

CRITICAL ANALYSIS AND ASSESSMENT OF EU POLICY ON MULTIFUNCTIONAL LAND USE ACTIVITIES IN RURAL AREAS

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ABSTRACT

Rural areas are becoming increasingly differentiated and gradually losing their agricultural specificity. They now need to support the coexistence of two logical approaches to occupation of their space: one based on the supply of agricultural and forestry products, the other on the various demands from local residents and seasonal tourists. Under these conditions the roles of agriculture, forestry, and tourism industry are evolving; the focus is no longer simply on supplying market goods while limiting the impacts of this supply on negative external factors but now also on participating in land development and meeting the manifold expectations of society. The paper analyses EU policies related to multifunctional land use activities on the national and regional level. The policy framework within which multifunctionality of land use activities is realized is determined by three EU policies, namely the Cohesion Policy, Rural Development Policy, and Enlargement Policy. The paper focus on six cases: Bulgaria, Czech Republic, Croatia, Germany, France and UK. Three of the case study sites (in Czech Republic, Bulgaria and Croatia) were/are influenced by the financial instruments of the Enlargement policies (PHARE, SAPARD, ISPA, IPA). The impact of EU policies is assessed in three domains – economic, social and environment. The scope of impact of the major driving forces for multifunctional land use activities is assessed and analyzed.

Keywords: Multifunctionality, EU policy, Rural Development

INTRODUCTION

Rural areas are becoming increasingly differentiated and gradually losing their agricultural specificity. They now need to support the coexistence of two logical approaches to occupation of their space: one based on the supply of agricultural and forestry products, the other on the various demands from local residents and seasonal tourists. Under these conditions the role of agriculture, forestry and tourism industry

is evolving; the focus is no longer simply on supplying market goods while limiting the impacts of his supply on negative external factors but now also on participating in land development and meeting the multiple expectations of the society.

The concept of multifunctionality is discussed for the last two decades. The literature review reveals different view points and evolution of the concept. Multifunctionality is associated with agriculture and its capacity to produce food and fiber simultaneously with non-market goods (landscape, rural vitality, food safety etc.). Both are linked with land use and measure “the amount of commodity and non-commodity outputs jointly produced by a piece of land or an activity”.

Multifunctionality is intended to draw attention to the positive “goods” that agriculture can produce beyond the food and fiber that farmers sell in the marketplace. These goods can be defined quite broadly, but generally include rural community values such as a large number of independent, family farms, strong local economies that both rely on the economic output local farms and supply them with agricultural goods and services, rural employment, and the continued health of rural culture. Environmental goods usually mentioned include contributions to biological diversity, clean water and air, bioenergy, and improved soils. Other multifunctional products include regional or national food security, landscape values, food quality/food safety, and improvements in farm animal welfare.

Considering all these aspects and viewpoints the definition on multifunctionality for the paper purposes is: multifunctionality is defined as being the ability of piece of land/landscape to provide multiple benefits both to human and non-human systems. On the basis of this definition the potential impact of EU policies will be assessed on national and regional level.

The policy framework within which multifunctionality of land use activities is realized is determined by the three EU policies, namely Cohesion Policy, Rural Development Policy and Enlargement Policy. The paper focus on six cases, namely Bulgaria, Czech Republic, Croatia, Germany, France and UK. The survey is part of the research collaborative project “Prototypical Policy Impacts on Multifunctional Activities in rural municipalities (PRIMA)”, under EU 7th Framework Programme, contract no. 212345, <https://prima.cemagref.fr>. Three of the case study sites (in Czech Republic, Bulgaria and Croatia) were/are influenced by the financial instruments of the Enlargement policies (PHARE, SAPARD, ISPA, IPA). As a policy concept, multifunctionality fulfils three specific functions: economic, environment and social, and is a prerequisite and precondition for sustainable rural development. Therefore the impact of EU policies will be assessed in these three domains.

The aim of the paper is critical analysis of the EU policies - Cohesion, Rural Development and Enlargement - and their assessment for the multifunctional land use activities in rural areas from economic, environment and social view point.

The paper is organized as follows. Section one of the paper is Introduction. In Section 2 we present a review of the EU policies, namely Cohesion Policy, Rural Development Policy and Enlargement Policy. Section 3 gives a brief description of the methodology used. In Section 4 we analyze the potential policy impact in economic, social and environmental domains from land use and landscape multifunctionality on the basis of preliminary defined areas. Section 5 gives some conclusions.

