Long-term vision for rural areas: European Commission communication

SUMMARY
In June 2021, the European Commission published a communication setting out a long-term vision for the EU’s rural areas. The range of challenges facing such areas is acknowledged. They include issues relating to demographic change, such as the loss of population from remote rural areas, lower levels of gross domestic product (GDP) per capita, poor access to services, and issues concerning connectivity. A lower proportion of households in rural regions have access to next generation broadband compared to the EU average. Tertiary education and basic digital skill levels are lower in rural areas and a significant gap exists between male and female employment rates. The share of young people aged 15 to 29 years neither in employment nor in education or training is higher in rural areas.

The response set out in the Commission’s communication includes proposals for a rural pact engaging actors at EU, national, regional and local levels to support the vision and an action plan to support stronger, connected, resilient and prosperous rural areas. A rural observatory will be established to improve data collection and analysis on the situation of rural areas. In support of its proposals, the Commission will put in place a rural proofing mechanism to assess the anticipated impact of major EU legislative initiatives on rural areas.

Offering an initial analysis of the communication and its implications for future policy for rural areas, this briefing examines the challenges and opportunities these areas face. It summarises the views and responses of stakeholders regarding the Commission’s long-term vision and the findings of the public consultation launched by the Commission in September 2020. Evidence is also presented on the levels of trust rural dwellers have in the different levels of governance. The key drivers that will shape rural areas between now and 2040 are identified from the findings of a foresight analysis undertaken by the Joint Research Centre (JRC), which is included in the communication. Lastly, consideration is given to the experience of applying the rural proofing mechanism, including perspectives on its utility and application in practice.

IN THIS BRIEFING
- Overview of the long-term vision for rural areas
- Assessment and stakeholder perspectives
- Advisory committees
- Conclusion and outlook
Overview of the long-term vision for rural areas

On 30 June 2021, the European Commission published a communication setting out a long-term vision for the EU's rural areas up to 2040. This fulfilled a commitment made in Commission President Ursula von der Leyen’s political guidelines and in her mission letters to Commission Vice-President Dubravka Suica, Commissioner Janusz Wojciechowski and Commissioner Elisa Ferreira.

Representing a significant development in policy terms, the communication is accompanied by a number of supporting documents. These include details of 30 flagship initiatives and actions listed in an annex and based on four strands to enable rural communities to become stronger, connected, resilient and prosperous. A synopsis report sums up the outcome of consultation exercises, and a staff working document (SWD) describes the long-term vision design process, analysing the EU's rural areas and covering issues such as the environment, integrated territorial development and opportunities for women in rural areas. It reviews EU initiatives, policies and funding in rural areas. The communication also includes the findings of a JRC foresight exercise, which develops scenarios together with the European Network for Rural Development (ENRD) Thematic Group on the long-term vision for rural areas. The analysis that follows refers to all the above sources.

Analysis of challenges and opportunities facing rural areas

Addressing key challenges facing the EU’s rural areas, the Commission’s communication describes a mix of demographic, labour market and education issues that interact with the economic and social situation of rural regions alongside infrastructure issues. An analysis of the bio-economy – encompassing all primary production sectors that use and produce biological resources – also covers the role of innovation, climate and ecosystem services in rural areas. An overview is presented on the range of EU policies and funds that support rural development. While many key features of rural areas have been identified in earlier analyses of the challenges and opportunities facing such areas, a number of headline points in the Commission’s communication confirm the following:

- the rural population is significantly older than the urban population;
- young people in rural areas have a higher than average unemployment rate;
- the early-leaving rate from education and training is higher in rural areas and towns than in cities, while tertiary education and digital skills levels are lower in rural areas;
- the share of rural residents with at least basic digital skills was 14% lower than that of city residents in 2019.

Agriculture, forestry and the fishery sector jobs are more prevalent in rural areas and this is reflected in these areas’ economic performance (measured by GDP per capita) which is ‘generally lower in rural and intermediate regions than in urban regions’.

