

# ANALYSIS ON THE LONG-TERM VISION FOR THE EU'S RURAL AREAS - TOWARDS STRONGER, CONNECTED, RESILIENT AND PROSPEROUS RURAL AREAS BY 2040

## INTRODUCTION

"Rural areas are the fabric of our society and the heartbeat of our economy. They are a core part of our identity and our economic potential. We will cherish and preserve our rural areas and invest in their future."

President von der Leyen - July 2019

(Political guidelines for 2019-2024)

In the inaugural speech of European Commission President Ursula von der Leyen and the presentation of the policy guidelines for 2019-2024, rural areas received much attention. This led to the publication of the Communication on a long-term vision for the EU's rural areas on 30 June 2021.

In shaping the long-term vision, the Commission collected data and opinions from rural communities and businesses through research centres, public consultations and stakeholder events.

Four complementary areas of action have emerged from this research, defining a comprehensive action plan.

- Strengthening of rural areas: it is seen as the seats of the new local communities, active protagonists in society. The aim is to involve women and men more closely in political and decision-making processes. Stakeholders and networks from all levels of government are considered to find the best solutions for policy, investment, and service provision.
- Connecting rural areas: improving connections to urban and peri-urban areas to facilitate access to a wide range of services. Investments are therefore directed towards digital transition and public transport connections.
- Increased resilience of areas to promote well-being: these objective concerns are conserving natural resources and landscapes, including cultural ones. The aim is to shorten food supply systems to withstand the climate and economic change, investing in reduced CO2 production and a circular and sustainable economy.
- More prosperous rural areas: it aims to encourage the diversification of economic activities sustainably to make the environment strategically attractive. Measures will cover digitalisation, training, and information.

In order to better understand the context, we briefly present some data illustrating the situation in rural areas between 2018 and 2019.

Topography	83% of the total EU area is agricultural land,
	forests, and natural areas.
Demography	30.6% of the population lives in these areas, and
	most of them are over 50.
Social inclusion	22.4% of the population is at risk of poverty and
	social exclusion.
Access to services and infrastructure	There has been a deterioration, especially in
	health services, employment opportunities and
	educational infrastructure.
Employment and education	The employment rate is higher in urban areas,





	supposedly due to a decrease in the rural working population.  There is also a 13% gender gap in employment
	and a 19% education gap between urban and rural areas.
Economic development	the average GDP per capita in rural regions was only three-quarters of the EU average.  The whole agri-food chain accounts for 75% of employment in the EU bioeconomy and accounts for two-thirds of its turnover.
Tourism	Tourism in rural areas has a higher number of nights spent in accommodation facilities than in urban areas, about three times higher.
Governance and innovation	Rural residents are considered more likely to trust the local and regional authority (57%) than the national government or the EU.  Most local innovation projects focus on organic, conservation, agro-ecological types of agriculture and circularity principles.

For more information on the summarised data, please <u>visit the dedicated webpage of the European</u> <u>Commission</u>. The detailed data can be consulted in the <u>documents produced by the staff</u> accompanying the communication.

# BACKGROUND

# 1. EUROPEAN COMMISSION INITIATIVES

The long-term vision for the EU's rural areas is part of the Commission's political priority "a new push for European democracy" and is set against the backdrop of a Europe fit for the digital age (<u>Digital Transition</u>) and a European <u>Green Deal</u> as well as the <u>Recovery Plan for Europe</u>. The long-term vision strategy runs parallel to the review of the new <u>Common Agricultural Policy</u>.

In recent decades, climate, social and economic changes have been affecting rural areas. Therefore, the aim is to address the new challenges also based on the strong impact of the COVID-19 pandemic.

The Commission is committed **to reduce regional disparities and help rural areas. From a legal point of view,** this commitment is enshrined in **Article 174 TFEU**, which states that particular attention to rural areas, areas affected by industrial transition, and regions that suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions. This status is enshrined in **Article 349 TFEU**. <sup>1</sup>

In order to achieve these objectives, several actions have been put in place in addition to the general lines mentioned above.

