



**Thematic Working Group 1**  
**Targeting territorial specificities and needs in Rural  
Development Programmes**  
**Final Report - Annex 2**

EN RD Contact Point  
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*Connecting Rural Europe*

## ***The Thematic Working Group 1***

The EN RD has established Thematic Working Groups (TWGs) which carry out specific analysis on the basis of the current rural development programmes focusing on specific thematic priorities. Working on the basis of a specific mandate they provide in-depth analysis of the EU Rural Development policy implementation and contribute to the understanding and diffusion of 'know-how' and experiences and improvement of its effectiveness. As of October 2010, TWGs have been established on the following topics:

- TWG1: Targeting territorial specificities and needs in Rural Development Programmes
- TWG2: Agriculture and the wider rural economy
- TWG3: Public goods and public intervention
- TWG4: Delivery mechanisms of EU Rural Development Policy

The overall objective of **TWG1** is to contribute, through relevant analysis and the diffusion of results, to an efficient targeting of territorial specificities and needs in Rural Development Programmes (RDPs) and to a more balanced development of rural areas across Europe.

Based on a predefined workplan the Group conducted its analytical work in 3 steps:

Step 1 analysed how EU Member States have defined or targeted rural areas in their RDPs for the 2007-2013 programming period, and what kind of indicators and definitions they have used for this purpose.

Step 2 addressed the issue of demarcation and complementarity between the different European Union and national funds in terms of meeting the development needs of rural areas and the targeting of specific territories for the application of measures and resources to meet identified areas.

Step 3 which is the final output of the analytical work, involves the production of an overall report bringing together the various elements (including significant commonalities and variations) with respect to:

- national approaches to the definition of rural areas;
- the analysis of territorial specificities and needs;
- the targeting of measures in relation to these specificities and needs;
- strategies for demarcation and complementarity between RDPs and other Community and national instruments.

Informed by the above, the Step 3 Report concludes by providing draft building blocks for a revised typology of rural areas, and a revised set of baseline indicators.

From autumn 2010 onwards a number of "products" based on the analysis and outcomes of the analytical work are being developed for widespread dissemination and discussion among EN RD stakeholders.

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## Annex 2: Demarcation and complementarity

This Annex, contains, for each of the 35 RDPs in the same set as covered in Annex 1, a summary (taken from the RDPs) of the broad approach to demarcation and complementarity between the EAFRD and other EU funds (mainly ERDF, ESF, CF, EFF and LIFE +). These summaries are based only on the texts of the respective RDPs.

It is in alphabetical order by member states, of which five – Belgium, Germany, Italy, Spain and the United Kingdom – are represented at sub-national level. France is represented by both national and regional material.

### Austria

**ERDF:** The RDP in Austria is a national horizontal programme. By contrast, the funds from ERDF, some of which can be used to support economic development in rural areas, are deployed through programmes at the level of regional (federal states). To assist demarcation and avoid overlap between them, the RDP includes a demarcation table providing an overview of measures according to the nine Austrian federal states. These states demarcation criteria, most of which are on a thematic basis (i.e. related to types of project), though some are territorial (e.g. Measure 313 small-scale tourism infrastructure in Salzburg; Measure 322 cultural heritage in Oberösterreich) or related to size of project (e.g. Measure 313 small-scale tourism infrastructure in Steiermark; M 321 biomass heating plants in several federal states). On the economic side, the RDP is exclusively targeted at micro-businesses. There is special emphasis regarding the axis 3 support of non-agricultural micro-businesses, which is limited to certain 'especially rural' areas in order to reach a concentration of RDP resources on small regions in great need of development, and to reach a schematic demarcation from Austrian structural fund programmes.

**ESF, CF and EFF:** The RDP says nothing about demarcation of the EAFRD from these funds.

### Belgium - Flanders

The RDP in Flanders sets out strict demarcation between funds, in order to avoid double financing is prevented. However, the intention is to achieve complementarity between the European programmes. Due to the densely populated character of Flanders, demarcation has no territorial basis: it is drawn rather on a thematic basis.

**Structural Funds.** The cohesion policy in Flanders pays specific attention to sustainable economic rural development with a focus on encouraging knowledge-based economy, innovation and entrepreneurship, and on improvement of the spatial and economic context. Several priorities served by RDP axis 3 have an interface with the ERDF. As a general rule, measures supported by the RDP will not be supported by ERDF or ESF, and vice-versa. The main focus of ERDF is on activities with a clear economic objective and individual entrepreneurship, whereas the RDP through Axis 3 will support more general area-based initiatives. Through Measure 331 (training and information), the RDP will support smaller intermediary service provision, complementing the larger economic projects supported by the structural funds. The ERDF will support activities which in other countries may be supported through RDP Measure 312.

The Minister of Agriculture and Fisheries will be represented on the supervisory committees of both programmes, to ensure this complementarity and avoidance of double funding.

The **EFF** and the RDP have hardly any interfaces due to their clearly different objectives and target groups, except for aquaculture. Projects and activities that concern the shift from agriculture to aquaculture will be supported by the EFF and not the RDP. The management of both RDP and EFF is

overseen by the Ministry of Agriculture and Fisheries, so that complementarity between the two funds is assured.

**National public funding:** The Flemish Agricultural Investment Fund (VLIF) may support activity under some parts of Axis 1 and also under Measure 311 Diversification.

**Provincial funding** may also be used to co-finance Axes 3 and 4 of the RDP

## Belgium - Wallonie

The RDP for Wallonie aims at complementarity between the main European funds.

**Structural funds:** The main priorities identified for the use of structural funds are:

1. creation of activities and employment
2. development of human capital, know-how and research
3. social inclusion
4. balanced and sustainable territorial development.

According to its specific areas of action, each fund will contribute to these priorities - the ERDF and EAFRD to priorities 1, 2 and 4, the ESF to priorities 1, 2 and 3. Since the general strategic framework is the same for the ERDF, the ESF and EAFRD, there could be risk of double funding, particularly for some measures of Axes 1 and 3 of the RDP, but application of clear demarcation principles would avoid it. For example:

- for measure 123, increasing the added value of agricultural and silvicultural products, the ERDF is used in case of products listed in Annex 1 of the Treaty, or if the enterprise concerned is not a micro-enterprise: otherwise the EAFRD is used,
- for measure 312. support to the creation and development of micro-enterprises, the EAFRD support is restricted to enterprises active in the second stage of wood transformation, in foodstuff for products not listed in Annex 1 of the Treaty and also to those enterprises investing in sustainable use of energy (to reduce energy consumption during the production process, develop the use of renewable energy, or install cogeneration facilities): the ERDF will only be used in other circumstances.

The **EFF** will contribute to the same priorities as the EAFRD, but concerns only investments in aquaculture.

**Coordination.** Complementarity and consistency in the use of funds will be ensured by the responsible Managing authorities. The cabinet of the Minister-President of the Walloon government will coordinate the Monitoring Committees of the structural fund programmes, including representation on the RDP Monitoring Committee. The team in charge of the RDP's coordination will be represented on the Monitoring Committees of the other funds. Exchange of information about projects among those responsible for coordination of the different funds will be assisted by use of a unified projects' data-base system. Thanks to this information system, all ministers and administrations concerned are kept informed at any time about the projects submitted, their content, the different advices received, and the decision of the regional government to select them or not.

## Bulgaria

The support under the RDP (co-financed by EAFRD) complements the interventions co-financed by ERDF, CF, ESF and EFF and benefits from synergies with them. As a whole group, the Operational Programmes address the Lisbon and Göteborg agenda of sustainable growth, competitiveness and employment by actions for modernising and developing of infrastructure, protecting environment, improving business environment, knowledge and innovation, and improving quality of human resources.

The guiding principles for co-ordination of the RDP and other Community Support Instruments are set out in three strategic documents:

- National Strategic Reference Framework (NSRF), with its four main goals:
  - Improving basic infrastructure;
  - Increasing the quality of human capital with a focus on employment;
  - Fostering entrepreneurship, favourable business environment and good governance;
  - Supporting Balanced Territorial Development.
- National Strategic Plan for Rural Development (NSP);
- National Strategic Plan for Fisheries and Aquaculture.

The elaboration of those documents was done in close collaboration between responsible bodies and in consultation with relevant Bulgarian social and economic partners.

**ERDF and CF:** The RDP complements several of the Operational Programmes funded by the ERDF and CF. Thus:

- the Environment OP is complemented by RDP Axis 2 which seeks to “protect natural resources and the environment of rural areas”, and by Axis 3 support for rehabilitation and extension of water and sewage infrastructures.
- the Transport OP aims to develop major national roads and other transport infrastructure, which will improve accessibility of rural areas: RDP Axis 3 will complement this by supporting improvements to municipal roads.
- The Regional Development OP (RDOP) aims to enhance the quality of life and working environment through better accessibility to the basic services, and to promote “regional competitiveness and sustainable development. These aims complement those RDP Axes 3 and 4. The RDOP will support tourism development, while the RDP supports tourism product and infrastructure development and implementation “through concerted multi-sectoral actions”. The RDOP will support investment in rural municipalities, consistent with RDP Axis 3.
- RDP axis 1 and 3 interventions complement the Competitiveness OP’s Priority 1 (development of a knowledge-based economy and innovation) and 2 (increasing efficiency) by supporting the development and modernisation in the agriculture, food and forestry sectors, including the development of micro-enterprises in rural areas. This OP also complements the RDP by providing support for non-agricultural small and medium-sized enterprises.

**ESF:** The RDP complements the Operational Programmes funded by the ESF. Thus:

- The Human Resource Development OP contributes towards RDP objectives, taking “active labour market measures targeting unemployed and unemployment threatened”. The RDP complements this by support for social infrastructure and ITC based services.
- The Administrative Capacity OP contributes to the RDP goals by improving the capacity to elaborate and implement effective local programmes and projects, particularly through its Axis 4 regarding the strengthening of local governance and local capacity building.

**EFF:** The RDP complements the Fisheries and Aquaculture Operational Programme (OPFA). The OPFA supports, sustainable aquaculture, thus contributing to environmental protection and development of the targeted fisheries areas. The OPFA and the RDP have parallel Axes 4. Through these Axes, the OPFA may support up to 4 fishery Action Groups and the RDP will support about 50 LAGs. Where LAGs are eligible for support under both EFF and EAFRD, they will produce a separate local development strategy for each fund: in this way, the RDP will complement the OPFA by strengthening local governance and capacity building in these LAG areas. OPFA and RDP also complement each other on tourist development: OPFA will support only fishing tourism, while the RDP will encourage local stakeholders to develop tourist products based on the advantages of the rural territories.

Demarcation between all these funds will be assured by national rules; by mechanisms for administrative co-ordination at programme level; and by use of the Information System for Management and Monitoring in order to avoid double funding and promote effective management and monitoring.

## Cyprus

The RDP states the aim of securing complementarity between the main Funds. The EAFRD, ERDF, ESF and EFF are seen to complement each other in three main fields - knowledge society and innovation, productive environment and revitalisation of urban and rural areas. Complementarity in each of these three fields is described below:

- **Knowledge economy and innovation.** The main difference between the funds is that the ERDF focuses actions on the non-agriculture and forestry sectors, the ESF focuses on education and training, the EFF focuses on the fishing sector and the EAFRD focuses on the agriculture and forestry sector. So, the demarcation between them is mainly sectoral or thematic.

**ERDF** targets mainly SMEs and infrastructure. It supports infrastructure for research and technological development; SMEs for the transfer of knowledge and improvement of cooperation networks; enterprise and research networks and creation of innovation poles; innovative SMEs (except those in the agriculture and fishing sectors); ICT support services to citizens; human resource development in the field of research and innovation (education of researchers); and infrastructure in the education sector.

**ESF** focuses on education and training. It supports the development of special services for employment and training in coherence with the restructuring of the economy (e.g. links between universities and enterprises, training programmes for entrepreneurs, etc.); interventions for the improvement of the administrative capacity of the public sector; and measures to increase participation in long-life training, reduce early school leaving, reduce segregation due to gender in the access to education and training and increase participation to basic professional and tertiary education.

**EFF** focuses on innovative technologies in fisheries. It intervenes in this field via pilot projects for improving the effectiveness of tools used in fisheries and the introduction of innovative technologies in fishing cultivation.

The **RD** focuses on modernisation and innovation in agriculture and forestry. It intervenes in this field only through the Axis 1 measures for modernisation and restructuring of agricultural holdings and the promotion of innovation and new technologies.

