

# EUROPE'S BUDGET

Unlocking synergies integrating EU funding for farming  
and rural communities

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Fostering links within and between EU funding instruments is a key principle for the 2028-2034 multiannual financial framework (MFF).

The more integrated programming framework under the new National and Regional Partnership (NRP) Plans for 2028-2034 seeks to increase efficiency and impact on the ground, strengthening complementarities across EU spending.



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Integrated programming under the NRP Plans means **looking at challenges in holistic terms, rather than from the point of view of funding sources**. It brings together different policies and funding streams to address the real needs of a specific territory or a sector—such as jobs, services, infrastructure and quality of life—in a coordinated way. This helps ensure that investments reinforce each other and maximise impact for larger groups and more sectors.

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**Support under the Common Agricultural Policy (CAP)** will be reinforced through more integrated planning across policy areas and a single set of rules common to national and regional support, supported by the new architecture of the “national and regional partnership plan” that strengthens links between EU policies.

The NRP Plans will help move beyond fragmented EU spending to deliver clearer and more tangible results on the ground.

This approach recognises that agriculture and development in rural areas depend not only on sectoral support, but also on access to infrastructure, employment, training, economic activities, services, mobility and digital connectivity, which improve the quality of life in rural areas and ensure a ‘right to stay’. This is essential for farmers and their families, and for thriving rural communities.

This also allows that farmers reap benefits from the effects of public and private investments also when they are not necessarily the direct beneficiaries, but where their needs are reflected.

The NRP Plans provide Member States and regions with flexibility to select and combine measures according to national and regional needs while supporting EU common objectives and priorities. A harmonised planning and reporting framework will foster synergies, reduce administrative complexity and make funding across sectors more accessible for beneficiaries.



## Budget available for agriculture and rural areas

Under the NRP Plans proposal, the CAP will continue to prioritise farmers’ income support, with a minimum ringfenced allocation of **EUR 293.7 billion**, while enabling, and in certain cases requiring, Member States to use additional resources to address CAP priorities from the non-ringfenced budget of the NRP plans, representing **EUR 453 billion**.

Furthermore, to ensure that additional resources are available as of 2028 for addressing the needs of farmers and rural communities, when submitting their initial plan Member State will have access to up to two thirds of the amount normally available for the midterm review of the NRP plan. This represents about **EUR 45 billion** that Member States can mobilise immediately to support farmers, in addition to the EUR 293.7 billion.

In addition, to make sure that rural areas benefit from a comprehensive policy approach to respond to their challenges, **at least 10% of the resources of each NRP Plan will have to be dedicated to supporting investments in those territories**. This amounts to at least **EUR 48.7 billion** available for rural areas, which might increase up to EUR 63.7 billion through the possibility offered by Catalyst Europe loans.

In the event of severe market disturbances, Member States can access additional funding from the **Unity Safety Net**, amounting to **EUR 6.3 billion** over the period 2028 to 2034. This translates into **EUR 900 million per year**, which is double the amount of the current agricultural reserve.

Beyond the NRP Plans, farmers can also benefit from the **European Competitiveness Fund and the Horizon Europe programme** for research and innovation, potentially increasing substantially available funding.

**All in all, the EU budget in support to farmers and rural communities for 2028-2034 can be at the same level or even higher than the current CAP allocation 2021-2027.**



# Synergies and complementarities: a few examples to better understand what it means in practice

## 1. Innovation for the agri-food sector's competitiveness

The NRP Plans will offer support for innovation and knowledge dissemination through operational groups for innovation and other tools. They can provide also synergies with EU-level investment notably through Horizon Europe (HE) and the European Competitiveness Fund (ECF). Together they have a proposed allocation of €40 billion under the “Health, Biotech, Agriculture and Bioeconomy” windows. Part of this would include funding to develop the knowledge, technologies, services and infrastructures that farm businesses and rural communities need, while NRP Plans could help deploy and scale them locally.

In practice, Horizon Europe-funded research could deliver climate-resilient crop varieties, digital decision-support tools or low-input farming techniques, while ECF investment supports their testing, manufacturing and market uptake. Farmers, foresters and agri-food SMEs can participate directly as innovators and pilots, and benefit as early users once solutions are rolled out through NRP Plan measures.

This EU-level support also enables larger-scale and cross-border initiatives that individual NRP Plans cannot deliver alone, with results that can be replicated nationally and regionally. For example, ECF and HE could fund shared testing facilities and pilot new machinery. If successful, NRP Plans can further invest in successful pilots. Synergies may be found with cross-border demonstration farms or modern processing facilities tailored to bio-based and organic value chains.

Research and investment through HE and ECF can also accelerate the commercialisation of biobased fertilisers, safer crop protection solutions, precision farming equipment or water-smart technologies for rural areas. Once proven, these innovations and business models could be taken up and multiplied under NRP Plans, strengthening farm competitiveness, resilience and long-term food security across the EU. The Agricultural Knowledge and Innovation Systems supported by NRP Plans play a key role in ensuring that knowledge and innovation developed under HE and ECF effectively reach farmers.

## 2. Renewable energy production

Territorial joint up investments in renewable energy production - such as wind, agri-solar, and biogas - offers significant opportunities for national and regional administrations to advance energy, climate and rural development objectives simultaneously.

In a rural area, a group of farmers invest in an on-farm biogas plant producing renewable gas from livestock waste and agricultural residues, thanks to CAP support. Their project is embedded in a wider territorial approach further supporting the upgrading of biogas into biomethane which than can be fed in the energy grid, to replace natural gas. These further investments are financed under the NRP Plan's framework, managed with the regional and national authorities and implemented by public and private operators.