EU POLICIES

The major goal of EU policies (Cohesion, Rural Development and Enlargement) is sustainable economic development. Structural and Cohesion Funds are financing social, economic, environmental and territorial cohesion. They are related to the economic growth and increased employment, the improvement of infrastructures, and investment in research and development, social inclusion and human capital development.

Cohesion policy (European Regional Development Fund, European Social Fund, and Cohesion Fund)

EU Cohesion Policy aims to reduce the gap in the different regions' levels of development, in order to strengthen economic and social cohesion and decrease disparity levels across the EU. It has three objectives:

- Convergence through improving conditions for growth and employment, through increasing and improvement of the quality of investment in physical and human capital, development of innovation and of the knowledge society, adaptability to economic and social changes, the protection and improvement of the environment, and administrative efficiency. This objective is financed by the ERDF, the ESF and the Cohesion Fund. It represents 81.5% of the total resources allocated.
- Regional Competitiveness and Employment objective aims strengthening regions' competitiveness and attractiveness as well as employment by anticipating economic and social changes, including those linked to the opening of trade, through the increasing and improvement of the quality of investment in human capital, innovation and the promotion of the knowledge society, entrepreneurship, the protection and improvement of the environment, and the improvement of accessibility, adaptability of workers and businesses as well as the development of inclusive job markets. It is financed by the ERDF and the ESF and accounts for 16% of the total allocated resources.
- European territorial cooperation objective "shall be aimed at strengthening cross-border cooperation through joint local and regional initiatives, strengthening transnational cooperation by means of actions conducive to integrated territorial development linked to the Community priorities, and strengthening interregional cooperation and exchange of experience at the appropriate territorial level." This objective is financed by the ERDF and represents 2.5% of the total allocated resources. Measures under the Territorial Cooperation objective can receive co-financing of up to 75% of public expenditure.

Community financial instruments for achieving these objectives are European Regional Development Fund (ERDF), European Social Fund (ESF), and Cohesion Fund (CF). The cohesion policy has been allocated a budget of EUR 347 billion for the period 2007–13 (in current prices), which is more than a third of the whole of the European budget.

The ERDF is financing: productive investment to create and safeguard sustainable jobs; investment in infrastructure; the development of endogenous

potential by measures which encourage and support local development and employment initiatives and the activities of small and medium-sized enterprises; in order to overcome regional imbalances in the EU.

The ESF should strengthen economic and social cohesion by improving the adaptability of workers and enterprises, enhancing human capital and access to employment and participation in the labour market, reinforcing the social inclusion of disadvantaged people, combating discrimination, encouraging economically inactive persons to enter the labour market and promoting partnerships for reform.

The CF promotes trans-European transport networks, protection of the environment sustainable development, renewable energy, etc. for the purposes of strengthening the EU economic and social cohesion.

Enlargement Policy (Instrument for Pre-Accession Assistance (IPA))

The single legal framework - Instrument for Pre-Accession Assistance (IPA) - regulates the pre-accession assistances in the period 2007-2013. It carries on the pre-accession policies purpose to provide assistance to countries which are candidates and potential candidates for membership to the EU. Also, IPA has been adapted to reflect the different objectives and progress of each beneficiary, and to provide a support according to their needs and evolution (actual political, economic and administrative situation).

The assistance is accomplished by the following components:

- Transition Assistance and Institution Building with associated investments, as well as transition and stabilization measures.
- Cross-Border Cooperation supports cooperation at borders between candidate/potential candidate countries and between them and the EU countries.
- Regional Development finances investments and associated technical assistance in areas such as transport, environment and economic development.
- Human Resources Development supports strengthening human capital and combating exclusion (similar to the European Social Fund);
- Rural Development designed as predecessor of post-accession Rural Development programmes financing measures, similar in nature to these programmes.

The implementation of assistance under IPA is ensured through annual or multi-annual programmes that reflect the priorities of the Stabilization and Association Process, as well as the strategic priorities of the pre-accession process.

Eligible beneficiaries under IPA are any natural or legal person based in the eligible countries – Candidate country (Croatia, Turkey, The former Yugoslav Republic of Macedonia) and Potential candidate country (Albania, Bosnia, Montenegro, Serbia, Kosovo).

Rural Development Policy (European Agricultural Fund for Rural Development)

Agriculture continues to be the largest user of rural land, as well as a key determinant of the quality of the countryside and the environment. Therefore the two pillars of the Common Agricultural Policy (CAP) moderate economic, social and environmental problems of Europe's rural areas, namely Pillar 1: Market

support measures and direct subsidies to EU producers and Pillar 2: Rural development policy.