- **Productive environment.** The main difference between the ERDF and ESF is that the former supports infrastructure investments while the latter doesn't. The main difference between EAFRD and ESF is that training of farmers under EAFRD is strictly related to their profession while training under the ESF is related to the acquisition of skills in fields other than agriculture or forestry. So, the demarcation between the funds is mainly sectoral or thematic, or by size of project (large scale vs small scale investments).

**ERDF** supports chiefly investments in SMEs, enterprises run by women or young people (except for those producing forestry and fisheries products).

**ESF** focuses on training. It supports long-life learning systems in microenterprises and SMEs; design and promotion of innovative work organisation methods (e.g. health & safety at work); modernisation and support of institutional structures in the labour market (e.g. restructuring of the public employment service); anticipatory measures in the labour market (e.g. training of unemployed, flexible working arrangements, etc.); incentives to enterprises for on-the-job training of students and support to technical professional education.

**EFF** focuses on the fishing sector. It finances subsidies to young fishermen, capacity building and early retirement in the fisheries sector; support to investments in fish cultivation; investments in manufacturing and trade of fishing products.

The **RD** addresses the productive environment strictly in agriculture and forestry. It supports manufacturing and innovation for agricultural and forestry products; installation of young farmers; training, information and awareness raising to farmers.

- **Revitalisation of urban and rural areas.** The main difference between the ERDF and EAFRD is that the former supports investments in villages located above 500 metres altitude and the latter those located below 500 metres altitude; while the ERDF support large scale and the EAFRD small scale infrastructure in rural areas (for instance the ERDF finances main road networks and the EAFRD secondary road networks). So, the demarcation between the funds is mainly territorial and by size of project (large scale vs small scale investments).

**ERDF** supports integrated investment projects and infrastructure for rural revitalisation (e.g. implementation of Natura 2000 projects stemming from their management plans, public infrastructure in areas located above 500 metres altitude); investments in non-agriculture and non-fishing SMEs; tourism promotion through SMEs; upgrading of regional and local roads (except secondary road network); provision of services to citizens (ICT, health); large scale cultural infrastructure.

**ESF** focuses in particular on social and labour market integration. It concentrates on gender issues and equality of opportunities; social integration of immigrants and disadvantaged groups and reduction of discrimination in the labour market; long-life training, reducing early school leaving, reducing segregation due to gender in the access to education in disadvantaged areas and in the tourism sector.

**EFF** focuses in the revitalisation of fishing areas. It supports the protection of water flora and fauna, sustainable development of fishing areas especially through diversification and protection of the environment in fishing areas.



The **RDP** through Axis 3 focuses on small scale infrastructure and the bottom-up approach (Leader) in order to revitalise rural areas. It supports village renewal, maintenance of rural heritage, local action plans through LAGs, promotion of tourism activities, upgrading of secondary road network, provision of basic services to the rural population in low altitude areas (below 500 metres), soil and water protection and improvement of biodiversity.

In summary, the complementarity between the funds is very clearly described and based primarily on a thematic distinction between funds (e.g. EFF targets the fishing sector, the ERDF all sectors except agriculture and forestry, the ERDF finances infrastructure and the ESF training, the EAFRD finances training of farmers in issues related to their professions while the ESF finances training in other non-agricultural issues, etc.). The next level of demarcation is mainly sectoral or by size of project. There is some territorial demarcation, especially between ERDF (high altitude areas) and EAFRD (low altitude areas).

## Czech Republic

The Czech RDP sets out the demarcation and complementarity between the different funds, with mechanisms to ensure that double funding does not occur. The complementarity between the RDP and each other fund is shown below.

**EFRD** will contribute to the creation of a stable environment for addressing unemployment, the development of innovations and information technologies for the countryside. It will complement RDP Axis 1 by support to the processing industry, including second-stage food processing; Axis 2 by support for projects which increase regional biodiversity; and Axis 3 by support to small and medium-sized enterprises, in the area of tourism and services, as well as in transportation and technical infrastructure in rural regions. The **RDP** will support the diversification of agricultural economic activities, establishment of micro-enterprises with up to 10 employees (including second stage food processing, rural tourism and care of the rural heritage).

**CF** supports investment in the areas of the environment and transportation, including sewage treatment plants in specially protected territories and Natura 2000 territories and other territories related to municipalities with more than 2000 equivalent inhabitants. The **RDP** will support renewal and development of villages; basic infrastructure and social facilities in villages with up to 500 inhabitants; and water supply management and sewage water treatment plants for municipalities with up to 2000 equivalent inhabitants.

**ESF** complements RDP Axis 3 by supporting general education in the countryside, building local administration capabilities, integrating groups of the population, re-qualification courses and promoting the use of Internet networks. The **RDP** will support training exclusively in the context of local development activities (diversification, micro-enterprises, rural tourism, trades, local services and rural heritage).

**EFF:** Support provided from the EFF complements a number of RDP measures in the areas of a wider relationship to the terrestrial fishery. EFF focuses on improving competitiveness of the fishery sector, including improving quality of fish products. It should lead in job creation in the fishery sector and consequently in rural areas with high share of aquatic resources. EFF also promote conservation of cultural heritage associated with fishponds and traditional fishing. Managing aquatic resources in a sustainable way will enhance biodiversity, landscape and the recreational potential of the agricultural and aquacultural landscape.

**LIFE+** is connected with RDP Axis 2 by support of projects focused on biological diversity.

## Denmark

The approach in Denmark is focused on complementarity between the main funds. The ERDF and ESF programmes have no geographic or sector-based restrictions, but support improved framework conditions for the economy as a whole (ERDF) or for training activities (ESF). The EFF programme focuses on the fisheries sector and areas dependent on fishing. The RDP focuses on competitiveness in the food and forestry sectors, improving the environment and countryside, and quality of life and economic activity in rural areas. Axis 3 activities are focused mainly on selected geographical areas, implemented through Local Action groups.

As a general rule, any action under the RDP is not restricted by the opportunities offered by the ERDF, ESF and EFF. Actions taken under the various funds must complement each other in order to achieve maximum interaction. Projects which are eligible for support under several regulations can, in some cases, receive support from several funds. An exception to this rule is that the fishing regulation requires that only one fund may provide support for sustainable development of fishing areas.

**ERDF:** The ERDF programme operates in three fields - innovation, sharing and acquiring knowledge; creating and expanding new enterprises; using new technology.

In this field, projects involving *innovation* in the food and forestry sectors are financed under the RDP, whereas projects to promote framework conditions for innovation and skills acquisition in general are only financed under the ERDF and ESF programmes. However, enterprises involved in the food and forestry sectors can also take part in this broader action. The same applies for *sharing and acquiring knowledge*, in which the RDP supports projects in the food and forestry sectors, and may also aid skills acquisition for people involved in creating local jobs or better living conditions. There may also be some overlap in support in the fields of *creating and expanding new enterprises* and of *using new technology*.

This action in the RDP is targeted at designated rural development municipalities where Local Action Groups (LAGs) are set up. Through the LAGs, the RDP can finance specific new enterprises; support advisory facilities for entrepreneurs; support the setting up of an ICT infrastructure; and prioritise the distribution of broadband to their local area, as part of the strategy for creating attractive living conditions and more jobs. In all this, the RDP support may be on a more local basis, and a smaller financial scale, than that under the ERDF programme.

**ESF:** The ESF programme focuses on training, and expanding, the workforce. In the field of *training*, the ERDF and ESF support a broad range of sectors, while the RDP focuses mainly on the food and forestry sectors, but can also support people involved in creating local jobs or better living conditions. In the field of *expanding the workforce*, the ESF focuses on broad and varied support for the development of regional growth conditions, while the RDP focuses on more local job creation, plus advisory facilities for entrepreneurs.

**EFF:** The EFF programme focuses on measures for adapting fishing fleets and fishing effort; aquaculture, processing and marketing; measures of collective interest; and sustainable development of fishing areas.

In this field, the EFF supports projects involving the fisheries sector, while the RDP focuses on projects involving the rest of the food sector. Where an area dependent on fisheries coincides with an RDP Leader area, a single common LAG may be set up on the islands or by special request. It is the LAG's responsibility to ensure that projects financed under the EFF programme and the RDP are kept separate.

Where a project includes activities which are aimed at achieving the same overall objectives, but which are eligible for support under either fund, a decision is made either that the whole project will be supported under one fund or that it will be divided into sub-projects each of which calls on one of the two

funds. The measures under the EFF programme and the RDP are managed by the same units in the Ministry of Food, Agriculture and Fisheries.

## Estonia

The basis for demarcation and complementarity between funds is set out in the "State Strategy for use of Structural Funds 2007-2013". This states that:

"Efficient co-ordination between the different operational programmes is important, as several activities of the operational programmes of different structural funds complement one another. There are close connections between the EAFRD, the European Fisheries Fund and structural funds, regarding the supported activities. If in a region (in the case of Estonia, in the whole country) structural funds are directed at several fields, the EAFRD and the European Fisheries Fund are targeted at the support for agriculture and rural development. In spite of that, activities for the increase in employment, for the promotion of the development of enterprise and for the improvement of the living environment etc. are planned from the resources of all the funds referred to. The activities affected with the assistance of structural funds also support the improvement of the situation in rural and coastal areas."

**ERDF:** Axis 2 of the RDP complements the activities of the Living Environment Development Operational Programme, which is funded by the Cohesion Fund and the ERDF and which focuses on water management, waste management, biological diversity and the sustainable use of natural resources, environmental awareness, environmental monitoring, improvement of the competitiveness of regions and the development of local public services will be eligible under the "Living Environment Development Operational Programme" again using the resources of the ERDF.

Axis 3 of the RDP complements the regional development programme, which supports the preparation of strategies for the evaluation, determination and efficient use of region-specific resources, determination and development planning of development complexes for the preparation of specific investment projects. Demarcation with the support referred to will be ensured on target group level. The RDP supports the development of small facilities and infrastructure for recreation and tourism, the creation of events and public activities for the animation of local economic and business environment. Demarcation between the two funds is ensured by reference to target groups.

**EFF:** Axis 4 of the RDP complements Priority IV (Sustainable development of fisheries areas) of the EFF programme. Demarcation between the two is secured by a rule to preclude support for diversification from fisheries to agriculture and vice versa, in particular in product groups without normal market outlet or with limited resource (catch and production quotas).

**LIFE+** and other specific nature conservation programmes will support RDP efforts to sustain biological diversity.

## Finland

The approach in Finland recognises overlap, and some complementarity, between major funds. The programmes for each fund were prepared simultaneously, so that the RDP could not state any final decisions on the division of tasks at either national or regional level.

Geographically, the **EAFRD** funding concentrates on sparsely populated rural areas and rural heartland areas. Funding is channelled to development of rural micro-enterprises, tourism, the production of bio-energy and the service sector, as well as cultural and environmental actions. The strategic focus of the regional **ERDF** programmes is on the improvement of the operating conditions for competitive and innovative enterprises, internationalisation of enterprises, networking, balanced regional development

and promoting factors that contribute to the regional amenities. The **ESF** programmes focus on improving employment and competence, developing the working life and promoting entrepreneurship. The main aim of the **EFF** programme is to develop profitable business activity in the fisheries industry (professional fishing, aquaculture, fish processing and wholesale trade of fish), based on the sustainable use of fish resources.

The RDP indicates some **provisional demarcation between the funds** in relation to specific sectors:

**Funding for business activities:** The **RDP** is focused on SMEs or smaller enterprises operating on farms. As a rule, the other funds do not finance enterprises operating on farms. In rural areas, EAFRD support for the creation and development of microenterprises operating outside farms is targeted so as to exclude urban centre areas. Particularly in the major regions of Western and Southern Finland, the EAFRD has also been restricted in urban-adjacent rural areas. **ERDF** programmes for business development in rural areas are directed mainly at growth enterprises and enterprises larger than micro-enterprises; and normally exclude those involved in the first-stage processing of agricultural products. However, there are situations where ERDF funding is directed in rural areas at micro-enterprises (wider market potential, export potential, etc.). The national objective is to prevent anybody from slipping through the net of the financing of small and micro-enterprises. Moreover, regional objectives and the regional programmes of the other funds and their priorities differ considerably, and therefore strict and absolute principles should not be presented for the division of tasks at the national level.

**Tourism:** The **RDP** primarily finances farm and nature tourism, as well as rural micro-enterprises in the tourism sector and their development actions. The **ERDF** finances larger enterprises in the tourism sector and tourism centres. The **EFF** finances fishing tourism only in areas where a fisheries action group is operating.

