

**WE MODERNISE**  
agriculture and rural areas



**Agency for Restructuring and  
Modernisation of Agriculture**

**WE SUPPORT**  
fishing sector



## **Role of the Agency for Restructuring and Modernisation of Agriculture in the development of agriculture, fisheries and rural areas**

*Warszawa, September 2021*

## 1. About ARMA

The Agency for Restructuring and Modernisation of Agriculture was established in January 1994 as a government agency, a state legal entity supporting structural transformations in agriculture and in the countryside. Currently, it operates pursuant to the Act of 9 May 2008 on the Agency for Restructuring and Modernisation of Agriculture (as amended) and the statute granted by way of regulation by the Minister competent for rural development. ARMA is supervised by the Minister of Agriculture and Rural Development.

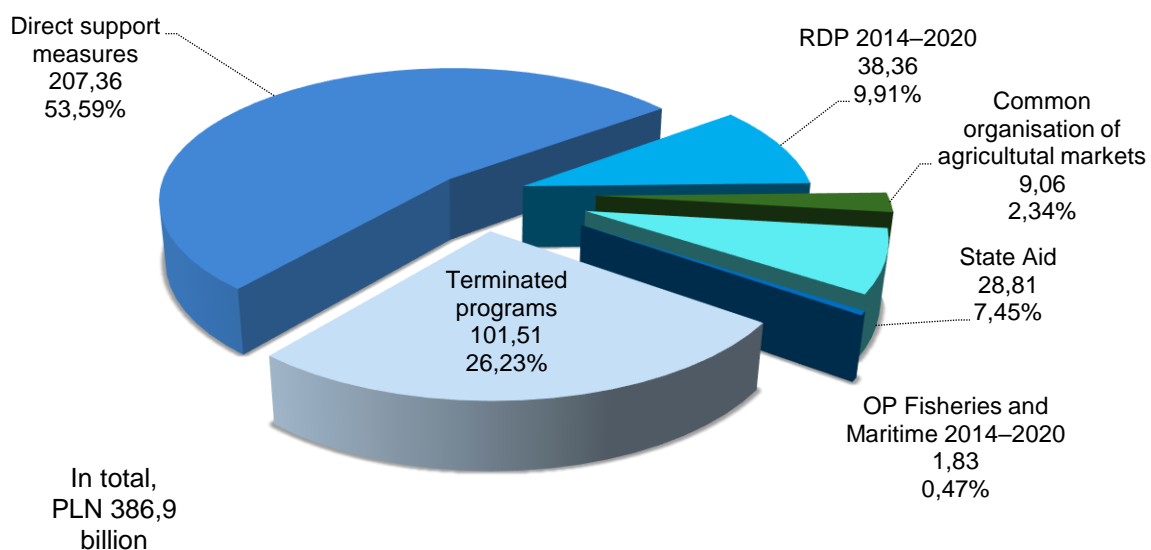
ARMA is one of the key institutions pursuing the state policy for agriculture, fisheries, agri-food processing and rural areas. As the only<sup>1</sup> paying agency for the Common Agricultural Policy funds in Poland, it distributes funds which support the development in the above-mentioned areas. The funds distributed by ARMA contribute to:

- economic development of rural areas, by increasing their attractiveness for residents and entrepreneurs,
- sustainable development of the agricultural sector in order to preserve the sustainability of the environment and landscape values,
- increasing the competitiveness of the agricultural processing sector by improving the quality of agricultural products and adapting supply to market requirements.

The main objective of the Agency is to ensure the proper and efficient disbursement of EU funds, which include: the European Agricultural Guarantee Fund (EAGF), the European Agricultural Fund for Rural Development (EAFRD), the European Maritime and Fisheries Fund (EMFF) and the state budget.

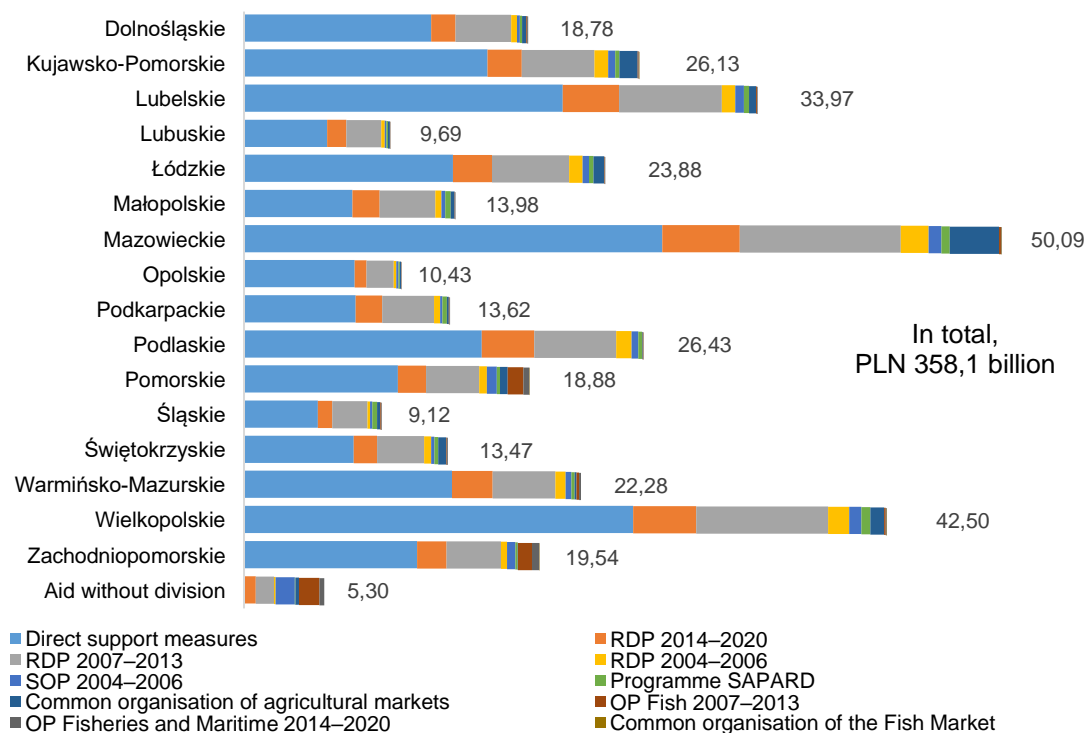
From the beginning of its activity until 30 June 2021, farmers, entrepreneurs and other beneficiaries received more than PLN 386.9 billion through ARMA, of which about 92.6% under programmes co-financed by EU funds.

Chart 1. Structure of support provided by ARMA since 1994, by implemented and completed programmes, in PLN billion, as of 30.06.2021.



<sup>1</sup> Since 1 September 2017

Chart 2. Aid provided by ARMA under programmes co-financed from EU funds in the years 2002-2021, in PLN billion, by voivodeship, as of 30.06.2021.



## Digital transformation

The digital transformation of ARMA is aimed at optimising the costs of operating activities, shortening the time of handling and processing matters and also adapting to the expectations of beneficiaries. Agency invests in modern technological solutions. They eliminate paper applications, letters and calls as well as the need for a farmer to come in person to the office and also the necessity of on-the-spot checks on the farm. So far, ARMA has made available the following:

- eWniosekPlus app, through which it is possible to submit an online application form for direct and area payments from RDPs,
- IRZPlus portal, which allows to make electronic notifications about animal incidents,
- ARMA mobile app, by which it is possible to settle matters without the need to visit ARMA establishments. Using the app, the farmer may send to the Agency the required photos of documents or land and crops, which are necessary, for instance, for verifying the application for area payments,
- ARMA GeoPortal - platform used for providing background maps and reference data from the LPIS database, register of producers, register of farms and register of payment requests upon request of eligible entities,
- Utylizator system, through which rendering plants can submit online applications for the payment of co-financing for the utilisation of fallen animals,
- eWoP portal used for, inter alia, submitting online payment requests for the selected measures of the RDP 2014-2020 as well as for bi-directional communication between the applicant and ARMA,

- Electronic Services Portal – ePUE app, where services provided by ARMA are available to all those having their number in the Register of Producers. After being authorised, the User, in an integrated manner, will see their details in the Agency: personal and business details, list of submitted applications and matters with their up-to-date status, history of amendments to applications, personalised notifications, financial information.