<sup>&</sup>lt;sup>1</sup> Consolidated version of the Treaty on the Functioning of the European Union (TFUE)

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- The Commission has worked from an early stage with the <u>European Network for Rural Development</u> (ENRD), National Rural Networks and support units and stakeholder organisations to provide opportunities to share views and information.
- ENRD has set up a portal dedicated to Long-Term Rural Vision.
- Between 07 September 2020 and 30 November 2020, the Commission opened a <u>public consultation</u> addressed to all interested parties (general public, European citizens living in rural, urban and intermediate areas, government bodies at all levels, representative organisations, consumers, NGOs, private stakeholders, research and universities, education and training institutions and organisations) to gather perceptions on the needs of rural areas, the reasons for attracting such areas, the opportunities for the future and governance. The summary report of the results can be found at the above link of the public consultation.
- The Commission provided a <u>package of workshops</u> "to encourage groups of rural citizens to explore their ideal vision for the future of their rural area and feed their views into the process. " The <u>results</u> of the workshop application were delivered by 31 January 2021, and the processing helped formulate the new 30 June 2021 communication.
- The results were presented during the "<u>Rural Vision Week</u>", an interactive event held between 22 and 26 March 2021 dedicated to political and scientific interventions, workshops and a platform to foster the exchange of ideas between "<u>Rural Market</u>" stakeholders.
- The results of the workshop application can be found in the "Rural Voice report", published on the ENRD website on 17/06/2021.
- Application of Eurobarometer opinion polls. The <u>special Eurobarometer 504</u> published on 20 October 2020 on the situation in rural areas and the more recent <u>Eurobarometer 491</u> <u>flash survey</u> to assess priorities on which to focus the strategy, published in June 2021, are notified.

#### 2. AREPO'S POSITION PAPER

The position paper was sent to members in November 2020. AREPO welcomed the intention of the European Commission to develop a long-term vision for rural areas, recognising the importance of consulting citizens and rural stakeholders.

The paper's purpose was to recall how important geographical indications are as a tool for rural development and territorial planning. The position, therefore, underlines how important it is to take quality schemes into account due to their multiple positive externalities and their ability to maximise their contribution to rural areas.

Recalling and taking into account the diversity of EU rural areas, the following points were highlighted.

- 1. The contribution of the regions to the long-term vision for rural areas; AREPO invited the European Commission to take into more significant consideration the role of the regions in this vision as they have always been the main actors for the maintenance of economic and social activities. The objective was to encourage more consultation and communication with the regions to address the following steps and actions. Regions have the potential to implement communication at the local level.
- The need for an integrated and coordinated approach; AREPO stressed the importance of aligning with the EU Common Agricultural policy and <u>Cohesion policies</u>, keeping in line with the Digital Agenda and collaborating to achieve the objectives of the European Green Deal in





parallel with the Farm to Fork strategy. There was a call for greater interrelation between funds to finance local strategies with a multi-fund approach at the financial level. In addition, emphasis was placed on resolving the urban-rural balance. The need for a proper territorial and regional dimension in the Commission's proposal was emphasised concerning the CAP. They called for the reintroduction of Regional Managing Authorities and stronger collaboration in the National Strategic Plans, with a more substantial rural development fund in the CAP.

#### 3. Geographical Indications as a key vehicle for achieving sustainable rural growth;

In the light of the European Commission's statements on the importance of geographical indications for rural development, the great potential of GIs for the protection of traditions, landscapes and natural resources is noted. They act as a barrier against intensive production, preventing further loss of agro-biodiversity.

For the revision and strengthening of EU quality policy, greater attention is requested for the **educational and training sphere on the subject,** encouraging a cross-cutting approach to train experts in the GI sector. There is also a call for **greater attention to the younger generations** to prevent the depopulation of rural and disadvantaged areas and encourage generational change.

Other crucial points in the position paper include the call for support and training for groups of producers of labelled products and strengthening their role in devising new promotion and training strategies for the younger generation. It is stressed that this process is significant if it is in line with the digital transition to facilitate access to new technological infrastructure in rural areas.

For more information on the position paper, click here.

#### ANALYSIS OF THE COMMUNICATION

## 1. CONTEXT

The new Communication "A long-term vision for EU rural areas - Towards stronger, connected, resilient and prosperous rural areas by 2040" is designed to support rural areas by identifying objectives, key issues to be addressed and presenting a defined action plan.

The communication consists mainly of two documents<sup>2</sup>:

- 1. <u>COM(2021) 345 final</u> is the primary reference document presenting the general actions;
- 2. <u>COM(2021) 345 final ANNEX</u> presenting specifically the future action plan for the long-term vision.

It aims to address new challenges and related concerns by building on the emerging opportunities of the EU's green and digital transitions and the lessons learned from the COVID 19 pandemic.

