

# PREPARE Gathering

Ohrid, 30 August – 3 September 2010

## EU Rural Development policies

policy design and delivery

mainstreaming of LEADER

do policy priorities reflect rural needs?

implications for the Accession Candidates

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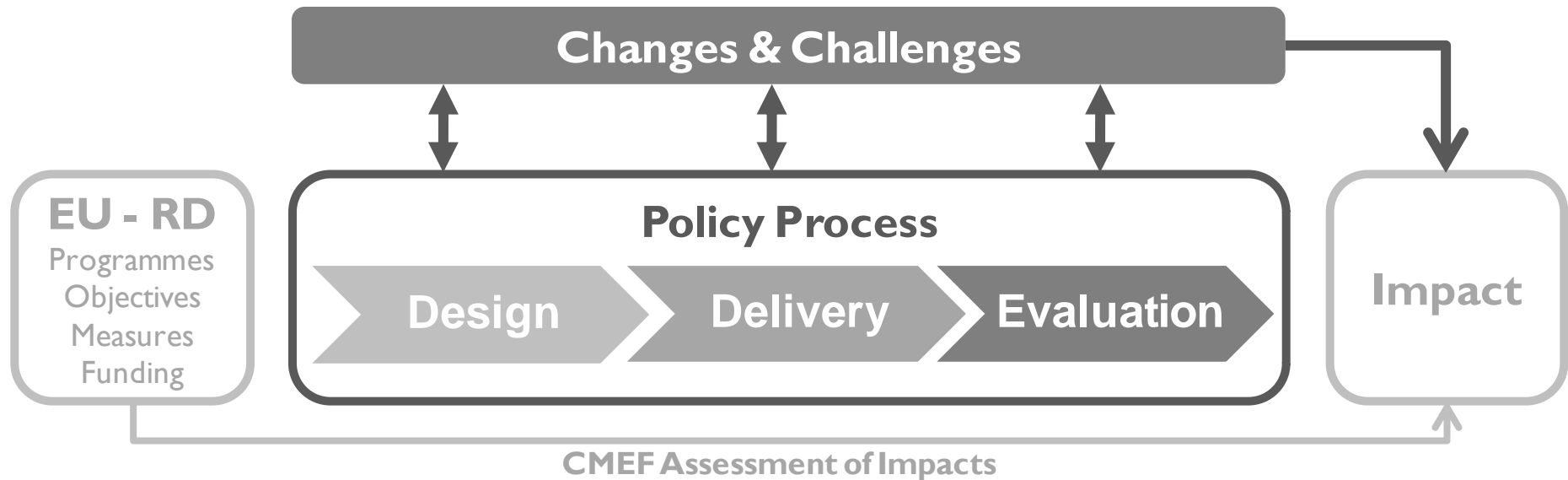


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# Contents

- The 'forgotten middle' of the EU RD Policy
- Differences in understanding/views on the role(s) of RD policy
  - Involvement of stakeholders in the policy-planning process
  - Types and roles of institutions and key players responsible for policy design (who 'owns' the RDP?)
  - Policy design process (open, closed, simple or difficult/contested)
- Different patterns of management of RDPs
  - involvement of non-farm actors
  - transmission of decision-making process on lower territorial levels
  - mainstreaming of LEADER principles
- Patterns of public expenditure on rural development
- Implications
  - for the new programming period
  - for the Candidate Countries

# The 'forgotten middle' of the EU RD Policy





# RD policy design



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# RDP perspectives

## ***Agricultural*** perspective:

- ❑ CAP RD policy is about supporting the farm (and agri-food) sector; agricultural development is at the heart of / synonymous with rural development

## ***Neo-liberal*** view:

- ❑ CAP RD policy is about paying for public goods & adjusting to global markets

## ***Instrumental***:

- ❑ a broader vision for RD is recognised, but RD policy is explicitly targeted to support part(s) closely linked to agriculture/forestry

## ***Broad-based***:

- ❑ P2 is an important source of rural funding and significant RD needs / opportunities go beyond the farm and forestry sectors
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# Design types: institutional maps