Moreover, throughout the country ARMA has created 331 points where it is possible to confirm or set up a trusted profile. The points are located at the Headquarters as well as in Regional and Local Offices of ARMA. The trusted profile allows for transferring documents and settling official matters by electronic means using the Electronic Platform of Public Administration Services (ePUAP) and the [obywatel.gov.pl](http://obywatel.gov.pl) portal.

Each sending and receiving of a letter via ePUAP has an official receipt confirmation (UPO), which is as valid as an advice note. In order to use the services on ePUAP, we must confirm our identity via the Internet. This can be done in two ways – by means of a free trusted profile (eGo) or by paid qualified certificate. The detailed list of matters that can be reported in ARMA via the ePUAP platform is available on the ARMA website in the tab Settlement / ARMA Services on e-PUAP. ARMA has also implemented:

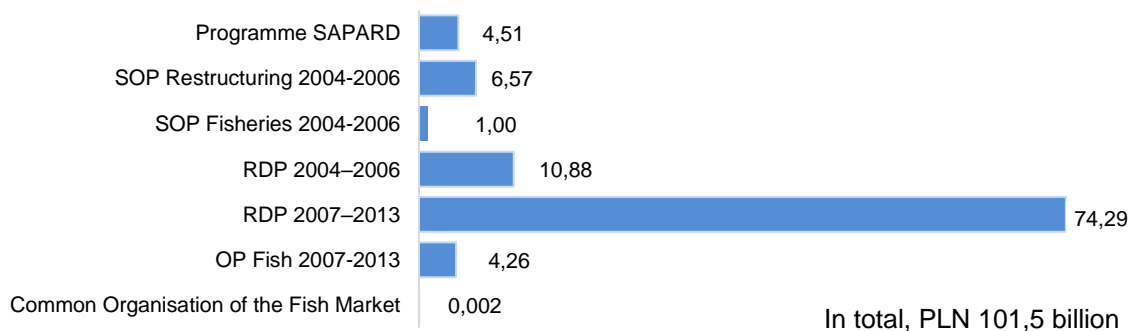
- eLZP module, which allows to send electronically authorised lists of payment orders for direct payments and most measures of the RDP 2014-2020 and the OP Fisheries and Maritime 2014-2020, which significantly accelerates the implementation of payments,
- Prawnik programme, which in one place gathers all legal opinions on the programmes implemented by ARMA. This solution eliminates creating legal opinions on the same matter in individual ARMA establishments and also allows for standardisation of the assessment of applications by all Regional Offices.

## 2. Tasks implemented by ARMA

### 2.1 Completed programmes

To date, ARMA has completed the implementation of 6 aid programmes: the Special Pre-accession Programme for Agriculture and Rural Development (SAPARD), the Sectoral Operational Programme Restructuring and Modernisation of the Food Sector and Rural Development 2004-2006 (SOP Restructuring 2004-2006), the Rural Development Plan 2004-2006 (RDP 2004-2006), the Rural Development Programme for 2007-2013 (RDP 2007-2013), the Sectoral Operational Programme Fisheries and Fish Processing 2004-2006 (SOP Fisheries 2004-2006) and the Operational Programme Sustainable Development of the Fisheries Sector and Coastal Fishing Areas 2007-2013 (OP Fish 2007-2013) as well as mechanisms covered by financial assistance within the framework of the Common Organisation of the Fish Market.

Chart 3. Funds distributed by ARMA under the completed programmes, in PLN billion



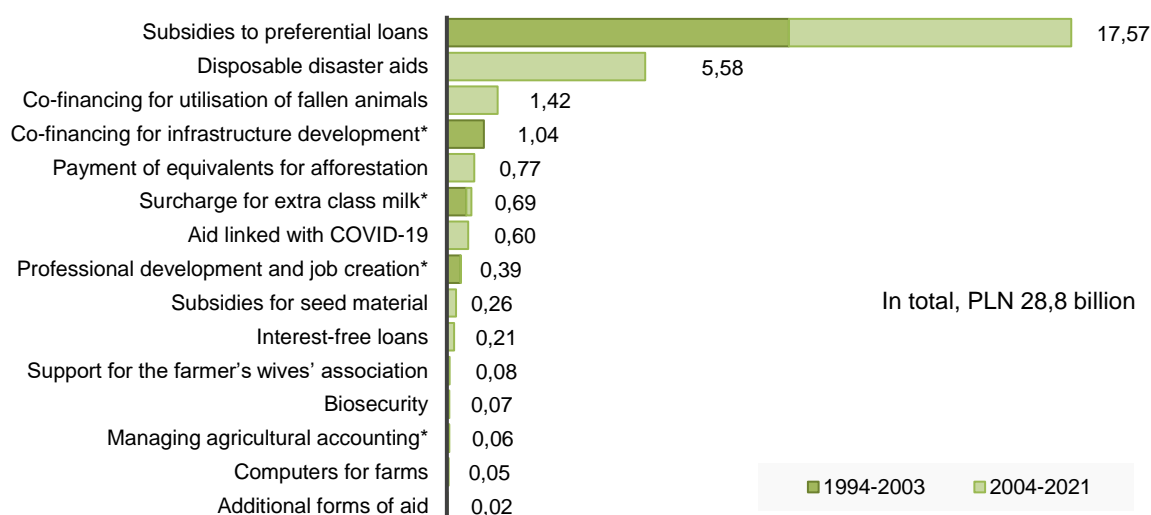
## 2.2 Support provided currently by ARMA

### State Aid

Since the beginning of its activity, ARMA has been supporting farmers and rural residents with funds from the state budget, *inter alia*, by subsidising the interest rate on bank loans, providing loan repayment sureties and guarantees. Prior to Poland's accession to the European Union, state funds also co-financed the development of technical infrastructure of the countryside, afforestation of agricultural land and improvement in professional qualifications. After accession, these areas are supported by EU funds. In the pre-accession period, ARMA also provided financial support for the disposal of fallen farm animals.

After Poland's accession to the EU, the Agency for Restructuring and Modernisation of Agriculture continued to disburse state aid, but its scope has been adjusted to European Commission guidelines. Currently, the support is provided, *inter alia*, in the form of subsidies to the interest rate of preferential loans and partial repayment of capital, loan repayment guarantees and sureties, co-financing of costs incurred by agricultural producers for the utilisation of fallen farm animals, subsidies to seed material and interest-free loans. The support also covers farmers' wives' associations as well as a one-off financial aid in connection with the occurrence of adverse weather phenomena and various types of disasters. As part of the state aid, ARMA paid more than PLN 28.8 billion to beneficiaries by mid-2021.

Chart 4. The amount of aid granted by ARMA within state aid instruments in the years 1994-2021, in PLN billion, as of 30.06.2021.



\* Excluding aid related to the COVID-19 and computer purchase aid

The largest amount within the state aid has been paid for subsidies for preferential loans. With regard to applying subsidies to preferential loans, the Agency cooperates with the following banks: Bank Polskiej Spółdzielczości S.A., SGB-Bank S.A., Krakowski Bank Spółdzielczy, BNP Paribas Bank Polska S.A., Santander Bank Polska S.A., Bank Pekao S.A., Krakowski Bank Spółdzielczy and Bank Spółdzielczy in Brodnica.

Currently, loans with the Agency's interest rate subsidies may be used, *inter alia*, for the purchase and installation of machinery, devices and equipment for conducting the agricultural production, storage and preparation of agricultural products for sale, including direct sale. This includes, in particular: equipment for cultivation, care, protection, fertilisation and harvesting of crops, agricultural tractors, agricultural trailers, machinery or equipment for preparation, storage, cleaning, sorting, calibration or packing of agricultural products, machinery or

equipment for preparation or storage of feedstuffs, machinery or equipment for watering animals and administering feedstuffs, equipment for obtaining or storage of milk.