The two pillars were introduced after fundamental CAP reform has been done since 1992. The aim of all these changes is moving away from a price policy and production support to a more comprehensive policy of farmer income aid. The reformed CAP should not only improve the competitiveness of the agricultural sector, guarantee food safety and quality and stabilize EU farmer incomes, but also provide environmental benefits, enhance the rural landscape and support the competitiveness of rural areas across the Union. The driving force behind the June 2003 Reform remain that of providing a clear, long-term perspective for the future development of the CAP by: enhancing the competitiveness of EU agriculture; promoting a more market-oriented, sustainable agriculture; and providing a better balance of support through more rural development. The next important feature of the last CAP reform in this regard is the increase in the financial resources for the CAP's second pillar.

The main objectives of the rural development policy are established in Regulation (EC) No 1698/2005 and cover three key areas: improving the competitiveness of the agricultural and forestry sector; improving the environment and the countryside; improving the quality of life in rural areas and encouraging diversification of the rural economy. An additional requirement is that part of the funds should be used for projects based on experience with the Leader Community Initiatives. The "LEADER approach" to rural development involves highly individual projects designed and executed by local partnerships to address specific local problems.

Every Member State is obliged to set out a Rural Development Programme for the period 2007 to 2013, outlining which specifics should be addressed, which measures will be implemented and the amount of funding that will be spent on them.

The rural development strategies and programmes are built around four axes in conformity with the key areas mentioned before, namely:

Axis 1 - improving the competitiveness of the agricultural and forestry sector - covers a range of measures dealing with human and physical capital in the agriculture, food and forestry sectors (promoting knowledge transfer and innovation) and quality production. The first priority is intended to improve the competitiveness of the agricultural and forestry sector through further development of high-quality and value-added products that meet the diverse and growing demand of Europe's consumers and world markets. The resources devoted to axis 1 should contribute to a strong and dynamic European agrifood sector by focusing on the priorities of knowledge transfer, modernization, innovation and quality in the food chain, and on priority sectors for investment in physical and human capital. In order to meet these priorities, Member States have to focus the support on key actions depending on the national or regional objectives and that could include activities for: restructuring and modernization of the agriculture sector, improving integration in the agrifood chain, facilitating innovation and access to research and development (R&D), encouraging the take-up and diffusion of information and communications technologies (ICT), fostering dynamic entrepreneurship, developing new outlets for agricultural and forestry products, improving the environmental performance of farms and forestry.

Axis 2 - improving the environment and the countryside - provides measures to protect and enhance natural resources, as well as preserving high-nature value of farming and forestry systems and cultural landscapes in Europe's rural areas. In order to meet these priorities, Member States should focus their support on key actions like: promoting environmental services and animal-friendly farming practices, preserving the farmed landscape and forests, combating climate change, consolidating the contribution of organic farming, encouraging environmental/economic win-win initiatives, promoting territorial balance.

Axis 3 - the quality of life in rural areas and diversification of the rural economy - helps to develop local infrastructure and human capital in rural areas to improve the conditions for growth and job creation in all sectors and the diversification of economic activities. The support is focused on: raising economic activity and employment rates in the rural economy, labor market development, encouraging the entry of women into the labor market, integrated initiatives combining diversification, business creation, investment in cultural heritage, renovation of infrastructure and local services, upgrading local infrastructure. Coordination of these measures with the considerable support that will be available from the Structural Funds, will contribute substantially to the diversification and development of rural economy, developing micro-business build on traditional skills or introduce new competencies, training young people in skills needed for the diversification of the local economy through rural tourism, provision of environmental services, reinforcement of traditional rural activities and production of local brands quality products, encouraging the development of skills for ICT use to overcome the disadvantages of location, developing the provision and innovative use of renewable energy sources, which would contribute to creation of new options for agricultural and forestry products, development of rural and agri-tourism build on cultural and natural heritage.

Axis 4 – Leader - introduces possibilities for innovative governance through locally based, bottom-up approaches to rural development. It plays an important role in the horizontal priority of improving governance and mobilizing the endogenous development potential of rural areas. The support is on: building local partnership capacity, animation and promoting skills for mobilizing local potential, promoting private-public partnership and cooperation in rural development actions and bringing the private and public sectors together, improving local governance.

The major documents at national level that are obligatory for the implementation of Rural Development Policy are: National Strategic Plan for Rural Development, Rural Development programme and Ordinances for application of the rural development measures. On the basis of analysis of the current situation in the country the national strategic objectives, national goals and actions should be determined in consistence with the EU strategic objectives under the four axes. The coordination with the other EU policies in respect to the measures, activities, projects, areas and beneficiaries should be confirmed. For the purpose of reporting and evaluation of the results a system of indicators should be precisely incorporated in the plan.