—————→ *More stakeholder involvement\**

More devolved\*

<p><b>Type 1 (16 RDPs) – centralised, one lead Ministry</b>  <i>Belgium: Wallonia Luxembourg</i>  <i>Greece Cyprus Italy: Puglia</i>  <i>Spain: Extremadura</i>  <i>Portugal Malta Spain: Catalunya</i>  <i>Slovakia Hungary</i>  <i>Romania Czech Republic.</i>  <i>Germany: Baden-Württemberg</i>  <i>" Mecklenburg-Vorpommern Sweden</i></p>	<p><b>Type 2 (12) – one lead ministry but designed by distinct axis: 'sectoral' stakeholder groups</b>  <i>England Wales</i>  <i>Latvia Lithuania Estonia</i>  <i>Scotland Finland</i>  <i>Bulgaria Slovenia</i>  <i>Netherlands France Austria</i></p>
<p><b>Type 3 (3) – divided, 2 lead ministries / agencies for different parts of RDP</b>  <i>Flanders (agency designed axes 3&amp;4)</i>  <i>Ireland Denmark</i></p>	<p><b>Type 4 (2) – strongly devolved by territory = sub-programmes</b>  <i>Italy: Emilia-Romagna</i>  <i>Italy: Sicilia</i></p>

\* *But with exceptions!*

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# The changing role of LEADER

## ***EU intention to 'mainstream' the LEADER approach***

Reports indicate:

- ❑ Most RDPs adopt the EU suggestion that LEADER is 'best suited' to deliver Axis 3: *many exclude LAGs from axes 1&2*
- ❑ Many have substantially increased funding to LEADER projects
- ❑ Some LAGs now 'formalised' (*integrated within wider and more permanent policy structures*)

***In so doing, some original LEADER characteristics may have been changed / re-defined....***

- ❑ cross-sectoral
- ❑ small, independent, unconstrained, able to challenge orthodoxies

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# RD policy delivery

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# Typology of EU RD Policy delivery


From central/national to local level (multi-level governance)




		Types of actors involved in decision making process	
Type of decision-making		Only actors belonging to sectoral Administrations	Sectoral Administrations+ other actors: Agencies/Provinces/Local municipalities/private actors
Distribution of decisional power ↓	Centralised at the top level (Ministry/Central Department/Payment Agency)	Group a) Centralised and driven by sectoral administration	Group c) Centralised and multi-actors
	Decentralised at lower level (under the NUTS II level)	Group b) Decentralised and driven by sectoral administration	Group d) Decentralised and multi-actors