In 2018, per capita GDP in remote rural regions was only 69% of the EU average. Farming income is significantly below the average income in most Member States.

The lack of infrastructures such as transport, broadband and social fabric can affect both social inclusion issues and economic development prospects. The Commission points to the distances rural residents have to drive to reach services as well as the significant connectivity gap in terms of next generation access (NGA) broadband for rural areas. In 2020, the EU-27 share of rural households with such access was 60% compared to an EU average of 87% set against an EU target of 100% access to fast broadband internet in rural areas by 2025.

Joint Research Centre calculations based on Eurobarometer survey findings meanwhile indicate low levels of trust among rural dwellers in their different levels of governance, including national government and the EU, compared with city residents. Rural residents were found to be more likely to trust local and regional authorities than national governments or the EU.

Innovation in rural areas faces challenges such as lower education attainment, infrastructure deficiencies and a lack of digital skills. A number of key megatrends are to be noted, however, such as increased interest in the sustainable bio-based sector; the circular economy; new working patterns and an increasing interest in healthy food and sustainable diets that recognises the growing strategic importance of sustainable technologies that rely on rural resources.
Flagship initiatives and accompanying actions

The Commission proposals hinge on a ‘rural pact’ to mobilise public authorities and stakeholders to respond to the aspirations of rural communities, facilitated through existing networks. Its vision involves a rural action plan based on four strands or areas of action to make rural areas stronger, connected, resilient and prosperous by 2040. In support of these strands, 30 flagship initiatives are set out in an annex to the communication. These are summarised in Table 1.

Full recognition is given to the role played by local communities in strengthening rural areas. A ‘one-stop shop’ platform is proposed for information on existing projects and funding possibilities. Rural-focused research and innovation activities under the Horizon Europe programme will support the development of innovation by and for rural communities. Reference is made to a yearly forum of start-up villages and to the role of LEADER and smart villages. New programmes such as Erasmus+ and the European Solidarity Corps will reach people in rural areas through inclusion measures. On connectivity, there is recognition of the need to improve existing transport connections and reach the goal of 100% fast broadband coverage in rural areas by 2025.

A wide range of actions cover the environmental, climatic and social aspects of rural area resilience. These include support for municipalities in energy transition and climate change. A workstream is planned to support the exchange of best practices, improve access to funds and increase awareness of the contribution municipalities make to fighting climate change. EU funds can support the renovation of buildings in rural areas as well as energy efficiency and renewable energy production. Reference is made to carbon farming as a source of income for farmers. Actions are included to support women in rural areas, for instance by improving the availability of quality education and care services for children and other dependents.

In terms of promoting prosperity, actions are proposed in favour of diversification, education and training, the promotion of small and medium-sized enterprises (SMEs) and the commercialisation of products with geographical indications, where reference is made to strengthening the position of producer groups in the food supply chain.

In support of these actions, provision is included for the establishment of a rural observatory through a European Commission research group to improve data collection and analysis on rural areas. A toolkit will be developed starting in 2022 as a guide to the various funding opportunities available for rural areas. A rural proofing mechanism will also be established to assess the anticipated impact of major EU legislation on rural areas.

Assessment and stakeholder perspectives

From Table 1 it can be observed that all the flagship projects and accompanying actions have a start date in either 2021 or 2022. The absence of end-dates indicates the continuous nature of certain actions, such as enhanced networking and the sharing of best practices. Recognition is given to the role of rural areas in addressing climate change, for instance through the restoration, rewetting and conservation of wetlands and peatlands. The actions reflect the importance of adopting a fully integrated approach across a range of policy areas.

Table 1 – Summary of flagship initiatives and accompanying actions

<table>
<thead>
<tr>
<th>Theme</th>
<th>Flagship initiatives and accompanying actions</th>
<th>Start date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger rural areas</td>
<td>One-stop shop for rural communities</td>
<td>2022/2023</td>
</tr>
<tr>
<td></td>
<td>Research and innovation for rural communities</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>Enhanced networking for LEADER/CLLD and smart villages</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>Study on land use linked to sustainable farming</td>
<td>2022</td>
</tr>
<tr>
<td></td>
<td>Education, training, youth, sport and volunteering activities</td>
<td>2021</td>
</tr>
</tbody>
</table>
Many of the actions above are likely to fill information gaps by raising awareness of both the needs and the opportunities facing rural areas. The actions can also be examined for their consistency with the findings of the Commission's public consultation held between 7 September and 30 November 2020 and the results of the JRC foresight analysis.

