



RURAL LAB-Y

ABOUT GREECE

In Greece, agricultural production is an important part of the economy. This production depends on the morphology and composition of the soil and the climate of each region. The main agricultural products produced in our country are: cereals, olives-oil, grapes-wine, citrus fruits, industrial plants (tobacco, cotton, beets), vegetables. Many of our farmers, using modern machinery, standardize and export them to other countries. Organized exports of agricultural products help greatly in the development of the Greek economy.

The area of mainly rural areas reaches 82% in our country, while in the Europe of 28 the average does not exceed 52%. The population of rural areas reaches 44% in Greece, while in Europe it does not exceed 23%. The share of Rural Value Added stands at 34% versus 15% of the European average. But the share of employment in the agricultural sector in 2014 amounted to 13.5% of the labor force (when Europe does not reach 5%) giving full and immediate employment to 490,000 people.

The decline in employment in the primary sector of our country in 2014 was relatively small (-2.2%), compared to the significantly higher decline in construction (-10.3%) in manufacturing (-5.7%) and in trade (-2.8%).

Data and statistics information show that there is a shift in farmers regarding the type of crop they choose, with a clear strengthening of products that meet modern nutritional needs. For example, it has been recorded in large lowland areas such as the Thessalian plain, the tendency to abandon crops such as cotton and replace them with crops absorbed by the frozen vegetable industries, such as spinach and peas.

Basic farm sector sizes

Sectors

EE-28

GREECE

Area of mainly rural areas (% of total)	52,0	82,0
Population mainly in rural areas (% of total)	22,6	44,0
Agricultural land used (in 1000 hectares)	176 316,0	4 151,0
Number of farms (in 1000)	11 756,0	717,0
Area per holding (in hectares)	15,0	5,8
Total workforce of holdings	24 881,0	1 133,0
Number of primary sector employees (in 1000)	10 476,0	490,0
Employment rate of primary sector as a whole (%)	4,9	13,0
	405,6	10,8
	160,9	5,5
Gross Value Added domain (% of total)	2,5	5,2
Percentage of agriculture in GDP (%)	1,2	2,8
Share of agricultural exports in total (%),)	6,9	17,8
Agricultural balance of trade (in € billion)	18 210,0	-1 636,2

SOURCE: European Commission, Agriculture in the EU, Statistical and Economic Information, Report 2013, December 2013.

The Common Agricultural Policy (CAP)

The Common Agricultural Policy (CAP) is Europe's answer to the need for a decent standard of living for 22 million farmers and agricultural workers and a stable, varied and safe food supply for its 500 million citizens. As a common policy for all 28 EU countries, the CAP strengthens the competitiveness and sustainability of EU agriculture by providing Direct Payments aimed at stabilising farm revenues and finances projects responding to country-specific

needs through national (or regional) Rural Development Programmes, which also cover the wider rural economy. The CAP also provides a range of market measures, including tools to address market difficulties, and other additional elements such as quality logos or promotion for EU farm products, which complete CAP action to support farmers. The CAP budget fixed for the period from 2014-2020 provides a total of EUR 408.31 billion in EU funds with EUR 308.73 billion intended for Direct Payments and market measures (the so-called First Pillar) and EUR 99.58 billion for Rural Development (the so-called Second Pillar).

The 2014-2020 Rural Development Programme for Greece focuses on the following priorities:

- Improving competitiveness of the agricultural sector by providing support for: young farmers (23 900 Greek farms will benefit from start-up aid), restructuring and modernisation (6 300 agricultural holdings), the development of short supply chains (8 300 agricultural holdings) and investments in processing and marketing (600 agri-food business).
- Restoring and preserving ecosystems: 10.3% of Greek farmland under contracts to preserve biodiversity, 12.1% to improve water management and 10.7% to improve soil management and/or prevent soil erosion.
- Promote innovation and knowledge transfer in the fields of environmental awareness, innovative technologies and research across all activities in the RDP (creation of 86 640 training places and support to 530 cooperation projects).
- Enhance resource efficiency: approximately 51 000 hectares will switch to more efficient irrigation systems.
- Social inclusion and local development: improved services and ICT infrastructure and the creation of 2 000 new jobs via LEADER/CLLD.