**Production of bioenergy:** Increasing the use of renewable bioenergy is an objective in all programmes. In connection with bioenergy and other regional sector-specific projects, the **ERDF** supports the establishment of energy units across the local level, broad technology projects, the preparation of broad operational programmes, etc.

**Other joint sectors:** The **ERDF** programme targets the development of rural services in connection with broad environmental and infrastructure actions, actions that improve telematic connections, roads and accessibility in general, as well as basic services, such as the processing of waste and water management. The **ESF** programme includes significant investments in the financing of training and particularly in well-being at work and maintaining the working ability of rural entrepreneurs (including ageing farmers).

## France

The French approach aims at complementarity between the major funds, while recognising the differences between them in territorial focus. EFRD and ESF apply to the whole territory of mainland France (the 'hexagon'). The EAFRD relates only to the defined rural areas, and the EFF is focused only on fishing zones. However the ERDF, the ESF and the EAFRD have similar purposes, particularly in economic development and employment such as support for micro-enterprise and development of human resources.

In the RDP, the complementarity is expressed in the following way:

- "Actions of the same nature in different zones of intervention: while the ERDF and the ESF have vocation to intervene on the whole territory, the EAFRD is dedicated to the rural space. So the three programmes will allow concomitant similar actions on all the issues areas in the hexagonal

territory, for example development support for micro-enterprise in urban zones (ERDF) and in rural zones (EAFRD).

- Complementary actions in common zones of intervention: for example help to economic reconversion for people from rural space who are looking for a job (ESF) and lifelong learning (professional training) of the economic actors of the same space (EAFRD);
- Joint actions: to allow the realization of a large-scale operation: so ERDF can finance infrastructures in relation with the conservation of the biodiversity in Natura 2000 areas and EAFRD finances the operations of management of these places.”

A committee of common follow-up was commissioned, to provide dynamism and to optimise these complementarities for every region of the hexagon and with respect to the Community regulations. Double funding of the same operation is avoided by a so-called programming committee: it relies as much as needed on computer systems dedicated to the management of these funds.

At the level of axis 3 in Languedoc Roussillon the complementarity is stated in the following way:

- Support for enterprises: for the projects of creation of non-agricultural micro-enterprise: EFRD will support projects concerning innovation, while EAFRD supports projects for economic development and the creation of employment in rural areas.
- Territorial Animation: EFRD will support the implementation of policies led by the organized territories, while EAFRD supports actions related to land settlement for small territories and for the reduction of farming and viticulture.
- Training: ESF will support individual training, the acquisition of supplementary skill and the reintegration in the agricultural domain, while EAFRD supports short action of training / information focused on technico-economics aspects in connection with agricultural enterprises, the thematic of the axis 3 and collective training sessions.
- In the mountain areas within the region, it is also possible to use European funds for inter-regional cooperation within the framework of the policies for the Massif Central and the Pyrenees.

Complementarity is insured by a regional inter-funding committee which avoids double financing.

## **Germany - Bavaria**

The German National Strategy Plan for the development of rural areas states that the main coordination must take place at programme level. Responsibility for programmes rests with the Länder.

The Bavarian development programme has a primary task to reconcile the CAP reforms, the Gothenburg sustainable development objectives, and the focus of the EU structural funds focus on the revised Lisbon Strategy for growth as well as employment. Complementarity between the funds is ensured by taking into consideration SWOT analyses, evaluation results and economic and social partners' comments as the basis of programme design.

Programmes other than the DP support the RDP's objectives by action related to:

- Stabilising family farms by improving competitiveness
- Securing and creating jobs through increased value added in production and processing
- Developing new labour markets (renewable raw materials)
- Maintaining typical Bavarian cultural landscapes through land use/cultivation

- Protection of especially valuable habitats and species (especially for developing Natura 2000 and 'BayernNetz Natur' areas)
- Sustainable development of villages and rural areas, including cultural aspects.

This complementarity between the RDP and other EU funds is ensured by negotiation between the different programme teams; and by including representatives of two Bavarian ministries and of the EFF and EAGF administrative authorities in the RDP monitoring committee.

**ERDF:** Demarcation criteria are applied at the level of specific Measures in two fields:

- Flood control: EAFRD resources are available only for flood control measures related to 2<sup>nd</sup>- and 3<sup>rd</sup>-order water bodies, but the EFD programme supports measures related to 1<sup>st</sup>-order water bodies, and water bodies located in border areas. Double financing is avoided through a federal-state-wide electronic project database.
- Village renewal: demarcation between the Bavarian Village Renewal Programme and the Urban Development Programme is secured through an administrative agreement with the Supreme Building Authority of the Bavarian State Ministry of the Interior.

**ESF:** Demarcation between ESF and RDP Axis 4 is secured in the following way. ESF support is available throughout Bavaria, while Axis 4 applies only to LAG areas. Axis 4 can only apply to cases where support ESF support is not available.

**EFF** can support aquaculture-related environmental measures, which cannot be supported by the RDP.

For **RDP Axis 4**, there is a clear territorial demarcation between areas which have LEADER groups supported under that Axis and the regional management structures in other areas supported by the 'Bavarian Innovative Alliance', which is funded by the Ministry of Economy, Infrastructure, Transport and Technology.

## Germany -Brandenburg

The Berlin/Brandenburg RDP is based on the Lisbon and Gothenburg Strategies. It is harmonised with the strategies of the **ESF** and the **ERDF**. All three programmes contribute to the Brandenburg's strategy, which focuses on strengthening 'regional growth centres' and 'sector-related fields of competencies' on the one hand, and on meeting the challenges of demographic change. Cross-sectoral coordination within the strategy is the responsibility of the State Chancellery.

The RDP provides a table which states the type of demarcation criteria related to fields of support.

- Infrastructure - thematic, territorial and size/extent-related
- Tourism: thematic – territorial and size/extent-related
- Business support - thematic, territorial and size/extent-related
- Science and research - thematic
  - Natura 2000 areas - thematic.

**ERDF:** The **RDP** is targeted at agriculture, forestry and food industry enterprises as well as micro-businesses (less than 10 employees), and complementary infrastructure and services of typically rural character. All economic development measures beyond that are supported via the **ERDF**, which in Brandenburg is focused on: (1) strengthening the business sector's competitiveness and innovation capacity, (2) development of innovation- and technology-oriented infrastructure, and (3) support of



infrastructure-related potentials for a sustainable economic development. In the future, the ERDF will focus on 'regional growth centres' and 'sector-related fields of competencies'. In line with the 'theory of growth poles', it is assumed that stabilising growth centres will have positive effects on the surrounding rural areas. Such growth centres are to be integrated in the local development strategies for LEADER areas, and this will affect the selection of these areas.

Through Axis 4, the RDP will complement the **ERDF's** regional development strategy, which is mainly based on the concept of 'sector-related fields of competencies'. Besides food and wood-processing industry, this also concerns tourism as another field regarding regional potential. Provided that a close coordination is ensured, the respective projects may complement one another at the concept level e.g. the counterpoint between 'regional growth centres' and LEADER, as well as in the above-named thematic fields.

**ESF:** The ESF programme is focused on (1) strengthening strategic business development, (2) supporting lifelong learning, (3) stimulation of actor cooperation and networking, (4) advancement of innovations in labour market policy. These priorities are implemented via five main fields of support. Relative to Axis 3 of the RDP, the ESF programme is focused (1) improving 'human resources', (2) increasing "businesses' and employees' adaption and employment capacities", (3) overcoming labour-market-related and social exclusion, as well as (4) creating gender equality throughout the federal state. ESF will support activities in environmental education (such as a voluntary 'ecological year') that are not supported by the RDP. It will also support initial training/education, while the RDP supports advanced training and qualification specifically tailored to the needs and location factors of rural areas.

**EFF:** Beyond its core tasks, the EFF also contributes to rural development by supporting freshwater fishery. RDP measures, such as agri-environment schemes and cross-compliance, ensure the protection and pollution control of water bodies, which are the production basis of freshwater fisheries. The two funds are complementary, in that EFF does not support the care and maintenance of ponds, while the RDP does not usually support measures related to the implementation of fishery policy.

**CF:** As programme planning was still in the initial phase, no detail is given on the demarcation between the Cohesion Fund and the RDP. As a basic rule, measures in the fields of agriculture, forestry and food industry are supported by the RDP, and not within the Objective 3 framework. By way of territorial demarcation, Objective 3 support is provided only in marginal rural areas close to the German-Polish border, and only for measures implemented through German-Polish cooperation. In cases of potential overlap, the approving authorities in charge are obliged to examine and decide which support instrument should be chosen for promoting cross-national cooperation.

## Germany - Hessen

The following EU structural policy programmes are implemented in Hessen in the 2007-2013 period:

- Objective 2 operational programmes: (a) regional competitiveness (part of **ERDF**); (b) employment (part of **ESF**)
- Objective 3 operational programmes (European Territorial Cooperation): (a) transnational cooperation in Western Europe; (b) interregional cooperation (both part of **ERDF**)
- Fisheries support programme (part of **EFF**)
- Rural development plan (**EAFRD**)

The programmes listed above are integrated in a common framework, and it is stated in the RDP that the Community's Strategic Guidelines are allowed for in terms of consistency and coherence in all respects.

A working group of administrative authorities was established before the different programmes were prepared. As a result, there is a clear demarcation between the various support instruments, and the funds' administrative authorities are reciprocally involved in the programmes' monitoring committees. Coordination is also secured through ongoing fund-related reporting within the monitoring framework.

**ERDF:** The Objective 2 ERDF programme is aimed at improving business- and infrastructure-related location factors. Demarcation between this programme and the RDP is stated in the RDP:

- The following thematic fields are excluded from ERDF support: improvement of agricultural and forestry structures; Water Framework Directive; diversification: agriculture-related services provided by farmers; tourism businesses offering accommodation; tourism-related services; facilities related to basic services for the rural population; biomass use for energy generation.
- Territorial limitations regarding ERDF support related to business start-up and development; small tourism-related infrastructure: no support for Natura 2000 projects
- Limits to size or extent of projects apply in the fields of tourism: RDP support is limited to maximum of €150,000 for public projects, €45,000 for private projects.

The Objective 3 ERDF programme needs to be harmonised with trans-territorial and -national cooperation within RDP Axis 4. Overlap is excluded. Objective 3 projects need to be elaborated, implemented and financed jointly by partners from at least two countries.

**ESF:** The Objective 2 ESF programme is aimed at contributing to social and economic cohesion through improving employment and working conditions as well as increasing the employment rate.

**EFF:** Objectives of the Common Fisheries Policy relevant to Germany are allowed for in the National Strategy Plan. The Hessen EFF programme aims at (a) a further development of sustainable aquaculture and freshwater fishing, (b) processing and marketing of fishery products, and (c) creating and securing a good ecological and chemical condition of water bodies used by fishery. In rural (especially structurally weaker) areas, the EFF supports development and complements the RDP. Double financing is avoided by clear thematic demarcation.

**Axis 4 of RDP:** Integrated local development strategies in LEADER areas (especially their elaboration as well as the cross-thematic and - sectoral regional management) are supported only by the **RDP**. However, individual projects may be supported by the **ERDF**, **EFF** and **ESF**. Demarcation criteria, specified in the RDP, are used to avoid apply double funding, and synergy is this realised.

**LIFE+:** Overlap is avoided. However, RDP measures might be used as a framework for supporting LIFE projects.

## Greece

The Greek government seeks complementarity between funds in rural development rural areas. This complementarity does not follow strictly territorial criteria. This is justified because the rural areas are so extensive and varied, the coastline so long and the islands so numerous that needs cannot be met by use only of the EARDF and the EFF, which are the two funds dedicated exclusively to rural areas.

Two sets of criteria – general; and specific - are used to determine complementarity between funds. They include territorial, financial and administrative criteria.

In relation to rural areas, the **general criteria** for complementarity provide that:



- **CF and ERDF** focus on interventions for improving accessibility of rural areas and environmental infrastructure
- **ERDF** further focuses on large scale investments, protection of cultural heritage, upgrading the health and social security system, promotion of digital convergence, improvement of competitiveness and the business environment
- **ESF** focuses on upgrading public administration, improvement of the educational system and interventions in human resources.
- **EFF** focuses on the sustainable development of fisheries areas.