The purchase may cover both new and used machinery and equipment, whereby used machinery and equipment may not be acquired with the use of public funds and be more than 5 years old.

### Aid co-financed from the European Union funds

In the financial perspective 2014-2020, the budget of EUR 37.9 billion has been planned for direct payments, rural development and support for fisheries in Poland. The measures carried out under this perspective have been extended to support the activities of operational groups for innovation, bringing together farmers (including groups of agricultural producers, agricultural cooperatives), scientific units, entrepreneurs, forest owners, non-governmental organisations and advisory entities. In the wake of the 2020 COVID-19 outbreak, *ad hoc* activities were launched to support farmers and entrepreneurs particularly affected by this crisis.

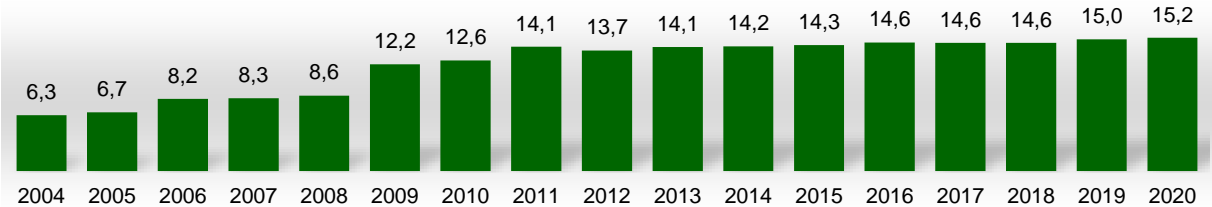
Three subsequent years after the end of this perspective have been provided for the completion of the implementation and settlement of projects and programmes co-financed from European funds for the financial perspective 2014-2020, in accordance with the EU legislation. At the end of 2020, the European Commission decided on extending the implementation period of the RDP 2014-2020 by 2 years, i.e. until 2022, so that funds under the RDP 2014-2020 can be actually paid until 31 December 2025.

Furthermore, additional funds have been allocated to the Member States for the implementation of rural development measures during the transition period. For the years 2021-2022, Poland received a total amount of EUR 4.5 billion (over PLN 20 billion), including a supplementary amount of EUR 0.9 billion under the European Recovery Instrument.

### Direct support schemes

Direct payments are the most popular instrument of the Common Agricultural Policy in Poland. The payments complement agricultural income and compensate for respecting ecosystem and natural resource conservation requirements. Every year, about 1.3 million farmers benefit from this instrument. Since Poland’s accession to the European Union until 30 June 2021, ARMA has paid farmers about PLN 207.4 billion under direct payments.

Chart5. Distribution of payments under direct support schemes in the Campaigns 2004–2020<sup>2</sup>, in PLN billion



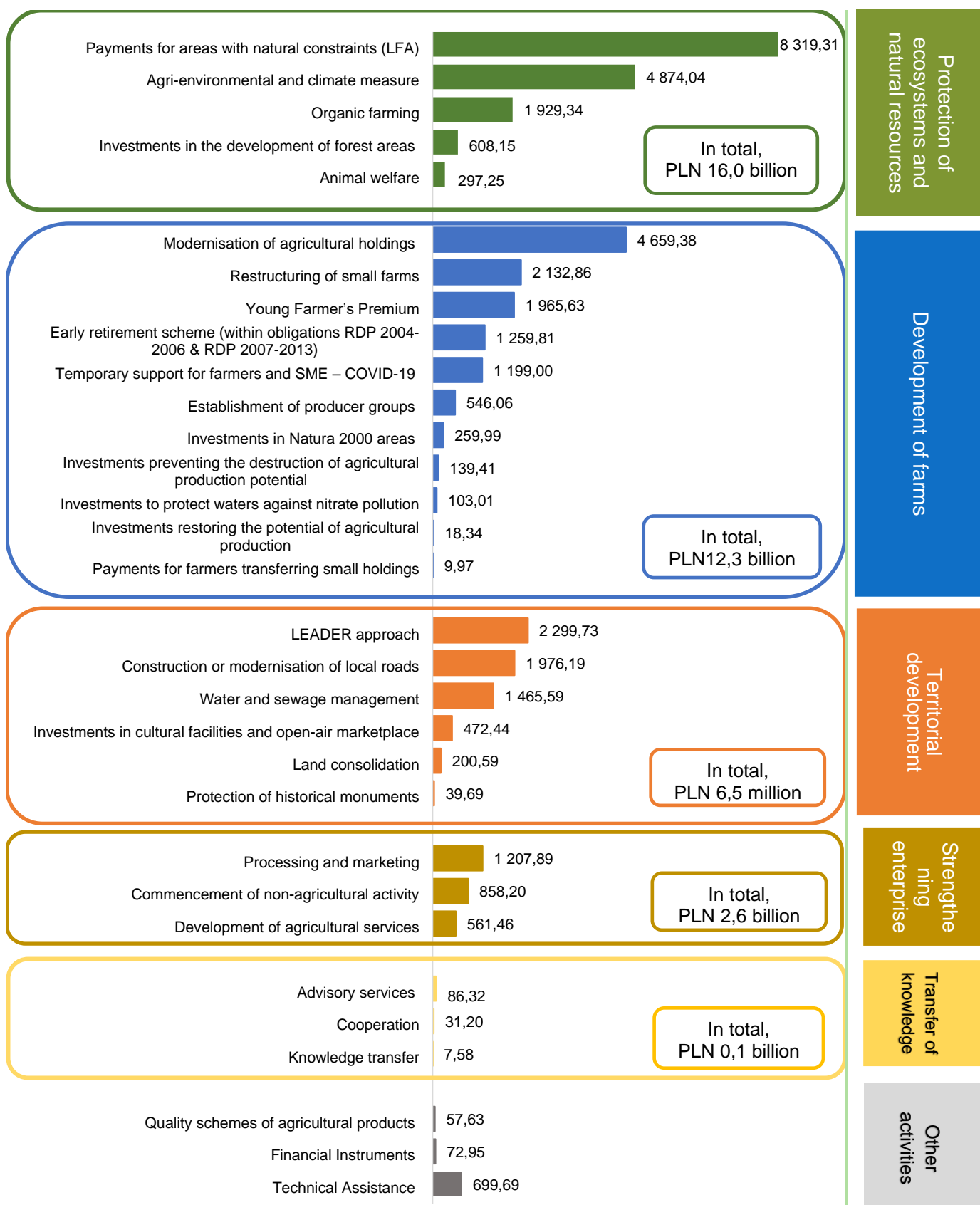
### RDP 2014–2020 – Rural Development Programme for 2014–2020

The main objective of the RDP 2014-2020 is to increase the competitiveness of Polish agriculture, considering environmental objectives. The programme supports farmers, agricultural producer groups, entrepreneurs from the agri-food processing sector and self-

<sup>2</sup> Payments for each Campaign are completed on June 30<sup>th</sup> of the following year.

governments as well as public advisory bodies and scientific institutions. As part of the RDP 2014-2020 expenses, also the commitments from the years 2004-2006 and 2007-2013 are financed.

Chart 6. Payments made under the RDP 2014-2020, by support areas, in PLN million, as of 30.06.2021.



Under the Programme, by the end of June 2021, nearly 6.8 million applications were submitted and about 5.6 million agreements and/or decisions were signed for an amount of PLN 52.2 billion, of which PLN 38.4 billion<sup>3</sup> has already been paid to beneficiaries.

