

April 2024

Factsheet on the 2014-2022 Rural Development Programme of Flanders (Belgium)

The Flemish Rural Development Programme (RDP) was formally adopted by the European Commission on 13 February 2015. A last modification of the RDP was adopted on 22 January 2024. The RDP outlines Flanders' priorities for using € 1 141 million of public funding that is available for the period 2014-2022 (€ 505 million from the EU budget of which € 25 million are from EURI plus € 383 million of national co-funding, plus € 247 million of additional national top-ups).

With increased sustainability of agriculture as its main objective, the RDP will support more than 60% of the region's farms to restructure and modernise.

Better management of natural resources and more climate-friendly farming practices represent the second major focus of the programme. It will support some 4 500 farm investment projects related to environment/climate friendly and resource efficient farming, around 8 000 investments aiming at a better energy efficiency and some 5 000 investment projects aiming at reducing GHG emissions.

For several years, the number of farms in Flanders has been decreasing. To address this issue, the programme will support more than 1 600 young farmers. Further measures aim to boost innovation, provide training opportunities and enhance the vitality of rural areas and strengthen their relationship with cities.

Support under <u>Rural Development</u> (RD) is the 2nd Pillar of the <u>Common Agricultural Policy</u>. It provides Member States with an envelope of EU funding to manage, at either national or regional level, multi-annual, co-funded programmes. In total, 118 programmes are foreseen in all 28¹ Member States. The new <u>RD Regulation</u> for the 2014-2022 period addresses six economic, environmental and social priorities. Programmes contain clear targets setting out what is to be achieved. To better coordinate actions and maximise synergies with the other European Structural & Investment Funds (<u>ESIF</u>), a <u>Partnership Agreement</u> has been agreed with each Member State, highlighting its broad strategy for EU-funded structural investment.

This document provides a brief overview of how the challenges and opportunities faced by Flanders are addressed by the RDP. In the annex, a table indicates the priorities and

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.

focus areas with their respective targets and budget. In Belgium, rural development policy is implemented through two programmes, one for Flanders and one for Wallonia.

1. SITUATION AND KEY CHALLENGES

Flanders is the northern region of Belgium. It covers an area of 13 521 km2 and counts approximately 6.35 million inhabitants. The region has a very high population density (475 inhabitants per km²) which is more than four times the average density of the European Union.

Only 7% of the area is rural and 2.5% of the population lives in the rural area. The Flemish countryside is highly urbanised. It has a very fragmented landscape with strong links between countryside and cities. From the geographical, functional and cultural points of view, rural and urban areas are increasingly interlinked.

Agricultural land comprises 6 000 km2 out of which 70% is arable. Forests cover a mere 1 850 km2.

The total gross value added of the Flemish region is \in 182 billion of which the primary sector accounts for less than 1%. Consolidating the position of farmers in the food production chain and decreasing the negative effects of price volatility in the sector are therefore key challenges.

Farming in Flanders is large-scale and intensive, with high yields per hectare. This is inevitably linked to higher consumption of fertilisers and plant protection products and negative effects on soil and water quality and loss of biodiversity. Especially high concentrations of nitrates in groundwater and surface water remain a challenge.

The average age of farmers is more than 50 years (only 5% of farmers are younger than 35 years). Few farmers have a successor. Young farmers suffer from a lack of funds when starting up and therefore need some support.

It remains a challenge for Flanders to stimulate innovation in order to maintain its competitive position in agriculture. At the same time, it is necessary to ensure the transfer of knowledge so that innovations, developed by entrepreneurs in the agricultural sector, can be widely adopted by farmers and put into practice.



2. How the Flemish RDP will address these challenges

In addressing these challenges, the Flemish RDP will fund action under five Rural Development Priorities with the main priority being Priority 2: Enhancing farm viability and competitiveness.

The programme is built around four themes: young farmers, innovation and training, improving sustainability of agriculture (both environmental and economic), quality and vitality of the countryside.

Firstly, the RDP aims at ensuring the future of farming through support for young farmers.

Flanders will also invest in innovation and education with a future-oriented approach for tackling individual, business-focused and general societal challenges.

The RDP also focusses on increasing the resilience and sustainability of the agricultural sector in all its aspects. On the one hand, there is the ecological aspect where special attention is given to biodiversity, water quality, Natura 2000, erosion-reduction and environmental and climate-friendly farming practices. On the other hand, the economic aspect will be supported with attention given to the producers' position in the agri-food chain, crisis-resilience of the sector and development of risk management.

The RDP will strengthen the quality and vitality of rural areas. The decrease in the number of farms, a trend that has been accompanied by an increase in the size of farms, will be tackled. Other challenges that will be addressed include the diversification of the rural economy, the promotion of rural tourism and the viability of part-time agriculture. Actions related to societal challenges, such as poverty within rural communities, will also be implemented.

The crosscutting priority "Knowledge transfer and innovation in agriculture, forestry and rural areas" will help the agricultural sector and rural businesses to incorporate the results of research and innovation into their production systems.

