

# EUROPE'S BUDGET

Building stronger, connected, resilient  
and prosperous rural communities

JUNE 2026

Rural areas cover three quarters of the European Union's territory and are home to one in four Europeans. They play an important role in Europe's economy, environment, and quality of life.

Under the proposed 2028–2034 budget, the European Commission is renewing its commitment to rural areas to help Europe respond to their economic, environmental, and social challenges while supporting communities across the Union.

The proposal would bring together different sources of EU funding, including support for farmers and rural areas currently provided through the **Common Agricultural Policy (CAP) under a single National and Regional Partnership Plan (NRPP)** in each Member State. A dedicated spending target for rural areas has been proposed to ensure the future plans continue investing in rural territories.



# 1. Objectives: improving quality of life and strengthening prosperity

Rural areas feature prominently in the policy objectives of the National and Regional Partnership Plans (NRPPs).

First, the future plans aim to sustain the **quality of life by improving the attractiveness and living standards in rural areas, including access to healthcare.**

They also aim to create **fair working conditions to foster generational renewal.**

Second, the plans aim to support prosperity across all regions, notably by fostering the attractiveness of territories to support the right to stay. Key tools highlighted under this objective are **strategies for the integrated development of rural areas, and support for territorial services and infrastructure.**

## 2. How would rural areas be defined for EU support?

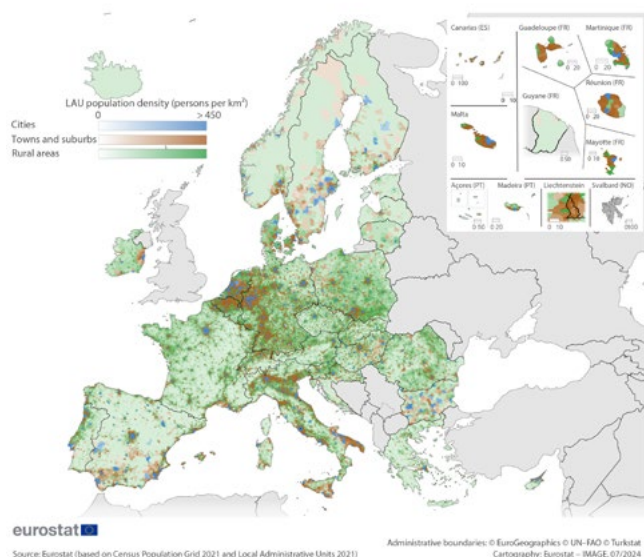
**For statistical purposes, rural areas are defined at EU level using a common European territorial typology called the “degree of urbanisation”.**

This classification groups local administrative units (e.g. municipalities) based on population density and settlement size, into three categories: cities, towns and suburbs, and rural areas. **According to this classification, rural areas cover around 75% of the EU’s territory and host about 25% of its population.**

To enable a **comparable and common approach across countries** and ensure a **level playing field** in the use of funds made available under the rural spending target, the Commission advises defining **rural areas in the context of the NRP plans as local administrative units classified as “rural areas” under the degree of urbanisation territorial typology<sup>1</sup>.**

However, to take into account national specificities, Member States could also consider as rural areas some of the local administrative units classified as “towns and suburbs” where they have an objective circumstance, such as very high population density compared to the EU average, very large local administrative units in terms of surface, or an island or an outermost region, provided that those areas are the least favoured compared to the rest of the Member State concerned.

Degree of urbanisation, 2021



Find out more: [degree of urbanisation](#)

<sup>1</sup> Point (a) of Article 4b(3) of Regulation (EC) No 1059/2003 of the European Parliament and the Council, as amended by Regulation (EU) 2017/2391 of the European Parliament and of the Council.

### 3. Ensuring investment continuity through a dedicated rural target

To ensure rural areas continue to receive the support they **truly** need, the **Commission has proposed a dedicated spending target for rural areas** as part of the future national plans<sup>2</sup>.

Under the proposal, each **Member State will be required to dedicate at least 10% of its National and Regional Partnership Plan (NRPP) allocation, excluding the CAP and CFP ringfenced amounts, to investments in rural areas.**

At the EU level, 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.**

Member States will be encouraged **to develop a consistent agenda of measures addressing rural areas specific needs and challenges**, building on **synergies across policy areas.**








To improve **transparency and accountability**, a dedicated **“rural areas”** tracking category will be used to monitor how much funding is planned and spent under the rural target.

The rural target aims to ensure that rural areas benefit from a comprehensive response to their specific needs and challenges. **It will support investments that improve quality of life, strengthen local economies and help rural communities remain attractive places to live and work.** Importantly, the rural target comes in **addition to direct income support for farmers and foresters** provided under the Common Agricultural Policy (CAP).