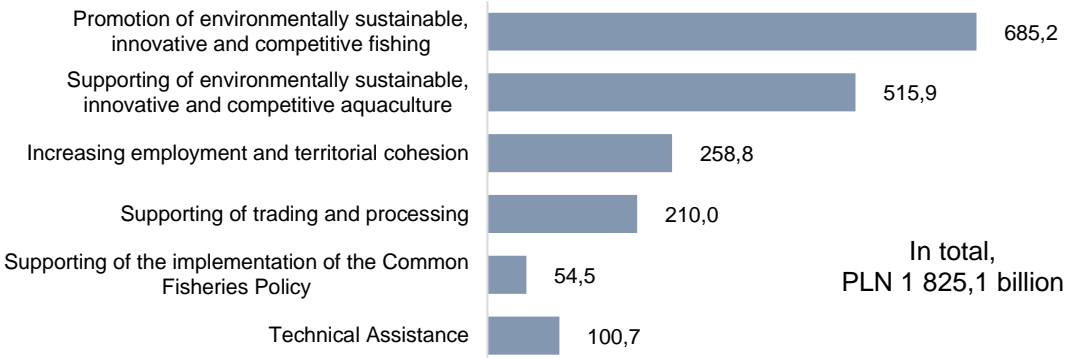
**Operational Programme “Fisheries and Maritime” for 2014–2020**

The OP Fisheries and Maritime 2014-2020 enables the continuation of the development of fisheries, aquaculture and fish processing in Poland, initiated by previous EU programmes, and consists of six priorities:

- I. Promoting environmentally sustainable, innovative and competitive fisheries.
- II. Supporting environmentally sustainable, innovative and competitive aquaculture.
- III. Supporting the implementation of the Common Fisheries Policy.
- IV. Increasing employment and territorial cohesion.
- V. Supporting marketing and processing.
- VI. Supporting the implementation of the Integrated Maritime Policy.

As part of the priorities of the Operational Programme Fisheries and Maritime for 2014-2020 implemented by ARMA, i.e. priorities I, II, III, V, VI, by the end of June 2021 more than 10.1 thousand applications were submitted and 7.9 thousand agreements for about PLN 2.1 billion were signed, with PLN 1.57 billion paid to beneficiaries. The amount of payments, including payments made under priority IV implemented by voivodeship self-governments, amounted to PLN 1.83 billion.

Chart 7. Payments made under the OP Fisheries and Maritime 2014-2020, by priority\*, in PLN million, as of 30.06.2021.



\* Until 30 June 2021, no payment was accomplished under priority VI

**Mechanisms of the Common Organisation of Agricultural Markets**

On 1 September 2017, ARMA took over from the transmuted Agricultural Market Agency all tasks related to the implementation of the EU mechanisms of the Common Organisation of Agricultural Markets (CMO) financed from the first pillar of the Common Agricultural Policy (CAP). Thus, ARMA became the only paying agency in Poland for the CAP.

Within the framework of the Common Organisation of Agricultural Markets, mechanisms are applied to support the maintenance of supply-demand balance and stabilisation of prices of selected agri-food products. As a result of subsequent reforms of the Common Organisation of Agricultural Markets, the role of intervention mechanisms was gradually reduced. Currently, they are comprehended as a “safety net” and used only in the occurrence of a crisis or significant market disturbance.

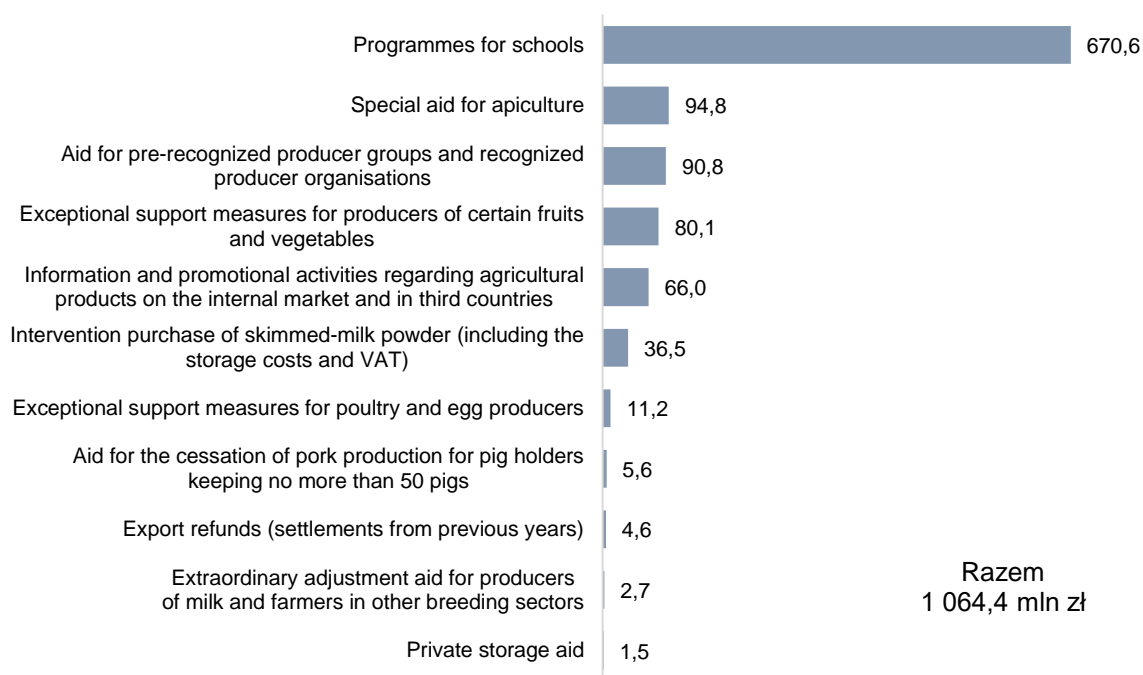
<sup>3</sup> The amounts also include funds resulting from commitments from previous RDPs



After 1 September 2017, ARMA implemented aid for pig producers, poultry meat and egg producers, milk producers and farmers in other breeding sectors as well as for fruit and vegetable producers. Support for producer groups and organisations and their associations is continued. ARMA also makes payments under the CMO instruments implemented by the National Support Centre for Agriculture (KOWR) on the basis of delegated tasks, i.e. for beneficiaries of the School Scheme, support of bee products market, intervention activities (intervention purchases, private storage aid) and promotion of agri-food products.

As part of the market mechanisms taken over by ARMA from 1 September 2017 (including those delegated to the KOWR), ARMA disbursed about PLN 1.1 billion by 30 June 2021. The largest amount (over PLN 670 million) was paid under the School Scheme which promotes healthy eating habits by increasing the share of fruit and vegetables as well as milk and milk products in the daily diet. Products provided free of charge (fruit, vegetables and their products – fruit and vegetable component as well as milk and its products – dairy component) before the COVID-19 epidemic were consumed by about 1.7 million primary school students as part of each component. During the epidemic, due to remote learning, the number of participants decreased to 1.4 million in the dairy component and 1.3 million in the fruit and vegetable component.

Chart 8. Support provided within the mechanisms taken over by ARMA from 1 September 2017 (including payments resulting from tasks delegated to the KOWR), by groups of mechanisms, in PLN million, as of 30.06.2021.



Together with the aid implemented under the common organisation of the fruit and vegetable markets before 1 September 2017, ARMA disbursed more than PLN 9 billion in total as part of the market mechanisms.

## 2.3 Registers conducted by ARMA

### Animal identification and registration system (IRZ)

ARMA is also an institution responsible for managing the animal identification and registration system in Poland. The IRZ database is a tool for the supervision exercised by veterinary services over products of animal origin in Poland. The system is aimed at ensuring food safety

in accordance with EU requirements and thus enables full access to the market of animal products of other EU Member States. It is also used as a reference base for animal payments, special support, exceptional adjustment aid as well as for the verification of cross-compliance requirements regarding to animal identification and registration.

The system includes:

- register of animal holders,
- register of herd locations (rearing/breeding), assembly centres, slaughterhouses, processing plants/incineration plants, premises of intermediaries in trade in animals without facilities, premises of intermediaries in trade in animals with facilities, animal fairs/exhibitions/shows/competitions,
- register of tagged farm animals (cattle, sheep, goats, pigs) – based on declarations submitted by animal holders,
- register of notifications of incidents concerning animals (births, movements, slaughters, deaths, killings) to determine the whereabouts and movements of animals.

Chart 9. Animals registered in the IRZ database, in million head and in %, as of 30.06.2021.

