



# CEMR policy position on the future of EU rural development policy - June 2010 -



Conseil des Communes  
et Régions d'Europe  
Council of European  
Municipalities and Regions

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# **CEMR Policy Position on the Future of EU Rural Development Policy**

## **1. Rural development policy addressing specific challenges of rural areas**

Rural areas should not be considered as underdeveloped. Despite their specific assets and their diversity, rural areas do face a number of common challenges distinct from urban areas, including the following:

- Agriculture is no longer the backbone of most rural economies and rural employment.
- Unemployment rates are generally higher, which is increasingly the case as large resource-intensive agricultural business develops over smaller labour intensive business.
- Ensuring proximity and access to services is more challenging in remote rural areas, due to low density and scattered populations. Suppliers are facing low frequency of use, isolation and higher costs.
- Lack of employment opportunities and quality services lead to out-migration, especially of young people and women.
- Demographic ageing is more emphasised in rural areas.
- Environmental challenges like climate change, biodiversity, energy and water issues have a special rural dimension

Rural development policies need to address these challenges, taking into account the specific strengths and opportunities of rural areas and help to develop them further.

## **2. Rural development at the centre of the EU Common Agricultural Policy**

Currently, rural development policy falls under the Common Agricultural Policy and does not adequately serve rural development in a comprehensive sense. This is due to the fact that under the current concept, rural development (pillar 2) is considered to complement agriculture (pillar 1). However, a real rural development policy needs to be broader and take an increasingly holistic, place-based approach. It should offer all sectors and actors the opportunity to develop and diversify economic activities in rural areas.

### **3. Rural development policy fostering sustainable socio-economic development**

An EU rural development policy should aspire to create balanced economic, social and sustainable development in rural areas across Europe. Following this approach, rural development policies should focus on:

- Economic diversification and development, with focus on the green economy;
- Action on rural poverty and social exclusion;
- Sustainable land and environmental management;
- Accessibility of infrastructure (including broadband) and services (including education).

### **4. Local authorities driving rural development**

Local and regional authorities play a decisive role in achieving local, national and European economic, territorial and social development. Rural development would be most successful and efficient if shaped, implemented, monitored and evaluated by local and regional authorities. Local authorities should have the opportunity to determine local spending priorities of EU rural development funds. A local and regional approach would not only be more cost effective, reduce bureaucracy and effectively target interventions locally but would also be closer to the citizens, reinforce the democratic legitimacy of spending and maximise EU added-value.

### **5. Rural development policy based on local multi-sectoral partnership and multi-level cooperation**

Rural development is a horizontal policy that has links to many sectoral policies like transport, education, healthcare, social care, spatial planning etc. A holistic and place-based rural development policy which integrates the specific rural dimension in the relevant policies is therefore crucial.

Local and regional authorities are best placed to coordinate horizontal cooperation with local businesses, voluntary groups and other local authorities. As lead partners in the establishment of Local Partnerships, they provide a strategic approach as well as ensuring democratic accountability. A local partnership approach also has to be combined with vertical cooperation between local, regional, national and European level. This would allow for designing, setting up and implementing a place based development policy tailored for each region's specificities and different needs in a way that achieves local, and ultimately European, objectives.

The future policy should build on the LEADER approach as a key way to develop a bottom up implementation based in Local Partnerships.

## **6. An expansive rural development policy benefitting all**

In the current financial period (2007 – 2013), the budget for rural development has been reduced and most Member States did not allocate a high percentage to local development measures on a voluntary basis. Therefore we advocate for an increase of the budget to be allocated to rural development.

If the current structure of the EU Common Agricultural Policy remains, wider rural economic development measures (axis 3) that focus on people and jobs should be allocated a significantly higher proportion of funds. The bottom-line should be that rural communities are properly supported by EU funds, either via Rural Development or Cohesion Policy.

At the same time, agricultural measures have to be reconsidered in order to ensure a fair chance of rural development across the whole EU: formulas determining the amount of direct payments for farmers should be equal across the whole EU and innovative approaches and know-how transfer, including the use of ICT, in agriculture should get better support.

## **7. Simplified and more flexible funding arrangements**

Funding programmes and administrative processes must be simplified to reduce the administrative burden on local and regional authorities. Processes are needlessly bureaucratic, and excessive administration is a real barrier for effective and efficient investment of EU funds. Administrative burdens dissuade local communities from accessing funds for the first time. Combined with real simplification, an increasingly devolved approach could simplify processes, bringing clarity of management function and efficiency savings. In practice we also see that good projects often do not exactly fit into the rural development programmes and thus cannot be supported. The more challenging a new objective, the more flexibility in measures is needed to stimulate creativity, entrepreneurship, innovation and enthusiasm.

## **8. Coherent and strategic delivery of EU rural and regional development programmes**

Current agricultural policy has not sufficiently promoted the consistent and integrative development of rural areas. It is therefore essential to harmonise and align the financial and administrative procedures of the different funds as much as possible. EU rural development and EU regional development policies must strategically and practically complement each other. A precondition for this is a clear definition of the funding scope, objectives and output. Local authorities are best placed to coordinate EU funding initiatives at local level, ensuring rural development policy and structural funds deliver coherent and necessary outcomes for communities. Harmonised financial and administrative procedures, including common eligibility criteria, application and audit across all EU funds available for rural devel-

opment or territorial cohesion, would be crucial for success by reducing bureaucracy, duplication, and improving outcomes. In addition to a better articulation, rural development aspects should be better considered in regional policy.

## **9. A holistic approach focusing on functional economic areas**

Urban and rural areas are connected economically, politically, socially and physically through elements such as housing, employment, education, transport, tourism and resource use.

Rural and urban areas often co-exist within wider functional economies. Urban-rural links and smaller towns and cities become crucial for understanding an area, and no policy should think exclusively on 'urban' or 'rural' development.

The EU should take a holistic and balanced view, recognising that a local development approach can best meet the needs of differing but interconnected area types that exist within a functional economic territory.

## **10. Delivering Europe 2020 depends on rural areas**

Rural development will be crucial for achieving Europe 2020 objectives. This concerns all aspects of the strategy and requires tailor-made measures for rural areas that take full account of their specificities. To ensure this, local and regional authorities need to be involved in the design of actions and measures which then have to be implemented by a holistic territorial and partnership approach.

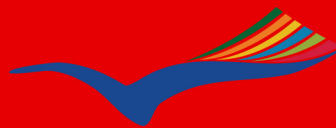


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