To ensure resources are available from the start of the new budget period, the Commission proposed that for needs related to agriculture and rural areas, Member States are able to program **up to two thirds of the amount normally available for the midterm review (2031)** already from the start. This “frontloading” option could make approximately **EUR 45 billion available from 2028 onwards**, helping farmers and rural communities benefit from support sooner.

In addition, rural areas located in **less developed regions may also benefit from the EUR 218 billion** reserved for these regions under the future plans.

<sup>2</sup> The rural target is expressed as at least 10% of the National and Regional Partnership Plan's envelope, outside of the ringfenced amounts from the Common Agricultural Policy and the Common Fisheries Policy dedicated to income support for farmers and fishermen.

Member State	Rural target*	Flexibility frontloading**
 Austria	0,37	<b>0,28</b>
 Belgium	0,39	<b>0,34</b>
 Bulgaria	1,41	<b>1,32</b>
 Cyprus	0,18	<b>0,10</b>
 Czechia	2,21	<b>2,14</b>
 Germany	3,11	<b>2,70</b>
 Denmark	0,22	<b>0,17</b>

Member State	Rural target*	Flexibility frontloading**
 Estonia	0,47	<b>0,39</b>
 Greece	3,17	<b>2,81</b>
 Spain	4,52	<b>4,23</b>
 Finland	0,46	<b>0,30</b>
 France	3,34	<b>3,06</b>
 Croatia	1,21	<b>1,08</b>
 Hungary	2,62	<b>2,57</b>
 Ireland	0,35	<b>0,32</b>
 Italy	5,00	<b>4,71</b>
 Lithuania	0,93	<b>0,81</b>
 Luxembourg	0,03	<b>0,01</b>
 Latvia	0,63	<b>0,56</b>
 Malta	0,11	<b>0,08</b>
 Netherlands	0,29	<b>0,20</b>
 Poland	8,96	<b>8,77</b>
 Portugal	2,50	<b>2,41</b>
 Romania	3,89	<b>3,79</b>
 Sweden	0,50	<b>0,33</b>
 Slovenia	0,37	<b>0,34</b>
 Slovakia	1,50	<b>1,46</b>
<b>Total</b>	<b>48,72</b>	<b>45,30</b>

\* Rural Target will be programmed outside the amounts ring-fenced for CAP income support to farmers and foresters and can come from the Flexibility frontloading amount or other unallocated resources available either immediately as of 2028 or after the mid-term review.

\*\* The flexibility frontloading and the rural target both draw on the unallocated NRPP amount and may overlap. The amounts for the flexibility frontloading are indicative as they depend on Member States' planning choices.

## 4. A broader and more coordinated toolbox for rural areas

As is already the case today, **Member States will continue to have access to a wide range of tools to support rural communities.** What changes is that these tools can be brought together more easily under the National and Regional Partnership Plans (NRPPs)<sup>3</sup>, helping different sources of funding work better together. This more integrated approach will allow Member States to **address rural challenges in a holistic way**, combining investments and reforms across different policy areas to respond to local needs and opportunities.

From today's CAP instruments targeting rural areas and covered under the proposed CAP<sup>4</sup> regulation, Member States will in the future continue using **LEADER**, support for **rural businesses startups**, and measures that **promote knowledge sharing, advisory services and innovation.** Support for farming will also continue, including in outermost regions.

Using additional possibilities offered in the broader context of the plans, **Member States will be able to support Smart Villages, cooperation between rural actors, and investments in local services, small-scale infrastructure and, connectivity;** alongside broader investments and reforms that contribute for example to stronger local economies, social inclusion, territorial cohesion, education, culture and the energy transition.

**Beyond the NRPPs**, rural communities will continue to benefit from support to capacity building (EU facility), **cross-border cooperation** (INTERREG), **innovation** (European Competitiveness Fund) and programmes such as **Horizon Europe, ERASMUS** or **Creative Europe.**

**Together, these tools provide a more coordinated and flexible framework to help rural areas thrive, while ensuring that support continues where it is truly needed.**

## 5. Targeting specific needs and promoting integrated territorial instruments and community-led local development

**Even within the same country, communities can face very different challenges and opportunities.** Rather than applying the same solutions everywhere, tailoring support to the specific needs of different territories helps to ensure that public investment has the greatest possible impact.

**To identify rural areas facing specific disadvantages,** Member States are encouraged to look at challenges such as depopulation, very low population density, remoteness, mountains, islands, eastern border regions, northern sparsely populated areas, outermost regions or the small Aegean islands.