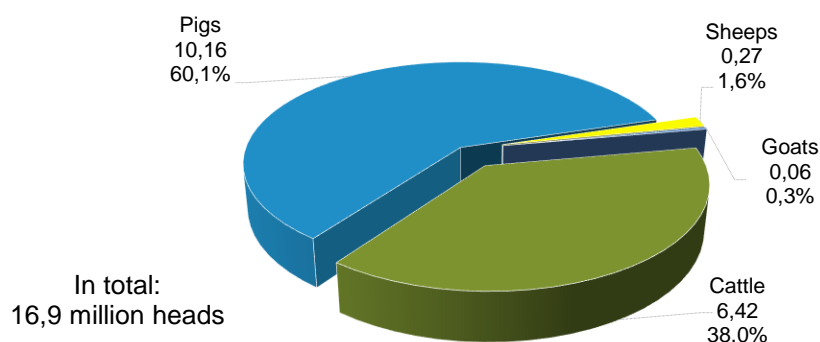


Table 1. Number of herd locations and producers, as of 30.06.2021.

Number of herd locations with animals	382,043
including new herd locations, registered in 2021	7,336
Number of slaughterhouses	620
Number of assembly centres	49
Number of fairs/exhibitions/shows/competitions for animals	98
Number of intermediaries with facilities	1,126
Number of intermediaries without facilities	2,011
Number of carcass rendering plants	33

### Land Parcel Identification System (LPIS) and GIS spatial data

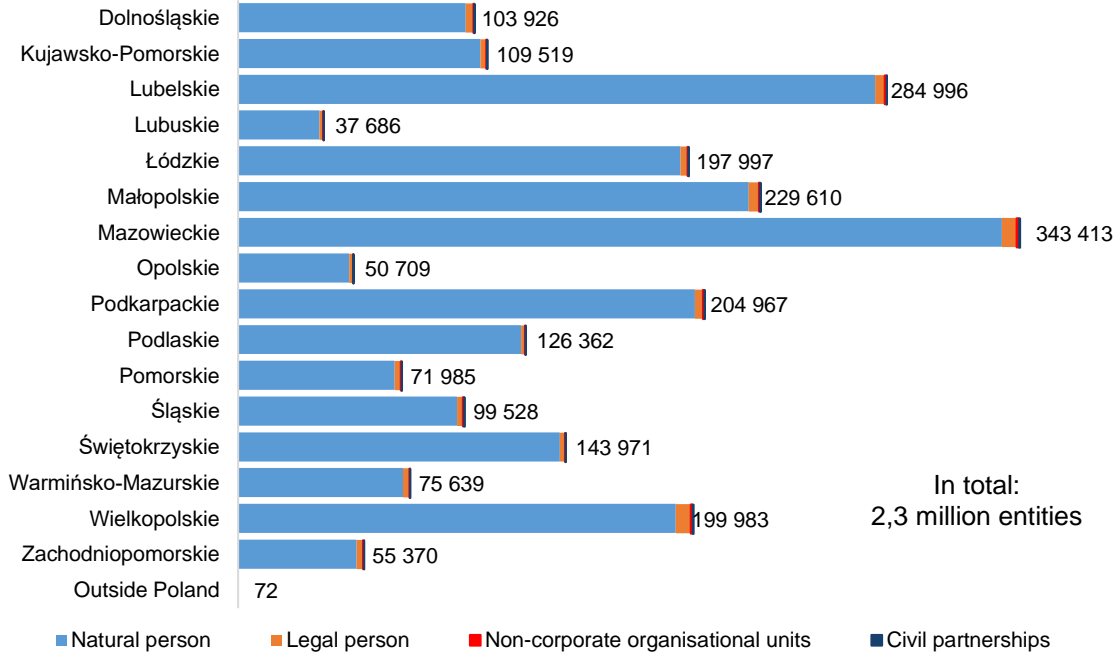
In Poland, ARMA is responsible for the quality of the Land Parcel Identification System (LPIS). This system is a basic element of the Integrated Administration and Control System. It has been established pursuant to the generally applicable Community legislation and acts as a reference base for the control of most aid measures handled by ARMA. LPIS is aimed at unambiguous identification of a declared agricultural parcel and its unique location in agricultural geospace. Based on LPIS, an inspection is carried out as regards the correctness of the area declared, including an assessment and check of eligibility for subsidies in relation to the given aid scheme.

As of the end of June 2021, the LPIS database contained 35.7 million reference parcels, including over 10.9 million reference parcels declared for the Single Area Payment.

**Register of producers – National Register of Producers**

An entry in the register of producers may be obtained by producers defined as: an agricultural producer, a producer organisation, a beneficiary of fisheries programmes, an animal holder, an entity running a rendering plant, a potential beneficiary. By mid-2021, about 2.3 million entities were registered in the ARMA’s database of agricultural producers. The vast majority are natural persons, constituting nearly 97.3% of all entities recorded. The other beneficiaries are legal persons, non-corporate organisational units and civil partnerships.

Chart 10. Number of entities entered in the register of producers\*, by voivodeship, as of 30.06.2021.



\* the list does not include "inactive" entities (suspension / termination of activity).

Obtaining an identification number in the register of producers is a prerequisite for receiving payments from ARMA. In order to obtain this number, it is required to submit an application form for entry in the register of producers. The application is submitted to the Local Office of the Agency for Restructuring and Modernisation of Agriculture competent for the applicant’s place of residence. The application form for entry in the register of producers along with the instructions on completing the application and the list of Local Offices with addresses are available on the Agency’s website.

**Register of recognised charity organisations, other eligible units and natural persons**

The register has been conducted in ARMA since 1 September 2017. As of the end of June 2021, the register included in total nearly 5.47 thousand entities eligible for receiving free fruit and vegetables not intended for sale from producer organisations and their associations. The register is available on the ARMA website in the Agricultural Markets tab.

Any organisation applying for recognition as a charity organisation and any other organisational unit or natural person applying for granting the eligibility as well as each recipient of fruit and vegetables not intended for sale currently entered in the Register of recognised charity organisations and other eligible organisational units and natural persons shall be required to be listed in the National Register of Producers.

## Registers of producer groups and organisations and their associations

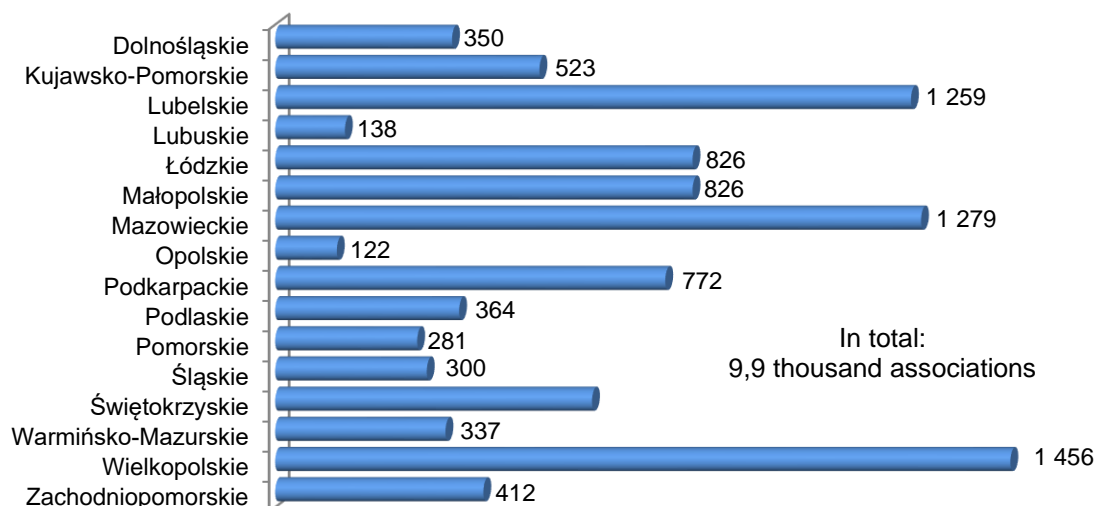
As of the end of July 2021, the Register of preliminarily recognised producer groups, recognised producer organisations and their associations as well as transnational producer organisations and their associations in the fruit and vegetable market included 184 recognised fruit and vegetable producer organisations and one association of fruit and vegetable producer organisations.

