



Factsheet on 2014-2022 Rural Development Programme for Greece

The Rural Development Programme (RDP) for Greece was formally adopted by the European Commission on 11 December 2015 and last modified on 19 April 2023. This document outlines Greece's priorities for using the € 7.78 billion of public money that is available for the period 2014-2022 (€ 6.51 billion from the EU budget, out of which €365 million EURI, and € 1.27 billion of national co-funding). The latest RDP amendment, adopted on 19 April 2023, introduced exceptional, temporary support to farmers particularly affected by the impact of Russia's invasion of Ukraine.

The Greek RDP focuses mainly on enhancing farm viability and competitiveness, preserving and enhancing ecosystems and promoting local development in rural areas. Farmers will receive support to put 19.32 % of the Greek farmland under contracts to preserve biodiversity, 19.09 % to improve water management and 18.18 % to improve soil management and/or prevent soil erosion. Investment support for restructuring and modernisation will be provided to 8 978 agricultural holdings and 36 900 young farmers will receive start up aid. In addition, 29 250 agricultural holdings will receive support to participate in quality schemes, local markets, develop short supply chains and producer groups/organisations and about 450 agri-food businesses will receive support for investments in processing and marketing of agricultural products. Support for knowledge and innovation activities makes up almost 2.57 % of the planned public expenditure and the RDP will create around 28 600 training places for farmers and other rural businesses. The RDP will also support local development via LEADER Local Action Groups covering more than two thirds of the country's rural population and improve access to basic services for approximately 10% of the rural population, including IT infrastructures (e.g. broadband internet).

In 2020, as a response to the COVID-19 pandemic, the Greek RDP introduced exceptional, temporary support to the olive oil sector to an estimated 143 648 potential beneficiaries.

Support for Rural Development is the 2nd Pillar of the Common Agricultural Policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28 Member States¹. The RD Regulation for the period 2014-2022 addresses six economic, environmental and social priorities, and programmes contain clear targets setting out what is to be achieved. Moreover, in order to coordinate actions better and maximise synergies with the other European Structural & Investment Funds (ESIF), a Partnership Agreement has been agreed with each Member State highlighting its broad strategy for EU-funded structural investment.

¹ The UK left the Union on 31st January 2020; in accordance with the Withdrawal Agreement support under Rural Development continues to apply in the UK during the 2014-2020 programming period

This document provides a brief overview of how the challenges and opportunities Greece is facing are addressed by the RDP. In the annex, a table indicates the priorities and focus areas each with their specific targets, and their allocated budgets.

1. SITUATION AND KEY CHALLENGES

Greece will implement a single national Rural Development Programme. The country covers an area of 132 049 km², of which 62.6 % is predominantly rural and where 31.9% of the population live. Over half of the country's 709 500 agricultural holdings have less than 2 hectares and the small and fragmented land parcels constitute one of the main characteristics of Greek agriculture. The lack of a skilled workforce is a barrier to growth for farms. Only 5.2% of farm managers are less than 35 years old and merely 5.5% of all farm managers have agricultural training. The indicator measuring the standard of living of farmers stands at 80% of the standard of living of persons employed in other sectors.

Agriculture contributes 4.3% of the Greek Gross Value Added (2018) of the country. In terms of employment, agriculture accounts for 12% and the agri-food sector for 4% of the total. The economic importance of the sector is therefore significant and enhancing its competitiveness by overcoming its structural, environmental and climatic limitations remains a key challenge.

Areas with natural constraints² make up 70.75% of the Utilized Agricultural Area (UAA), of which 44.19% is mountainous regions. Forest areas make up 50% of the total land area of the country and organic farming covers 3.8% of the UAA. Irrigated land accounts for 19.8% of the UAA and 86% of water used in Greece is consumed in agriculture, often with considerable water losses. Greece's unemployment rate is 12.5% (2022) and lies above the EU average.

2. HOW THE GREEK RDP WILL ADDRESS THESE CHALLENGES

In addressing the abovementioned challenges, the Greek RDP will fund actions under all six Rural Development priorities – with a particular emphasis on the competitiveness of the agricultural sector and sustainable forestry, and on restoring, preserving and enhancing ecosystems related to agriculture and forestry. The focus of each priority is explained briefly below.