Example of a Rural Development project supported by the CAP.

Modernisation, innovation and job creation in dairy company in Thessaloniki, Greece.

Thanks to Rural Development funding, a Greek entrepreneur from Thessaloniki set up a model dairy unit in 2006, producing kefir from cow's milk with the addition of beneficial fresh grains. After this initial breakthrough, he used further funding under the Greek RDP (LEADER programme) to modernise and diversify his production, now producing kefir yogurt. This additional investment has helped him to cut production costs, thereby making him more competitive, and upgrade the quality of his products. This ongoing economic success has allowed him to hire a new staff member, with the

prospect of creating more jobs in future. Total costs: EUR 340 946 (EU contribution: EUR 161 949).

Through the Quality Policy of the CAP, the EU provides a number of measures to help producers build on the high quality reputation of European products to sustain competitiveness and profitability. A key tool in this is the register of more than 1 300 protected food names which are classified as a Protected Designation of Origin (PDO), a Protected Geographical Indication (PGI) or a Traditional Speciality Guaranteed (TSG). The production of these registered quality products contributes to diversity, development and growth in the rural areas where they are produced and protect local knowledge, skills and jobs.

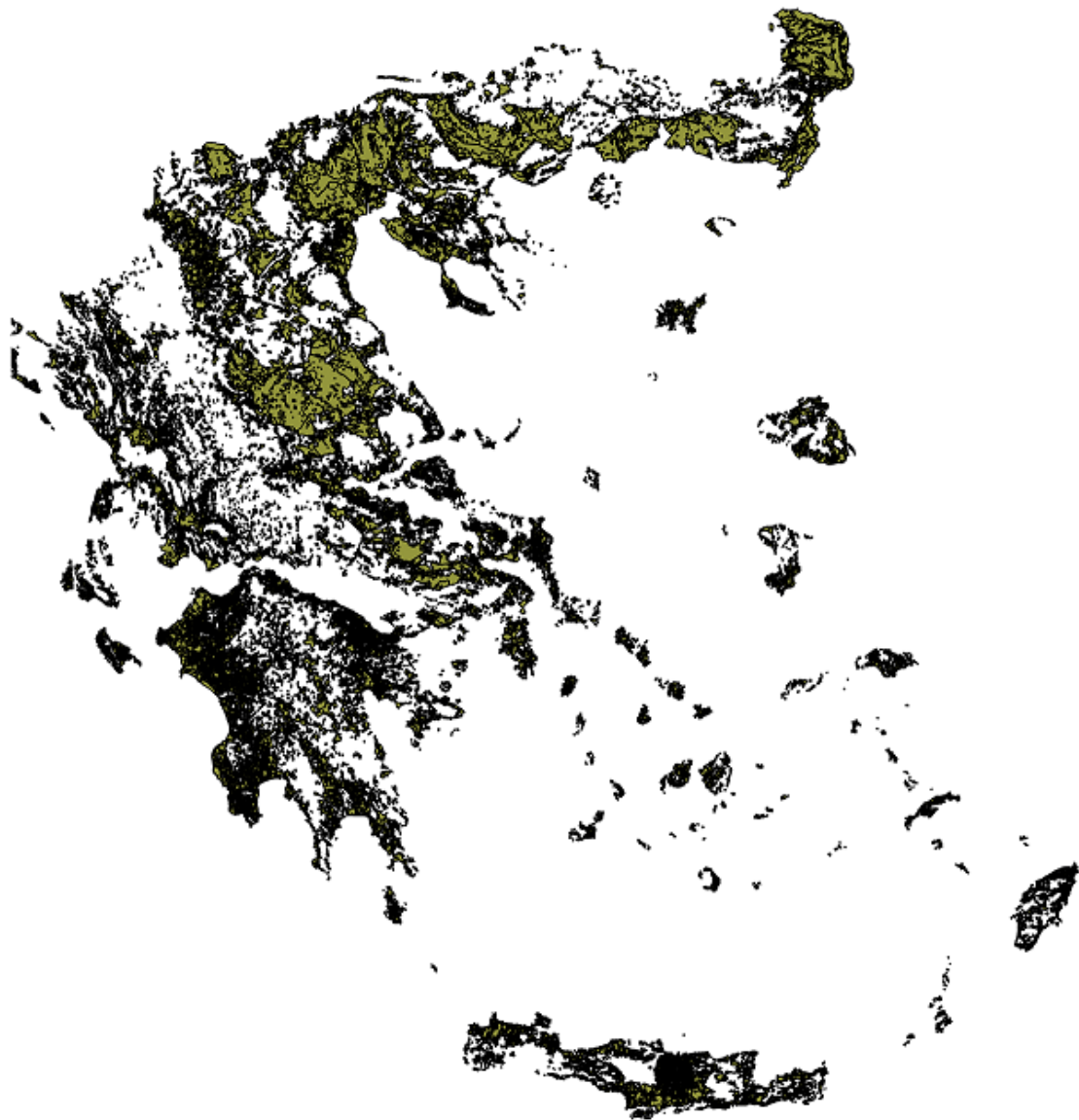
At present Greece has registered 75 products as PDO (such as Feta cheese, Tomataki Santorinis, etc) and 28 products as PGI (such as Patata Naxou, Milo Kastorias, etc).