Within this general pattern of complementarity, there are some elements of strict demarcation, namely:

- Only **EAFRD** covers modernisation of agricultural and forestry holdings (Axis 1), value added of agri-forestry products and entrepreneurship actions for first transformation and commercialisation (only for micro-enterprises and SMEs)
- Only **ERDF** covers investments in water supply, waste and biological treatment
- Only **EFF** covers investments in the fields of water-cultivation, fishing in internal waters, sea fishing, first transformation of fishing products (with restrictions applying to the size of enterprises).

**Specific criteria** are grouped into five themes: infrastructure, human resources, natural environment, economy, and fisheries. Each theme is described below.

**Infrastructure:** Complementarity in support for infrastructure in rural areas observes the following rules:

- Financial criteria apply to infrastructure for tourism and cultural heritage, services for the improvement of the quality of life, restoration and development of villages and accessibility infrastructure. EARDF can finance investments of up to €300,000 (€1 million for restoration of villages and €50,000 for accessibility infrastructure). Any higher investments will be financed by the ERDF
- ERDF will cover exclusively the restoration of traditional settlements, infrastructure for information and communication technologies (ICT) and all other infrastructure in rural and fishing areas
- EFF will exclusively support infrastructure in small fishing shelters.

**Human resources:** Support for human resources in rural areas rests with only two funds, EARDF and ESF. Professional capacity building is supported by EARDF for all Axis 2 measures; and by ESF for measures 112, 121, 123 and 214. Information, awareness raising and training actions are supported by EARDF in relation to all rural development strategies and policies, forest strategy, innovation in rural development strategies, organic farming and bio-energy; and by ESF in relation to business administration and organisation and ICTs for rural development.

**Environment:** Complementarity in environmental interventions in rural areas uses sectoral and financial criteria:

- EARDF supports monitoring of genetic resources for production purposes, fire prevention actions, small scale renewable energy investments for farm use, technologies/products for the ozone layer protection, delineation and cartography of forest areas and protection of Natura 2000 areas (implementation of sustainable agri-forestry practices and agro-forestry measures for the protection of species).

- ERDF and CF support fire prevention equipment, large scale commercial renewable energy investments, mechanisms/tools/institutions for environmental management, spatial planning investments and protection of Natura 2000 areas (protection mechanisms and pilot projects, actions and studies for the protection of specific species, accessibility infrastructure).
- EFF supports environmental actions in fishing areas.

**Economy:** Complementarity in support for economic development in rural areas follows financial, geographic and sectoral criteria:

- For diversification activities of farmers, EARDF supports the creation and development of micro-enterprises and SMEs, the support of quality systems, small scale tourism investments (up to €600,000) and diversification towards the secondary and services sectors (up to €300,000); and RDF supports investments in these fields that exceed these financial ceilings.
- For diversification activities of non-farmers, EARDF will support municipalities of less than 3,000 inhabitants, investments of up to €300,000 and specific sub-sectors of transformation, trade and services; and ERDF supports larger scale areas and investments.

**Fisheries:** Support for fisheries rests with two funds - EARDF and EFF. For Axis 3, the demarcation will be by type of applicant, with RDP supporting public investments and EFF supporting private ones. For Axis 4, the demarcation will be territorial, with each specific area being supported only by one of the two funds.

**National and regional programmes:** Support for rural development can also come from the national programme "Environment and sustainable development 2007-2013" and the five regional operational programmes, especially with respect to Axis 2 environmental interventions, support to mountainous, disadvantaged and island areas, Natura 2000 support, agri-environmental and forest-environmental measures.

## Hungary

In the elaboration of the RDP an integrated approach has been taken into consideration. There is a clear demarcation line between the RDP and other Operational Programmes (OP). The RDP supports projects which contribute to the integrated development of rural areas. Its geographic scope is defined below. The implication is that other Funds do not cover the same areas, with the possible exception of the EFF.

**Geographic scope of the RDP:** Settlements with a population of less than 5000 permanent residents, or a population density of less than 100 inhabitants/km<sup>2</sup>, excluding the settlements of the agglomeration of Budapest. For Axis 3 measures, aiming at increasing the quality of life, settlements with a population of less than 5.000 inhabitants or with a population density of less than 100 inhabitants are eligible, excluding the cities and micro-regional centres, but including the outskirt areas of non-eligible settlements. Axis 4 can apply to settlements with a population of less than 10.000 permanent residents, or a population density of less than 120 inhabitants/km<sup>2</sup>, including the outskirt areas of non-eligible settlements can be supported under the RDP. The settlements of the Budapest agglomeration are in all cases excluded.

**EFF:** The Fisheries OP and the RDP have a different focus, but they can reinforce the effect of each other. The Fisheries OP supports the modernisation of existing, and creation of new, fish production and storing capacities; acquisition and renewal of fisheries implements, building and modernisation of fish processing facilities; research and quality control; promotion campaigns and actions; and pilot research projects.

The combination of the above principles is said in the RDP to ensure synergy, complementarity between strategies, and the avoidance of dual funding.

## Ireland

The RDP for Ireland is managed by two different Ministries - Axes 1 & 2 by the Department of Agriculture and Food, Axes 3 and 4 by the Department of Community, Rural and Gaeltacht Affairs. This influences the demarcation between the RDP and other funds.

In broad terms, there is clear demarcation between the RDP and other EU-funded programmes, and the RDP stipulates that operating rules will ensure that there is no double-funding. However, the following provisions show a good deal of geographic overlap, with ERDF and ESF supporting stated activities in the LAG areas.

- **Accessibility** — ERDF supports public infrastructure, while RDP Axis 3 can support community-based services.
- **Risk prevention** — ERDF can support publicly funded and managed protection of water sources in rural areas; and also pilot treatment facilities in small rural villages in order to protect water intended for human consumption and to prevent risks to public water supplies. The RDP supports on-farm privately co-financed pollution control, on-farm environmental protection and community amenity-type investments along waterways.
- **Renewable energies** — ERDF will support energy-efficient transport, public buildings and industrial premises, renewable energy demonstration projects, sustainable energy zones and innovation schemes. The RDP supports renewable energy development and initiatives by rural communities, which focus on use and adaptation of local resources and raw materials to provide innovative energy-efficient systems to local communities and small villages.
- **Natural and cultural heritage** — ERDF assists the restoration and upgrading of natural and cultural heritage sites in designated urban centres. The RDP is targeted at rural areas, including villages.
- **Broadband** — ERDF funding focuses on local infrastructure through the further roll-out of the MANS networks and Group Broadband Scheme for smaller rural communities, via regional and local authorities. The RDP supports local actions to benefit from the availability of broadband infrastructure, e.g. through access to public e-services.
- **Training** — ESF will support training to facilitate a return to mainstream employment and strengthen the national labour market pool. The RDP will fund limited local training of rural dwellers to maximise uptake of the LEADER methodology and facilitate involvement in measures under Axis 3.

Some LAGs also deploy Axis 4 of the EFF: for example, the South Kerry LAG has applied RDP funds to building an enterprise centre, and EFF funds to training of new entrepreneurs in the centre.

A committee has been established to ensure satisfactory co-operation and demarcation between EU-funded programmes.

## Italy *(referring to the RDP of Sardinia only)*

For the demarcation and complementarity between the RDP and other Funds, the regional RDP sets out the following demarcation lines, which accord with principles in the National Strategic Plan.

The RDP will provide support in the following main sectors:

- **Rural infrastructures:** the ERDF will fund the secondary and tertiary network in favour of the agricultural and forestry holdings, and connections to the main network; and water transport in general, the great water network and the local one, and also connections between urban and rural areas.
- **Research:** the RDP will fund industrial research in the agro-industry sector, innovation, experimentation and the transfer of results from the research to the holdings.
- **Logistics:** the RDP will fund the rationalisation of transport conditions, stocks and processing of products within farms and agro-industry companies; and will contribute to the realisation and rationalization of logistics poles, transport and integrated logistical services, including ICT.
- **Energy:** the RDP will fund structures for producing energy from renewable sources (micro-wind, photo-voltaic, sun) of small dimensions (up to 1MW). Bigger structures, as well as the biomass or thermodynamic structures, will be financed under EFRD.
- **ICT:** EFRD will finance the telecommunication infrastructures and the connection services, while the RDP will be involved in the promotion and the use of services based on ICT in marginal rural territories. i.e. in the areas C1 and D1 (see the case study in Section 4)
- **Basic services:** the EFRD will support improvement of the health and social services, while the RDP will support economic diversification of the farms in areas C1 and D1.
- **Tourism:** the RDP will contribute in the improvement of the local agro-food products and, for Leader areas, the improvement of the small accommodation structures (not classified as hotels), and the requalification of the centres of the villages; the EFRD will finance the related activities in the less-favoured areas and the interventions in re-qualifying the hotel structures.
- **Training:** the ESF will finance all the training actions for the actors from the agricultural and forestry field, including the LAGs; the RDP will contribute only to the information activities.
- **Aquaculture:** the EFF will handle all support to the aquaculture sector. If the LAGs and the GACs are operating on the same territory, the respective action plans will set out the demarcation between the two funds.

## Latvia

The RDP for Latvia focuses on the assessment of measures and resources to guarantee the complementarity with other activities co-financed by the EU. It sets criteria for this complementarity, defining which kind of projects are supported by each fund; the area of focus of each measure; and the specific actions and which fund is associated to them. The Table below, taken from the RDP, shows the relationship between the RDP measures and other funds.

The RDP makes specific reference to the complementarity between RDP Axis 4 and EFF Axis 4, in relation to Local Action Groups and local development strategies. Where the two funds overlap in territorial terms, detailed provisions will ensure complementarity and avoid double funding without excessive bureaucratic procedures.

<b>Latvia: Complementarity between RDP measures and other Funds</b>			
<b>RDP measures</b>	<b>Complementarity with measures supported by :</b>		
	<b>ERDF</b>	<b>ESF</b>	<b>EFF</b>
Vocational training and information actions		✓	✓
Use of farm and forestry advisory services		✓	
Setting up of management, relief and advisory services		✓	
Modernisation of agricultural holdings	✓		✓
Improvement of the economic value of forests	✓		
Adding value to agricultural products	✓		✓
Infrastructure related to the development and adaptation of agriculture and forestry	✓		✓
NATURA 2000 payments and payments linked to Directive 2000/60/ECC	✓		✓
NATURA 2000 payments (to forest owners)	✓		✓
Diversification into non-agricultural activities	✓		
Support for creation and development of micro-enterprises	✓		✓
Encouragement of tourism activities	✓		✓
Basic services for the economy and rural population			✓
Village renewal and development	✓		✓
Conservation and upgrading of rural heritage	✓		

## Lithuania

The National Strategic Reference Framework (NSRF) for Lithuania has three priorities which they aim to achieve through synergy between the different major Funds. Clear demarcation between the funds is used to ensure they are in line with the National Strategy for Rural Development and to fulfill the objectives defined in the NSRF.

The Priorities in NSRF are 1. Competitive Economy 2. Information Society and 3. Social and territorial cohesion. The RDP, supported as appropriate by the Structural Funds, will focus on:

- Increase in competitiveness of agriculture and forestry (NSRF Priority 1)
- Human Resource development in agriculture and forestry (NSRF Priorities 1 and 2)
- Improving quality of life (NSRF Priority 3)
- Improvement of environment and landscape (NSRF Priority 3).

The RDP is focused on issues relating most closely to agriculture, while ERDF and ESF focus on projects that have a wider remit and are of benefit to the wider rural community. This includes training, re-skilling and strengthening education systems.

Demarcation has been identified in a thematic way and varies according to the activity and applicant. For example, support for:

- human resource development is under RDP and ESF, with demarcation by type of applicant
- water management is under RDP and ERDF, with demarcation by type of applicant
- roads are under RDP and ERDF, with demarcation by type of applicant and geographic area
- innovation is under RDP and ERDF, with demarcation by activity supported.

The RDP specifies three priorities for Axis 1, three priorities for Axis 2, two priorities for Axis 3 and one Priority for Axis 4. These priorities more or less align to the NSRF Priorities. Against these, Lithuania has set up criteria for the demarcation within each Priority under each of the RDP Axes. The demarcation is specific to each Priority rather than by Fund or Axis.

The main demarcation criteria are

- type of beneficiary (for example farmers, natural or legal persons, municipalities)
- type of activities supported (for example agricultural, non-agricultural)
- the amount of support for implementation of a project (for example up to EUR 200.000, over EUR 200.000)
- the location of project implementation (for example rural area, urban area, LFA)
- physical characteristics of the object supported (for example farm roads, public roads).