Findings from the public consultation

The Commission published a factual summary of the 2 326 responses from all 27 Member States to its public consultation on 10 March 2021. The responses pointed to concerns over infrastructure needs, e.g. better public transport, and access to key public services, e.g. water, electricity and services such as banks and post offices. Over two thirds of respondents indicated that there were not enough good jobs for people living in rural areas. Looking 20 years ahead, 93 % of replies indicated that the attractiveness of rural areas would depend largely on the availability of digital connectivity and basic services /E-services. There was a large consensus among respondents that eco-system services would increase over the next 20 years. Almost all respondents considered that the importance of landscape, countryside, biodiversity and wildlife habitat would increase, with
similar views on the latter’s role in climate mitigation and adaptation. Almost half (45%) of respondents involved in farming felt they had been left behind by society, with this figure rising to 56% for those living in remote rural areas. These figures reflected a deterioration in infrastructure and services; declining income and the lack of employment opportunities, and a feeling that the specific needs of rural people were not sufficiently considered in political decisions. The responses showed that only one quarter felt that particular attention had been paid to rural areas when designing general and territorial public policy.

Findings from the foresight exercise

The foresight analysis included in the Commission’s communication identifies the top 10 ‘drivers of change’ impacting on the future development of rural areas, as selected by the thematic group of the ENRD (see Figure 1). This analysis is reinforced by the Commission’s work on megatrends (i.e. long-term driving forces that are continually reviewed and updated by the JRC), as well as the work of the European spatial planning observatory (ESPON) and the Organisation for Economic Co-operation and Development (OECD). They include the influence of factors such as the way policies are developed and implemented in terms of the participation of different actors (public and private); the influence of demographic changes such as declining population in predominantly rural and intermediate regions and the ageing of the rural population. Other drivers include the influence of climate change policies, the availability and quality of natural resources and the issue of connectivity – in particular access to fast broadband.

A range of possible futures for rural areas for 2040 are presented in the form of four scenarios based on considerations of both demographic change and different patterns of governance. In terms of demographic change, they range from one extreme, where rural areas experience population increases through in-migration, to the other, where the rural population declines. In terms of governance, the extreme positions range from cases of ‘fragmented multi-level governance’, where there is limited coordination between different types of actor, to ‘networked multi-level governance’ characterised by well-coordinated and collective decision making processes with strong direct citizen participation. The precise details of the four possible scenarios are summarised in Part 3 of the Commission’s staff working document.

The analysis is further supplemented by a brief review of other foresight-related studies, funded under Horizon 2020, such as the work done by the ‘sustainable hub to engage in rural policies with actors (SHERPA), a four-year project (2019-2023) with 17 partners funded under Horizon 2020. The latter set out a vision for rural areas by 2040 which was drawn up in a position paper published in February 2021. This followed an earlier overview by SHERPA of a sample of foresight and scenario studies undertaken at EU and global levels. The position paper sets out a range of ‘interconnected visions for Europe’s rural areas by 2040’. Their shared characteristics include digitalisation and digital technologies being fully integrated in the rural economy; a diversified rural economy, a stable demographic structure, and a thriving agricultural sector based on sustainable practices.
A key theme to emerge from this work is the role of digitalisation requiring high quality internet access and digital connectivity. This reinforces the role played by smart villages and all the necessary features associated with such an approach. 6 It also points to the involvement of rural citizens in decision-making and cooperation between decision-making levels.