The focus of each priority is explained briefly below.

Competitiveness of agriculture and innovative farm technologies

The RDP will enhance the viability and competitiveness of farms, while ensuring their environmental sustainability. The programme intends to target more than 60% of all farmers (almost 15 900 farms) to stimulate, in particular, innovative and sustainable investments. A specific measure is dedicated to young farmers to help them get started (more than 1 600 farms). Support is also foreseen for the development of small farms. Another important element is innovation, which will be facilitated by information and knowledge-sharing activities.

Food chain organisation and risk management

Setting-up producer organisations should improve the position of producers in the agrifood chain, targeting 1 200 farms or almost 5% of all farms.

Restoring, preserving and enhancing ecosystems

Around 80% of the allocated amount under this priority will be used for area-based payments to cover the cost adopting environment/climate friendly land management practices. This will stimulate biodiversity, improve water and soil management, through

agri-environmental measures targeting 8% of Flanders' agricultural land, and encourage more organic farming.

More than 4 500 environment/climate friendly and resource efficient farm investments are envisaged. There will also be support for training and advice in environmental and climate matters.

There are 1 200 investment projects foreseen to improve the resilience and environmental value of forest ecosystems.

Resource efficiency and climate

The programme foresees investments, for either energy efficiency, emission reduction or carbon sequestration, on farms and in rural areas. Transfer of knowledge and training, cooperation actions and agri-environmental measures such as fertiliser reduction will also be supported. More than 8 000 investment projects will improve energy efficiency and some 5 000 investment projects will reduce GHG emissions. The programme will support the forestry sector and aims at afforesting 680 ha of land.

Social inclusion and local development

Through a balanced territorial rural development policy, Flanders will address a variety of social issues that have arisen in its rural areas. Social inclusion and local development will be supported through the bottom-up approach of LEADER. The 12 Local Action Groups draw up and execute Local Development Strategies. The approach will cover more than 70 % of the rural population, creating more than 100 jobs and improving living conditions.

Additionally, 165 investment projects related to basic services, such as small-scale infrastructure, recreational facilities and natural heritage, will support local development.

The five **biggest RDP measures** in budgetary terms are:

- €623 million allocated for Measure 4: Investments in physical assets
- o €247 million allocated for Measure 10: Agri-Environment Climate
- o €62 million allocated for Measure 6: Farm and business development
- o €49 million allocated for Measure 1: Knowledge transfer and innovation actions
- o €44 million allocated for Measure 19: Leader/CLLD

Annex 1: Indicative public support for the Flemish Rural Development **Programme**

| Target | Measure | € Total public | % |
|---|-------------------------------------|----------------|---------|
| Priority1: Knowledge transfer and innovation ² | | | |
| 1A: Fostering innovation, coop, knowledge base | 01 knowledge | | |
| 11 % RDP expenditure | 02 advisory services | | |
| | 16 cooperation | | |
| 1B: Strengthening links (with research etc.) | 16 cooperation | | |
| 277_cooperation operations | | | |
| 1C: Training | 01 knowledge | | |
| 1 224 350 training participants | | | |
| Priority 2: Competitiveness | | 466 414 463 | 40.86% |
| 2A: Farm performance | 01 knowledge | 18 275 750 | 1.6% |
| 63 % farms with RDP support | 04 in | 250 621 170 | 21 510/ |
| | 04 investments | 359 621 170 | 31.51% |
| | 06 farm and business development | 1 400 000 | 0.12% |
| | 16 cooperation | 2 278 239 | 0.20% |
| 2B: New farmers 6.6 % farms with support for young farmers | 01 knowledge | 18 981 550 | 1.66% |
| | 02 advisory services | 5 130 279 | 0.45% |
| | 06 farm and business development | 60 727 475 | 5.32% |
| Priority 3: Food chain organisation | | 15 816 488 | 1.39% |
| 3A: Competitiveness of producers | 04 investments | 13 766 488 | 1.21% |
| 4.8 % of farms supported | 09 producer groups / organisations | 2 050 000 | 0.18% |
| Priority 4: Restoring, preserving and enhancing ecosystems ³ | | 266 746 399 | 23.4% |
| 4A: Biodiversity | 01 knowledge | 10 244 507 | 0,9 % |
| 2 % utilised agricultural area under contract | 02 advisory services | 8 413 317 | 0,74 % |
| 0.3 % utilised forest/other wooded area under contract | 04 investments | 6 951 988 | 0,61 % |
| 4B: Water management | 07 basic services | 24 782 644 | 2,17 % |
| 4.7 % utilised agricultural areas under contract | 08 forest | 3 226 924 | 0,28 % |