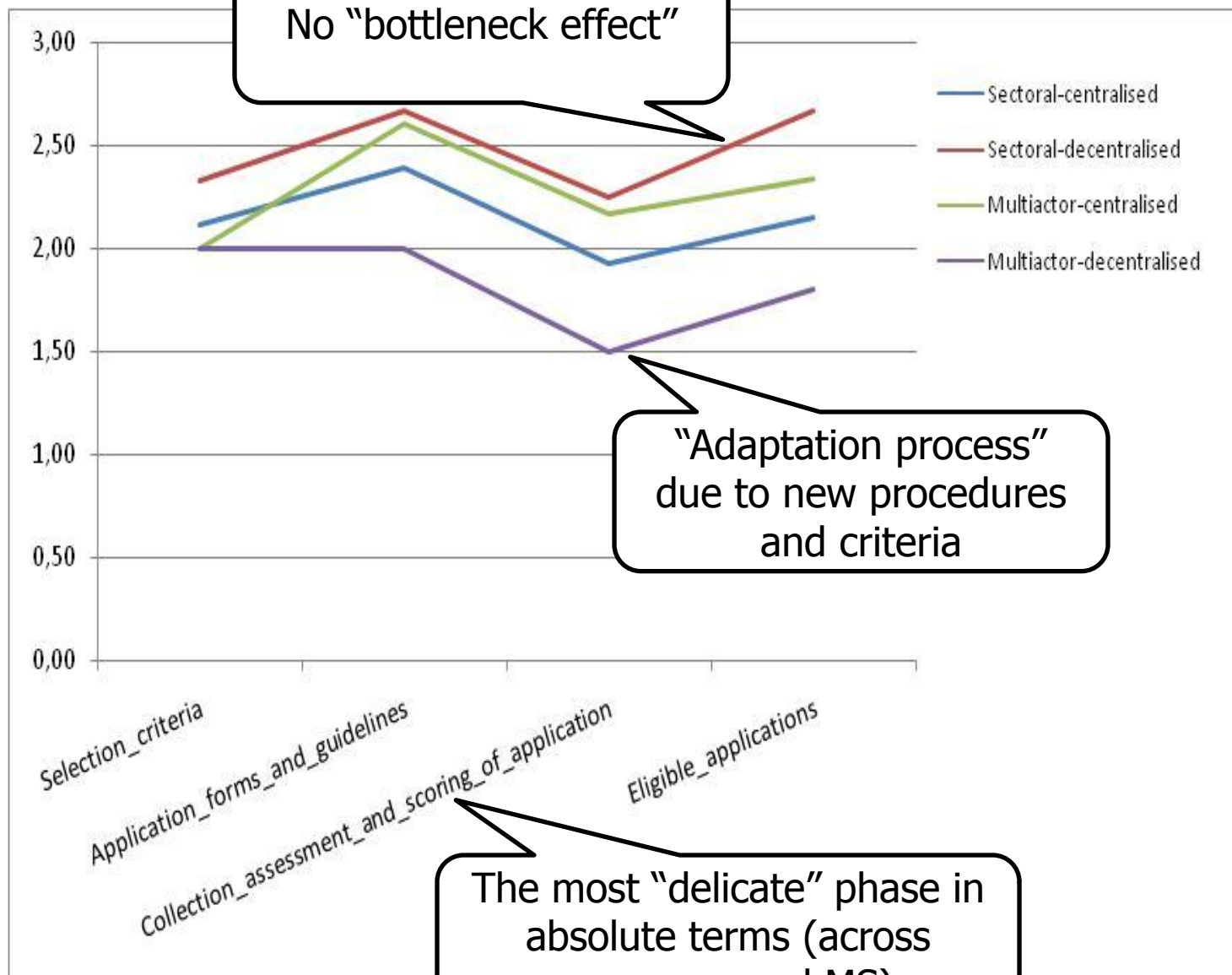
Table 4 - Typology of delivery and case studies

From central/national to local level (multi-level governance)