Stakeholders

A number of rural development organisations have expressed their initial views on the Commission’s long-term vision for rural areas. The European Council of Young Farmers (CEJA) and Rural Youth Europe welcomed the long-term vision, in particular the establishment of a rural observatory and the proposed toolkit on funding opportunities. The Council of European Municipalities and Regions (CEMR) considered that it was ‘a great step ahead’ that the EU’s vision was aligned with the CEMR’s recommendations that more positive messages promoting the assets of the countryside should be adopted including recognition of the diversity of rural areas and the need for ‘locally designed solutions’. It noted that the vision did not propose new financing sources beyond the EAFRD, cohesion policy, the Recovery and Resilience Facility and InvestEU. It welcomed the introduction of a rural-proofing mechanism to analyse any potential impact that EU policies may have on rural jobs and growth. Likewise, the European LEADER Association for Rural Development (ELARD) welcomed the proposals for a rural pact and a rural action plan but indicated that the vision was ‘one year too late’ for the programming of funds at national level, fearing that many Member States may not consider its input enough. It noted the inclusion of rural-proofing in the vision, an issue it has ‘repeatedly pressed for’. ELARD was active in the process of developing the vision through its participation in the ENRD thematic group on the vision and the SHERPA project. In September 2020, it published a survey of 3,436 people from 26 countries entitled ‘What future do you want for in rural areas?’. Euromontana considered the new vision to be ‘promising, reflecting a political will to promote rural areas’. It welcomed the creation of a one-stop shop for rural areas and the intention to provide more support for rural entrepreneurship. However, it regretted the absence of concrete measures on crucial issues for the territorial attractiveness of mountain areas and the absence of new investments or funding. It felt that the vision was a ‘real missed opportunity’ to include its priorities in the new CAP strategic plans, the new operational programmes under cohesion policy or the recovery plans of the Member States and a failure to explore post-pandemic opportunities further. ARC 2020, an independent NGO, pointed to ‘serious gaps and significant blind spots’ in the how and when of the long-term vision. It expressed concerns that the vision had been kept separate from CAP reform and alleged that there was a vagueness in respect of who would develop and agree on the proposed rural pact, pointing to a failure to establish institutional responsibility. It stated that no responsible person or body had been identified to lead the rural action plan. It pointed to a failure to propose a mechanism to assess and influence the programmes currently being developed; including the absence of a binding requirement that Member States take into account the vision when making their CAP strategic plan submissions to the Commission. It was critical of the absence of specific plans to earmark additional funding or simplify the existing administrative burdens associated with LEADER measures. Overall it considered the new communication to be ‘too little too late’, with a reliance on existing policies and measures that were non-legislative in nature.

Advisory committees

The European Committee of the Regions (CoR) considers the publication of the long-term vision for rural areas to be a major success, as it had been asking for a rural agenda since 2016. CoR has indicated that it is ready to promote the mobilisation of local communities to implement the rural action plan. It has called for the CAP to be coordinated with cohesion policy and also with the Recovery and Resilience Facility. In March 2021, CoR’s Commission for Natural Resources (NAT) adopted a statement to express concern that rural areas may benefit less from the EU’s plans to rebuild a post Covid-19 Europe. The statement was supported by the European Parliament’s Rural Mountainous and Remote Areas (RUMRA) and Smart Villages Intergroup. CoR also adopted an
opinion on 10 December 2020 on the subject of an EU strategy for rural revival. This stressed that the forthcoming long-term vision for rural areas should be transformed into a concrete policy framework. This would increase the role of local and regional levels in the development and governance of rural policies. The Commission communication marks out a specific role for the CoR, in which, by the end of 2021, the Commission will link up with it to examine the path towards achieving the goals of the vision. This process will involve discussion of rural issues at dedicated events in networks relating to CAP and cohesion policy.

The European Economic and Social Committee is currently working on an own-initiative opinion 'Towards a holistic strategy on sustainable rural/ urban development'. In June 2021, it held an online public hearing to explore new ways to engender cooperation between rural and urban areas.