What do the Greeks think of the CAP?

According to the most recent Eurobarometer, published in January 2016, 79% of the Greeks think that the financial support given by the EU through the CAP is either enough or too low (only 6% considers it "too high"). Most people think that the CAP's objectives should be to 'ensure that agricultural products are of good quality, healthy and safe (69%)', 'ensure reasonable food prices for consumer' (74%) and developing rural areas while preserving the countryside (67%). Moreover, 87% is totally 'in favour' of the greening practices.

Greece's agricultural sector is characterised by:

- Small-sized farms; 76.7% of holdings have less than 5 hectares and the average farm size of 6.8 ha is smaller than the average EU-28 holding with a size of 16.1 ha.
- Rather old farmers (only 5.2% Greek farmers are under 35 years old).
- A contribution to Greece's economy with 3.8% of the total GVA (EU-28: 1.6%) and to employment with 13.6% of total employment (4.7% in EU-28). This indicates the particular high economic importance of the sector.



*Χάρτης αγροτικής γης
Πηγή: Corine (2000) μέσω geodata.gov.gr*

In Greece, for the first time in 20 years, employment in the agricultural sector has been rising, from 11 percent in 2008, a 35-year low, to 12.9 percent in 2015, according to the latest available report by the Greek Statistical Service. Almost half of all new farmers come from the cities.

According to figures provided by the Association of Young Farmers, there has been a 15 percent increase in farmers between the ages of 18 and 40 since the start of the economic crisis in 2009.

FARMERS' INITIATIVES AND YOUNG PEOPLE

Young Greek farmers have turned to organic farming as well as processing, bottling, and exporting their products themselves. For years, Greek farmers didn't brand or bottle their olive oil. Instead, they'd sell it to Italy and Spain in bulk. There, it was bottled and sold as Italian or Spanish olive oil around the world. With the crisis, many Greek farmers decided to stop selling their olive oil in bulk and to instead bottle their own product, create a brand and market it around the world on their own. In the meantime, a movement called "Without Middlemen" has sprung up. Since 2012, on sporadic Sundays, producers across Greece bring their products to the cities and sell them directly to consumers, maximizing their profits and lowering costs for buyers who have been hit by the crisis.