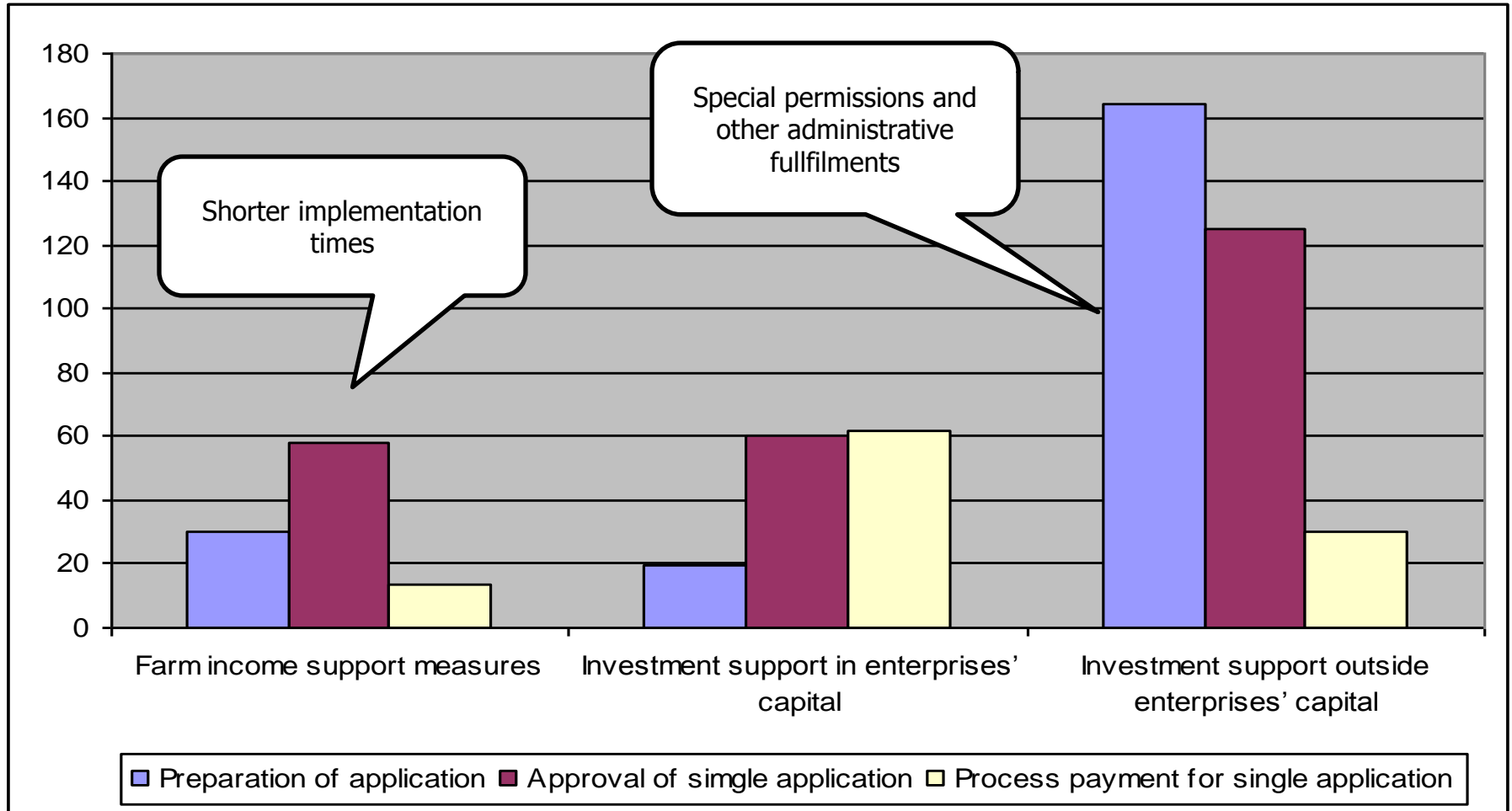


		Types of actors involved in decision making process	
Type of decision-making		Only actors belonging to sectoral Administrations	Sectoral Administrations+ other actors: Agencies/Provinces/Local municipalities/private actors
Distribution of decisional power 	Centralised at the top level (Ministry/Central Department/Payment Agency)	<p><b>Bulgaria</b> (Axes 1-2-3), <b>Romania</b> (Axes 1-2-3), <b>Hungary</b> (Axes 1-2-3), <b>Slovenia</b> (Axes 1-2-3), <b>Czech Republic</b> (Axes 1-2-3), <b>Slovakia</b> (Axes 1-2-3), <b>Lithuania</b> (Axes 1-2-3), <b>Latvia</b> (Axes 1-2-3), <b>Cyprus</b> (Axes 1-2-3); <b>Denmark</b> (Axes 1-2-3), <b>Malta</b> (Axes 1-2-3), <b>Portugal</b> (Axes 1-2-3); <b>Luxemburg</b> (Axes 1-2-3); <b>France</b> (national measures, i.e. 112); <b>Wallonia</b> (BE, Axes 1-2-3); <b>Flanders</b> (BE, Axes 1-2), <b>Wales</b> (UK, Axis 1), <b>Extremadura</b> (ES, Axes 1-2-3), <b>Cataluna</b> (ES, Axes 1-2-3), <b>Puglia</b> (IT, Axes 1-2-3), <b>Sicily</b> (IT, Axes 1-2-3).</p>	<p><b>Greece</b> (Prefectures); <b>England</b> (National Agencies, Axis 2); <b>Wales</b> (UK, Axis 2, National Agency); <b>Austria</b> (agri-environment, Regional Chambers of Agriculture/Provinces/Municipalities)</p>
	Decentralised at lower level (under the NUTS II level)	<p><b>France</b> (214, Departments); <b>Ireland</b> (Axes 1 and 2, Local offices, county-scale level), <b>Meklemburg</b> (D) (Axes 1, 2 and 3), <b>Baden-Wurtemberg</b> (D) (Axes 1, 2 and 3).</p>	<p><b>England</b> (UK, Axes 1-3-4, Regional Development Agencies and Local partnerships); <b>Wales</b> (UK, Axis 3, Unitary Authorities); <b>Emilia-Romagna</b> (IT, partially Axes 1-2-3, Provinces); <b>Netherlands</b> (Axes 2 and 3, Provinces and agri-environmental cooperatives); <b>Flanders</b> (Be, Axes 3-4, Provinces and Municipalities)</p>

