REPORT BY THE CHIEF EXECUTIVE

Abstract: This Report informs the Committee of the current position on the draft Rural Development Regulation.

1 RECOMMENDATION

1.1 It is recommended that the Committee note the current position on the draft Rural Development Regulation.

2 INTRODUCTION

2.1 The European Commission published the draft Regulation on support for rural development on 15 July 2004. This sets out their proposals for rural development spending from 2007-2013.

2.2 In summary, the Regulation proposes:

- The establishment of the European Agricultural Rural Development Fund (EARDF), separate from CAP, with simpler financial rules and including European Agricultural Guidance and Guarantee Fund (EAGGF) guidance.
- Three priority axis for spending – each with a number of measures i.e. 1. (increasing the competitiveness of the agricultural and forestry sector, 2. land management and diversification of the rural economy and 3. the quality of life in rural areas).
- Leader+ to be mainstreamed within the Rural Development Regulation with at least 7% of funding for Leader.

A summary paper is attached at Annex 1.

3 CURRENT POSITION

3.1 Angus Council, through membership of the European Rural Exchange Network (ERE) are closely following and contributing to negotiations.

3.2 The Scottish Executive Environment and Rural Affairs Department (SEERAD), along with other Scottish Executive and government departments are working to develop an agreed UK negotiating position on the Regulation.

3.3 SEERAD have been carrying out a 9 week consultation exercise seeking views on various parts of the Regulation. Defra are carrying out a similar exercise in England and Wales.

3.4 The consultation does not look at the detail of how the draft Rural Development Regulation will be implemented in Scotland. Once the draft Regulation has been
agreed a further consultation will be carried out in 2005 to look at the successor arrangements to the current Scottish Rural Development Programme.

4  FINANCIAL IMPLICATIONS

4.1 There are no financial implications arising from this Report.

5  HUMAN RIGHTS IMPLICATIONS

5.1 There are no Human Rights implications arising from this report.

6  CONSULTATION

6.1 The Directors of Law and Administration and Finance have been consulted in the preparation of this Report.

7  CONCLUSION

7.1 The shape of the Rural Development Programme post is still unclear and lengthy negotiations are expected.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DV/MM
22 November 2004

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Chief Executive