**Fisheries:** National Strategy Plan for Fisheries will be funded by the EFF, with support from the ESF and the RDP. Together, they will support the development of a sustainable competitive fishery sector and increase the competitiveness of the processing sector through investment in modern technology. Capacity building to promote diversification activities outside fishing will be supported, as will bottom-up approach to project development.

**Coordination:** A National Paying Agency has been established to ensure that a control and monitoring system is set up and followed to avoid double financing of projects. There will also be a Single Monitoring Committee, with representatives from all the Structural Funds, which will ensure co-ordination between the funds on decision-making and selection criteria.

## Luxembourg

Luxembourg wishes to ensure complementarity between EAFRD, ERDF and ESF. Main priorities have been defined in the programmes, with ERDF concentrating on diversification of the economic tissue, research and innovation, and ESF on the labour market structural problems. The Operational Programme for "Regional competitiveness and employment" excludes ERDF or ESF support for any action purely agricultural in character, which relates to the RDP. As the EFF is not used there is no need for eventual coordination, and the RDP will not support aquaculture or fisheries activities.

At implementation level, in order to avoid double funding, the Ministry of Agriculture, Viticulture and Rural Development will regularly keep in touch with the Ministries of Economy and Labour responsible for the ERDF and ESF funds. The three Ministries have set up a coordination committee for the implementation of the RDP. Moreover, they have established a coordination system at the level of the monitoring committees of the different programmes: the EAFRD Monitoring Committee includes representatives of the ERDF and ESF Programmes, and vice-versa.

There is a territorial overlap, in that the EAFRD is applicable only to rural areas, as defined in the RDP, but ERDF and ESF are also applicable to these areas. Demarcation lines between the EAFRD and other funds are clearly drawn for Axes 1 and 2, and on a case by case basis for Axes 3 and 4 of the RDP.

Within Axes 1 and 2, the demarcation line is based on the nature of applications. If the applicant is a farmer or an organisation agricultural in character, then the project is co-financed by the EAFRD.

With regard to **Axis 3**, projects are first subject to a first checking, to control if they respond to selection criteria and also if they have not been already submitted to other programmes. The Commission for assessment of applications under Axis 3 of the RDP includes representatives of the ERDF and ESF. There are clear demarcation lines for some measures. For example, the ERDF cannot support some actions which fall within the scope of the RDP, such as diversification towards non-agricultural activity (Measure 311), village renewal and development (Measure 322), or conservation and enhancement of rural heritage (Measure 323). Some actions may seek support from either the RDP or ERDF, depending upon the size or type of project: for example, the RDP can support small infrastructures at local or communal level for tourism, while the ERDF supports larger infrastructures and services depending on regional or national public initiatives.

Projects submitted under **Axis 4** of the RDP are checked to see whether they have already been submitted in the framework of other national or Community programmes. If a project could be supported by different programmes, it may receive priority within the RDP, provided that it is in line with the Leader principles and is complementary to other programmes applicable to the same region. The Ministry for Agriculture, Viticulture and Rural Development will work with other relevant Ministries to ensure proper demarcation.

## Malta

The RDP outlines a clear approach to demarcation and complementarity. The demarcation is drawn between EAFRD funding and related OP, as well as on the level of Measures under Axes 1, 2 and 3. Through consultation with the authorities responsible for the drafting of the National Strategic Reference Framework (NSRF) and the National Strategy Plan for Fisheries (NSF), the areas of potential overlap have been determined and a number of demarcation criteria established regarding Axes 1, 2 and 3 measures (especially Measures 111, 123, 313, 323 and 341).

For the operational programmes funded through ERDF, CF, ESF and EFF, the situation is as follows.

**ERDF and CF:** Operational Programme I "Investing in Competitiveness for a Better Quality of Life" (Cohesion Fund and ERDF) has two objectives:

- Objective 1 Sustaining a growing, knowledge-based competitive economy
- Objective 2 Improving Malta's attractiveness and the quality of life.

The central theme of this Operational Programme is to improve the country's competitiveness through the generation of a better quality of life. The objectives aim at supporting entrepreneurship, promoting export development, mobilizing investment in the Research, Technological Development and Innovation Programme, sustaining the tourism industry and promoting culture. Objective 2 (see above) is underpinned by four Axes:

- Axis 3 developing the Trans-European Transport Network
- Axis 4 upgrading services of general economic interest,
- Axis 5 safeguarding the environment (including risk prevention)



- Axis 6 urban regeneration and improving the quality of life.

These Axes refer to diverse but interrelated dimensions to secure a better quality of life for the Maltese population, and to improve the attractiveness of Malta as an ideal investment location and a country with a good quality of life. Objectives 1 and 2 and the Axes are underpinned by technical assistance and administrative capacity building measures.

**ERDF** will focus on (a) investments targeted at increasing the efficiency of the general operations of enterprises, tourism attractions linked to Urban Regeneration Schemes, or projects that form part of the National Tourism Strategy as part of the “branding” exercise; (b) investments in built heritage in urban areas, and in rural areas only when associated with World Heritage sites or sites of national importance. It may also support implementation of those management plans for NATURA 2000 sites which are considered to be important in communities dependent on tourism and related to areas identified as Tourism Zones – which include Valletta and the Grand Harbour; Mdina, Rabat and Dingli; Sliema, St Julians and Paceville; Bugibba, Qawra and St Paul’s Bay; Gozo; and Coastal areas. The RDP will complement this last activity by support to the preparation of these management plans.

**ESF:** Operational Programme II “Empowering people for more jobs and a better quality of life” (ESF) has a prime objective to raise the overall employment rate. This will be achieved through (a) Investing in human capital and (b) Strengthening labour market structures. ESF will focus on training with a link to labour market, creating new employment opportunities (private sector enterprises, professional development of employees): its scope excludes farmers and cooperatives, which may be supported through the RDP. Activities under measure 341 of the RDP are strictly related to LEADER. And there will be no other EU funding for such activities.

**EFF:** Malta’s National Strategic Plan for Fisheries (2007-2013) states several objectives and priorities for the sustainable development of the fisheries sector. These objectives include development of the fleet, promotion of the aquaculture sector, development of the processing and marketing sectors, development of fisheries’ infrastructure, development of human resources in the fisheries sector, and sustainable development of fisheries areas. The EFF and EAFRD have little in common in that both objectives and target groups differ significantly. The possible exception to this demarcation is aquaculture in land-based systems, where a combination of agriculture and aquaculture development is pursued in particular for leisure/recreational purposes. However, such initiatives will not be funded through the EAFRD. There exists a possibility for overlap between the EAFRD and the EFF, under axis 4 of the EFF which focuses on the sustainable development of fisheries areas. The local strategy for EFF limits the application of RDP Axis 4 to infrastructural works in specific coastal areas in favor of existing fisheries communities, and only if these works are done in conjunction with other funding instruments and private participation; and it states that co-funding from EFF for such initiatives using the RDP shall not be possible.

## Netherlands

The point of departure for the use of the RDP fund as well as for the EU structural funds is the implementation of the integrated Lisbon strategy and the Gothenburg agreements. There is strict demarcation between the major funds, in order to avoid double funding.

The implementation of the Dutch RDP has a sectoral and a territorial track. Support for measures in axis 1 has no territorial demarcation. Axis 2 concerns measures in specific areas such as LFA’s, Ecological Network, and Natura 2000 areas. Support for Axis 3 and 4 measures is exclusively for “rural” areas i.e. the non-urban parts of the Netherlands, including villages and small cities with a maximum of 30,000 inhabitants.



Generally speaking, the ERDF concentrates on larger-scale projects with a broader type of actors and a focus on regional competitiveness, while the RDP has a focus on small-scale local level projects linked to the agricultural community. ESF is focussed on courses designed to develop more general knowledge and skills, while the RDP is meant for education and training specifically relating to objectives of and measures under axis 1.

The provinces, responsible for implementing axes 3 and 4 of the RDP and the structural funds programmes, can prevent double financing when assessing projects. A distinction will be made on the basis of the content of the RDP and structural fund programmes subject to a number of general, territorial and substantive principles. In order to decide whether a project is to be funded by the RDP or the structural funds, the following process is pursued:

- Starting point are the Council Regulations and the conditions formulated in the national strategies and the operational programmes of the Structural Funds on the one hand, and the national strategy plan (NSP) and RDP on the other. Most often, this gives a decisive answer.
- For the undecided cases, the MA will assess the aims/characteristics of the project. In general the RDP will be used at local level to support small-scale projects and targeted at the agricultural community; while the structural funds (ERFD) will be used for large-scale projects and investments focused on regional competitiveness and their beneficiaries will be a broader range of actors.
- If at this stage there are still some cases that could apply for support of both RDP and ERDF, the following projects are only eligible for RDP support: a) projects that fit in with Measure 124 (cooperation with regard to innovation) in case the total public costs eligible for subsidy are less than €1,428,572; b) projects that fit in with Measure 311 (diversification); c) projects that fit in with Measure 312 (establishment/ development micro-enterprises) for enterprises with BIK-codes 923, 935, 92629, 92642, 92724:( 927241- 927244); d) Projects that fit in with measure 313 in case the total of public costs eligible for subsidy are less than €500.000; e) Projects that fit in with Measure 321 (basic services); f) Projects that fit in with Measure 322 (village renewal and development); g) Projects that fit in with Measure 323 (conservation and improvement 'rural' heritage) as far as the total public costs eligible for subsidy are less than €500.000.

**EFF:** There is little overlap with the EFF and the RDP, except for aquaculture. Projects and activities involving a transition from agriculture to aquaculture fall under the EFF. Innovative developments in the chain could lead to activities that combine agriculture and aquaculture, in which case the main objective of the project will be decisive in determining the source of support, although aquaculture projects that are supported from the RDP must not conflict with the conditions of the EFF. Sports fishing does not fall under the EFF but may be co-financed by RDP Axis 3 if it involves diversification.

One axis of the EFF (axis 4) is intended for measures aimed at the sustainable development of fisheries areas. These measures are very similar to the measures under axis 3 of the RDP. The measures under EFF axis 4 have to be implemented by local groups and in that respect are very similar to the Leader approach of the RDP. The precise demarcation between the two has to be elaborated in the development plan in which a clear distinction has to be made between which part concerns the RDP and which part concerns the EFF.

**LIFE+:** Actions which receive support from another European fund cannot apply for support of Life+. Co-financing of Life+ is mainly targeted at small-scale investments in Natura 2000 areas (e.g. repairs). The RDP may support management of Natura 2000 areas by landowners. The precise demarcation between LIFE+ and the RDP is done in the measure fiches.

**Axis 4:** The development strategy of a LAG can go beyond RDP objectives, and part of their ambitions could be realized through the structural funds, thus achieving complementarity. But demarcation criteria have to be respected. In case the specific situation in the area and the intended development needs a further refinement of the demarcation criteria, this must be included in the development strategy.

## Poland

Objectives and measures aimed at rural development are included in a number of national and regional documents and programmes. In addition to the RDP, they are found in the following documents:

- At the **national level**, the National Regional Development Strategy, the National Spatial Planning Concept, the National Development Plan, the National Cohesion Strategy, the Integrated Operational

Programme for Regional Development, the National Environmental Programme, the National Environmental Policy, the National Afforestation Programme, the Strategy for the Reconstruction of Main National Roads in Poland, and some other sectoral strategies; and also national operational programmes, which include the OP for the Development of Eastern Poland, OP for Infrastructure and the Environment, OP for Human Capital (ESF) OP for the Innovative Economy, and OP for Technical Assistance.

- At the **regional level**, Development Strategies for each of the 16 voivodships and 16 Regional Operational Programmes.

There are certain similarities between objectives defined in these many documents, mostly with regard to infrastructure, but they complement each other rather than overlap. A clear demarcation line is drawn in the RDP between the potential overlapping measures, mostly on the basis of territory, project value or type of beneficiary. In order to eliminate double funding, a document entitled "Demarcation lines between Operational Programmes of Cohesion Policy, Common Agricultural Policy and Common Fisheries Policy" has been approved.

In relation to the measures under Axis 1, 2 and 3, a demarcation plan has been implemented according to specific measures:

- Vocational training for persons employed in agriculture and forestry (demarcation with ESF, according to beneficiaries)
- Increasing the added value to basic agricultural and forestry production (demarcation with ERDF, according to products covered in Annex 1 EC Treaty)
- EFF will provide support to promotion of sustainable aquaculture, protection and improvement of condition of natural environment under Natura 2000 network, where measure directly relate to fisheries management and restocking of endangered species

Axis 3 and Axis 4 are affected by territorial demarcation.