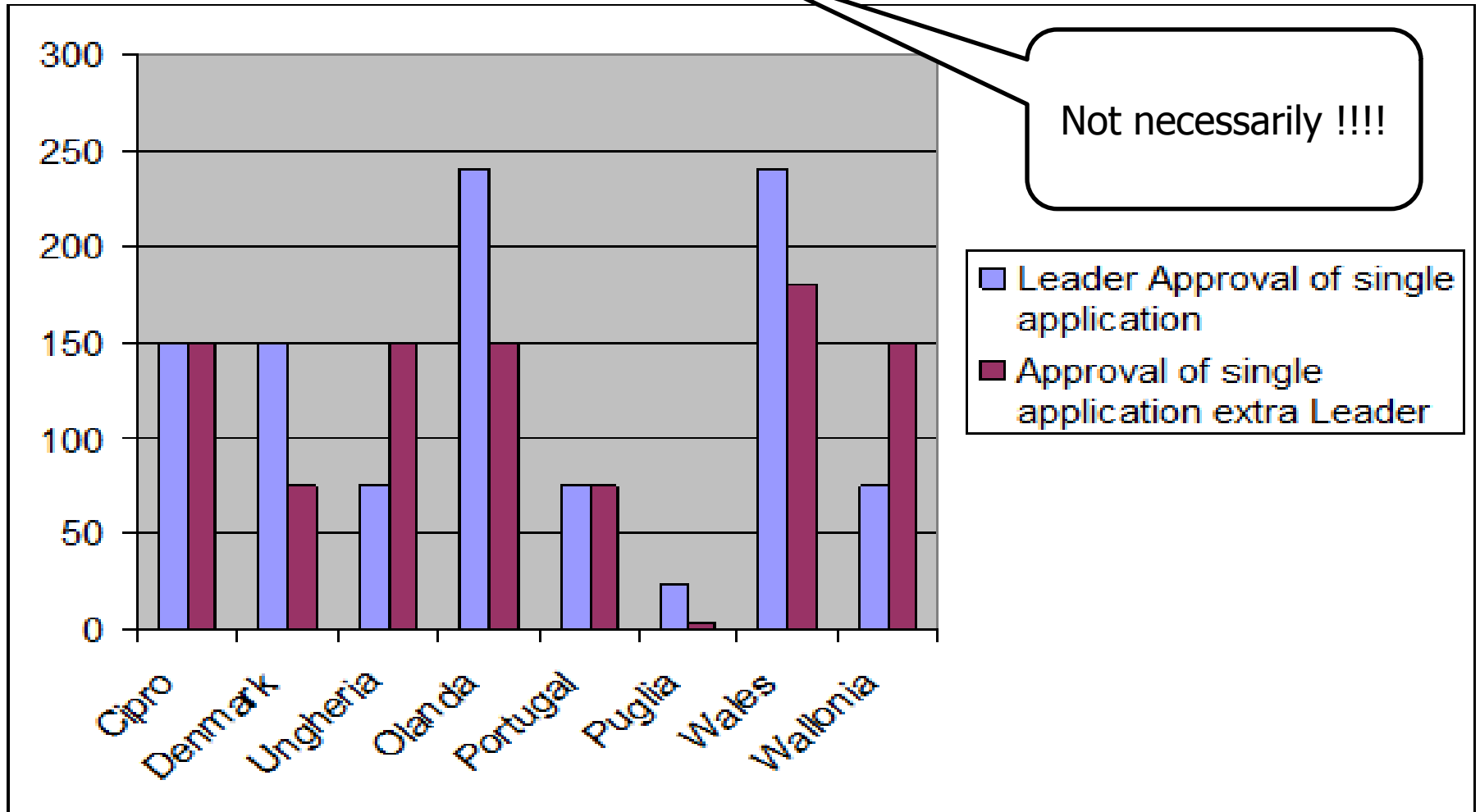
# Different performances and responses by four delivery types