Generally the potential beneficiaries could be farmers, processors, other businesses dealing with construction, social activities, other economic activities in respect to the local need determined by the local regional plans for development

and in general the society living in these regions as well as the environment and the whole society.

Focusing on the rural development the CAP's reform introduces a financial instrument: the European Agricultural Fund for Rural Development (EAFRD). The instrument, established by Regulation (EC) 1290/2005, aims at strengthening the EU's rural development policy and simplifying its implementation. In particular, it improves the management and controls of the rural development policy for the period 2007-2013. The main objectives of EAFRD are in consistency with the four axes of RDP.

EAFRD provides financial assistance to initiatives in rural areas. It directly supports actions in the area of multifunctional land and landscape use.

For the analysis completeness has to be mentioned three other EU policies influencing multifunctional land use activities in rural areas, namely:

Environmental policies

It is realized through the Sixth Environment Action Programme of the European Community 2002-2012 including the following thematic strategies in the fields of: Air, Waste prevention and recycling, Marine Environment, Soil, Pesticides, Natural resources and Urban Environment. The most important environmental policies related to the land use in rural areas are: safeguarding the complex of biodiversity, the soil protection, the sustainable use of natural resources, the catchment management and flood prevention and the cultural heritage conservation.

Forest policy

Forests play important role for economic and social life in rural municipalities. They contribute to the quality of life. Forests are important for reaching environmental objectives, particularly with regard to preserving biodiversity, mitigating climate change, preserving water resources, combating erosion and desertification. Forests and development forest-based industries are important source of jobs and economic prosperity in rural areas. Forest policy is introduced by Forest Action Plan (FAP) developed in 2006. The overall objective of the EU Forest Action Plan is to support and enhance sustainable forest management and the multifunctional role of forests.

Tourism policy

Tourism plays an important role in the development of the vast majority of European regions. Infrastructure created for tourism purposes contributes to local development, and jobs are created or maintained even in areas in industrial or rural decline, or undergoing urban regeneration. Sustainable tourism plays a major role in the preservation and enhancement of the cultural and natural heritage in an ever expanding number of areas, ranging from arts to local gastronomy, crafts or the preservation of biodiversity. This in turn impacts in a positive way on employment and growth creation. The "Agenda for a sustainable and competitive European tourism" adopted in October 2007 aims to "deliver economic prosperity, social equity and cohesion and environmental and cultural protection". The Tourism

Policy aims to achieve right balance between the welfare of tourists, the needs of the natural and cultural environment and the development and competitiveness of destinations and businesses requires an integrated and holistic policy approach where all stakeholders share the same objectives.

COMPARATIVE ASSESSMENT OF EU POLICIES – APPLIED METHODOLOGY

The first step of the assessment methodology is: *Elaboration of assessment matrix*. The matrix consists of policy measures and areas of impact. The assessment will be applied from the three aspects of the multifunctionality: economic, environment and social, which are a prerequisite and precondition for sustainable rural development.

The second step is: *Identification of areas of potential impact in each domain/area* (economic, social and environment).

Potential impact in *economic domain is assessed* in the following areas: diversity of products, contribution to income from agriculture, quality of products, development of non agricultural activities, processing of dairy or meat products, services, contribution to income from forestry, utilization of timber and non-timber forest resources, contribution to the income generation from tourism, farm size, land use, modernization of farms.

Potential impact in *social domain is assessed* in the following areas: contribution to employment, contribution to rural viability, animal welfare cultural heritage, provision of recreational areas, decreased/stopped migration outflow, migration inflow to rural areas, job opportunities, contribution to income, improved age structure.

Potential impact in *environmental domain is assessed* in the following areas: provision of recreational areas, water conservation, soil conservation, improvement of agricultural landscapes, contribution to air quality, use of renewable resources, supply of renewable energies, energy use reduction in horticulture, manure processing, reduction of ammonia emission in intensive livestock production, biodiversity, diversification of activities towards ecological production.

The next step is: *Assessment of potential impact of EU policies on multifunctionality*, based on expert's qualitative assessment.

The fourth step comprises: *Calculation the potential impact and ranking the policy measures/submeasures by ABC method* which is a management method that categorizes items in terms of importance.

RESULTS AND ANALYSIS

IPA impact on multifunctionality

Instrument for Pre-Accession Assistance in the selected case studies is valid for Croatia. There are five priorities, detailed in measures and submeasures.

