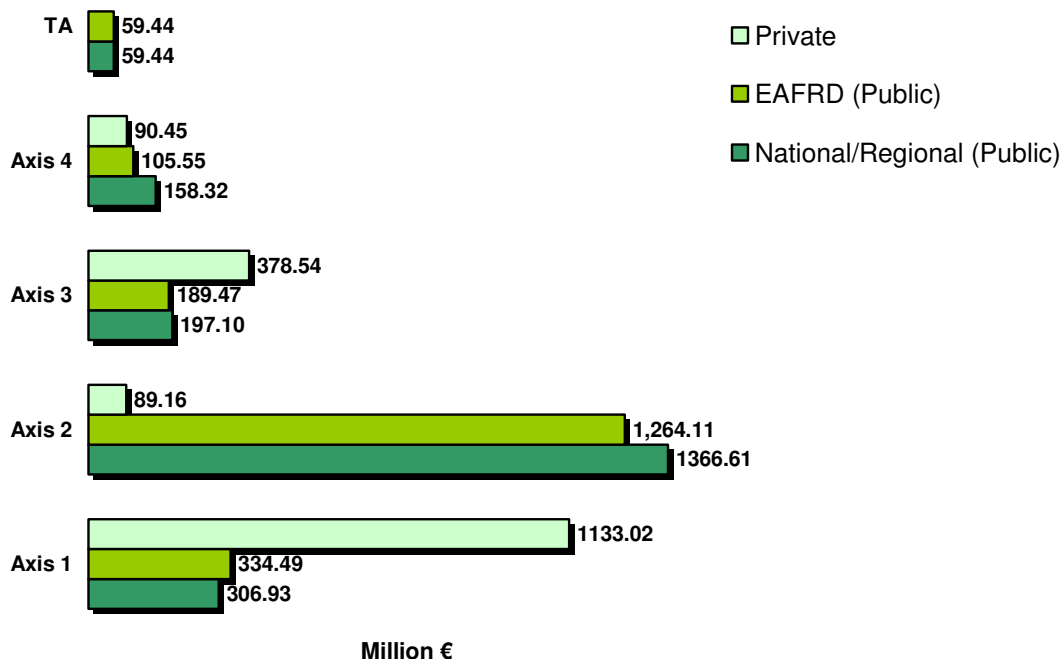
In recognition of the greater emphasis now being given to the 'new challenges' facing agriculture and rural areas, the RDP was revised in 2009 to take account of additional financing provided by the CAP Health Check, Modulation and the European Economic Recovery Package. This reinforced RDP efforts in activity such as climate change (which received 16% of the additional RDP funding), renewable energy (28%), water management (11%) biodiversity (26%) milk restructuring (1%) broadband infrastructure in rural areas (18%).

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

The RDP will place significant emphasis on implementing support to rural, agricultural and forestry enterprises to enhance competitiveness and productivity. This includes the development of new goods and services in order to broaden the economic base and to promote further growth opportunities. RDP activities will also generate growth in renewable energy, tourism and recreation, services and contract work. Regional, local and small-scale production and processing will be developed in the food and other sectors with a focus on creating value-added products. Innovation will be supported with activities to foster knowledge transfer from universities and research institutions to the private sector. Local entrepreneurship measures will promote diversification, and local infrastructure suitable to the demands of residents and business will be put in place. The agriculture and forestry industries will be supported to develop resource-efficient production methods with reduced environmental impact and with enhanced sustainability. In addition, farmers will be encouraged to protect the natural assets of the countryside.

Modifications to the output indicator targets have been made to take account of the 2009 RDP amendments-. These included increased targets for: measure 111 (training and use of farm advisory services in relation to climate change); measure 121 (investments enhancing the production of renewable energy); measure 216 (establishment of sediment ponds to improve water quality); measure 214 (the number of holdings that facilitate land use change to maintain biodiversity); measure 216 (the number of holdings that improve wetland restoration); measure 311 (investments and projects preventing climate change); measure 312 (investments and projects enhancing production of renewable energy); and measure 321 (investments for creation of new broadband infrastructure). Detailed information on output indicators targets for individual measures are provided in the RDP indicator tables.