Many farmers have also created websites to sell their products online. Thodoris, a greek young farmer, sells his on his [website](#) and at small stores which promote local products and take less of his profit margin than big supermarkets. Some have turned to new products like so-called "superfoods," such as certain nuts, berries, and whole grains. "Both in Greece and abroad, quality wins over price," Thodoris says. Distribution has also changed. "Door-to-door and skipping the merchant are also ways for us to increase our profit," he says. "Everything changes from below, from the people. We go to exhibitions together to showcase our products. We advise each other."

Moreover, seeing the unemployment that exists in the city, young people decide to make their family business their full-time job. If you're unemployed in the city, you don't have any options," Maria says. She moved home this month to start working full-time on her family's olive grove. Speaking in her family's olive mill near the village of Plomari in Lesbos, Maria paints a bleak picture of how life in Thessaloniki means homelessness, unemployment, and depression: "Here, you won't go hungry. At least you'll be able to grow your own food."

The family's choice of product seems a natural one on an island which, with more than 11 million olive trees, is the third-most important olive oil-producing region in Greece. After Spain and Italy, Greece is the [third-largest](#) producer of olive oil in the world.

About the connection of young people with agriculture, we can mention that there are educational opportunities through farm schools. The American Farm school of Thessaloniki is one good example. The **American Farm School** is the premier institution in southeastern Europe for education and research in

agriculture, food systems, environmental studies and other life sciences related to our sustainable future. Founded in 1904 by enlightened American educators, the School continues to apply its hallmark “learn by doing” approach to educate students of all ages. Divisions include the **Elementary School of Environmental Education, Middle School, High School, Junior College** and **Perrotis College of Agriculture, Environment and Life Sciences**. The School’s campus farm—producing premium milk, yogurt, Omega-3 eggs, turkeys, wine and more—serves as a living laboratory for hands-on education and applied research. The School’s extensive scholarship program provides promising young men and women with an unparalleled education that leads to productive careers and sustainable communities.



The Rural Development Programme (RDP)

The Rural Development Programme (RDP) for Greece was formally adopted by the European Commission on 11 December 2015 and last modified on 28 February 2019, outlining Greece's priorities for using the € 5.95 billion of public money that is available for the period 2014-2020 (€ 4.7 billion from the EU budget and € 1.25 billion of national co-funding).

The Greek RDP focuses mainly on enhancing farm viability and competitiveness, preserving and enhancing ecosystems and promoting local development in rural areas. Farmers will receive support to put 17.45% of the Greek farmland under contracts to preserve biodiversity, 17.33% to improve water management and 20.66% to improve soil management and/or prevent soil erosion. Investment support for restructuring and modernisation will be provided to 6 300 agricultural holdings and 25 600 young farmers will receive start up aid. In addition, 6 900 agricultural holdings will receive support to

participate in quality schemes, local markets and develop short supply chains and about 450 agri-food businesses will receive support for investments in processing and marketing of agricultural products. Support for knowledge and innovation activities makes up almost 5% of the planned public expenditure and the programme will create around 71 268 training places for farmers and other rural businesses. The RDP will also support local development via LEADER Local Action Groups covering more than half of the country's rural population and improve access to basic services for approximately 10% of the rural population, including IT infrastructures (e.g. broadband internet).