The Register of agricultural producer groups included 725 producer groups and the Register of agricultural producer group associations – 2 associations.

## National Register of Farmers' Wives' Associations (NRFWA)

ARMA has been operating the National Register of Farmers' Wives' Associations since November 2018. All associations created pursuant to the Act on farmers' wives' associations and unions of farmers' wives' associations must be entered in the Register. Farmers' wives' associations acquire legal personality upon entry in the register. By 30 June 2021, the register included 9,872 associations and 3 unions of associations. In total, they had nearly 265.1 thousand members.

Chart 11. The number of farmers' wives' associations registered in the NRFWA, by voivodeship, as of 30.06.2021.



Any farmers' wives' association entered into the NRFWA may receive specific-purpose subsidies for implementing statutory tasks in accordance with the rules set out in separate regulations. The National Register of Farmers' Wives' Associations is public, and everyone has the right to access the data contained in the register and to obtain, free of charge, certified copies, extracts, certificates and information from the register. The register is available on Agency's website.

## Register of Authorised Guarantors (RAG)

Since August 2016, ARMA has been managing a register of financial institutions that are authorised to provide guarantees to ARMA beneficiaries. As of 30 June 2021, 204 financial institutions have been entered into the RAG. The RAG is successively supplemented with financial institutions with which ARMA concludes "Cooperation agreements". The register is available on the ARMA website in the RAG tab. The guarantor's address details provided in the register correspond to the headquarters of the financial institution. In order to obtain information about the branches of a financial institution, it is required to check the guarantor's official website. The Agency honours bank or insurance guarantees issued only by entities that have been registered in the RAG.

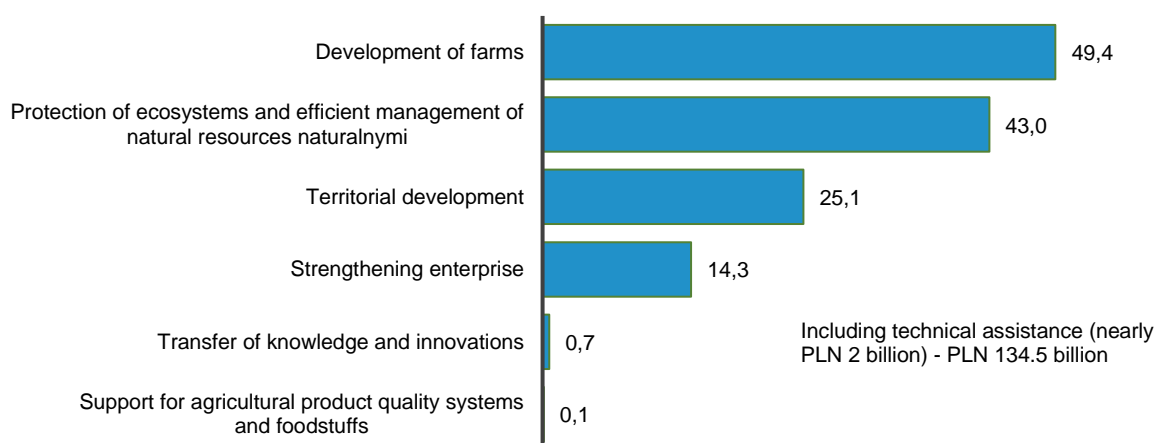
### 3. Effects of aid provided by ARMA

#### 3.1. Rural development

The scope of aid provided by ARMA is multidirectional and corresponds to the diverse development needs of Polish agriculture and rural areas. Particular measures carried out by ARMA within the framework of effectuated programmes contribute to implementing several different priorities and objectives.

The funds disbursed by the Agency played a principal role in accelerating the modernisation of Polish agriculture and in raising the standard of living and the quality of life in rural areas. At the same time they supported the social and cultural functions of rural areas as well as environmental and climate protection by counteracting the degradation of ecosystems and reduction of the vitality of the countryside.

Chart12. Payments for rural development implemented by ARMA under programmes co-financed from EU funds (SAPARD, SOP Restructuring 2004-2006, RDP 2004-2006, RDP 2007-2013, RDP 2014-2020), by support areas, in PLN billion, as of 30.06.2021.



Since 2004, the largest pool of funds, about PLN 49.4 billion, has been disbursed by ARMA for the development of farms.

#### Development of farms

Modernisation of farms, carried out thanks to co-financing of investments in machinery parks, buildings and other farm facilities and their equipment, new production technologies and irrigation and preparation of products for sale contributes to increasing the productivity and profitability of production as well as to improving the quality and safety of work and to increasing farmers' incomes. Furthermore, it improves the quality of production and increases its diversification which consequently allows for better adjustment of offered products to the needs and expectations of consumers. It also enhances the competitiveness of Polish farms.

In total, ARMA reimbursed PLN 33.6 billion to co-finance measures aimed at modernising and improving competitiveness, for which about 488 thousand projects were implemented. Using these funds, farmers, *inter alia*, purchased over 634.8 thousand agricultural machines, including nearly 79.0 thousand tractors, and the average nominal tractor power in Poland increased from 39.3 kW in 2005 to 46.9 kW in 2020<sup>4</sup>. Farms have also been equipped with modern accompanying machines and field units. About 17.1 thousand construction investment

<sup>4</sup> Tractor power data source of Statistics Poland, data for 2005 – Statistical Yearbook of Agriculture 2020, data for 2020 – Concise Statistical Yearbook of Poland 2021 – preliminary data of the General Agricultural Census 2020.

projects were also carried out, including the construction or modernisation of buildings and other production structures (e.g. cowbarns, pigsties, greenhouses). In addition, facilities for the preparation and direct sale were built or modernised along with facilities for storage of feed as well as manure storage pads and slurry or liquid manure tanks. Orchards or perennial plantations with a total area of 38.1 thousand hectares have also been set up.

*Construction and equipment of a barn for young cattle – Mazowieckie Voivodeship*



*Construction of a cowbarn and equipment of a milking room – Dolnośląskie Voivodeship*



*Construction of a pigsty – Podlaskie Voivodeship*



On farms, also investment projects aimed at limiting the effects of probable natural disasters and unfavourable climatic phenomena as well as at allowing for restoring the agricultural production potential damaged as a result of such events were carried out. About PLN 2.2 billion was paid for investment projects preventing the destruction of agricultural production potential or for its restoration as well as for aid to farmers affected by the COVID-19 crisis.

### *Machinery for repairing and cleaning ditches – Lubuskie Voivodeship*



Building competitive advantages, by achieving the economies of scale and eliminating commercial intermediaries, through the implementation of functions from the subsequent links of the supply chain (including processing), is also facilitated by setting up producer groups and organisations by farmers. As part of subsequent agricultural development programmes, ARMA financially supported more than 1.7 thousand agricultural producer groups, including 322 groups under measure Creation of producer groups and producer organisations under the RDP 2014-2020 commitments. Groups financed as part of the RDP 2014-2020 commitments consist of 2,480 members in total. Most of these groups operated in the form of cooperatives (277 groups) and, at the same time, the majority of them were micro-enterprises (299 groups).

### *Development of beekeeping as part of restructuring of small farms – Wielkopolskie Voivodeship*



Generational change in rural areas and restructuring of small farms assisted by EU funds also contribute to improving farming efficiency. The aid amounting to PLN 5.9 billion for setting up a farm was received by 72.8 thousand young farmers in total. Early retirement pensions were paid to 73.5 thousand older farmers (PLN 13.6 billion in total) and one-off support for transferring a farm, paid under the RDP 2014-2020, was received by 0.6 thousand farmers (PLN 10 million). For measures aimed at increasing the economic size of a farm, support was provided to over 200 thousand owners of small farms (PLN 5.6 billion in total).