**Conclusion and outlook**

Looking to the future, given the range of issues raised in the long-term vision and the initial views expressed by stakeholders, much will depend on how Member States respond and address rural development in their respective CAP national strategic plans. The reference to a rural-proofing mechanism in the long-term vision has attracted attention from stakeholders. The Commission has invited Member States to consider implementing the rural-proofing principle at national, regional and local levels. This kind of mechanism was recommended in the Cork 2.0 Declaration: 'A better life for rural areas' and was mentioned in the 2017 Commission communication on the future of food and farming. In 2017, the profile of rural proofing was raised in an edition the ENRD magazine *Rural Connections*. The latter outlined the range of benefits to be derived from rural proofing, which was described as 'a powerful tool for getting value for money and ensuring that policies reinforce one another to achieve the maximum benefit for all areas, and that unintended negative effects on rural areas of other policies are avoided'. The edition covered the experience of developments in rural proofing in Finland and Sweden and across the various regions of the United Kingdom. The experience of its application has varied in these countries and regions, with Finland quoted as an example of one of the few EU countries to use rural proofing at national, regional and local levels. Some see rural proofing as having the potential to transform the practice of rural development. Others see it as a way of getting a number of policy fields to work together – as in the case of smart villages. The limitations encountered by rural proofing have been recognised, with some noting that it has encountered only 'modest success in Finland and Canada because of a lack of genuine horizontal coordination across all policy areas with an impact on rural development'. An academic examination of rural mainstreaming and rural proofing undertaken by Sherry and Shortall (2019) points to a number deficiencies. This includes findings that rural proofing can often be conducted as a 'tick-box exercise' rather than a genuine attempt to ensure the most appropriate policies, funds and actions are adopted and that it is sometimes conducted too late, with limited influence and with a lack of consultation. The authors suggest that it directs attention to disparities, failing to recognise the diversity of rural areas, including the dynamics of the changes and development opportunities such areas may be presented with.

These points raise questions in relation to how rural proofing as outlined in the Commission’s communication will progress. How will such exercises be quality-assured at EU, national and local levels? How will the findings from such exercises be followed up and applied? What role will be performed by rural municipalities and non-governmental organisations in the process? The above authors point to the danger of such exercises becoming a self-fulfilling prophecy i.e. 'generating a perception of need in rural areas rather than evidence'. This reflects the view that rural areas are not homogenous but indeed show considerable diversity and that the rural policy mix will need to differ depending on the specific features of each rural area.

Findings are starting to emerge from research into the dynamics of the rural development process that suggest that a range of factors combine to influence its outcomes for the communities involved. Evidence from case studies of two rural communities in Southern Ostrobothnia in Finland illustrate how factors such as settlement densities, cultural connections, knowledge and networks, including links with municipalities and previous histories of community development and action,
are central to the ability of places to mobilise for development. The suggestion here is that for the rural-proofing process to be successful, it must involve continuous mapping of local circumstances, and include local communities.

The Commission’s communication setting out a long-term vision for the EU’s rural areas was presented to the European Parliament’s Committee on Agriculture and Rural Development on 13 July 2021. Members raised a wide range of issues and questions, such as the issue of additional funding for rural development and the need to ensure that the CAP national strategic plans take account of the vision. Members expressed concern over the extent to which the vision would lead to action on the ground and to timing. They asked questions regarding who would lead the implementation of the rural action plan and on how success would be measured. Reference was made to Article 174 of the Treaty on the Functioning of the European Union, which called for particular attention to be paid to rural areas. Overall there was a recognition that the success of rural development was not just a matter of EU policies but required cooperation with national, regional and local government. Parliament will prepare an own-initiative report on the communication in the second half of 2021.

MAIN REFERENCES


ENDNOTES

1 See the ENRD Long Term Rural Vision Portal. The foresight exercise has also been published by the JRC.

2 See A. Massot and F. Nègre, September 2020; OECD, October 2020.

3 See the Commission’s SWD accompanying the communication, 30 June 2021.

4 See the Commission’s brief on ensuring viable farm income.


6 See EPRS, 2021.


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eprs@ep.europa.eu (contact)

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