## Portugal *(referring to the Mainland RDP only)*

Relationships between the different major funds are defined at a strategic level in the Resolution of the Council of Ministers no. 25/2006 on the implementation of the National Strategic Reference Framework 2007-2013 (NSRF), and Resolution n. 425/2006 approving the guidelines on the National Strategic Plan for Rural Development.

Coordination between the funds is assured by:

- Participation of the Minister responsible for rural development in the Ministerial Commission for Coordination of the NSRF;
- The technical body for coordination and monitoring of the NSRF, which ensures the consistency of interventions in their compliance with this strategy, as well as the interconnection between operational programs, principally with EAFRD; and
- The adoption of an inter-ministerial body for strategic coordination with the governance model defined by the Resolution of the Council of Ministers no. 147/2006 (which approves the guidelines included in the National Strategic Plan for Rural Development).

The main principle pursued is a clear demarcation between funds, while recognising the potential for overlap. Where an activity could be funded either by the RDP or by another Fund, procedures are in place to avoid double funding.

For RDP Axes 1, 2 and 3, demarcation is based on the distinct role of different funds. Thus, in general terms, ESF and ERDF focus on support to public goods and services, while EAFRD supports non-public goods and services and has a specific focus on farm holdings. As for fisheries, the EAFRD can only support investments associated with inland water fishing and non-commercial recreational aquaculture, while commercial aquaculture and its production structure are supported by EFF. Complementarity between the different funds will be achieved through demarcation by territory, for the purposes of axis 3, type of intervention, nature of the investment, nature of the applicants, size of investment, and territorial impact of the investment.

In order to fix a clear demarcation of the financing responsibilities between the different funds, the RDP Mainland defines specific situations that can be financed by the EAFRD. These include:

- Support for the maintenance of agroforestry systems in all classified Natura Network areas, namely within Integrated Territorial Interventions (ITI);
- Interventions in rural territories regarding tourism in rural areas and Nature Tourism;
- Treatment of agricultural and agro-industrial effluents, either in on-farm interventions or in interventions in the interface of public systems of effluent treatment, including collection and pre-treatment
- Financing of micro-enterprises in rural areas;
- Financing of support to agri-food Industries in activities mentioned in Annex I to the Treaty; in the case of Forestry, this support is restricted to microenterprises and first processing products.
- Regarding vocational training and qualification, EAFRD responsibilities include financing specialized training oriented to the acquisition of specific knowledge aimed to meet the needs identified in the project of setting up young farmers or enterprise/organization staff covered by strategic chain plans or other integrated sector or territory interventions, directly articulated with support measures to the investment or with the application of production methods compatible with sustainable agricultural and forest management. The remaining interventions, in particular regarding initial qualification, lifelong learning, and vocational improvement or advanced training, either related to the agricultural sector or not, fall within the scope of **ESF**.

The RDP also defines the scope of RDP action and its complementarity with other Funds in relation to restoration of the environment, basic support services for the population, rural heritage, tourism, aquaculture, forestry industries, rural paths and electrification, Alqueva irrigation project and the Natura 2000 network.

**EFF:** In order to ensure complementarity with EFF, enterprises classified by the Portuguese Classification of Economic Activities as related to the fishing sector shall not have access to RDP Axis 3. In addition, communication procedures will be adopted between LEADER groups and those responsible for managing the measures financed by the EFF in overlapping areas.

## Romania

Under the Convergence Objective, through the NSRF, seven main Operational Programmes (OPs) will be implemented in Romania. Of these, five are funded through **ERDF and CF**, namely the OPs for Regional Development; Transport; Environment; Increase of economic competitiveness" (ERDF) OP: and Technical Assistance. Two are funded through **ESF**, namely the OPs for Human Resources Development; and for Administrative Capacity Development.

Romania will also benefit from support through the following programmes foreseen by the NSRF, under the European Territorial Cooperation Objectives:

- Cross-border cooperation, through distinct OPs, with Hungary; Bulgaria; Serbia; Ukraine and Moldavia; Hungary, Slovakia and Ukraine; and the Black Sea Basin
- Trans-national cooperation in the South– East European Area
- Inter-regional cooperation, through separate programmes with INTERREG IV C; URBACT II; ESPON; and INTERRACT II.

The RDP states that the intervention of EAFRD imposes the setting up of the demarcation from the Structural Instruments in the context of each Operational Programme (OP). Thus, in order to avoid possible overlaps of the support, the scope (at the level of axis 1), the type of intervention (at the level of axis 2) and the scope (at the level of axis 3) were considered as a demarcation principle. For a series of measures of Axes 1, 2 and 3, other specific demarcation criteria were considered, related to the following areas - transport infrastructure; water infrastructure; waste management; prevention of floods; nature protection; production of electric/thermal energy out of renewable sources; SMEs; consultancy services; guarantee funds; management of standards; tourism infrastructure; cultural patrimony; infrastructure related to social services; vocational training; and early retirement.

**ERDF and CF:** The demarcation between the RDP and ERDF and CF can be illustrated by the following examples:

- **Transport infrastructure** - demarcations based on the classification of roads, as stipulated in the national legislation, whereby ERDF supports investments related to the county roads and urban streets (Regional OP) and national roads (Transport OP); CF invests the trans-European Road Network; while the RDP supports minor rural roads.
- **Water/used water infrastructure** - demarcation is based on the Regional Master Plans: RDP supports water/waste water infrastructure projects from rural localities with under 10,000 equivalent population, except rural localities which are included in the Regional Projects financed under SOP Environment (ERDF, CF) and the water/waste water infrastructure projects for rural spa resorts which will be supported by ROP (ERDF).
- **Waste management** - ERDF and the CF (SOP Environment) support integrated management systems at county level which will also cover rural localities from the counties supported through SOP Environment and annexed to this programme; while then RDP (Measure 322) supports investment in waste transfer stations and related management equipment in the rural parts of counties not supported by SOP Environment

- **Prevention of floods** - RDP (Axis 1) will support constructions and modernisation of works of protecting agricultural and forestry lands against floods along the brooks from areas with risk of floods and affected by floods; while CF (SOP Environment) supports major investments by the National Waters Authority in the prevention of floods along the national rivers.
- **Nature protection** – RDP (Axis 2) targets the granting of compensatory payments for the users of agricultural lands located within the areas assigned by Natura 2000; preservation measures will be included in the management plans elaborated in the context of the ERDF intervention (SOP Environment by priority axis 4) production of electric/thermal energy out of renewable sources; and ERDF (SOP-EEC) can support enterprises that produce electric/thermal energy from bio-fuel (except enterprises that process agricultural products stipulated in Annex 1 to the Treaty) and enterprises obtaining energy from other renewable sources (except both enterprises that process the products from Annex 1 to the Treaty and micro- enterprises from the rural area).
- **SMEs' for productive activities** - ERDF (SOP EEC) can support micro-enterprises of the high-tech spin-off type throughout the Romania, except those which carry out processing of agricultural and forestry products; small and medium enterprises carrying out productive activities, except those involved in the processing of agricultural products and in the food industry; intermediary and large enterprises carrying out productive activities, except those involved in the processing of agricultural products and in the food industry. ERDF (ROP) can support micro-enterprises in the urban area except those carrying out activities of processing agricultural and forestry products and except the high-tech spin-off ones; small and medium enterprises carrying out tourism activities.
- **Tourism infrastructure** - ERDF (POR) shall support projects of tourism infrastructure in the urban area, as well as in Spa resorts (within the rural and urban area); large scale investments<sup>109</sup> in tourism infrastructure in the rural area, the total cost of project being of minimum 1,500,000 Euro; and national centres for tourism information and promoting within large tourism areas.

**EFF:** Demarcation between EAFRD and EFF is based on territorial and beneficiaries. The RDP targets persons involved in agricultural, forestry and agri-food activities throughout Romania, and non-agricultural ones within the rural areas, except those whose basic activity is fishery and aquaculture. The Fisheries Fund) targets the promotion of a competitive, dynamic, modern fishery sector and the ensuring sustainable fishery, targeting only the persons involved in this sector.

## Slovakia

The four main EU supported programmes implemented on the territory of Slovakia vary in their focus, and a clear line of demarcation between them is drawn within the RDP (usually based on the different types of beneficiaries or of supported activities). The RDP promotes those rural development activities that complement the support policies under the Structural Funds and the EFF. The RDP includes a table showing the demarcation lines between the RDP and other Funds.

**ERDF** provides aid for secondary processing of products not included in the Annex 1 to the EC Treaty. Coordination between ERDF and EAFRD is necessary also regarding Village Renewal and Development: the RDP supports communities NOT classified as growth poles, but also growth poles in territories covered by approved LAGs. The ERDF supports communities classified as growth poles except those located within the LAG territories. Separated and segregated Roma settlements and communities represent a specific issue, support for which is described in more detail within the ROP.

**CF:** RDP complements the CF especially through measures targeted at job creation by diversifying agricultural activities or in tourism. It also supports improvement of community infrastructure in communities not classified as growth poles.

**EFF:** The Fishery Industry OP, co-financed by the EFF, complements the RDP by supporting modernisation and diversification in its sector. The RDP facilitates participation of fish breeders in achieving compliance with the programme targets in the area of improving the quality of life and diversifying rural economy, specifically enabling them to participate in the growth of rural tourism. EFF supports modernisation, innovation and restructuring in aquaculture, stressing sustainable development and focus on domestic products.

## Slovenia

The Slovenian RDP provides for clear demarcation between the EAFRD and other EU Funds. Conformity and prevention of overlapping will be based on clear rules and on a mutual exchange of information on individual tenders among the responsible Managing Authorities. At the same time, the RDP expects support from a full range of other Funds towards the rural areas.

**ERDF and CF:** Axis 1 of the RDP supports activities in farming, agri-food and forestry, which are not subject to aid in the OPRR (Operational programme for strengthening regional development potentials). Axis 1 measures associated with the production and sale of agricultural products are investment-linked (purchase of equipment, licenses and patents also), while the OPRR endorses research and development projects, hence there is no risk of overlapping.

In the field of Axis 3, the RDP will support small enterprises in rural areas, while OPRR support goes to larger companies in urban settlements as well as micro-enterprises operating in urban areas. In the field of ICT, the RDP support will be limited to ICT equipment, while the OPRR will support the establishment of multi-band ICT networks, with access provided for specific users (educational, research and cultural institutions). In the same way, the RDP will support projects of village renewal centres and construction of local multi-purpose buildings, while OPRR supports regional facilities. Similar demarcation, based on size of project, will apply in the field of sustainable energy.

Action under Axis 4 to implement local development strategies is stated to be complementary to the OPRR and to OP ETID (Operational programme for environment and transport infrastructure development), which is funded under the Cohesion Fund. OP ETID supports state institutions in their work on infrastructure by (railways, freeways, state and regional roads etc) or municipalities on environmental projects which are beyond the scope of LAGs.

**ESF:** The RDP will support education and training aimed at promoting development and strengthening institutional competence at local level, while the ESF supports training at regional level.

**EFF:** The RDP does not overlap with the priorities of the European Fisheries Fund. The Operational programme for the development of fisheries sets out the following objectives - providing for sustainable and competitive fisheries; modernising and expanding aquaculture; modernising and expanding processing; promoting fish, fish products and the fisheries sector; providing suitable conditions for the work and safety of fishermen by means of establishing suitable infrastructure and the maintenance of piers and unloading docks; and (through its own Axis 4) promoting the development of coastal fishing areas and achieving long-term prosperity through diversification and integration of fishing with tourism, cultural heritage and national heritage. A Coastal Action Group (CAG) is expected to be selected for overseeing the implementation of Axis 4 measures

Demarcation between RDP and EFF is assured in two main ways. First, by reference to beneficiaries: the EFF is targeted at a select group of beneficiaries, namely fishermen, aquaculture and the fish processing industry, and this group is not entitled to RDP support. Where LAGs under the RDP and LAGs under the EFF overlap geographically, perhaps even with some of the same partners, transparent demarcation rules for measures and financing will be devised.

**LIFE+:** The RDP notes that Slovenia will gain about EUR4.5 million per year through the LIFE+ programme, increasing gradually to EUR5.5 million by the end of the programming period. Some overlap might occur with the RDP.

