

Brussels, 24 January 2008

## Denmark's Rural Development Plan

### Country profile:

- Size: 43 098 km<sup>2</sup>.
- 5.4 million inhabitants; 53% live in rural areas.
- Unemployment rate of 3.5% is among the lowest by EU standards.
- In 2005, approximately 45,000 agricultural holdings managed 2.6 million hectares of cultivated land or 60% of the total area.
- Forestry land is about 0.6 million ha i.e. 14% of the total area.
- By 2005, around 6% of agricultural land on almost 2,900 farms, equivalent to around 151,000 ha (including areas under conversion), had been converted to organic production
- Around 48% of all farms are managed on part-time basis.
- Over the last 10 years the number of agricultural holdings has decreased by almost 35%, while the average farm size has now increased to 58 ha.
- Under Natura 2000, habitat and bird protection areas equivalent to around 359,000 ha or 8.3% of the total area, are designated.
- The food processing sector is highly specialist and diversified – main sectors pig and dairy.
- In 2005 agricultural export stood at 17% of total exports of goods.

### Chosen strategy:

The overall objectives were chosen in accordance with the Community Strategic Guidelines (CSG) and the National Strategy Plan and are:

- Through innovative investments to strengthen the competitiveness of the agricultural, food and forestry sectors as well as to adapt to the increasing demand for quality food products, including organic products and through investment in environmentally friendly technology to reduce the adverse impact on the surroundings from agricultural activities.
- Reinforcing the complementarity between agriculture/forestry and environment so to protect nature and environment to ensure preservation of natural assets in rural areas.
- To make rural areas more attractive places to live and work through support aiming at maintaining/creating new jobs as well as better access to cultural activities.
- To assure a high degree of local influence by establishing Local Action Groups in rural areas.

## Budget and share of EU funding

Axis	Total Public Expenditure (in €)	EAFRD* contribution rate (in %)	EAFRD Contribution (in €)
Axis 1	176 154 248	50	88 077 124
Axis 2	512 125 301	55	281 668 915
Axis 3	46 574 321	50	23 287 161
LEADER	77 698 872	55	42 734 380
Technical assistance	17 786 432	50	8 893 216
<b>Total</b>	<b>830 339 175</b>	-	<b>444 660 796</b>

\* EAFRD: European Agricultural Fund for Rural Development

### Overall aim of the programme

- More entrepreneurs and local jobs in rural areas,
- Greater competitiveness in the agricultural, food and forestry sector,
- Varied landscape, rich nature and a clean environment and
- Attractive living conditions in rural areas, which contribute to stronger cohesion between the countryside and town.

#### Axis 1: budget allocation and main priorities

Total public funding: € 176 154 248 – EAFRD contribution: € 88 077 124

Main priorities:

- Modernisation of agriculture holdings (30.8% of total expenditure for axis 1),
- Adding value to agricultural products (25.3%)
- Co-operation of developing new products, processes and technologies (18%).

#### Axis 2: budget allocation and main priorities

Total public funding: € 512 125 301 – EAFRD contribution: € 281 668 915

Main priorities:

- Agro environment measures (72.7% of total public expenditure for axis 2),
- First afforestation on agricultural land (12.9%),
- Support for non-productive investments (6%).

#### Axis 3: budget allocation and main priorities

Total public funding: € 46 574 321 – EAFRD contribution: € 23 287 161

Main Axis 3 activities fall under basic services and include projects for children and young people in rural areas (€ 10.6 Mio) and cultural attractions (€ 5.3 Mio). (This is below 10%; see below)

Measures such as diversification into non agriculture production, support to micro enterprises, local tourism and village renewal are all activities to be delivered under Leader by the Local Action Groups and therefore are the expenditures listed under Leader.

Main focus under Axis 3 is job creation and good quality of life in rural areas.

**LEADER budget allocation:**

Total public funding: € 77 698 872 – EAFRD contribution: € 42 734 380

The main part of Axis 3 will be implemented via Leader, so the majority of Axis 3 type projects in rural areas will be recommended for support by the Local Action Groups

For more information on Rural Development policy, see:

[http://ec.europa.eu/agriculture/rurdev/index\\_en.htm](http://ec.europa.eu/agriculture/rurdev/index_en.htm)