# Different times by types of measures



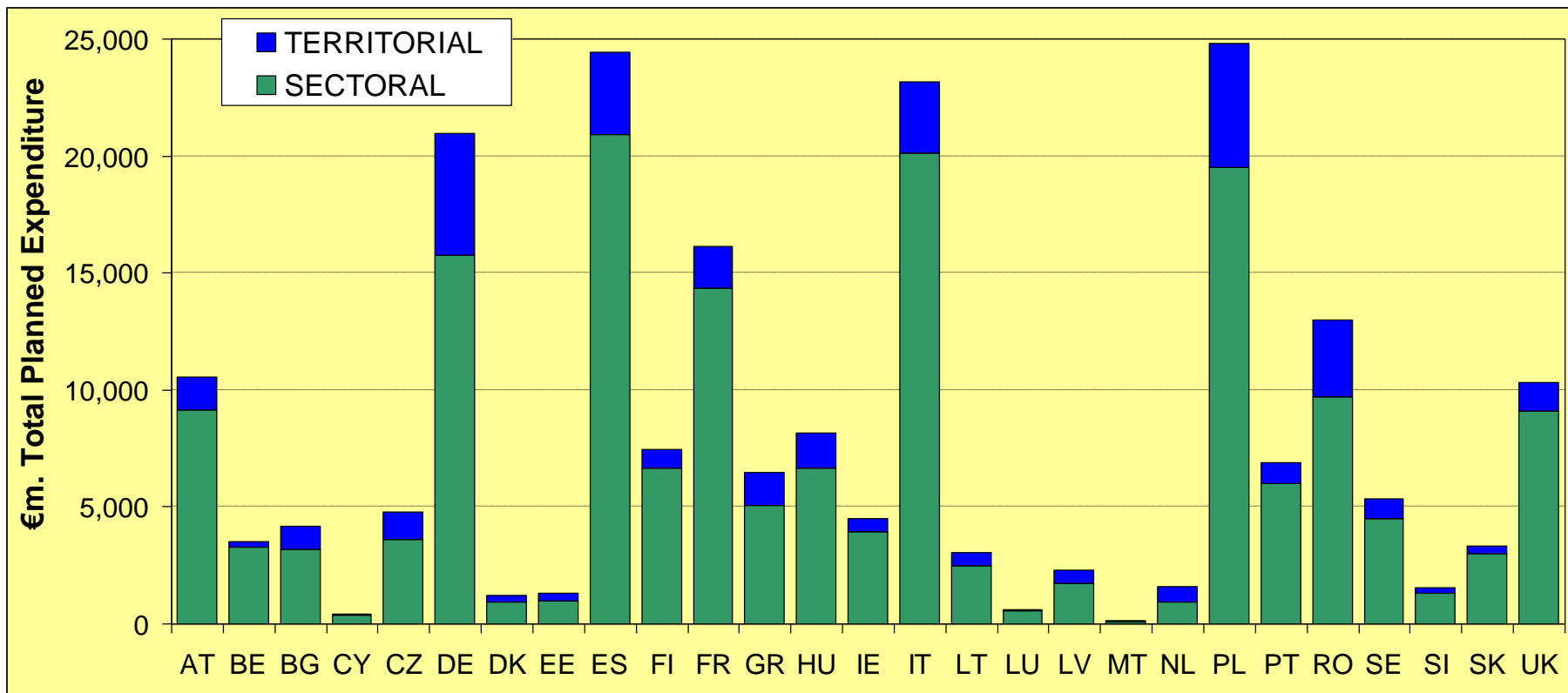
# Is LEADER delivery really more time-consuming ?



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# **EU RD policy expenditure patterns**