**National forestry programme:** The RDP will contribute to enhancing the economic efficiency of forest management, improving the competitiveness of the forestry sector, and enhancing the value and improving the quality of forestry products as well as in increasing the use of wood biomass for energy purposes in order to combat climate change (Kyoto Protocol). These activities will complement those under the National Forest Development Programme, which will focus on conserving, enhancing, developing and maintaining private forests for their ecological, protective and recreational purposes; and also the training and information activities in the field of agriculture and forestry carried out by a joint public body managed by the Chamber of Agriculture and Forestry and the Slovenian Forest Service.

## Spain - Andalucia

The objectives of the RDP are consistent with the **Community Strategic Guidelines** (CSG) in the field of economic, social and territorial cohesion for the 2007-2013 period. More specifically, the following links exist between the CSG and the RDP:

- The promotion of synergies between growth and the environment is reflected in Axis 1 and 3 and more explicitly in Axis 2 of the RDP;
- Investment in human capital is manifested in the training and cooperation measure of Axis 1 and 3 of the RDP;
- The promotion of enterprise innovation is found in the restructuring measure of Axis 1 of the RDP as well as the diversification actions of Axis 3;
- Efficient energy use is reflected in the Axis 1 measures concerning modernisation of agricultural holdings and adding value to agricultural products.

The main overall difference between Community Funds is that the ERDF and the Cohesion Fund focus more on the sustainable use of agricultural land and the conservation of natural heritage, whilst the ESF is distinguished for its influence on knowledge and human capital.

**ERDF:** The ERDF programme focuses on the improvement of the quality of life in rural areas and the diversification of their productive structure. The ERDF complements the RDP actions in four main fields:

- The modernisation and increased competitiveness of the agrarian sector through the investigation of new resources that could be exploited and lead to employment creation and new business opportunities in rural areas (Axis 1 of ERDF OP),
- Diversification of the rural economy through the promotion of economic activities in the industry and service sectors (Axis 2 and 5 of the ERDF OP);
- Improvement of the natural environment through actions for the protection and regeneration of the natural environment and the promotion of biodiversity (Axis 3 of ERDF OP);



- Improvement in the quality of life through actions for the improvement of infrastructure and basic services in rural areas (Axis 4 and 6 of the ERDF OP).

Axis 4 (Leader) of the RDP is the only one not reinforced by the ERDF OP, which is explained by the instrumental character of this Axis that promotes the use of a specific management and implementation model for rural development projects at local level.

**CF:** The most distinguished element of the Cohesion Policy is the territorial focus through adaptation to the specific needs and priorities of each area. This corresponds to the RDP strategy elaborated on the basis of a diagnosis of the concrete situation of the Andalusian rural environment and the implementation of local development strategies using the Leader approach (Axis 4).

**ESF:** The ESF programme focuses on improvement of the quality of life in rural areas of Andalucía and the promotion of knowledge and improvement of human capital. The ESF OP complements the ERDF actions in five main fields:

- The modernisation and increased competitiveness of the agrarian sector through the promotion of adaptability of rural economic activity to market requirements. This is achieved both through training of small entrepreneurs and workers and the promotion of an entrepreneurship culture in rural areas (Axis 1 of ESF OP);
- Improvement of the natural environment through awareness raising actions towards enterprise and workers (Axis 1 of ESF OP);
- Improvement in the quality of life and rural economy through training, employability and inclusion actions;
- Support of the Leader methodology through actions that promote local networks and associations, the implementation of local initiatives (Axis 2 of ESF OP) and actions in the field of transnational cooperation (Axis 4 of ESF OP);
- Support to training and research in order to generate knowledge, products and processes that combine progress and sustainability of the agrarian sector.

**EFF:** The EFF complements Axis 3 of the RDP by co-financing economic diversification in rural fishing areas, managed through the LAGs.

The RDP is also complemented by **other regional policies and programmes**, namely, the restructuring plans for the cotton and tobacco sectors, the strategy for competitiveness of Andalucía 2007-2013 (stresses technological, human and physical capital), the environmental plan for Andalucía 2004-2010 (focuses on sustainable development and territorial planning), the forest plan of Andalucía (focuses on compatibility between forest production and protection of the natural environment), the sustainable development strategy of Andalucía (addresses climate change), the innovation and modernisation plan of Andalucía (focuses on access to information and communication technologies and innovation in rural areas), the organic farming plan 2002-2006 and the strategic plan for organic agriculture in Andalucía 2007-2013 and, finally, the general tourism plan of Andalucía (stresses compatibility between tourism development and the environment).

## Spain - Catalonia

The general aim is to ensure complementarity between the RDP and other EU funds.

**ERDF:** The objectives of ERDF in Catalonia are to improve the conditions for competitiveness of the Catalan economy and to promote information society; to enhance sustainable development, particularly



to reduce environmental risks and to promote renewable energy; to improve access to social transport services; and to stimulate local and urban development and the social and territorial cohesion. These objectives of ERDF overlap in rural areas with those of the RDP. The RDP can support innovation in agriculture and improvement of quality of agricultural and food products (overlap with ERDF objective i), utilisation of forest areas (overlap with ii), diversification of rural economy, LEADER and strategy for selected territories. To avoid double-financing, a coordination committee between the respective managing authorities is established.

**ESF:** The objectives of the ESF in Catalonia are to promote entrepreneurship and to improve adaptability of labour, firms and entrepreneurs; to improve the ability to be employed, inclusion social and equality between men and women; to improve human capital; and to promote international and inter-regional cooperation. These objectives overlap in rural areas with those of EAFRD. Since EAFRD aims at agriculture, the programmes complement each other thematically. Avoiding double-financing is ensured by close cooperation between programmes; and a Commission representing both programmes meets once year to resolve possible issues.

**CF:** The Cohesion fund, with its transport and environmental objectives, complements the RDP on a basis of thematic and territorial demarcation (small scale infrastructure and rural focus in RDP and the opposite in CF). Application by one beneficiary to both funds is unlikely, because the minimum financial size of the Cohesion Fund projects is beyond the capacity of actors applying for RDP measures. However, for better guarantee of no double financing, a coordination committee between funds is established.

**EFF:** In respect to EFF, the complementarity and demarcation is effectively territorial in nature. EAFRD applies to agricultural and rural areas, and EFF to fishery zones. The Ministry of Agriculture is responsible for both programmes, and can secure complementarity between them.

## Spain - Navarra

The EAFRD, ERDF and ESF can all be used for the economic development of rural areas in the Autonomous Region of Navarra. Demarcation and complementarity are expressed in thematic terms, while territorial aspects are not mentioned at all.

**ERDF:** While the overlap of ERDF and EAFRD is negligible, ERDF does complement EAFRD in support for innovation in small enterprises and for the spread of ICT in terms of technical capacity and use. In the field of support to small enterprisers, double financing is avoided by exclusion of food processing enterprises from ERDF support: also, in the case of agro-tourism enterprises, the Department of Agriculture, Livestock and Food will ask for information from the Department of Culture and Tourism before the contract is settled.

**ESF:** The general objectives of ESF to create jobs, to integrate excluded persons and to enhance labour skills, are similar to those of EAFRD. Agricultural and food processing enterprises are excluded from ESF support, as is agricultural training from the ESF training programme.

**CF:** The Cohesion Fund CF is not mentioned in the RDP. The Fund does apply to Navarra, but it appears to concentrate on completely different issues

## Sweden

For demarcation, the RDP specifies the roles of ERDF, ESF and EFF by reference to each EAFRD measures. For example, for encouragement of tourism activities, it states that ERDF will support large-scale strategic projects, while EFF support is limited to fishermen and fisheries areas.

Synergy between priorities and measures targeted towards regions and rural areas will be further developed in the programme period. So, co-ordination between **EAFRD, ERDF, ESF, CF and EFF** will become stronger, in order to ensure that double funding and overlap do not occur.

The National Strategy of Regional Competitiveness, Entrepreneurship and Employment aims to harmonise regional development policy and EU cohesion policy in Sweden. The priorities identified at national level synergise with regional development programmes. The Structural Fund programmes will be developed in partnerships based on those existing at County level. Priorities are identified as Innovation and Renewal; Skills Supply and Increased Labour Supply; Accessibility; and Strategic Transboundary Cooperation. Sparsely populated areas of northern Sweden and metropolitan areas seem to need special attention.

Local partnerships play an advisory role to ensure that the demarcation is applied appropriately at regional level. This will also ensure that the same type of action is not implemented and financed in the same geographical area from more than one programme. Applications are submitted to the County Board where they are scrutinized and checked. If they are in a 'grey area' (i.e. bordering on other funds) then people responsible for these funds are consulted. Regular consultations are carried out with all other authorities concerned including Board of Fisheries, Swedish Agency for Economic and Regional Growth (Nutek) and ESF Council.

There are links between the RDP and **other financial instruments**, for example LIFE+, the EU Framework Programme for Research and Technological Development, and the 7<sup>th</sup> EU Framework Programme for Competitiveness and Innovation. Projects funded through LIFE+ will not be eligible for funding under RDP and vice-versa. No delineation problems are stated between either of the other two programmes and RDP.

## United Kingdom- England

In England, the programmes funded by the four EU funds – EAFRD, ERDF, ESF and EFF - are generally focused on different, though complementary, priorities.

**RDP:** The RDP is focused mainly on the environment and countryside. Around 80% of the EAFRD contribution to the RDP will be spent on Axis 2, and there is no scope for overlap between this and the activities supported under the three structural funds. However, there is some scope for overlap, particularly between the RDP and the ERDF programmes on Axis 3, on Leader and in some areas targeted by Axis 1.

**RDP** expenditure will be targeted towards rural areas, particularly those areas, sectors or communities where there is a demonstrable and significant need. It will be focussed on supporting rural economies at the local level. This includes interventions in agriculture, such as supporting innovative farm diversification and woodland enterprises. It will also include enabling growth of existing micro-enterprises and encouraging start-ups, and improving skills and employment opportunities for individuals in the rural workforce where this support cannot be provided elsewhere.

**ERDF:** Interventions under the ERDF Programmes will generally be much larger in scale than any interventions under the RDP. The ERDF will support broadly focused regional and sub-regional activity, contributing to improved regional economic performance or as part of national employment and skills programmes. This may include interventions that help to develop the knowledge-based economy at a strategic level, enable small and medium-sized enterprises to become more competitive and more efficient in their use of natural resources, build sustainable communities, and increase employment by breaking down barriers to work

**ESF** will not fund activities that support agri-food schemes or the primary processing of agricultural and/or forestry products; nor will it focus on specific vocational training for individuals employed in enterprises engaged in these activities. However, ESF will be able to support training in basic and intermediate skills and other generic training for individuals employed in enterprises engaged in these activities. These principles will apply equally to the EFF in respect of fish and shellfish products and processing.

**EFF** will support the overall aim for fisheries management in the UK, which is to achieve a fishing sector that is sustainable, profitable and supports strong local communities, managed effectively as an integral part of coherent policies for the marine environment. It will focus on providing a long-term sustainable future for the fishing industry through promoting investment in innovation and technology, ensuring environmental best practice, developing efficient supply chains with strong links between fishermen, growers, processors and customers and improving port infrastructure and operations. It will also help to tackle social exclusion and promote long-term prosperity in communities traditionally dependent on the fishing industry where this support cannot be provided elsewhere

**Coordination:** At national level, the RDP Managing Authority works with the Managing Authorities for the other programmes to ensure effective coordination and complementarity between programmes. For example, Defra (the Ministry responsible for the RDP) is represented on the ESF Programme Monitoring Committee (PMC). The ERDF regional programmes will each have a regional PMC, on which Defra will be represented by the regional Government Offices.

At regional level, England's Regional Development Agencies (RDAs) are responsible for implementing Axes 1, 3 and 4 of the RDP, and the socio-economic elements of the RDP (with the exception of the Regional Development Agency for London, which does not receive any EAFRD support). They also have major role in delivering the ERDF programme. Given this double role, the RDAs will ensure coherence in the day-to-day management of the socio-economic support under the RDP and the ERDF programmes. They will ensure that work carried out at the regional level under the two funds is complementary. Robust project development and selection processes will ensure that any duplication is avoided. Each region in England has an Operational Programme for the ERDF, which will set out defined demarcation criteria for the ERDF and EAFRD. Demarcation can be either by sector of activities, the type of operation, the size of operation (e.g. tourism infrastructure above a certain size) or the type of beneficiary (farmer/non-farmer). For some activities, it may also be possible to demarcate in other ways, for example by defining the split between capital and revenue expenditure or defining geographical boundaries.

