

**Latvian Rural Development Program  
2014-2020  
support for cooperation in agricultural and  
forest sector**

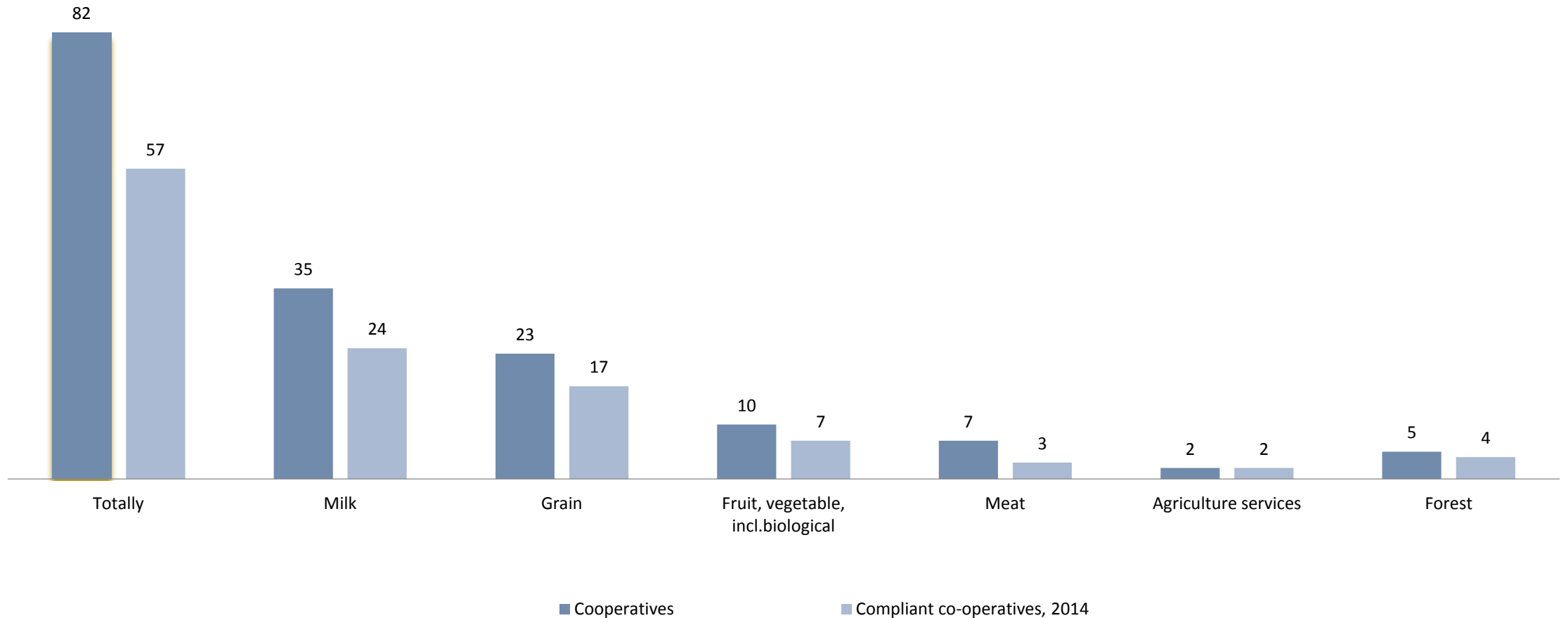
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# Latvian Agricultural Co-operatives Association (LACA)

- Established in 2002 with the overall aim to promote the development of agricultural cooperation in Latvia
- LACA unites 55 members from all over Latvia
- LACA – association that performs compliance assessments of agricultural services co-operative societies (ASCs)

# Cooperatives in Latvia



# Measure: “Setting -up of producer groups and organisations” (I)

## Support for the purpose of:

- adapting the production and output of producers, who are members of such groups or organisations, to market requirements;
- jointly placing goods on the market, including preparation for sale, centralisation of sales and supply to bulk buyers;
- establishing common rules on production information, with particular regard to harvesting and availability; and
- other activities that may be carried out by producer groups and organisations, such as the development of business and marketing skills and the organisation and facilitation of the innovation processes.

# Measure: “Setting -up of producer groups and organisations” (II)

## Beneficiaries

Recognised producer groups and organisations in the agriculture and forestry sectors, except conventional dairy and grain sector

## Eligibility condition, beneficiary

- is recognised by a Member State in accordance with the regulatory act, which lays down provisions for conformity assessment of farmers' unions and forestry unions;
- correspond to small and medium-sized enterprises definition;
- has developed a business plan for at least one purpose, which has been approved by the payment authority (Rural Support Service)

# Measure: “Setting -up of producer groups and organisations” (III)

## Amounts and support rates

The support will be calculated on the basis of the annual marketed production of the group or organisation.

- the first year the support is 10 %
  - in the agricultural sector, the support is calculated from the marketed production of members of the group or organization in the previous year;
  - in the forestry sector, the first year, support is calculated on the basis of the average marketed production of members of the group or organisation over the last five years before the recognition, excluding the highest and the lowest value.
- the second year the support is 8 %
- the third year the support is 6 %
- the fourth year the support is 4 %
- the fifth year the support is 2 % from the annual marketed production of members of the group or organisation;

# Measure: “Setting -up of producer groups and organisations” (IV)

## Amounts and support rates

- In the agricultural sector, the maximum amount per year is EUR 100 000. The total support for five years will be limited to EUR 500 000.
- In the forestry sector, the maximum amount per year is EUR 100 000. The total amount does not exceed EUR 200 000 over any period of three fiscal years. (*de minimis*)

The support shall be paid no more than five years after the date on which the producer group or organisation was recognised by the Rural Support Service on the basis of its business plan

# Measure: “Investments in physical assets” (I)

## Support for:

- acquisition of new fixed assets (agricultural machinery and equipment);
- construction and reconstruction;
- purchase of construction materials.

Support for one recognized cooperative, shall not exceed the maximum EUR 8 million (for pre-treatment – EUR 8 million, for processing up to EUR 3 million)



# Measure: “Investments in physical assets” (II)

Support intensity (% of eligible project costs)

N.	Eligible costs	Turnover, EUR			
		0	Up to 70 000	70 001 – 1 000 000	1 000 001 – 10 million
1.	Construction, reconstruction and specialized transport	-	40%	40%	40%
2.	Trailers, implements, tractors (excluding agricultural tractors)	-	25%	25%	25%
3.	Fields of railway infrastructure leads etc.	40 %	40 %	40 %	40 %

# Measure “Knowledge transfer and information actions”

**Support for:**

- **New skills that contribute to the already existing co-operative development, including the development of new leaders**

Support for one recognized cooperative EUR 70 000.

Thank you!