 $^{^2}$ No financial allocation shown for Priority 1 as the expenditure is distributed across other focus areas. 3 Expenditure under Priority 4 is programmed for the priority as a whole, not for individual focus areas

| 1.7 % utilised agricultural areas under contract 11 organic farming 16 067 279 1,41 % 0,13 % 16 cooperation 1 486 704 0,13 % 0,13 % 0,13 % 26.5% Priority 5: Resource efficiency and climate 302 511 170 26.5% 5B: Energy efficiency 01 knowledge 1 708 730 0.15% 0.1 | | | | |
|---|---|--------------------|-------------|---------|
| 16 cooperation | 4C: Soil erosion and management | 10 AEC | 195 573 036 | 17,13 % |
| Priority 5: Resource efficiency and climate 302 511 170 26.5% | 1.7 % utilised agricultural areas under contract | 11 organic farming | 16 067 279 | 1,41 % |
| 58: Energy efficiency 01 knowledge 1 708 730 0.15% £299 million investment 04 investments 112 531 150 9.86% 16 cooperation 1 385 509 0.12% 5D: Reducing GHG and NH3 04 investments 130 329 867 11.42% 7.3 % livestock units concerned in utilised agricultural areas under contract 10 AEC 51 435 914 4.51% 5E Carbon conservation / sequestration 08 forest 5 120 000 0.45% 0.05 % utilised agricultural areas under contract 77 860 219 6.82% Feriority 6: Social inclusion and local development 77 860 219 6.82% 6B Local development 07 basic services 15 335 765 1.34% 71.7 % rural population in local development strategy 16 cooperation 18 399 188 1.61% 154.2% a rural population with improved services / infrastructures 19 LEADER and CLLD 44 125 266 3.87% 111 jobs created (LEADER) 12 107 862 1.06% Total public expenditure C 1 141 456 100% | | 16 cooperation | 1 486 704 | 0,13 % |
| C299 million investment 04 investments 112 531 150 9.86% 16 cooperation 1 385 509 0.12% 5D: Reducing GHG and NH3 04 investments 130 329 867 11.42% 7.3 % livestock units concerned in utilised agricultural areas under contract 10 AEC 51 435 914 4.51% 2.9 % utilised agricultural areas under contract 08 forest 5 120 000 0.45% 5E Carbon conservation / sequestration 08 forest 5 120 000 0.45% 6B Local development 07 basic services 15 335 765 1.34% 71.7 % rural population in local development strategy 16 cooperation 18 399 188 1.61% 154.2% rural population with improved services / infrastructures 19 LEADER and CLLD 44 125 266 3.87% 111 jobs created (LEADER) 12 107 862 1.06% Total public expenditure C 1 141 456 100% | Priority 5: Resource efficiency and climate | | 302 511 170 | 26.5% |
| 5D: Reducing GHG and NH ₃ 5D: Reducing GHG and NH ₃ 7.3 % livestock units concerned in utilised agricultural areas under contract 10 AEC 51 435 914 4.51% 5E Carbon conservation / sequestration 0.05 % utilised agricultural areas under contract Priority 6: Social inclusion and local development 6B Local development 77 860 219 6B Local development 78 809 188 16 cooperation 18 399 188 1.61% 154.2% a rural population with improved services / infrastructures 19 LEADER and CLLD 44 125 266 3.87% Technical Assistance 12 107 862 1.06% Total public expenditure C | 5B: Energy efficiency | 01 knowledge | 1 708 730 | 0.15% |
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| 5E Carbon conservation / sequestration 0.05 % utilised agricultural areas under contract Priority 6: Social inclusion and local development 6B Local development 77 860 219 6.82% 6B Local development 71.7 % rural population in local development strategy 16 cooperation 18 399 188 1.61% 154.2%⁴ rural population with improved services / infrastructures 111 jobs created (LEADER) Technical Assistance 12 107 862 1.06% 10% 10% | | 10 AEC | 51 435 914 | 4.51% |
| 0.05 % utilised agricultural areas under contract Priority 6: Social inclusion and local development 77 860 219 6.82% 6B Local development 07 basic services 15 335 765 1.34% 71.7 % rural population in local development strategy 16 cooperation 18 399 188 1.61% 154.2%⁴ rural population with improved services / infrastructures 19 LEADER and CLLD 44 125 266 3.87% 111 jobs created (LEADER) 12 107 862 1.06% Total public expenditure € 1 141 456 100% | 2.9 % utilised agricultural areas under contract | | | |
| Priority 6: Social inclusion and local development 6B Local development 77 860 219 6.82% 71.7 % rural population in local development strategy 16 cooperation 18 399 188 1.61% 154.2%⁴ rural population with improved services / infrastructures 111 jobs created (LEADER) 19 LEADER and CLLD 44 125 266 3.87% 111 jobs created (LEADER) 100% Total public expenditure € 11 141 456 100% | 5E Carbon conservation / sequestration | 08 forest | 5 120 000 | 0.45% |
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| Technical Assistance 12 107 862 1.06% Total public expenditure € 1 141 456 100% | | 19 LEADER and CLLD | 44 125 266 | 3.87% |
| Total public expenditure € 1 141 456 100% | 111 jobs created (LEADER) | | | |
| | Technical Assistance | | 12 107 862 | 1.06% |
| | Total public expenditure € | | | 100% |

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 $^{^4}$ This is a very high percentage due to different definitions of rural areas used by the European Commission and Flanders.