### Addressing specific needs through place-based approaches

To address the specific needs of these areas, adopting a **place-based approach** is also paramount. Under such approaches, **local communities are meant to play an active role in shaping their own future** and different policies and investments can be combined around shared local objectives.

<sup>3</sup> [Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for the period 2028-2034 and amending Regulation \(EU\) 2023/955 and Regulation \(EU, Euratom\) 2024/2509](#)

<sup>4</sup> [Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the conditions for the implementation of the Union support to the Common Agriculture Policy for the period from 2028 to 2034](#)

**LEADER**<sup>5</sup> is mandatory to programme in each Member State, at least for rural areas facing specific disadvantages. It can be extended to a broad set of policy sectors (e.g. social, employment, fisheries) in wider multi-sector **Community-led local development**<sup>6</sup>. These approaches are carried out through integrated territorial development strategies designed and implemented by Local Action Groups (LAGs). They are particularly efficient to enhance social capital and community resilience, foster business development, social inclusion and services. They use bottom-up and participatory methods, based on local public, private and civil society partnerships.

The new programming period will make it easier to adopt a **multisectoral approach to CLLD**.

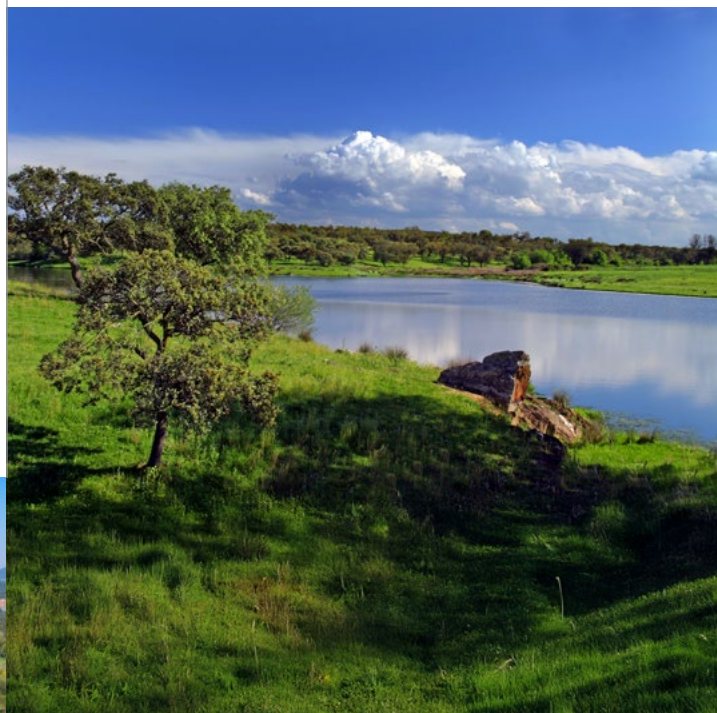


### Combining different sources of funding around local needs in Poland

Poland has successfully implemented a broad [multi-sector LEADER and Community-Led Local Development \(CLLD\)](#) approach. Across the country, 190 local development strategies supported by multiple EU funds address a wide range of priorities through a single local vision.

These strategies support rural diversification, local food systems and Smart Villages under the CAP, while also financing infrastructure, village renewal and the green transition through regional policies. They also invest in people through employment support, job training, social inclusion measures and lifelong learning opportunities.

**Integrated territorial investments** (ITI) can prove useful to address rural challenges at territorial scale; through coordinated development at territorial level, allowing different policies to be combined into one territorial strategy.



### Tackling water and climate challenges through an integrated territorial strategy in Portugal

Portugal's Algarve and Alentejo regions developed an [ITI to improve water and landscape ecosystems](#). The strategy is based on a participatory governance model that draws on local knowledge and citizen-led initiatives to guide decision-making.

Following public consultations and hearings, stakeholders identified a set of interconnected actions including restoring rivers and watercourses, promoting water reuse, reforestation, reducing wildfire risks and supporting climate adaptation measures that strengthen the resilience of farms and rural communities.

<sup>5</sup> Art. 77 NRP regulation + Art. 18 CAP regulation.

<sup>6</sup> Art. 76 NRP regulation.

## 6. Examples of measures and projects contributing to an integrated approach to support rural areas

Member States are encouraged to adopt a **comprehensive approach** that takes account of the diversity of rural areas, addresses their specific challenges and opportunities, and creates synergies between different policies and funding sources.

The integrated approach can be applied at different levels: through projects that contribute to several objectives at once, through combinations of measures addressing a common challenge, or through broader territorial strategies bringing together different sectors and stakeholders.