Rural areas are thus perceived as places of well-being, security, eco-livelihood and new possibilities for social and economic renewal.

# 2. CHALLENGES AND OPPORTUNITIES

The opportunities available to these areas under the new European guidelines (digital, green and sustainable transitions) concern the redefinition of forested rural landscapes and natural areas to regulate water flows, capture carbon pollutants and other substances in the atmosphere and

<sup>&</sup>lt;sup>2</sup> The communication is as well supported by a Commission staff working document <u>SWD(2021) 166 final (1/3, 2/3, 3/3)</u>, presenting data and technical figures





prevent soil erosion. Sustainable management of agriculture and forestry, including environmental, economic and social sustainability, helps safeguard decent jobs and livelihoods, ecological systems and biodiversity, and improves climate and hazard resilience. The document also stresses the importance of improving product quality and supporting farmers, foresters and rural entrepreneurs who are the drivers of the transition to a greener society and economy.

In addition, the long-term vision is also helpful to **stimulate the production of clean and renewable energy** so that Europe can reach its goal of being the first climate-neutral continent by 2050.

The document also mentions the intention to stimulate the development of a sustainable bioeconomy to create new, more diversified value chains and greener, more efficient processes. This can be done by restoring degraded ecosystems.

From the food production point of view, it is stressed that **the transition to organic production methods**, the development of short supply chains, local processing and innovative products will be encouraged, in line with the EU <u>Farm to Fork Strategy</u> and the <u>Action Plan for the Development of Organic Production</u>, so as to help strengthen the role of farmers and increase their income.

Other critical factors for the development of rural areas will be **tourism development** in these areas to support the production of quality local food and appropriate landscape management. **Biodistricts** (geographical areas where farmers, the public, tourism operators, associations and public authorities agree with the sustainable management of local resources based on organic principles and practices) will also be supported.

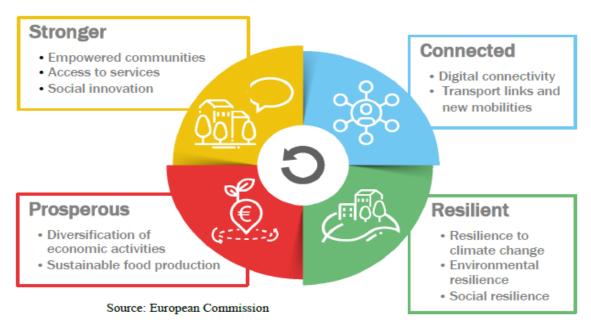
If the quality of life in these areas is adequate and there are improvements in terms of digital accessibility and infrastructure, there will be a social as well as economic return; young people will be more interested in investing in local areas, and it will be easier for new entrepreneurs to start and grow their businesses. The opportunity to be seized is the development of innovation ecosystems to enable the growth of rural communities.

In the light of the data, opportunities and opinions of citizens and stakeholders, and based on the two guiding elements highlighted as having the greatest impact - <u>demography and governance</u> - four complementary areas for action have been identified—strong, connected, resilient and prosperous rural areas.

**Each area has been defined, and an action plan for future years is outlined.** In the following paragraphs, future action points for each section are briefly defined and illustrated.



# 2. AREAS OF ACTION



The Commission identified four different areas for action. **An EU Rural Pact and Rural Action Plan** have also been presented to achieve the objectives discussed in the following paragraphs. These present tangible actions and tools to revitalise these areas.

<u>The Rural Pact</u> will be developed with the involvement of all levels of governance and stakeholders. The Pact will provide a common framework for the commitment and cooperation of a wide range of actors at EU, national, regional, and local levels. **Interactions between all actors** will be encouraged to achieve the objectives in line with other European policies. The Commission will play the role of facilitator to share experiences and good practices. **Particular attention will be given to managing structural transitions and multi-level and participatory governance to design and implement solutions that work best for rural areas.** 

On the other hand, <u>the Rural Action Plan (RAP)</u> outlines key actions for each sector and will be fundamental to the support of rural areas, articulating projects and strategies. Funding to implement the plan will come mainly from the <u>European Agricultural Fund for Rural Development</u> (EAFRD) of the new CAP and the **Cohesion Fund (CF)** of the Cohesion Policy.