### **RDP budget breakdown by axis: Total expenditure (including national/regional + EAFRD + private funding) of €5,732,645,841**



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 30.95% of the updated RDP budget in Sweden is allocated to axis 1 (€1,774.44 million); Approximately 47.45% is allocated to axis 2 (€2,719.89 million), 13.35% to axis 3 (€765.11 million) and 6.18% to axis 4 (€354.32 million), with 2.07% available to fund Technical Assistance (€118.89 million).

Within axis 1, National public funding represents approximately 17.30% share of the axis funding; EAFRD 18.85%; and private funds 63.85%.

Within axis 2, National public funding represents approximately 50.25% share of the axis funding; EAFRD 46.48%; and private funds 3.28%.

Within axis 3, National public funding represents approximately 25.76% share of the axis funding; EAFRD 24.76% and private funds 49.47%.

Within axis 4, National public funding represents approximately 44.68% share of the axis funding; EAFRD 29.79%; and private funds 25.53%.

Within technical assistance, National public funding represents approximately 50% share of the technical assistance funding and EAFRD 50%.

As a consequence of the 2009 amendments, an additional budget of €159,623,667 was allocated to the Swedish RDP (including €119,714,00 EAFRD funds and a further €39,909,667 national public funds). The new funds are being used to support renewable energy, climate change, water management, biodiversity, milk restructuring and expansion of broadband infrastructure in rural areas .Biodiversity actions also benefited from a further €27,000,000 of unspent funds from pillar one.

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

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

The overarching objective of axis 1 is to stimulate the competitiveness of agricultural and forestry enterprises, reindeer husbandry, food production and processing, based on sustainable use of natural resources. Axis 1 will support the growth and competitiveness of enterprises through improved skills and know-how, modern technology and resource-efficient methods, ICT and new product development. The measures are targeted at the needs and demands of businesses and coordinated with business promotion measures in axis 3. Support will be guided by simplified rules, terms and conditions, and will be based on business plans and national and regional priorities. The key areas of focus for axis 1 include restructuring and modernisation such as improving processing and production; introducing new technology and innovation; skills and knowledge acquisition in order to enable knowledge transfer from R&D to rural industry; increasing the supply of bio-energy; and quality-enhancing measures such as participation in quality systems.

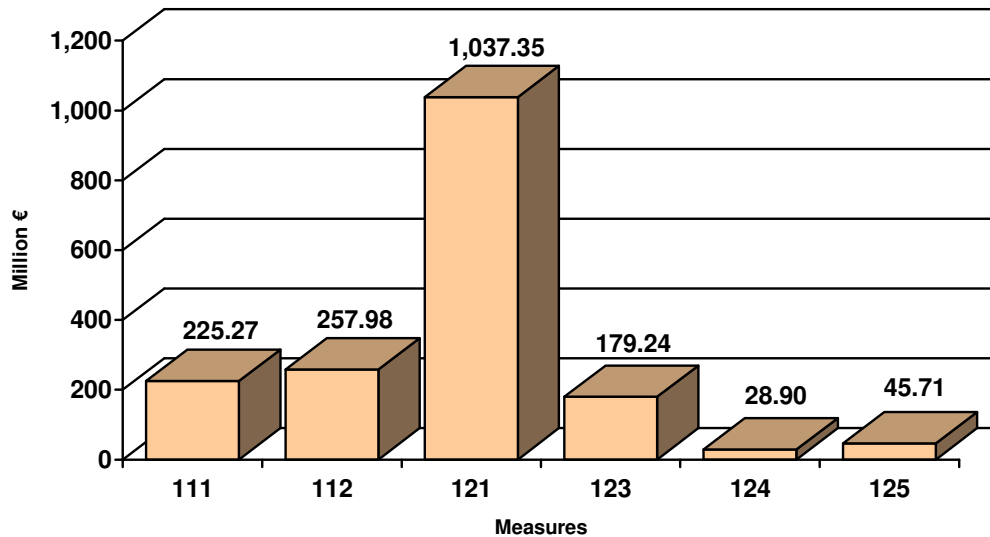
The output indicator targets which will be used to assess the measures of axis 1 include: measure 121 (increase in gross value added for supported holdings with 110 million SEK invested per year in relation to modernisation of agricultural holdings); and measure 123 (30 holdings introducing new products or techniques in relation to adding value to agriculture and forestry products).