### **Protection of ecosystems and efficient management of natural resources**

From 2004 to mid-2021, ARMA disbursed PLN 43.0 billion directly for the protection of ecosystems and efficient management of natural resources by implementing agri-environment-climate programmes, supporting organic farming, farming in less favoured areas, investing in the development of forest areas as well as their maintenance and care (including support for forests damaged by weather anomalies) together with care for animal welfare.

Agri-environment-climate measures contribute, *inter alia*, to protecting soils, water, climate and improving the condition of the environment on agricultural land, including preserving endangered genetic resources and habitats of wild species, which translates into benefits for the whole society. The support from the agri-environmental programme covered a total area of more than 3 million ha of agricultural land and, on an average annual basis, more than 92 thousand of farm animals of native breeds.

Funds paid by ARMA to farmers farming in less favoured areas (LFA) made it easier to continue the agricultural land use as well as allowed for the preservation of landscape values of rural areas by preventing depopulation of those areas and loss of their agricultural nature in regions where agricultural production is hampered due to adverse climatic and terrain conditions, poor soil quality, the risk of water erosion or adverse water conditions. As a result, this support contributes to maintaining the vitality of rural areas and preserving biodiversity. Every year, the support for farming in less favoured areas under the RDP was received by about 750 thousand farms.<sup>5</sup>

### *Preservation of local animal breeds – Łódzkie Voivodeship*



About 31 thousand farms under the RDP 2007-2013 and about 29.4 thousand farms under the RDP 2014-2020 made use of the co-financing for the development of organic farming. The application of organic production methods contributes to environmental protection, improved animal welfare, sustainable development of rural areas. Owing to greater labour intensity of those methods, they are conducive to job creation. The production of organic products contributes to increasing the supply of high-quality products, which are increasingly looked for by consumers. At the same time, organic farming is an opportunity for many farmers to develop farms, especially those with a small area of land, where mainly own labour resources are used.

Thanks to the disbursed funds, co-financed by EU funds, 80.2 thousand ha of land<sup>6</sup> of low agricultural suitability were afforested. The support was also granted for the differentiation of the species composition of tree stands, activities related to their maintenance and protection and for the restoration of forests destroyed by natural disasters.

---

<sup>5</sup> With the exception of the transition period, i.e. Campaign 2019 and 2020, when annually about 860 thousand farms received payments.

<sup>6</sup> In addition, 19.6 thousand ha were afforested as part of the state aid.



Since 2020, ARMA has also been implementing measures to improve animal welfare. In this case, the financial support is a compensation for the reduction of the economic efficiency of livestock production as a result of higher than minimum legal requirements for keeping animals (e.g. increasing the area per 1 head in buildings, providing access to the run, grazing). The measure covered more than 1.0 million cows and 149.3 thousand pigs and, as from 2021, also sheep.

### **Territorial development**

ARMA supports investments aimed at improving technical infrastructure in rural areas, which creates favourable conditions for the development of enterprise and improves the quality of life of inhabitants of villages and small towns. Using the funds paid by ARMA in rural areas, *inter alia*, more than 29.8 thousand km of water supply and sewage network, about 1.2 thousand wastewater treatment plants and over 12.4 thousand domestic wastewater treatment plants have been either constructed or reconstructed, furthermore 550 new or modernised marketplaces and buildings intended for the promotion of local products have been made available. The centres of many towns have been renovated, hundreds of playgrounds have been created, many village community rooms and community centres as well as tourist and recreational infrastructure facilities have been constructed or modernised (about 22.1 thousand facilities in total). Also, 7.3 thousand km of local roads and 2.2 thousand km of bicycle paths and tourist trails have been put into use<sup>7</sup>.

As a result of the completion of infrastructure investment projects within the RDP 2007-2013, 11.5 million people in total made use of the improved services, and the implemented village renewal operations referred to rural areas inhabited by 13.1 million people.

The rural development is strongly influenced by measures activating local communities. The implementation of local development strategies (LDS) is aimed at allowing residents to implement projects selected by local action groups (LAGs) which are part of the implementation of strategies approved by the voivodeship self-government. Implementation of LDS projects enables better adjustment of investment projects to the needs of local communities. The implementation of the LDS under the RDP 2007-2013 involved 337 LAGs, while the LDS under the RDP 2014-2020 involved 274 LAGs. The projects selected by the LAGs contributed, *inter alia*, to creating new and supporting existing jobs, restoring monuments, historic sites and memorial sites which increase the attractiveness of the

*Reconstruction of a district road –  
Podkarpackie Voivodeship*



*Renovation of a square –  
Małopolskie Voivodeship*



---

<sup>7</sup> Including renovated one.

region, constructing new recreational and catering facilities, hiking trails, developing water reservoirs, parking lots. In recent years, rural areas have seen a significant increase in the number of facilities and areas of public greenery, including parks and green space, typical of urban areas. As a result of the development of tourist, service, commercial, craft and processing activities, the countryside has become an attractive place to live not only for farmers.

*Reconstruction of a marketplace –  
Świętokrzyskie Voivodeship*



### **Strengthening enterprise**

The Polish countryside, in addition to the traditional role of a food producer, is becoming more and more important as a space for economic activities, also those non-agricultural. By the end of June 2021, ARMA granted PLN 14.3 billion for the development of agri-food processing, marketing of agricultural products, agricultural services and for the initiation of non-agricultural activities by farmers.

Poland's accession to the EU structures required the adaptation of agri-food processing plants to the Community sanitary and veterinary standards. In the following years, investment projects were geared towards improving the competitiveness and innovativeness of production. In the period around accession, mainly larger companies applied for the aid. In the subsequent programming period, the share of smaller entities was growing. Thanks to the use of support from EU funds, the Polish agri-food processing sector has become one of the most modern ones in the EU. Poland has become one of the largest food producers in Europe. In 2020, the export value of agri-food products reached EUR 34 billion and was about 8.5 times higher than in 2003<sup>8</sup>. At that time, the balance of foreign trade in these products increased more than 23 times.

*Production of gluten-free food  
– Silesian Voivodeship*



*Purchase of a turkey loading machine to  
increase the scope of services provided  
– Lubelskie Voivodeship*



<sup>8</sup> According to MARD data

The development of enterprise means not only ensuring the processing of the growing agricultural production, but also a way to allow farmers and other rural residents to find employment close to their place of residence and to obtain an additional source of income.

#### *Production of PVC windows and doors – Opolskie Voivodeship*



As part of the support for agri-food processing, development of enterprise and territorial development, the creation or maintenance of more than 72 thousand jobs was co-financed. Under the RDP 2014-2020, more than 6.6 thousand entities received support for starting up non-agricultural activities, 1.4 thousand entities – for the development of agricultural services, and 658 processors for the development of processing and marketing. The support can be used by both farmers diversifying their sources of income as well as other rural inhabitants who associate their future with rural areas.

#### **Transfer of knowledge**

The transfer of knowledge to rural areas is an important factor strengthening the effects of co-financing of other measures. The rapid transfer of the latest scientific achievements and the implementation of innovation ensure that interested persons have access to the most up-to-date knowledge. The support for the transfer of knowledge takes place by co-financing vocational training for persons employed in agriculture and forestry, advisory services, professional training of advisors as well as the creation and functioning of operational groups for innovation (EIP). As part of the completed projects under the RDP 2014-2020, about 27.5 thousand people participated in training courses regarding three subjects: cross-compliance standards and requirements, modern cereal cultivation technologies, modern pig and beef cattle rearing. The training also covered the principles of hygiene, improvement of welfare as well as prevention and biosecurity as an alternative to the use of antibiotics in animals. About 1.5 thousand persons participated in training for advisors. Agreements for the purpose of implementing innovation have been signed with 36 EIP groups consisting of 292 entities in total, including: farmers, entrepreneurs, scientific units/universities, advisory entities and other public entities, non-governmental organisations and forest owners.