A dedicated [factsheet](#) explains how the new National and Regional Partnership Plans (NRPPs) can help unlock these synergies for farmers and rural communities. Additional inspiration can also be found in the Commission Communication [A long-term vision for the EU's rural areas - towards stronger, connected, resilient and prosperous rural areas by 2040](#), the accompanying [EU Rural Action Plan](#) and the [Rural Pact](#), which highlight **rural needs** across different policy areas and possible ways to address them in an integrated manner.

### One project, multiple benefits

Managing Authorities can achieve several objectives for example by calling for projects and supporting investment benefitting several actors working jointly to contribute to local development in multiple ways.

For example, to enhance **prosperity and competitiveness**, rural areas need investments in **business development and skills**, seeking to **provide diverse and quality job opportunities** building **unique rural assets** and emerging economic opportunities, including the **green transition**.

### Strengthening local value chains, food processing and circular economy

A regional Managing Authority willing to strengthen local value chains competitiveness could, for example, call for projects aiming to add value to food produced in the region by investing in food processing capacity, in the context of a partnership of local producers working hand in hand with food

operators and other local businesses to enhance sales, reduce waste and foster circular economy. This is what the ['Green Point' Living Lab in Pomurje, Slovenia](#) did, providing smart delivery, surplus food processing and hybrid sales models involving 100 farmers and producers over three years.

### Combining measures to address complex challenges

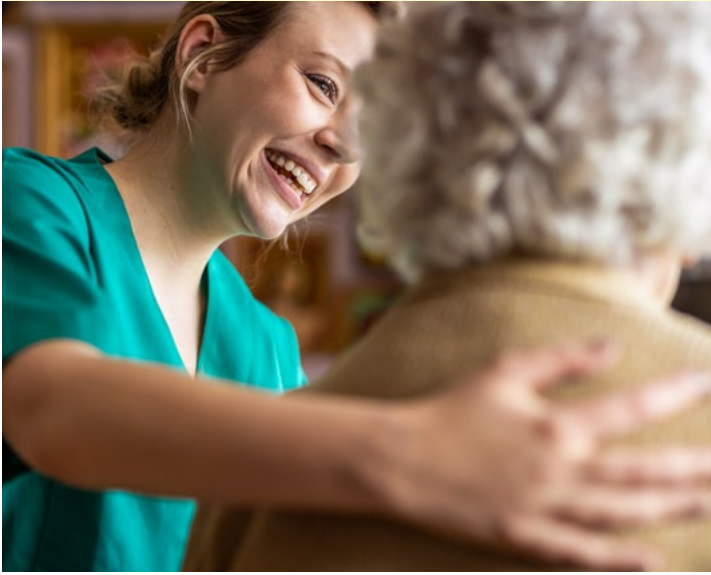
Some challenges require more than a single intervention. In such cases, a combination of mutually reinforcing measures can often deliver better results.

For example, to **strengthen and empower rural communities**, rural areas need measures to **strengthen social and human capital**, invest in **basic services and infrastructure**, health, education, enhance **innovation** and support **rural youth**.

### Combining measures to support access to healthcare in rural areas

- Investing in **small scale infrastructures** such as local medical centres and/or in medical mobile units to cover most remote rural areas with better access to general and specialised healthcare. The cross-border healthcare centre **in Gmünd (Austria)** is a good example from the [HealthAcross](#) initiative, which enhances rural residents' access to primary and specialised health services while, indirectly, contributing to socio-economic development.
- Putting in place **tax incentives** to encourage doctors to come to underserved areas.
- Establishing **partnerships between rural medical centres and metropolitan regions hospitals** and universities to favour i) apprenticeships to attract young rural doctors; ii) mentoring for these young doctors; iii) participation of specialists from urban regions in mobile healthcare delivery. [The Doctors' caravan association](#) in Romania has for example established a volunteer network of doctors and medical students who deliver healthcare in remote Romania through 200 caravans.

- Supporting **community-led innovation** in care delivery applied to rural and remote contexts, seeking to improve jointly the quality of jobs in the care sector and the quality of service received.



To become more connected, rural areas also need simultaneous investments in **digital connectivity**, **digital skills**, the adoption of **new technologies**, local infrastructure and **smart mobility solutions** adapted to local needs.