RDP amendments in 2009 added to these with new output indicator targets such as measure 111 (29, 250 training days for training and use of farm advisory services in relation to climate change); and measure 121 (70 holdings receiving investments for enhancing the production of renewable energy). For further information on the output indicator targets please refer to the impact indicators table in the revised RDP.

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<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 public funds + EAFRD + private funds) of €1,774,437,882**



Following the 2009 RDP update, the total budget amount for axis 1 is €1,774,437,882 including an additional €55,111,111 (€41,333,333 EAFRD + €13,777,778 national public) that is targeted at actions as mentioned above namely under measure 111 (improving support for skill acquisition for agricultural holdings relating to the 'new challenges') and measure 121 (targeted investments for preventing climate change and production of renewable energy).

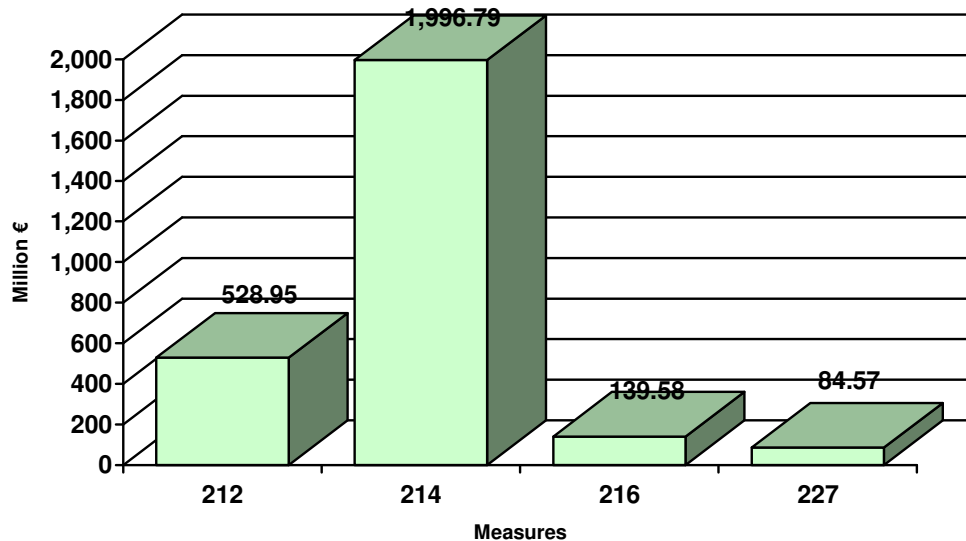
**Axis 2 objectives: Improving the environment and the countryside**

The objective of axis 2 is to develop an attractive countryside and stimulate compliance with sustainable and resource-efficient methods of production. Measures of key importance are those designed to trigger sustainable production and maintain an open agricultural landscape thus creating rich biodiversity. Public goods generated by the forestry and agricultural and related industries will also be promoted. Farmers will be encouraged to use production processes that have a lower environmental impact and land managers will receive payments for meeting environmental objectives. Payments will also be made to prevent farm closures in Less Favoured Areas and to maintain an open and active agricultural landscape. Grants will be made to the forestry sector to encourage biodiversity and organic farming. Examples of output indicator results targets at measure level in axis 2 include 212 (530,000 ha successfully farmed which is neither overgrown or abandoned in relation to support for natural handicap payments in mountain or other areas); and measure 214 (500,000 ha successfully farmed so that natural and cultural values are preserved in relation to support under agri-environment payments).

RDP amendments in 2009 added new output indicator result targets for axis 2 such as: measure 214 (3100 holdings to facilitate land use change to maintain biodiversity under agri-environment payments); measure 216 (1000 holdings supported for establishment of sediment ponds to improve

water quality); and measure 216 (250 holdings to improve wetland restoration). For further information on the output indicator targets please refer to the impact indicators table in the revised RDP

**Axis 2 budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €2,719,885,061<sup>3</sup>**



Following the 2009 RDP update, the total budget allocation under axis 2 is € 2,719,885,060 including an additional €52,800,000 (€39,600,000 EAFRD + €13,200,000 national public). The new funds provided increased support for agri-environmental payments under measure 214, which is providing dedicated support for change of land use to maintain biodiversity, and this particular budget enhancement included finance from €27,000,000 of unspent pillar 1 funds,. Other funds from the RDP amendment were released for measure 216 (non productive investments in agriculture) which supports water management through wetland restoration, establishment of sediment ponds and controlled drainage.

