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Latvia's Rural Development Plan

Country profile:

- Size: 64 589 km²; 62 046 km² of this is land
- 2 281 305 inhabitants; 32.1% live in rural areas
- Unemployment rate is 6 %
- In 2006, approximately 100,000 agricultural holdings managed around 2.46 million hectares of agricultural land (39 % of the land area)
- 75% of the land is less favoured area
- Employment of agriculture and forestry: 8.1 % of the labour market, primary production in agriculture and forestry in 2006 accounted for 2.3% and 1.3 % of GDP respectively

Chosen strategy:

The overall objectives are:

- To improve the competitiveness of agricultural and forestry businesses by supporting their restructuring, development and innovation as well as to improve the professional knowledge and qualifications of the population by ensuring the availability of the required advisory services.
- Promote improvement of the environment and rural landscapes by supporting activities aimed at preservation of the natural value of the rural territories, attractive landscapes and biodiversity.
- To promote improvement of the quality of life in rural areas by supporting the development of the local infrastructure to be identified by the local initiative groups, to diversify the economic activities as well as to preserve and develop the cultural heritage of the rural territories

Budget overall and share of funding

Axis	Total Expenditure (in €)	Share of EAFRD (in %)	EAFRD Contribution (in €)
Axis 1	648 960 777	75%	486 720 583
Axis 2	365 040 438	80%	292 032 350
Axis 3	259 584 311	75%	194 688 233
LEADER	32 534 798	80%	26 027 838
Technical assistance	55 526 000	75%	41 644 500
Total	1 361 646 324	76 %	1 041 113 504

Axis 1: budget allocation and main priorities

EAFRD: € 486 720 583. Total public expenditure: € 648 960 777.

Main priorities:

- Modernisation of agricultural holdings
- Adding value to agricultural and forestry products
- Semi-subsistence farming.

Axis 2: budget allocation and main priorities

EAFRD: € 292 032 350. Total public expenditure: € 365 040 438.

Main priorities:

- Agri-environmental payments
- Payments to farmers in areas with handicaps, other than mountain areas
- NATURA 2000 payments.

Axes 3 budget allocation and main priorities:

EAFRD: € 194 688 233. Total public expenditure: € 259 584 311.

Main priorities:

- Microenterprises and diversification into non-agricultural activities.
- Basic services.

Leader budget allocation:

EAFRD: € 26 027 838. Total public expenditure: € 32 534 798.

Main priorities:

- Quality of life/diversification
- Competitiveness