The RDAs will also have a leading role in the delivery of the ESF at the regional level. This role is secured by their membership of the Regional Skills Partnerships (RSP), which also include the Learning and Skills Councils and other key planning and funding agencies responsible for employment and skills provision. The RDAs will work closely with Leader Groups as they implement their Local Development Strategies under Axis 4 of the RDP. Leader Groups will be aware of the need to ensure that there is no duplication of funding in project selection. RDAs will be responsible, with the Leader groups as appropriate, to ensure demarcation on the ground.

## United Kingdom - Northern Ireland

The Northern Ireland RDP confirms that the support under the RDP is complementary to the objectives of the Structural Funds and the Common Fisheries Policy.

**EAFRD:** The RDP will focus primarily on the farming, agri-food sectors and rural communities, and is shaped thematically around the 4 regulatory axes, with no mention of territorial demarcation. Three separate Programmes have been developed to run alongside the RDP to ensure demarcation - the

Sustainable Competitiveness Programme, funded through ERDF; the NI European Social Fund, funded through ESF; and the European Fisheries Fund, funded through EFF.

**ERDF:** The Sustainable Competitiveness Programme (€306m), funded under the ERDF, is much larger than the RDP (€170m). It focuses on support to large capital structures. It has three 3 priorities – 1. Sustainable Competitiveness and Innovation; 2. Sustainable Enterprise and Entrepreneurship and 3. Improving accessibility and protecting and enhancing the environment.

ERDF Priority 1 will focus on increased participation in Research and Development: this will be complementing EAFRD in relation to the introduction of new technology. ERDF Priority 2 is complementary to Axis 1 and Axis 2 of EAFRD. Axis 3 is delivered by Leader and there will be clear separation to ensure no overlap between EAFRD and ERDF funds. ERDF Priority 3 includes actions supporting renewable energy which can and will be focused on large scale projects, whilst Axis 3 of EAFRD will support small scale projects in the same field. Priority 3 also funds 'next-generation' broadband. Clear demarcation will be present to target EAFRD and ERDF funding appropriately.

**ESF:** The NI European Social Fund Programme (€165m) has 3 priorities – 1. Helping people into sustainable employment; 2. Improving workforce skills and 3. Technical assistance. There will be no overlap with actions under the EAFRD programme. The only common area is training. Under the EAFRD, training will be targeted at farm businesses ensuring that they are up to date with the latest techniques to maximise returns. In contrast the ESF programme will aim to develop a skilled and adaptable workforce by improving their qualifications and skills, particularly those without basic skills or low or no qualifications.

**EFF:** The European Fisheries Fund Programme is the smallest programme at €18m. Its aim is to ensure a sustainable and profitable fishing sector, whilst supporting strong local communities. It will invest in innovation and technology, ensuring environmental best practice and developing strong links within the supply chain. Demarcation between EFF and EAFRD will be achieved by EFF concentrating on the fisheries sector, which will not be supported through EAFRD. Any overlap is most likely in Axis 3, but there will be clear separation of instruments at local level to ensure this does not occur.

Administrative arrangements have been made to ensure complementarity and demarcation by each Programme Monitoring Committee, including representation from all the other Monitoring Committees. At a project level criteria will be established to ensure no duplication between the instruments.

## United Kingdom - Scotland

The Scottish Executive is committed to ensuring complementarity and clear demarcation between the different European funds.

**EAFRD** funding will be focussed on supporting diversification of rural economies at the local level. This includes support for innovative farm diversification, for woodland enterprises, and for direct product development by individual companies or by collaboration within the food supply chain. More widely, it will encourage creation of new, and growth of existing, micro-enterprises, and improvement of skills and employment opportunities for low-paid rural workers where this support cannot be provided elsewhere.

**ERDF and ESF:** European Structural Funding will primarily address rural issues as part of a wider activity contributing to improved economic performance or as part of integrated employment and skills programmes. This will include interventions that help to develop the knowledge-based economy at a strategic level, to enable small and medium sized enterprises to become more competitive and more efficient in their use of natural resources, to build sustainable communities, and to increase employment by breaking down barriers to work and increasing skill levels for all. Structural Funding will also cover

support for wider innovation capacity of enterprises, for example the building of laboratory facilities and purchase of new testing equipment and research and development skills training, but not specific research and development projects and prototype development or testing.

In the field of biodiversity, including Natura 2000, the EAFRD and Structural Funds will have complementary roles. The RDP will support land-based measures that sustain ongoing conservation and enhancement of biodiversity, in keeping with the principles of sustainable development. The ERDF will provide business development support for projects that may be related to Natura 2000 or other designated sites, but will not fund ongoing management of these sites.

In relation to Axis 3 and Axis 4 of the RDP, scale is a major factor in determining whether projects would qualify for EAFRD or Structural Fund support. Projects funded by the EAFRD will focus on small-scale infrastructure and small and micro-businesses, and support for local community infrastructure projects, while projects of more regional significance may be considered for funding using Structural Funds. Under Axis 3, the RDP may support upgrading of existing tourist accommodation and developing small-scale tourist visitor infrastructure: this will complement ERDF funding aimed at improving business practices and developing new products. The RDP will also support action to add value to rural goods and services, build capacity in local communities, promote public enjoyment and understanding of the countryside, and promote the restoration and enhancement of historic architectural and archaeological features in the landscape. These actions will focus on specific areas of need, identified through regional priorities for the RDP, and will be addressed through measures which will be examined for complementarity with the other funding streams such as ERDF and EFF.

As for Axis 4, the wide-ranging membership of LAGs will assist in guarding against overlaps in funding. Since Axis 4 is cross-cutting over the other 3 Axes, LEADER has the potential to contribute to outcomes and priorities across the three Axes. There will be co-ordination between the Managing Authorities for EAFRD and ESF which lie in different Directorates of the Scottish Executive, and with the Strategic Delivery Bodies, namely Scottish Enterprise and Highlands and Islands Enterprise. Activities to be co-financed under Axis 4 will be checked for consistency with such activities as are included in the Scottish ERDF regional programmes and in particular against the specific demarcation tables included in these programmes.

**EFF:** The European Fisheries Fund will provide support to develop and manage viable and sustainable marine and inland fisheries, including aquaculture, while safeguarding the environment. The overall aim is to create a fishing sector that is sustainable, profitable and supports strong local communities, managed as an integral part of coherent policies for the marine environment. EAFRD funding for biodiversity through land-based activities will provide measures that would not otherwise be open to fishing communities. Synergy with EFF is therefore most likely in coastal areas where activities supported under RDP could benefit marine communities. There may be particular instances where funding in such areas may be provided through the RDP as part of an integrated rural development project, provided such proposals are admissible and there is no overlap in funding. In establishing priorities and assessing applications at a regional and local level, particular attention will be paid to ensure that Axis 3 and Axis 4 of the SRDP and Axis 4 of the EFF programme dovetail in the provision of rural services.

**Coordination:** In Scotland, the Managing Authority for both EAFRD and for European Structural Funds is the Scottish Executive, with responsibilities lying in Rural Directorate and Enterprise, Energy and Tourism Directorate respectively. The SRDP and Structural Funds Programmes, along with the Scottish interest in the EFF (which will have a single UK Managing Authority) are being developed in parallel by the Scottish Executive, with particular attention given to complementarity or areas where project eligibility could overlap.

Complementarity between EAFRD funding and other funds will also be ensured through joint working and, in some subject areas, membership of the respective Monitoring Committees and project assessment committees. This approach will enable funding under each programme to be focused on its strategic priorities and will be particularly important where Structural Funds programmes contain a rural priority. For the EFF there will be a UK wide operational programme with the Marine Directorate of the Scottish Executive responsible for implementing in Scotland the operational programme. As with the other Programmes, complementarity will be secured through joint working and close co-operation including membership of committees established to monitor or assess the implementation of EFF in Scotland.

**Environmental funds:** Two further sources of funding for biodiversity relate to the SRDP. The **LIFE+** programme will complement the SRDP by filling funding gaps where special support is required to meet Natura 2000 and biodiversity targets. **Scottish Natural Heritage** will continue to fund, outside the RDP, some management agreements for Sites of Special Scientific Interest. Careful co-ordination will be maintained, as part of the 'On the Ground' approach, between the Scottish Executive and Scottish Natural Heritage to ensure that support through the RDP complements that provided by Scottish Natural Heritage.

## United Kingdom - Wales

The RDP for Wales states the government's commitment to ensuring complementarity and clear demarcation between the different European funds.

**EAFRD:** The RDP funding focuses on supporting diversification of rural economies and improving the quality of life at the local level. The ERDF and ESF Funds will primarily address rural issues as part of wider regional, sub-regional or national activity contributing to improved economic performance or as part of integrated employment and skills programmes. The European Fisheries Fund will provide the support to develop and manage viable and sustainable marine and inland fisheries, including aquaculture.

**Structural Funds:** The ERDF and ESF Funds will complement the RDP Axis 2 activity by supporting environmental enhancement where it is undertaken for a clear economic outcome. In the socio-economic field, the RDP activity under Axes 3 & 4 will occur within a single local authority area or through similar projects taking place in adjacent local authorities, whereas the ERDF and ESF will act on a wider strategic and spatial level. There is considerable scope for adding value to ERDF and ESF Funds through the smaller scale RDP projects, with a focus on enhancing non-vocational skills, developing alternative sources of income, and addressing general social and cultural needs. There is also considerable scope for adding value to RDP activities through the ERDF and ESF Funds, for example by funding physical infrastructure as part of integrated regeneration programme that is not possible under the RDP itself.

**EFF:** There is scope for complementarity between EAFRD and EFF in both the environmental and socio-economic fields. The EFF will focus on marine protection issues. There is potential for synergy between the activities of different landowners on adjacent areas and links with community focused environmental and biodiversity improvements; and for collaboration on wider environmental programmes related to climate change, water quality/quantity, air pollution, waste management etc. Synergy with EFF is most likely in coastal areas where activities supported under Axis 2 could enhance marine-focused activities. On the socio-economic side, the EFF will focus on people in the fisheries sector and their families, while the RDP support through Axes 3 and 4 the wider personal and community needs and developments outside that sector, such as craft development or tourism.



**Example: Information Technology.** The approach to complementarity between funds may be illustrated by the example of ICTs. The **ERDF** will encourage firms to embed and fully utilise ICTs; will address social and other barriers to ICT uptake and exploration by firms, citizens and communities; and will promote common platforms to encourage fair and open access to technologies. **ESF** will support acquisition of ICT, generic and occupational skills in the workforce; and training linked to the successful exploitation of ICTs by SMEs and community organisations. **EFF** will support encouraging computerised management of fishing activities. **EAFRD** will support the take-up of ICTs by the agriculture and forestry sectors; encouraging agri-food businesses to embed and fully utilise ICTs; will work at the local level to encourage communities and individuals to utilise ICTs; will support rural micro-enterprises to engage with and fully utilise ICTs; and will support investment in local and community projects (e.g. village halls, community centres, etc.) to encourage linkages to ICTs.

**Coordination:** The RDP provides a detailed Co-ordination Table, showing which fund will support which activities and at which spatial level. The Co-ordination Table is organised around the five main 'priorities' (and related 'themes') identified by the ERDF Convergence Operational Programme, namely 1. Building the knowledge based economy, 2. Improving Business Competitiveness, 3. Developing strategic Infrastructure for a modern economy, 4: Creating an attractive business environment, and 5: Building Sustainable Communities

To ensure that overlap cannot occur between measures of the EAFRD and the other funds, the RDP sets out three key measures:

- Cross membership of the respective Programme Monitoring Committees for the RDP, the ERDF and ESF Funds and the EFF.
- A specific statement in the ERDF and ESF Funds' eligibility rules that farmers and those engaged in primary processing of agricultural, fisheries or forestry products are not eligible for support from the ERDF or ESF for these activities.
- External guidance for potential ERDF and ESF Fund project applicants, developed jointly with staff working on the RDP and the EFF programme for Wales.

To eliminate the potential for double funding and to maximise complementarity at a project level, further communication will be made between the respective teams at application stage. As part of the process, applicants will need to show how their project fits with the relevant strategies and programme including the ERDF and ESF Funds and the EFF. In addition, specifically for activities under Axes 3 & 4, to eliminate the potential for double funding and projects working against each other, all applications for support under Axes 3 and 4 will be subject to rigorous, cross-Departmental appraisal in addition to the consideration of compatibility/demarcation with the ERDF, ESF and EFF.