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

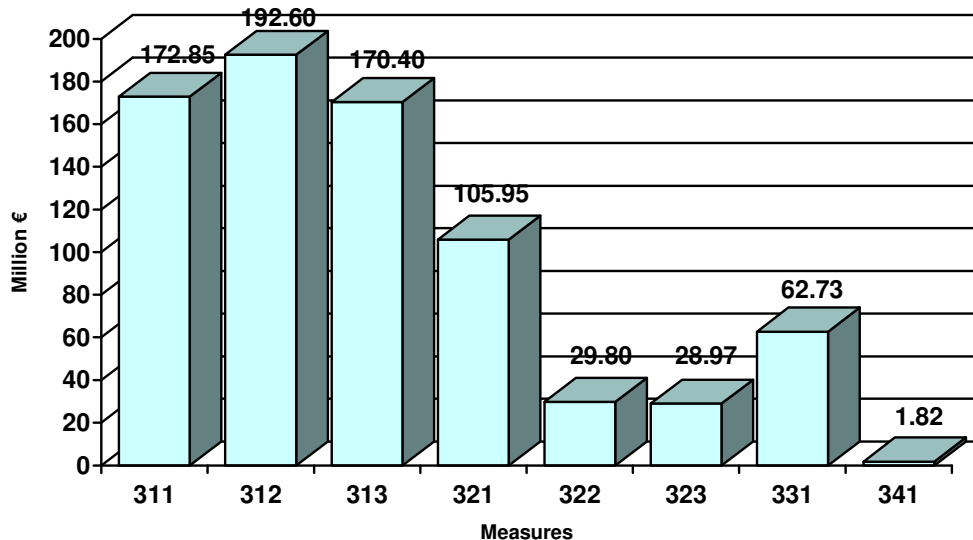
The overarching goal for axis 3 is to encourage the diversification of the rural economy in order to promote employment, enhancing better quality of life, and facilitate the sustainable use of resources. More specifically, the axis aims to promote entrepreneurship, sustainable growth and innovation with the aim of making rural enterprises more competitive on the basis of environmentally integrated production methods; improving the quality of life in rural areas with respect to access to services and infrastructure; strengthening rural development by integrating the RDP measures with other public measures; and conserving and developing the natural and cultural heritage of rural areas. A particular area of focus for this axis is development of new business ideas for rural tourism associated with hunting, fishing and outdoor life, preventive health care and rehabilitation, as well as strengthening skills and social capital and fully utilising labour and land resources. Examples of output indicator results targets being used to assess the measures of axis 3 include measure 312 (5% increase in non-agricultural gross valued added for supported

<sup>3</sup> For measures 212 and 214 no private spending has been allocated.

enterprises in relation to business and microenterprise development)); and measure 313 (1,000 new jobs created in relation to support for promoting the tourism industry).

Specific modifications to output-indicator targets were made during the 2009 RDP amendment. These new RDP targets include measure 311 (42 holdings supported for investments and projects preventing climate change); measure 312 (24 holdings supported for investments and projects enhancing production of renewable energy); and measure 321 (200 holdings supported for investments for creation of new broadband infrastructure). For further information on the output indicator targets please refer to the impact indicators table in the revised RDP.

**Axis 3 budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €765,109,955**



Following the RDP latest update, the total budget allocation under axis 3 is €765,109,955 including an additional €51,707,556 (€38,780,667 EAFRD + €12,926,889 national public). The additional axis 3 funds are being used to address the 'new challenges' and new broadband infrastructure via RDP actions at measure level like those noted above.