Knowledge transfer and innovation in agriculture, forestry and rural areas

Under this priority, the Greek RDP aims at supporting 285 cooperation projects, including the framework of the European Innovation Partnership, as well as by stimulating the development of supply chain partnerships in the agri-food sector. About 28 600 training places will be made available to enhance knowledge transfer in the fields of environmental awareness, innovative technologies, and research to encourage practical implementation on farms and in forests.

Competitiveness of agricultural sector and sustainable forestry

About 36 900 Greek farms will benefit from business development plan support for Young Farmers and about 8 978 farms will benefit from support for restructuring and modernising their businesses. It should be noted that young farmers will also benefit from training and a higher support rate for their investments under the corresponding measures of the programme. As a response to the COVID-19 pandemic, an estimated 143 648 farmers of the olive oil sector may receive exceptional, temporary support.

² Following the completion in December 2018 of the new delimitation of areas with natural constraints and specific constraints, except mountainous areas

Food chain organisation, including processing and marketing of agricultural products and risk management in agriculture

29 250 agricultural holdings will receive support to participate in quality schemes, local markets, and develop short supply chains and producer groups/organisations, and 450 agri-food businesses will receive support for investments in the processing and marketing sector.

Moreover, 72 000 livestock farms of the goat-sheep, cattle, poultry and pig-breeding sectors will receive exceptional financial aid to limit the economic impact caused by Russia's invasion of Ukraine.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry

Greece aims at bringing 19.32 % of agricultural land under contracts to preserve biodiversity, 19.9 % to improve water management and 18.18 % to improve soil management. Measures to support agro-forestry and afforestation aim at bringing a small part of Greece's forest land under management contracts.

Resource efficiency and climate

This priority aims at supporting a more efficient use of natural resources, in particular water, and the development of renewable energy sources in Greece. More than 5% of the irrigated land will contribute to increased water efficiency through public and private investments in irrigation infrastructure. It is expected that 57 000 hectares of irrigated land will switch to more efficient irrigation systems. Integrating this support with measures, such as investments in physical assets, knowledge transfer activities and advisory services, is expected to improve water efficiency and reduce agriculture's share in the overall water consumption.

Social inclusion and local development in rural areas

More than half of Greece's rural population is expected to be covered by a local development strategy while approximately 10% of the rural population will benefit from improved services and ICT infrastructure. LEADER aims at creating 2 150 new jobs. Furthermore, 560 beneficiaries will receive support for investments in non-agricultural activities in rural areas thus contributing to the creation of 675 jobs.

The six **biggest RDP measures** in budgetary terms (public expenditure) are:

- € 1 800 million allocated to Areas facing natural or other specific constraints
- € 1 486 million allocated to Investments in physical assets
- € 1 465 million allocated to Organic farming
- € 791 million allocated to Farm and business development
- € 551 million allocated to Agri-environment and climate measures
- € 513 million allocated to support for LEADER local development / CLLD

Annex: Indicative public support for the Rural Development Programme of Greece

Target	Measure	€ Total Public	%
Priority 1: Knowledge transfer and innovation in agriculture, forestry and rural areas³			-
1A - Innovation, cooperation, knowledge 2.65% of RDP expenditure	M01 – Knowledge transfer M02 – Advisory services M16 – Cooperation		
1B – Research and innovation 285 cooperation projects	M16 – Cooperation		
1C – Lifelong learning and vocational training 28 600 participants trained	M01 – Knowledge transfer		
Priority 2: Enhancing Farm viability and competitiveness in agriculture and promoting innovative farm technologies and the sustainable management of forests		1.649.861.109	21.20%
2A - Farm performance 1.09% farms supported for investments in restructuring or modernisation 8 978 agricultural holdings receiving support for investments in restructuring and modernisation 143 648 holdings receive exceptional temporary support for the COVID-19 crisis 72 000 holdings affected by the impact of Russia's invasion of Ukraine receive exceptional temporary support	M01 – Knowledge transfer	21 963 733	0.28%
	M02 - Advisory services	8 417 614	0.11%
	M04 - Investments	616 674 677	7.93%
	M06 - Farm and business development	49 597 455	0.64%
	M16 - Cooperation	27 798 611	0.36%
	M21 COVID-19 crisis	125 176 919	1.61%
	M22 – Impact of Russia's invasion in Ukraine	97 415 044	1.25 %
2B - Young farmers 5.10% of farms supported for young farmers 36 900 agricultural holdings receiving support for business development plans for young farmers	M06 - Farm and business development	702 817 056	9.03%
Priority 3: Promoting food chain organisation, including processing and marketing of agricultural products, and risk management in agriculture		481 095 812	6.18%
3A - Competitiveness of producers 29 250 (4.05%) farms	M03 - Quality schemes	68 299 531	0.88%
	M04 - Investments	237 544 614	3.05%

³ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas.

supported for participating in quality schemes, local markets, short supply circuits and producer groups/organisations 450 (2.7%) of agri-food enterprises supported for investment in processing and marketing of agricultural products 300 animal holdings supported under M14	M09 - Producer groups / organisations	27 798 611	0.36%
	M14 - Animal welfare	28 514 204	0.37%
	M16 - Cooperation	20 015 000	0.26%
3B - Risk management 1 522 (0.42%) farms participating in risk management schemes 1100 farm holdings participating to income stabilisation tool (M17.3)	M05 - Restoring agricultural potential	79 923 852	1.03%
	M17 - Risk management	19 000 000	0.24%
Priority 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry⁴		3 863 089 138	49.65%
4A – Biodiversity, HNV and landscapes 19.32% of UAA under management contracts 747 427 ha under conversion to/maintenance of organic farming	M01 – Knowledge transfer	15 572 926	0.20%
	M02 - Advisory services	62 299 349	0.80%
	M04 - Investments	41 606 460	0.53%
4B – Water management 19.09% UAA under management contracts	M07 - Basic services	1 001 183	0.01%
	M08 - Forest	49 451 593	0.64%
	M10 - AEC	551 229 454	7.08%
4C – Soil management 18.18% UAA under contracts 0.84% forestry land under contracts 16 000 hectares supported for restoration after damages in forests	M11 – Organic farming	1 336 216 113	17.17%
	M13 - ANC	1 799 596 364	23.13%
	M16 – Cooperation	6 115 694	0.08%
Priority 5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors		860 809 099	11.06%
5A - Water efficiency 57 000 (5.56%) hectares of irrigated land supported for switching to more efficient irrigation systems	M01 – Knowledge transfer	10 003 476	0.13%
	M02 - Advisory services	10 510 910	0.14%
	M04 - Investments	506 288 995	6.51%
	M16 - Cooperation	6 671 667	0.09%
5B - Energy efficiency €27 796 785 Total investment for energy efficiency	M04 - Investments	15 567 896	0.2%

⁴ Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas

5C - Renewable energy €97 911 095 Total investment (public & private) in renewable energy production	M02 - Advisory services	200 924	0.003%
	M04 - Investments	61 390 257	0.79%
	M16 - Cooperation	2 779 861	0.04%
5D - Reducing GHG & NH3 0.01% LU concerned by investments in live-stock management 2.70% UAA under management contracts	M02 - Advisory services	410 048	0.01%
	M04 - Investments	1 243 272	0.02%
	M11 - Organic Farming	128 584 689	1.65%
	M16 - Cooperation	2 223 889	0.03%
5E - Carbon conservation / sequestration 0.44 % UAA and forest land under management contracts 52 000 hectares covered for prevention of damages in forests	M02 - Advisory services	883 655	0.01%
	M04 - Investments	5 115 630	0.07%
	M08 - Forest	107 821 987	1.39%
	M16 - Cooperation	1 111 944	%0.01
Priority 6: Promoting social inclusion, poverty reduction and economic development in rural areas		666 260 865	8.56%
6A - Diversification, SMEs and job creation 560 holdings receiving start up aid/ support for investments in non-agricultural activities in rural areas 675 jobs created	M06 - Farm and business development	38 543 801	0.50%
6B - Local development 66.34 % rural population under local development strategies 75 000 (1.24%) people in rural areas benefiting from improved services/infrastructure 2 150 jobs created (via LEADER)	M04 - Investments	885.648	0.01%
	M07 - Basic services	31 217 008	0.4%
	M19 - LEADER and CLLD	512 553 447	6.59%
6C - ICT 9.95% of population with improved services/ infrastructure (ICT)	M01 - Knowledge transfer	2 491 814	0.03%
	M02 - Advisory services	325 988	0.004%
	M07 - Basic services	80 243 160	1.03%
M 113 (transitional)		203 089 100	2.61%
Technical Assistance (TA)		56 917 935	0.73%
Total public expenditure €		7 781 123 059	100.00%