IPA measures will have significant influence on economic domain and areas of potential impact. The only area in economic domain that will not be influenced is the farm size.

Three of submeasures are expected to have 100% positive impact on multifunctionality - 3.2.1. Improving the investment opportunities; 3.2.2. Transfer of technology and incentives for new enterprises; 5.2.2. Preparation and implementation of local rural development strategies (Table 1). Prioritization of submeasures of IPA is given in Table 1. Fifty percent of measures have positive impact on economic domain of multifunctionality more than 80%. The outputs of their implementation will contribute to multifunctional land use and multifunctional landscape. Other 37,5% have positive impact between 59 and 80%. Thus the IPA measures, despite their diversity and focus, will have positive impact on multifunctionality.

Table 1

Ranking of IPA measures according to their complex positive impact on multifunctionality

A>80%	3.2.1. Improving the investment opportunities
	3.2.2. Transfer of technology and incentives for new enterprises
	5.2.2. Preparation and implementation of local rural development strategies
B 50-80%	1.3. Developing capacities of NGOs for monitoring the harmonisation with the AC in the field of natural resource management and regional sustainable development
	2.1.1. Tourism and rural development measures
	2.1.2. Development of entrepreneurship
	2.2.1. Environmental protection measures
	2.2.2. Preservation of protected areas
	3.1.1. Investments in business infrastructure
	3.3.1. Strengthening the institutional capacities
	3.3.2. Development of sectoral studies, action plans and project proposals
	4.3.1. Further development of Croatian Qualification Framework
	4.3.2. Strengthening the system of education for adults
	4.3.3. Strengthening institutions in vocational education and education of adults
	5.1.1. Investments in farms (restructuring and reaching the Community standards)
	5.2.1. Activities for improvement environment and landscape
	5.3.2. Diversification and development of rural activities
C<50%	1.1. Enforcing the role of NGOs in monitoring harmonisation with the Acquis Communautaire (AC)
	1.2. Enforcing the capacity of NGOs in monitoring the anti-discrimination strategies
	2.1.3. Cultural and social co-operation
	4.1.1. Improving the access to employment and labour market
	4.2.1. Support to groups with disabilities regarding education
	5.1.2. Investments in processing and marketing of agricultural and fishery products
	5.3.1. Improvement of rural infrastructure

Four measures have no impact on social domain of multifunctionality - 2.1.3. Cultural and social co-operation; 2.2.1. Environmental protection measures; 2.2.2. Preservation of protected areas; 1.3. Developing capacities of NGOs for monitoring the harmonization with the AC in the field of natural resource management and regional sustainable development. The most important measure is - 5.2.2. Preparation and implementation of local rural development strategies with

100%. Submeasures - 5.3.2. Diversification and development of rural activities; 5.1.1. Investments in farms (restructuring and reaching the Community standards); 3.2.2. Transfer of technology and incentives for new enterprises; 3.2.1. Improving the investment opportunities have respectively 88.9% and 77.8%.

Only three measures have potential positive impact over 80% on social domain. 55% of measures are in group B with impact between 50 and 80%. The rest are in groups C with impact below 50%.

Use of renewable resources and Diversification of activities towards ecological production have the highest neutral impact on environment domain. In the rest of areas it is observed relative balance among positive and neutral impact. Measures under Regional Development Priority will have positive impact on multifunctionality, while those under priority Human Resource Development – have neutral impact. Two measures under priority Rural Development - 5.2.1. Activities for improvement environment and landscape and 5.2.2. Preparation and implementation of local rural development strategies are evaluated with 100% positive potential impact.

Rural Development Policy impact on multifunctionality

Assessment of potential impact of the Rural Development Policy (RDP) is done by assessing complex impact of axes measures. It is observed diversity of measures and submeasures in each country. Country results are presented below:

France

Ten percent of all measures have/will have very high impact (>80%) on multifunctionality - Measure 111 A : Training of workers from agricultural, forestry and agrifood sectors; Measure 331 : Training and information; Measure 411,412,413. Implementing local development strategy; Measure 421. Inter-Territorial and Trans-National Cooperation; Measure 431. Running the Local Action Group, Acquiring Skills and Animating the Territory. One-fourth of measures potentially will influence multifunctionality between 50% and 80% - Measure 111 B: Information and diffusion of scientific knowledge and innovative practices; Measure 121 A2: Mechanization in mountain areas; Measure 121 C2 : Investment in the CUMA; Measure 121 C4 : Investment for transformation at the farm level; Measure 121 C7 : support for agricultural production diversification; Measures 211 / 212 : Payments intended for the farmers located in mountainous areas which aim at compensating for natural handicaps – ICHN; Measure 214-A : Agro-Environmental grass premium (PHAE) (national base); Measure 214-D : Organic farming - Conversion ; Measure 214 E : Organic farming - Maintain; Measure 216 : Support for non productive investment; Measure 226-A : Work of reconstitution of the forest plantations disaster victims by the storms of 1999 and by other natural events (national base); Measure 341-B : Local development strategies apart of the forest-wood chain. Prevailed part of measures (65%) have average impact (<50%) on multifunctionality. The complex ranking of measures from different axes is given in *Table 2*.

Table 2

Ranking of measures from French RDP, according their complex positive impact on multifunctionality

A > 80	Measure 111 A : Training of workers from agricultural, forestry and % agrifood sectors
	Measure 331 : Training and information %
	Measure 411,412,413. Implementing local development strategy
	Measure 421. Inter-Territorial and Trans-National Cooperation
	Measure 431. Running the Local Action Group, Acquiring Skills and Animating the Territory
B 50-80%	Measure 111 B : Information and diffusion of scientific knowledge and innovative practices
	Measure 121 A2 : Mechanisation in mountain areas
	Measure 121 C2 : Investment in the CUMA
	Measure 121 C4 : Investment for transformation at the farm level
	Measure 121 C7 : support for agricultural production diversification
	Measures 211 / 212 : Payments intended for the farmers located in mountainous areas which aim at compensating for natural handicaps - ICHN
	Measure 214-A : Agro-Environmental grass premium (PHAE) (national base)
	Measure 214-D : Organic farming - Conversion
	Measure 214 E : Organic farming - Maintain
	Measure 216 : Support for non productive investment
	Measure 226-A : Work of reconstitution of the forest plantations disaster victims by the storms of 1999 and by other natural events (national base)
Measure 341-B : Local development strategies apart of the forest-wood 80% chain	
C < 50%	Measure 112 : setting up of Young Farmers
	Measure 121 A1 : Modernization plan of the livestock buildings (PMBE)
	Measure 121 A2 : Mechanisation in mountain areas
	Measure 121 A2 : Mechanisation in mountain areas
	Measure 121 C3 : Young farmers investment
	Measure 121 C5 : Investment linked to quality approach
	Measure 122 A : Improvement of the existing forest plantation
	Measure 122 B : Work of afforestation of old coppices, coppice under grove, or of groves of poor quality, work of conversion of coppice or coppice under grove into grove
	Measure 123 A : Investments in the agrifood companies
	Measure 123 B : Equipment of companies for mobilization of the forest products
	Measure 124 : Co-operation for the development of new products, processes and technologies in the agricultural and food sectors
	Measure 125 A : Forest service road
	Measure 125 B : Support for collective water reserves or of substitution
	Measure 125 C : Support to other infrastructures of the agricultural sector
	Measure 132 : Encourage the farmers participation in modes of food quality
	Measure 133 : Support for the activities of information and promotion for the products being the subject of modes of food quality
	Measure 214-F : Protection of the threatened races
	Measure 214-H : Improvement of the pollinating potential of the domestic bees for the safeguarding of the biodiversity
	Measure 214-I-1 : Territorialized MAE - Natura 2000
	Measure 214-I-2 : Territorialized MAE- Water framework Directive
	Measure 214-I-3 : Territorialized MAE – Other environmental issues
	Measure 226-B : Improvement of the stability of the forests and the soils in mountain
	Measure 227-B : Nonproductive investments in forest areas
Measure 311 : Diversification towards non-agricultural activities	

C<50%	Measure 312 : Support for the creation and the development of the microcompanies
	Measure 313 : Promotion of the tourist activities
	Measure 321 : Basic services for the economy and the rural population
	Measure 323-A : Development and animation of the documents of objectives Natura 2000
	Measure 323-B : Investments related to the maintenance or the restoration of the Natura 2000 sites (except forest areas and agricultural production)
	Measure 323-C : integrated system in favour of the pastoralism (additional financing)
	Measure 323-D : Conservation and development of the natural heritage
	Measure 323-E: Conservation and development of the cultural heritage, improvement of the framework of life
	Measure 341-A : Local development strategies of the forest-wood chain

UK

Prevailed percent of measures (88%) constitute the group C<50%. There are no measures included in group A>80% impact. Three of all measures have potential impact between 50 and 80%. Ranking of measures from different axes is given on Table 3.