#### **Quality schemes of agricultural products**

Consumers are increasingly looking for high-quality food that is distinguished by the qualities they prefer. Improving the quality of production and agri-food products facilitates their sale and allows for obtaining more favourable prices. An opportunity for producers to draw consumers' attention to a product they offer is the participation in EU or state food quality schemes (e.g.: Protected Designations of Origin, Protected Geographical Indications, Traditional Specialities

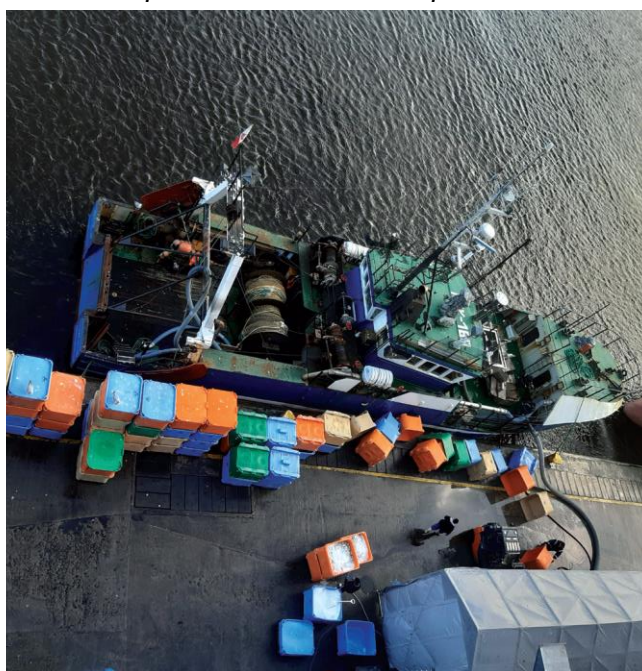
Guaranteed, System of Protection of Designations of Origin and Geographical Indications of Wine Products, Organic Farming, Quality Tradition, Quality Meat Programme, Quality Assurance for Food Products, Integrated Plant Production). The Agency reimburses the costs of a pre-certification check for agricultural producers who join such schemes and the costs of participation and undertaken information and promotional campaigns for producers who already participate in quality schemes. Under the RDP 2007-2013 and 2014-2020, more than 24.2 thousand beneficiaries in total made use of co-financing in this area.

### 3.2. Support for the fishing sector

The Polish fishing and fish production are based on three areas, i.e. Baltic fishing, deep-sea fishing and aquaculture with inland fishing (professional and amateur fishing). In recent years (2015–2019), Polish fishing vessels caught annually about 200 thousand tonnes of fish in sea waters. More than 50 thousand tonnes of fish were obtained annually from inland (fresh) waters. At that time, foreign trade in fish increased. The export of fresh and frozen fish increased from 194.3 thousand tonnes to 210.1 thousand tonnes, and the import from 456.8 thousand tonnes to 531.1 thousand tonnes.<sup>9</sup> The export volume of processed canned fish increased by 19% to 119 thousand tonnes, and their import decreased to 46 thousand tonnes, i.e. by 5%.<sup>10</sup>



*System supporting management of fishing – Zachodniopomorskie Voivodeship*



Fisheries Operational Programmes support fishermen in shifting to sustainable fishing and coastal communities in the diversification of the local economy; they also finance projects aimed at creating new jobs and improving the quality of life in areas along the European coasts. As part of the support provided, in ports and fishing harbours, inter alia, quays have been modernised, fishing vessels have been renovated and equipped, modern cold stores and ice machines have been purchased, warehouses and buildings have been modernised or

<sup>9</sup> Data of Statistics Poland.

<sup>10</sup> Data of MARD

constructed. Thanks to co-financing, fish processing plants have been modernised and became competitive in external markets. The support for fisheries finances the modernisation and purchase of equipment for institutions involved in the protection of waters, compliance with the legislation with regard to the Common Fisheries Policy and the fight against poaching.

*Modernisation of ponds and production infrastructure, purchase of equipment and restocking fish material – Kujawsko-Pomorskie Voivodeship*



*Additional equipment for the State Fisheries Guard – Warmińsko-Mazurskie Voivodeship*



*Improvement in the fish processing process – Pomorskie Voivodeship*



*All photos used in the publication come from the ARMA's archives.*

## Headquarter

02-822, Warszawa, ul. Poleczki 33  
Helpline 800 38 00 84  
e-mail: [info@arimr.gov.pl](mailto:info@arimr.gov.pl)



Agency for Restructuring and  
Modernisation of Agriculture

## List of ARMA's Regional Offices

### Dolnośląski – OR01

52-438 Wrocław, ul. Giełdowa 8  
tel. 71 369 74 00  
e-mail: [dolnoslaski@arimr.gov.pl](mailto:dolnoslaski@arimr.gov.pl)

### Lubelski – OR03

21-003 Ciecierzyn, Elizówka 65A  
tel. 81 756 88 10  
e-mail: [lubelski@arimr.gov.pl](mailto:lubelski@arimr.gov.pl)

### Łódzki – OR05

92-202 Łódź, al. Piłsudskiego 84  
tel. 42 675 67 00/10  
e-mail: [lodzki@arimr.gov.pl](mailto:lodzki@arimr.gov.pl)

### Mazowiecki – OR07

00-175 Warszawa, al. Jana Pawła II 70  
tel. 22 536 57 08/48  
e-mail: [mazowiecki@arimr.gov.pl](mailto:mazowiecki@arimr.gov.pl)

### Podkarpacki – OR09

35-310 Rzeszów, al. Tadeusza Rejtana 36  
tel. 17 875 60 00  
e-mail: [podkarpacki@arimr.gov.pl](mailto:podkarpacki@arimr.gov.pl)

### Pomorski – OR11

81-332 Gdynia, ul. Kołłątaja 1  
tel. 58 668 60 00/01  
e-mail: [pomorski@arimr.gov.pl](mailto:pomorski@arimr.gov.pl)

### Świętokrzyski – OR13

25-414 Kielce, ul. Warszawska 430  
tel. 41 349 09 00  
e-mail: [swietokrzyski@arimr.gov.pl](mailto:swietokrzyski@arimr.gov.pl)

### Wielkopolski – OR15

60-479 Poznań, ul. Strzeszyńska 36  
tel. 61 845 38 33  
e-mail: [wielkopolski@arimr.gov.pl](mailto:wielkopolski@arimr.gov.pl)

### Kujawsko-Pomorski – OR02

87-100 Toruń, ul. Dąbrowskiego 4  
tel. 56 619 83 04  
e-mail: [kujawsko\\_pomorski@arimr.gov.pl](mailto:kujawsko_pomorski@arimr.gov.pl)

### Lubuski – OR04

65-120 Zielona Góra, al. Zjednoczenia 104  
tel. 68 329 27 00  
e-mail: [lubuski@arimr.gov.pl](mailto:lubuski@arimr.gov.pl)

### Małopolski – OR06

31-481 Kraków, ul. Promienistych 1  
tel. 12 629 80 30/50  
e-mail: [malopolski@arimr.gov.pl](mailto:malopolski@arimr.gov.pl)

### Opolski – OR08

45-836 Opole, ul. Wrocławska 170 G  
tel. 77 401 84 00  
e-mail: [opolski@arimr.gov.pl](mailto:opolski@arimr.gov.pl)

### Podlaski – OR10

18-400 Łomża, ul. Nowa 2  
tel. 86 215 63 11/12  
e-mail: [podlaski@arimr.gov.pl](mailto:podlaski@arimr.gov.pl)

### Śląski – OR12

42-200 Częstochowa, ul. Jana III Sobieskiego 7  
tel. 34 378 28 00  
e-mail: [slaski@arimr.gov.pl](mailto:slaski@arimr.gov.pl)

### Warmińsko-Mazurski – OR14

10-038 Olsztyn, ul. Św. Wojciecha 2  
tel. 89 521 09 20  
e-mail: [warmińsko\\_mazurski@arimr.gov.pl](mailto:warmińsko_mazurski@arimr.gov.pl)

### Zachodniopomorski – OR16

71-245 Szczecin, ul. Szafera 10  
tel. 91 469 84 00/01  
e-mail: [zachodniopomorski@arimr.gov.pl](mailto:zachodniopomorski@arimr.gov.pl)