Examples of expected achievements

- The Greek RDP aims at supporting 530 cooperation projects, including the framework of the European Innovation Partnership, to encourage knowledge transfer and innovation in agriculture, forestry and rural areas.
- About 86 640 training places will be made available to develop knowledge transfer in the fields of environmental awareness, innovative technologies, and research to encourage practical implementation on farms and in forests.
- About 23 900 Greek farms will benefit from business development plan support for Young Farmers and about 6 300 farms will benefit from support for restructuring and modernising their businesses.
- Over 8 300 agricultural holdings will receive support to set up short supply chains, develop local markets and launch promotion activities, while 600 agri-food businesses will receive support for investments in the processing and marketing sector.
- Greece aims at bringing 10.3 % of agricultural land under contracts to preserve biodiversity, 12.1 % to improve water management and 10.7 % to improve soil management.
- Almost 5 % of the irrigated land will contribute to better water efficiency through public and private investments in irrigation infrastructure. It is expected that approximately 51 000 ha of irrigated land will switch to more efficient irrigation systems.
- LEADER aims at creating 2 000 new jobs.
- Furthermore, about 3 140 beneficiaries will receive support for investments in non-agricultural activities in rural areas thus contributing to the creation of 2 860 jobs.

Examples of challenges

- Only 13 % of farm managers are under 35 years old and merely 4 % of all farm managers have received agricultural training.
- Areas with natural constraints make up 78 % of the Utilized Agricultural Area (UAA), of which 54 % are mountainous regions.
- Irrigated land accounts for 19.8% of the UAA and 86 % of water use in Greece is consumed in agriculture, often with considerable water losses.

HOW THE GREEK RDP WILL ADDRESS THESE CHALLENGES?

Knowledge transfer and innovation in agriculture, forestry and rural areas .Under this priority the Greek RDP aims at supporting 350 cooperation projects, including the framework of the European Innovation Partnership, as well as by stimulating the development of supply chain partnerships in the agri-food sector. About 71 268 training places will be made available to enhance knowledge transfer in the fields of environmental awareness, innovative technologies, and research to encourage practical implementation on farms and in forests.

Competitiveness of agricultural sector and sustainable forestry. About 25 600 Greek farms will benefit from business development plan support for Young Farmers and about 6 300 farms will benefit from support for restructuring and modernising their businesses. It should be noted that young farmers will also benefit from training and a higher support rate for their investments under the corresponding measures of the programme.

Food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture. 6900 agricultural holdings will receive support to set up short supply chains, develop local markets and launch promotion activities, and 450 agri-food businesses will receive support for investments in the processing and marketing sector.

Restoring, preserving and enhancing ecosystems related to agriculture and forestry. Greece aims at bringing 17.45% of agricultural land under contracts to preserve biodiversity, 17.33% to improve water management and 20.66% to improve soil management. Measures to support agro-forestry and afforestation aim at bringing a small part of Greece's forest land under management contracts.

Resource efficiency and climate.This priority aims at supporting a more efficient use of natural resources, in particular water, and the development of renewable energy sources in Greece. Almost 5% of the irrigated land will contribute to better water efficiency through public and private investments in irrigation infrastructure. It is expected that approximately 51 000 hectares of irrigated land will switch to more efficient irrigation systems. Integrating this support with measures, such as investments in physical assets and knowledge transfer activities and advisory services, is expected to improve water efficiency reduce and agriculture's share in overall water consumption.

Social inclusion and local development in rural areas. More than half of Greece's rural population is expected to be covered by a local development strategy while approximately 10% of the rural population will benefit from improved services and ICT infrastructure. LEADER aims at creating 2 000 new jobs. Furthermore, about 560 beneficiaries will receive support for investments in nonagricultural activities in rural areas thus contributing to the creation of 775 jobs.

The six biggest RDP measures in budgetary terms (total Public contribution) are:

- € 1 409 million allocated to Investments in physical assets.
- € 1 347 million allocated to Areas facing natural or other specific constraints.
- € 768 million allocated to Organic farming.
- € 451 million allocated to Farm and business development.
- € 445 million allocated to support for LEADER local development / CLLD.

- € 440 million allocated to Agri-environment and climate measures.

sources: <https://www.aljazeera.com/indepth/features/2017/04/young-greeks-turning-farming-170417123546814.html>

<https://www.afs.edu.gr/>

https://enrd.ec.europa.eu/country/greece_en