The RAP will implement a mechanism to assess the impact of legislation and critical initiatives on rural areas. A Rural Observatory will be set up to collect data and publish statistical studies to define functional rural areas. The aim is to improve attractiveness, governance, and food production through the digital transition, infrastructural support, and social fabric strengthening.

The following paragraphs present the action areas with the main points of the Rural Action Plan.

For more information and a detailed plan, please consult the Annex to the communication.

# Stronger rural areas

Rural areas should be home to empowered and vibrant local communities.

The priority will be to enable all individuals to actively participate in policy and decision-making processes, enhancing opportunities for active public participation by involving a wide range of stakeholders and networks and all levels of government.





The aim is to ensure that rural areas are attractive places to live and work by enabling and facilitating access to essential services of sufficient quality, such as water, sanitation, health care, energy, transport, financial services and digital communication.

# For this long-term vision policy area, the EU Rural Action Plan provides:

- 2021 Research and innovation for rural communities: the EU will engage in research and innovation activities that support the development of rural areas. These will include, in the first two years of Horizon Europe, the creation of a 'competence and training centre on rural innovation' along with actions targeting smart solutions for smart rural communities, innovations in agriculture and rural areas, and innovations in corporate social responsibility to improve occupational health and safety in agriculture.
  - An annual forum of "Start-up Villages" for rural innovation will also connect actors across the EU.
- 2021 Improved networking for LEADER/CLLD and Smart Villages: the connection between projects and rural areas will be strengthened by improving access to funding, advice and strategies.
- 2021 Support for education, training, youth, sport and voluntary activities in rural areas: the EU will act by promoting the new Erasmus + and European Solidarity Corps programmes (2021-2027) through specific mechanisms adapted to the different territorial dimensions.
- 2022 Development of a land-use study related to sustainable agriculture: the study will assess how to encourage optimal planning/zoning of land use and its resources.
- 2022/2023 Creation of a rural revitalisation platform: this will be a one-stop-shop for cooperation between rural communities, rural project holders and local authorities.

## Connected rural areas

The further development of rural areas depends on their being well connected and to peri-urban and urban areas. The EU will work to improve public transport services, infrastructure, shipping and air transport, with a view to e-mobility solutions and testing new opportunities for sustainable and green transport.

Digitisation is crucial, not only for connectivity but also for optimising resources to make systems more effective and efficient.

#### For this long-term vision policy area, the EU Rural Action Plan provides:

- 2021 Developing rural mobility by supporting rural municipalities in identifying best
  practices and multimodal digital mobility services: building on its experience with urban
  mobility networks, the Commission will help rural municipalities to discuss and identify
  mobility solutions. The network will showcase local initiatives that local authorities could
  replicate in their territory and provide a forum for discussion on rural mobility issues.
- 2021 Rural Digital Futures: digital connectivity will be promoted to bridge the gaps between urban and rural areas by allocating public funds. There will also be an investment in digital technology through European programmes such as <a href="Horizon Europe">Horizon Europe</a> and others to enable the transition. Investments will also be made in training in order to have people competent in digital areas. Progress will be assessed with specific indices.
- 2021 Highlighting urban-rural connections in the new EU Urban Mobility Framework: the new EU Urban Mobility Framework will include specific actions to better integrate urban, peri-urban and rural connections.





- 2021 Continue to promote the digitalisation of the agricultural sector through capacity building (including in e-skills), research and innovation and demonstration.
- 2022 Support broadband deployment in rural areas.
- 2022 Improving the accessibility of rural areas through <u>Drone Strategy 2.0</u>: In addition to
  utility services (field inspections and measurements), drones can improve accessibility in
  remote rural areas through delivery of goods.

#### Resilient rural areas

In this area of action identified by the Commission, the importance of the Green Deal is emphasised in order to make rural areas resilient to climate change, economic crises and the preservation of resources, landscapes and more. Rural areas have an important role to play in mitigating the carbon footprint and developing a circular and sustainable bioeconomy. Sustainable agriculture, forestry and quality food production will be addressed in this area.

Green and digital transitions should be equitable and take into account the needs of all members of the rural community, including those of disadvantaged groups to strengthen the social resilience of rural areas. Work will be carried out on training in sustainable activities to make rural areas attractive, socially inclusive and conducive to generational change.

