

TOPIC 1:

PROJECT FUNDING THROUGH GRANTS

Nowadays, agribusiness management in any area of production and services also implies project funding which can significantly contribute to the sustainability and development of agribusiness, as well as to any type of agricultural activity, i.e. sphere of rural development. Young people who decide to stay in the countryside or work from rural areas should have the necessary knowledge and skills to fund their ideas on and off farms by applying for calls for proposals announced by different donors, and hopefully by winning project funds.

In this segment of the Handbook one can encounter the following:

- i. A review of the role and importance of project funding through grants in the field of agriculture and rural development;
- ii. Possible and most interesting sources of funding relating to the support of the development of rural areas and agriculture, which might be at the same time available to different legal entities.

1.1. **Importance of grants in agriculture and agribusiness**

The emergence of project funding is linked to the emergence of the Green Revolution, and it continues to this day, whereby the size of funds has been steadily increasing.

Nowadays, in the midst of the Digital Revolution and Agriculture 5.0, one mostly contemplates improving business through the use of artificial intelligence, IoT, and machine learning. The goals and priorities presented in calls for project proposals often correspond with the combination of needs to solve key problems in the field of

agriculture in a country or a region in general, and current trends in the sector such as:

- Lack of youth and innovation in rural areas,
- Insufficient utilisation of ICT in agriculture,
- Securing better conditions for the development of sustainable agriculture,
- Reform of agricultural policy and rural development policies,
- Development of smart villages,
- Food safety,
- Reducing losses in food production, etc.

Thus, nowadays, project funding (through grants) can be considered an important drive of infrastructural changes in agriculture, and a source of introducing new services/activities and joint research ventures, connecting and strengthening the capacities of actors for collaboration on matters of mutual interest, or simply promoting products, services and actors in the local, national, regional, and quite often in the global context.

Grants are significant because they represent a source of non-refundable aid that can be awarded to legal entities with different degrees of development, but also to individuals (most often through short-term exchange scholarships for the purpose of carrying out research activities, i.e. completing the educational cycle). Grants can serve as an additional source of investment for legal entities from civil, public and private sectors such as government institutions at the local and national levels, non-governmental organisations, cooperatives, small and medium-sized enterprises, large companies, agri-entrepreneurs, universities, and research centres.

Although available to a relatively large number of people/entities that meet the application criteria, grants are scarce. Hence, being awarded this type of financial support is considered a highly competitive process that requires specific knowledge and skills which will be discussed in Topic 2. However, it is worth knowing how to

qualify for and receive grants, because with such significant support both agri-entrepreneurs and other actors in agriculture and rural development are offered the opportunity to connect and cooperate with the whole world.

Finally, it is relevant for countries in Europe to strengthen the LEADER component/access of the EU in its programmes and introduce planning relating to rural development as well as to continue to work on strengthening the legal and financial framework for the development and functioning of LAGs (Local Action Groups) comprising relevant representatives from the local agricultural sector, either private, public or civil.