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EU27 17% territorial

EU15 15% territorial

NMS12 22% territorial

NL, MT, EE, RO, LV, DE all >25% Territorial

CY, FI, FR, PT, SK, and UK all 85-90% Sectoral

Measure ↓	Group →	A 1: Physical Capital	A 2: Quality and Marketing	B 1: LFA + other Direct Payments	B 2: Agri-Environment	B 3: Forestry	C 1: Human Capital	C 2: Local Capacity	D 1: Rural Diversification	D 2: Quality of Life
111	Vocational training and information actions						X			
112	Young farmers						X			
113	Early retirement						X			
114	Use of farm advisory services						X			
115	Setting up of farm management, relief and advisory and forestry advisory services						X			
121	Farm/forestry investments	X								
122	Improvement of economic value of forests	X								
123	Processing and marketing		X							
124	Co-operation for innovation	X								
125	Agricultural/forestry infrastructure	X								
126	Restoring agricultural production potential	X								
131	Meeting standards temporary support		X							
132	Food quality incentive scheme		X							
133	Food quality promotion		X							
141	Semi-subsistence (only for new MS)	X								
142	Setting-up producer groups (only for new MS)		X							
143	Direct Payment (BG + RO)			X						
211	Mountain LFA			X						
212	Other areas with handicaps			X						
213	Natura 2000 agricultural areas				X					
214	Agri-environment				X					
215	Animal welfare (compulsory)				X					
216	Support for non-productive investments				X					
221	Afforestation of agricultural land					X				
222	Agroforestry establishment					X				
223	Afforestation of non-agricultural land					X				
224	Natura 2000 forest areas					X				
225	Forest environment					X				
226	Restoring forestry production potential					X				
227	Support for non-productive investments					X				
311	Diversification to non-agricultural activities								X	
312	Support for micro-enterprises								X	
313	Encouragement of tourism activities								X	
321	Basic services for the rural economy and population (setting up and infrastructure)									X
322	Renovation and development of villages									X
323	Protection and conservation of the rural heritage									X
331	Training and information						X			
341	Skills acquisition, animation and implementation						X			
411	LEADER (Axis 1)							X		
412	LEADER (Axis 2)							X		
413	LEADER (Axis 3)							X		
421	Cooperation Projects							X		
431	Skills and animation of LAGs							X		
511	Technical Assistance							X		
611	Direct Payments (BG, RO)?			X						

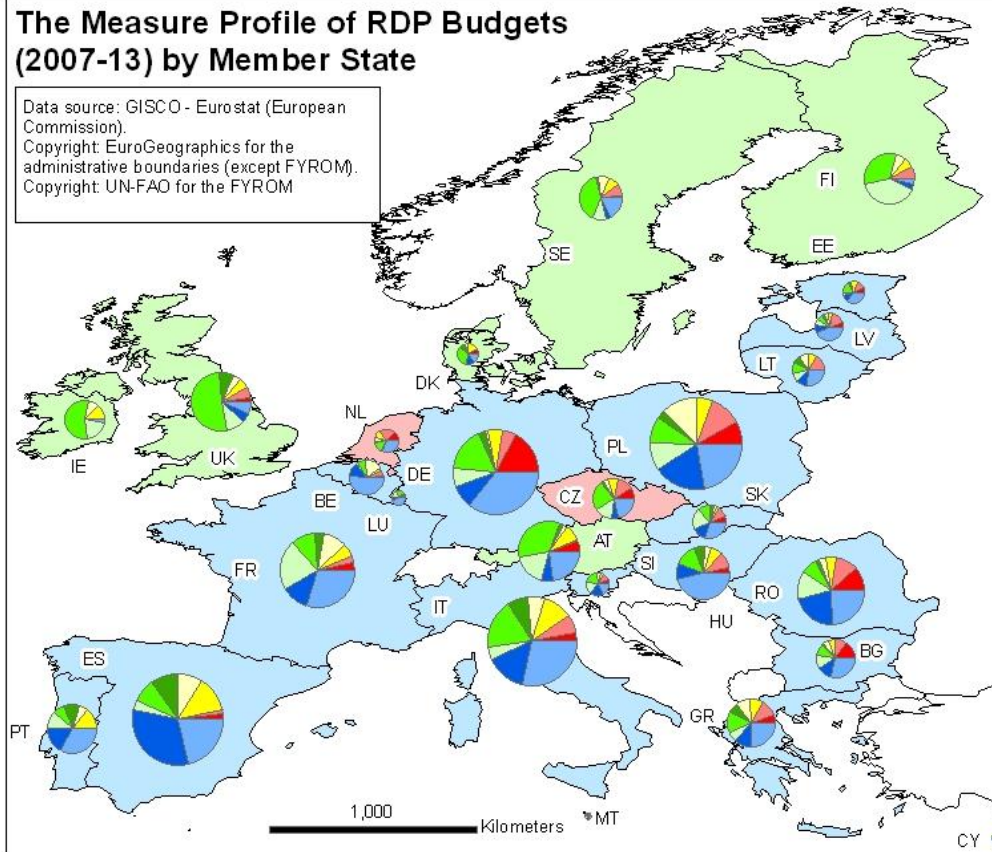
**A - Primary Sector Competitiveness (blue)**  
**B - Agri-Environment and Forestry (green)**  
**C - Human Capital and Local Capacity (yellow)**  
**D - Wider Rural Development (red)**