### Combining measures for an effective digital transition in rural areas

- **Investment in very high-capacity broadband networks** where connectivity is lagging behind. Good progress has for example been achieved by the Cyprus Telecommunications Authority who [is rolling out Fibre to the home \(FTTH\)](#) in rural and remote areas with a €65 million investment aiming at universal rural coverage by 2026.
- **Supporting innovation to develop technologies answering rural needs**, like the “[digital Shepherds against fire](#)” EIP-AGRI operational group, which works on the digitalisation of extensive livestock farming in **Andalusia (Spain)** to improve wildfire prevention. Or the [smart app](#) (TRACE), which helps 400 Irish rural communities manage water using real-time monitoring of water, energy and climate data.

- **Investing in actions to enhance digital skills in rural areas.** This can be for example by equipping rural schools, enhancing digital education of the kids and using them as digital learning hubs for the whole community, as promoted by [Learning from the extremes](#).

### Making the most of EU programmes

By strengthening local capacity, skills and partnerships, NRPP support can also help rural communities access opportunities offered by other EU programmes, such as the European Competitiveness Fund, Horizon Europe and Erasmus+.

### Bura Local Action Group

The [Bura Local Action Group](#) in **Croatia** shows how local partnerships can unlock wider opportunities. **Building on its local development strategy and network of local actors**, the group successfully accessed Erasmus+ funding, exchanged knowledge with partners from other countries and developed new projects that continue to benefit the local community.



# 7. Planning at national and regional levels across policy domains

A key principle of the future 2028–2034 EU budget is to **strengthen links between different sources of EU funding and encourage them to work together more effectively.**

For rural areas, the Commission’s proposal calls for a **comprehensive policy response that helps communities thrive by bringing together investments**, reforms and policies across different sectors. This includes investing in basic services and infrastructure, improving access to finance, and ensuring that support<sup>7</sup> responds to the specific needs and capacities of different rural territories and different actors.

To achieve this, Member States are encouraged **to develop integrated planning approaches and adequate governance structures that coordinate EU, national, regional and local policies and funding.** Such approaches can help ensure that different actions reinforce one another and ensure projects’ benefits spread across multiple target groups.

Research<sup>8</sup> has shown that **integrated strategies developed at national and regional level** can improve the coherence, effectiveness and impact of public policies. The [law to combat rural depopulation](#) in Castilla-La Mancha or Ireland’s “[Our rural future](#)” strategy are good existing regional and national examples of such holistic approaches.

In the context of the National and Regional Partnership Plans (NRPPs), **strategies for the integrated development of rural areas** can help organise a comprehensive response to rural challenges while strengthening links between different parts of the plans and other national and regional instruments.

**Resources are available to help Member States and regions design such approaches, including**

- The [seven Rural pact ingredients](#)
- The [OECD principles on rural policy](#)

## How do the NRPPs support this approach?

The NRPPs provide a strong framework to support integrated rural development strategies. By bringing together different sources of EU support under a single plan, a single fund and a single performance framework, they **create new opportunities to improve coordination**, simplify implementation and strengthen synergies between policies and investments.

Policy objectives and instruments addressing rural areas, the rural spending target, support for capacity building and simplified delivery arrangements all contribute to this objective.

## Giving rural communities a voice

A key feature of the future framework is the **partnership principle**. This requires Member States to actively involve authorities and stakeholders when defining investment priorities and addressing territorial needs.

When assessing the NRPPs, **the Commission will pay particular attention to how rural stakeholders have been involved in preparing the plans.**

## These stakeholders include:

local and regional authorities, LEADER Local Action Groups, rural parliaments, village associations, other representative rural organisations, representatives of key sectors such as farming, forestry, tourism, manufacturing, services, health and SMEs.

**By bringing together different levels of government, local communities and economic actors around a shared vision, integrated planning can help ensure that investments deliver the greatest possible benefit for rural areas.**

<sup>7</sup> NRP regulation, recital 31

<sup>8</sup> [Study on funding for EU rural areas](#) (2024).

FOR MORE INFORMATION



© European Union, 2026



The Commission's reuse policy is implemented under Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39, ELI: <http://data.europa.eu/eli/dec/2011/833/oj>). Unless otherwise noted, the reuse of this document is authorised under the Creative Commons Attribution 4.0 International (CC BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed, provided appropriate credit is given and any changes are indicated. Photo credits: © Adobe Stock — p.1 (pkazmierczak); p.6 (left: Adam, right: jpcasais); p.8 (left: pikselstock, left: ThomBal, right: luciano).



Publications Office  
of the European Union

Luxembourg: Publications Office of the European Union, 2026

Print	ISBN 978-92-68-38833-4	doi: 10.2762/2490839	KF-01-26-026-EN-C
PDF	ISBN 978-92-68-38832-7	doi: 10.2762/5255953	KF-01-26-026-EN-N