Table 3

Ranking of measures from UK RDP, according their complex positive impact on multifunctionality

A>80%	
B 50-80%	
C<50%	Measure 111. Vocational training and information actions for persons engaged in the agricultural, food or forestry sectors
	Measure 114. Use by farmers and forest holders of advisory services 0.0
	Measure 115. Setting up of farm management, farm relief and farm advisory services (legacy only)
	Measure 121. Agricultural holding modernisation
	Measure 122. Improving the economic value of forests
	Measure 123. Adding value to agricultural and forestry products
	Measure 124. Co-operation for the development of new products
	Measure 125. Infrastructure related to the development and adaptation of agriculture and forestry
	Measure 212. Agricultural payments to farmers in areas with other handicaps
	Measure 214. Agriculture and Agri-environment Payments
	Measure 216. Agricultural Support for non productive investment
	Measure 221. For first afforestation of agricultural land
	Measure 223. For First afforestation of non-agricultural land
	Measure 225. For Forest-environment payments
	Measure 227. For Support for non-productive investments
	Measure 311. Diversification into non-agricultural activities
	Measure 312. Support for the creation and development of micro-enterprises (LEADER approach)
	Measure 313. Encouragement of tourism activities (including legacy) (LEADER approach)
	Measure 321. Basic services for the economy and rural population (legacy only)
	Measure 322. Village renewal (legacy only)
Measure 323. Conservation and upgrading of rural heritage (LEADER approach)	
Measure 331. Training and information (LEADER approach)	
Measure 341. Skills acquisition, facilitation and implementation (non-LEADER)	

Germany

9.5% of all measures have/will have impact between 50% and 80% - Programme for the promotion of on-farm investments (AFP); Innovative investments for the restructuring, rationalisation and development of farms (formerly fund for credit for investments); Measures for Natura 2000 protection areas and other zones with high natural value; Skills acquisition and animation with a view to preparing and implementing a local development strategy. Most of measures influence multifunctionality moderately (<50%). According to expert's assessment measures under Axis 4 it is difficult to evaluate potential impact or lack of such on multifunctionality. Hierarchisation of measures is illustrated on *Table 4*.

Table 4

Ranking of measures from German RDP, according their complex positive impact on multifunctionality

A>80%	
B 50-80%	Programme for the promotion of on-farm investments (AFP)
	Innovative investments for the restructuring, rationalisation % and development of farms (formerly fund for credit for investments)
	Measures for Natura 2000 protection areas and other zones with high natural value
C<50%	Vocational training, information actions, including diffusion of scientific knowledge and innovative practices for persons engaged in the agricultural, food and forestry sectors
	Use by farmers and forest holders of advisory services
	Farm modernisation
	Adding value to agricultural and forestry products
	Cooperation for development of new products, processes and technologies in the agricultural and food sector
	Improving and developing infrastructure related to the development and adaptation of agriculture and forestry
	Land consolidation
	Construction of agricultural paths
	Improvement and extension of forestry infrastructure
	Restoring agricultural production potential damaged by natural disasters and introducing appropriate prevention actions
	Payments to farmers in areas with handicaps, other than mountain areas
	Natura 2000 payments and payments linked to Directive 2000/60/EC
	Agri-environmental payments
	Support for a local and market adapted agriculture (MSL)
	Voluntary environmental protection programmes
	Conservation of genetic resources
	First afforestation of agricultural land
	First afforestation of non-agricultural land
	Natura 2000 payments
	Forest environment payments
	Support for non-productive investments
	Diversification into non-agricultural activities
	Support for the creation and development of micro-enterprises
	Encouragement of tourism activities
	Basic services for the economy and rural population

C<50%	Improvement of infrastructures in the field of water disposal
	Improvement of infrastructures in the field of drinking water
	Improvement of infrastructures in the field of investments in small schools
	Improvement of infrastructures in the field of investments in kindergartens
	Village renewal and development
	Conservation and upgrading of the rural heritage
	Environmentally friendly watercourses development
	Conservation of the wine shaped landscape in wine producing zones in Saxony-Anhalt
	Actions for the sensibilisation to environment protection
	Skills acquisition and animation with a view to preparing and implementing a local development strategy

Czech Republic

According to the expert's evaluation all measures have/will have moderate influence on multifunctionality. Ranking of measures according their positive influence on multifunctionality is given in Table 5.