By combining CAP support for individual farmers with larger-scale energy infrastructure investments in a territorial approach and scale and an enabling policy framework, the project reduces energy costs for farmers and rural businesses, creates additional income for farmers. It enables supplies energy to the nearby industrial users and improves the efficiency and coherence of public investment while contributing to the EU's decarbonisation goals.





### 3. Farm competitiveness through integrated territorial value chains

A farmers' cooperative producing organic fruit and vegetables operates within a biodistrict to generate higher value along the supply chain and strengthen the long-term viability of its members' farms. Farmers cooperate with local authorities, businesses, tourist operators and local communities to create a common brand and align investments, generating added value for each participant in the chain.

Members of the cooperative receive individually CAP support linked to their agricultural production, but the upgrading of value chains goes beyond what CAP can deliver. Through the wider National and Regional Partnership framework, the cooperative itself benefits from cooperation and investment tools supported through the NRP to invest in collective food processing and marketing.

Complementary measures finance shared processing facilities, storage, logistics, branding and promotion, allowing investments to be planned at territorial scale rather than farm by farm approach.

Where needed, additional funding - beyond CAP - supports food operators for larger-scale processing serving the wider territory, as well as other rural business and service providers for territorial branding. SMEs are funded providing they establish links with local producers. As a result, cooperative members improve market access, retain more value locally, and strengthen links with tourism and public procurement. The biodistrict provides the governance platform that enables this convergence of funds and actors, making the use of MFF resources more efficient, coherent and impact-oriented.

This example illustrates how programming with EU funding can move towards territorially-coordinated investment in competitiveness, resilience and value creation.



### 4. Efficient water management, quality and resilience

In a drought-prone rural area, access to water has become an acute challenge, requiring coordinated planning and investment at territorial scale. Under the NRP Plan, the Member State implements an integrated water strategy covering the full chain, from water sources to on-farm use, with different funding streams for different beneficiaries supporting complementary infrastructure.

NRP funding supports public and private operators for primary water infrastructure (e.g. main distribution networks) serving agriculture, households and tourism. Secondary infrastructure, including irrigation networks managed by local communities, is upgraded through a combination of national and EU funds. At farm level, CAP support finances upgrade or modernisation of irrigation systems and water-saving technologies. In parallel, EU-level investment through the European Competitiveness Fund supports the development and testing of innovative water-smart technologies on farm, which are then deployed locally through NRP Plan measures at a broader scale.

This integrated approach improves coordination and efficiency, optimises the use of public resources and ensures that water investments deliver greater resilience and benefits for farmers, rural communities and other water users.



## 5. Access to knowledge and innovation

In a rural region facing skills gaps and limited access to advisory services, farmers require continuous training and professional advice to start businesses, adapt production and remain competitive. Under the NRP Plan, CAP support for knowledge sharing and advisory services targeting the farming community is integrated into a wider territorial training strategy.

CAP-funded advisory services and training for farmers are combined with education, employment and social measures supporting vocational training, digital skills, entrepreneurship and youth integration into the labour market. These complementary interventions improve access to training for young people, new entrants and vulnerable groups in rural areas and can contribute to the 14% social target under the NRP Plan.

Through this coordinated approach, rural communities benefit from more coherent and accessible lifelong learning opportunities, including specialised advice for farmers. Farm businesses become more competitive, youth employment improves, and local skills and innovation capacity are strengthened in a way that responds to local needs.



## 6. Social services in rural areas

In a rural area facing population decline, limited access to childcare services makes it difficult for young families to remain in the territory and for parents, including farmers, to reconcile work and family life. Under the NRP Plan, the Member State prioritises investment addressing these challenges by combining infrastructure, skills and service provision like mobility in rural areas, thus contributing to the 10% rural target.

EU and national funding are brought together to support the renovation or construction of childcare facilities in rural villages, as well as to finance the recruitment and training of childcare professionals. While infrastructure and equipment support is provided from funding of the NRP Plan, the integrated programming of complementary social and education measures strengthens service delivery and quality standards.

Through this coordinated approach, childcare services become more accessible and reliable for rural families that benefit directly from the results of the projects, helping to retain young households, support women's participation in the labour market and improve the overall attractiveness and long-term vitality of rural areas.



## 7. Digital connectivity

A regional administration, confronted with persistent gaps in rural broadband coverage, aims to enhance digital connectivity across its rural territories and support the digitalisation of the farming sector. The administration aligns on a territorial level CAP-supported digital tools - such as farm management systems and farm advisory services - with broader public investments in broadband infrastructure under the NRP Plan, implemented by public and private operators and tailored to the needs of local economic activities in rural and remote areas.

Digital services for farmers improve, the adoption of precision and smart farming technologies accelerates, and rural areas become more attractive for businesses, young people and families, contributing to long-term territorial development.



## 8. Integrated territorial development strategy CLLD / LEADER

A Local Action Group operating in a rural area develops an integrated territorial development strategy under the NRP Plan, to improve living standards and make their territory more attractive. The strategy adopts a multi-sectoral approach, combining actions on farm diversification, local food value chains, business support, social services, childcare, mobility, skills and community infrastructure.

While LEADER under the CAP already allows such investments, the use of multi-fund community-led local development (CLLD) has been limited by fragmented rules and administrative complexity. Under the NRP Plans, harmonised rules and a single framework make it easier for the Local Action Group to combine CAP support with social, employment and regional funding to design coherent projects, support innovative local solutions and reduce administrative complexity for beneficiaries.

**Disclaimer:** These examples of synergies are provided solely for illustrative purpose