#### For this long-term vision policy area, the EU Rural Action Plan provides:

- 2021 Climate action through peatland carbon production: the conservation of wetlands and
  peatlands has great potential in terms of climate benefits, as it can immediately deliver
  significant emission reductions in a relatively small area while providing several co-benefits
  related to water management and biodiversity. Asset out in the Farm-to-Fork strategy, a
  new EU initiative for carbon farming will promote this new business model, and carbonfarming initiatives can be developed under the new Common Agricultural Policy.
- **2021 EU Mission for Soil Health and Food:** This proposed mission, funded under Horizon Europe, aims to implement a research and innovation agenda involving different actors to improve soil health, the health of water systems and food production.
- 2021 Social resilience and women in rural areas: Opportunities will be provided to increase
  women's participation in the job market, including by investing in work-life balance services.
  The Commission will continue to support Member States' work to improve the availability
  and accessibility of quality education and care services for children, older people and people
  with disabilities in rural areas.
- 2021 Analysing spatial mobility in demographically declining areas in Europe: This analysis
  will be used to identify policy recommendations focusing on the return of individuals to their
  place of origin.
- **2021 Ensuring equal opportunities for children in rural areas:** Work in this area will help ensure that children in need have free access to education and early childhood care.
- 2021 Addressing the needs of people with disabilities in rural areas.
- 2022 Supporting rural municipalities in the energy transition and the fight against climate change: this support will be implemented through the support of rural municipalities in the energy transition and the fight against climate change, the use of structural funds to finance the renewal wave and the inclusion of European rural areas in the New European Bauhaus.
- 2022 Prepare a study on the working conditions of seasonal agricultural workers: the study will focus on identifying the applicable rules and regulations.





• 2022 Addressing the inclusion and integration of people with a migrant background in rural areas: the Commission will explore options for building rural partnerships to promote the inclusion and integration of migrants in rural areas.

## Prosperous rural areas

In order to make rural areas more prosperous, one of the main strategies concerns the diversification of economic activities into new sectors. The vision will promote the implementation of sustainable economic strategies by making the rural environment more attractive for new activities. The essential economic role played by agriculture, forestry and fisheries should be preserved.

For the agri-food sector, incentives are provided for the development of short supply chains and the use of labelling systems that recognise the quality and variety of local and traditional food products. Producer organisations will have the opportunity to promote products and their regions through activities such as advertising campaigns. This helps to preserve the self-sufficiency and sustainability of European food production.

## For this long-term vision policy area, the EU Rural Action Plan provides:

- 2021 Entrepreneurship and the social economy in rural areas: a series of actions are proposed to enable entrepreneurs, SMEs, and social economy organisations to return, transform, and prosper. New social economy business models, projects and training for new entrepreneurs will support innovative environments.
- 2021 Continue to encourage Member States to increase education, training and work opportunities for young people in rural and remote areas, within the framework of the Youth Guarantee and the European Learning Area: the reinforced Youth Guarantee is a commitment by EU Member States to ensure that all young people under the age of 30 receive a good quality offer of a job, further education, apprenticeship or traineeship. Particular attention will be paid to making jobs and other opportunities available.
- 2021 Promoting the development of a sustainable bio-economy, including in the framework of the EU Forestry Strategy and the Sustainable Carbon Initiative: this action will enable rural areas to resist climate change and cope with economic crises. Three billion trees will be planted by 2030, and a network will be promoted to voice rural forest areas.
- 2022 Highlight the role of Producer Organisations (POs) in rural development and strengthen the group of GI producers: POs can help raise living standards and guide producers to improve their economy. The role of POs will be enhanced, and GI producer groups will be provided with additional tools to strengthen their position in the food supply chain, ensuring a fair return.

#### GEOGRAPHICAL INDICATIONS AND THE LONG-TERM VISION COMMUNICATION

The communication also gives space to **GIs**. Specifically, actions concerning them are mentioned under the heading **'Prosperous rural areas'**. GIs are recognised as playing an important role in development within the framework that **encourages production diversification and sustainability** in all its nuances (mainly economic, environmental and social). The incentive for developing quality products will be in synergy with tourism, marketing and farm processing.

From a technical point of view, this will be done thanks to the **new CAP**, the enhancement of the Farm to Fork strategy and the strategies implemented by Horizon Europe.



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The Rural Action Plan already mentions an initiative that from 2022 will highlight the role of **Producer Organisations** by providing additional tools for production, promotion, marketing, valorisation and exchange of good practices on the subject. Digital transition will be fundamental, and the digital platform for rural revitalisation will support actions.