Type	MS	Total Budget	% of Total EU27 Budget
ABCD	CY, FR, LU.	17,308	8.1
ABDC	SI, SK.	4,968	2.3
ACBD	IT, PT.	30,775	14.4
ACDB	BE, ES, GR, LT.	37,964	17.8
ADCB	BG, DE, EE, HU, LV, PL, RO	75,996	35.6
<b>PSC Types</b>	<b>(18 MS)</b>	<b>167,011</b>	<b>78.3</b>
BACD	AT, DK.	11,957	5.6
BCAD	SE.	5,428	2.5
BCDA	FI, IE, UK.	22,337	10.5
<b>AEF Types</b>	<b>(6 MS)</b>	<b>39,722</b>	<b>18.6</b>
DABC	CZ.	4,794	0.8
DACB	MT, NL.	1,742	3.1
<b>WRD Types</b>	<b>(3 MS)</b>	<b>6,537</b>	<b>3.1</b>
<b>EU27</b>		<b>213,269</b>	<b>100.0</b>



## The Measure Profile of RDP Budgets (2007-13) by Member State

Data source: GISCO - Eurostat (European Commission).  
 Copyright: EuroGeographics for the administrative boundaries (except FYROM).  
 Copyright: UN-FAO for the FYROM



### Legend

#### Detailed Measure Groups



-  A1: Physical Capital
-  A2: Quality and Marketing
-  B1: LFA and other Direct Payments
-  B2: Agri-Environment
-  B3: Forestry
-  C1: Human Capital
-  C2: Local Capacity
-  D1: Rural Diversification
-  D2: Quality of Life

#### Dominant Measure Group

-  Non-EU
-  Primary Sector Competitiveness
-  Agri-Environment and Forestry
-  Wider Rural Development

# Conclusions I: EU RD policy in future – can we do it more & better?

- Comparison of RDP between MS (objectives, expenditure patterns,...)
  - Reveals only a part of the picture
- If we want to understand different practices in policy planning and delivery, we need to know...
  - History of implementation
  - Political/economic context
- RDPs 2007-13: a contested situation
  - Rhetoric: place-based, multi-sectoral policies, multilevel governance
  - Practice: sectoral (agriculture-centred), path-dependent
- Potentials for improvements need be developed from within
  - Stakeholder involvement (role of PREPARE, national networks)
  - Efficient devolution of decision-making (and responsibilities!) to lower territorial levels is possible!
  - Better coordination of policies (RD, Cohesion, regional)
- Mindset shift: from absorption to value-for-expenditure

# Conclusions II: Implications from EU NMS to candidate countries

- Agriculture in NMS after accession to the EU:
  - **price convergence, access to DP, RD expenditure**
    - retarding farmers' incentive to adapt?
    - modernisation, productivity increase, market orientation; but not accessible to all !
  - **quantitatively: marginal producers leaving the sector on the account of larger ones**
    - CAP: hidden bias against small-scale producers
    - subsistence producers & landless caught in rural poverty trap: CAP rather part of the problem than solution to the problem?
    - RD measures can merely mitigate social hardships
  - **market-based adaptation: retail revolution**
    - Small-scale producers and rural economies in general are particularly vulnerable in this process
- Convergence with structural conditions of established MS is limited to a small number of regions in NMS!
  - Key policy challenge: rural (non-farm) jobs, incomes
  - Can EU RD policy alone tackle these challenges?

# Some issues to consider during your workshops

- Steps towards EU accession in agriculture and RD policy
  - How do you judge the balance of institutions/stakeholders participating in rural development issues?
  - Any specific needs of your rural regions that EU RD policy framework doesn't cover adequately?
- EU RD policy toolkit – what and how to implement?
  - Approach towards investment support: support for all? (eg. small vs big, farmers vs non-farmers)
  - RD policy – the right?/only? tool for fighting rural poverty and land abandonment?
  - Agri-environment and less favoured areas support
  - Alignment with EU standards
  - Quality policy (PDO/PGI, Eco-): a panacea for promotion of local products/services ???
  - Bottom-up approach towards rural development – pros and cons



Thank you