Table 5

Ranking of measures from Czech RDP, according their complex positive impact on multifunctionality

A>80%	
B 50-80%	
C<50%	Measure 111. Further vocational training and information actions
	Measure 112. Setting up of young farmers
	Measure 113. Early retirement from farming
	Measure 114. Use of advisory services
	Measure 121. Modernization of agriculture holdings
	Measure 121 A.Cooperation for development and application of new products, processes and technologies in the agriculture sector
	Measure 121 B. Planting of fast-growing tree species designed for use in energy generation
	Measure 122. Forest machinery
	Measure 123. Technical equipment of work place
	Measure 123 A. Adding value to agricultural and food products
	Measure 124. Cooperation for development of new products, processes and technologies (or innovations) in food industry
	Measure 125. Forest infrastructure
	Measure 125 A. Land consolidation
	Measure 142. Producer groups
	Measure 211/212. Natural handicap payments provided in mountain areas and payments provided in other areas with handicaps
	Measure 213. Natura 2000 payments and payments linked to Water Framework Directive 2000/60/EC (WFD)
	Measure 214. Agri-environmental measures
	Sub-measure "Environment friendly farming methods"
	Sub-measure "Grassland maintenance"
	Sub-measure "Landscape management"
	Measure 221. Afforestation of agricultural land
	Measure 221 A. First afforestation of agricultural land

C<50%	Measure 224. Payments within Natura 2000 forest areas
	Measure 225. Forest-environment payments
	Measure 226/227. Restoring forestry potential after disasters and promoting social functions of forests
	Measure 311. Diversification into non-agricultural activities
	Measure 312. Support for business creation and development
	Measure 313. Encouragement of tourism activities
	Measure 321. Village renewal and development
	Measure 322. Public amenities and services
	Measure 323. Conservation and upgrading of the rural cultural heritage
	Measure 331. Training and information
	Measure 431. Local action group (LAG)
	Measure 411,412,413. Implementing local development strategy
Measure 421. Implementation co-operation projects	

Bulgaria

Forty-five percent of measures have potential positive impact between 50 and 80 per cent. The rest of 55% of measures have moderate impact (<50%). Ranking of measures according to their potential positive impact is given in *Table 6*.

Table 6

Ranking of measures from Bulgarian RDP, according their complex positive impact on multifunctionality

A>80%	
B 50- 70%	Measure 121. Modernisation of Agricultural Holdings %
	Measure 214. Agri-environmental Payments
	Measure 223. First afforestation of non-agricultural land
	Measure 226. Restoring forestry potential and introducing prevention actions
	Measure 311. Diversification into Non-Agricultural Activities
	Measure 312. Support for the Creation and Development of Micro-Enterprises
C<50%	Measure 322. Village Renewal and Development
	Measure 111. Training, Information and Diffusion of Knowledge
	Measure 112. Setting up of Young Farmers
	Measure 122. Improving the Economic Value of Forests
	Measure 123. Adding Value to Agricultural and Forestry Products
	Measure 141. Supporting Semi-Subsistence Farms Undergoing Restructuring
	Measure 142. Setting up of Producer Groups
	Measure 211. Natural Handicap Payments to Farmers in Mountain Areas
	Measure 212. Payments to Farmers in Areas with Handicaps, Other Than Mountain Areas
	Measure 313. Encouragement of Tourism Activities
	Measure 321. Basic Services for the Economy and Rural Population
Measure 431. Running the Local Action Group, Acquiring Skills and Animating the Territory	

Cohesion Policy impact on multifunctionality

Cohesion policy has a big diversity of country implementation. Despite the fact that in each country Cohesion policy is implemented through Operational Programmes and three funds - ERDF, ESF and CF, it is observed variety of priorities and

measures. National operational programmes play supporting and supplementary role to the Rural Development Policy and National Plans for Rural Development in the areas of multifunctionality

- ERDF support initiatives linked to small and medium enterprises, innovations, competitiveness, regional development (excluding rural areas). In some countries (i.e. Bulgaria) ERDF financed initiatives in tourism.
- CF and ERDF are main sources of finance for all environment initiatives.
- ESF is related to human resource development, education and health.

CONCLUSIONS

The implementation of EU policies on national and regional level focuses on coherent regional development, achievement of relevant regional competitiveness and sustainability. Evaluation of EU policies in rural areas shows that there is symbiosis between different them. Possible overlaps are cleared. Despite general framework there is diversification of measures and actions characterizing complexity and differences between countries and regions.

The analysis on the potential effects of the policies on the multifunctional character of the activities shows the domains of action supposed to have the greatest influence in terms of multifunctionality. Moreover, it highlights the differences between countries due to their specificity. Cohesion Policy has supplementary influence on multifunctionality.

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