**Axis 4 objectives: Leader**

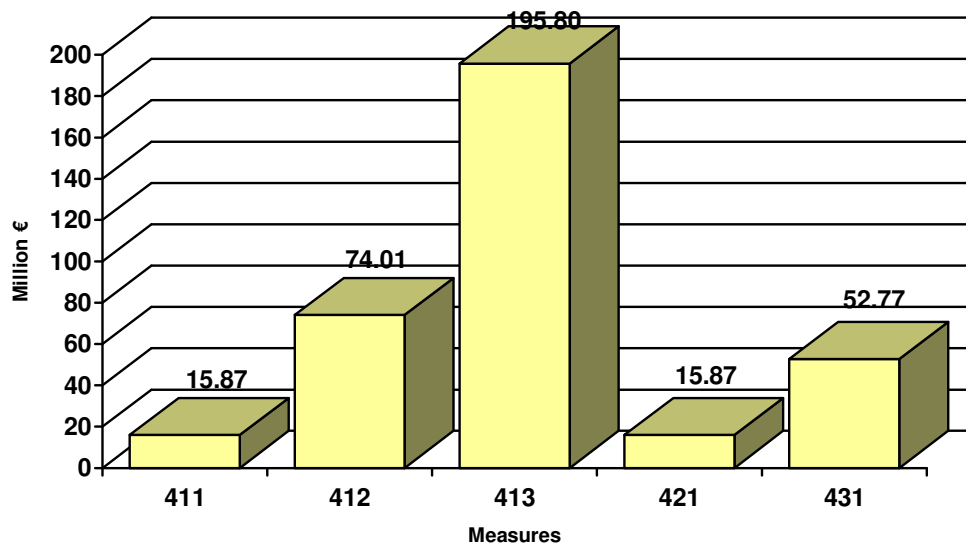
The overarching objective for Axis 4 is to promote the efficient implementation of the RDP by means of the added value that results from local support, endorsement, influence and cooperation. This will involve the possible application of the Leader method nationwide in the implementation of RDP measures in all axes, but particularly in axis 3. Importantly, the purpose of the Leader method is to link local knowledge and experience with national objectives i.e. the bottom-up approach meets the top-down approach. As such, this will take the form of the active participation in strategy and implementation work on the part of the public sector, business community, and NGOs as a precondition for the creation of Local Action Groups (LAGs). In particular, axis 4 will encourage local private and public sector actors as well as NGOs to influence and take responsibility for the goals, priorities and implementation of the new RDP. All parts of the business community as well as municipalities will also engage actively in partnerships. Examples of output indicator results targets

which will be used to assess the measures of axis 4 include measure 411, 412 and 412 (5,000 successful training results per year in relation to local development strategies); measure 421 (100 jobs created per year in relation to developing cooperation projects).

Number of LAGs operational in the RDP areas as of March 2010 was 64.

There were no modifications in relation to axis 4 following the 2009 RDP update.

**Axis 4 budget breakdown by measure: Total allocated budget (including national public funds + EAFRD + private funds) of €354,324,055<sup>4</sup>**



## Monitoring and evaluation strategy

A well-organised system for continual follow-up and regular evaluations is crucial to the efficiency and effectiveness of the RDP. Evaluations will be based on indicators specified in the Common Monitoring and Evaluation Framework (CMEF) and on national supplementary indicators. In addition, Sweden will undertake a number of in-depth follow-ups and analyses during the RDP period. Overall responsibility for following up the RDP and its measures will rest with the Managing Authority and other authorities responsible for implementation. Independent evaluators will set out their findings in annual progress reports under the guidance of the Managing Authority. The report will be primarily based on the above-mentioned framework and indicators which will be elaborated through the collection of information from a variety of existing statistical sources or statistics especially produced for the evaluation. These statistics will then be processed to meet indicator requirements or in some cases full-scale models will be developed as a complementary method of analysis.

## Communication and publicity

<sup>4</sup> For measure 431 no private spending has been allocated.



The aim of the communication strategy is to give the target groups and other stakeholders defined in the RDP a thorough grasp of the Programme and to generate inspiration for action. The target groups vary and as such differ in terms of their information needs. They include potential beneficiaries such as farmers, LAGs, rural enterprises and potential start-up rural enterprises. In addition, the target groups include bodies which are not beneficiaries but need access to relevant information and to disseminate information to beneficiaries such as county administrative boards, consultants and government agencies. The communication strategy will ensure that information will be provided in a timely manner and will be adapted and disseminated through appropriate channels for each target group. Methods of communication include meetings, trade fairs, websites, e-bulletins, email, project databases, press and advertising.

## 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>228</b>	Non-productive investments
<b>Axis 3 - Quality of life in rural areas and diversification of the rural economy</b>	<i>Diversify the rural economy</i>	<b>311</b>	Diversification into non-agricultural activities
		<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