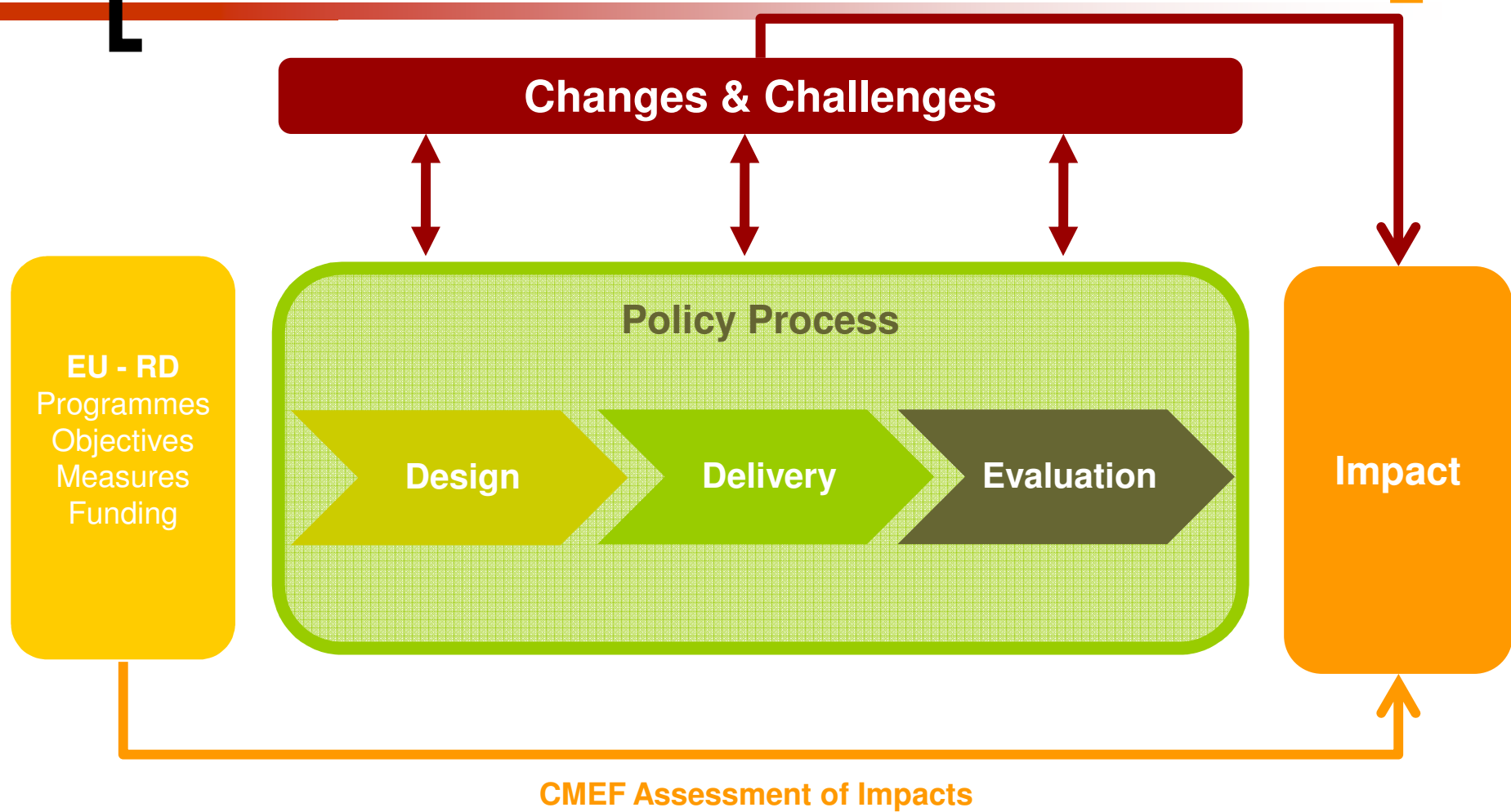


# Rural Development policy – current challenges and future opportunities

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# [ Reminding the frame of RuDI ]



# Contextualizing this session

1. Having the “forgotten middle” as a reference is a helpful guide to examine the links between the research packages and their findings
2. This presentation is based on the research findings and aims to identify some relevant policy challenges and needs for change
3. Policy implications derive from all WPs, but particular contributions come from the analysis of design (WP2), delivery (WP3), evaluation (WP6) and case studies (WP8).
4. Lessons from the analysis of evaluation (WP6) have been covered in the previous session

# [Main policy issues]

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1. Strategic approach
2. Coordination at EU, national and regional level
3. Integrating new challenges
4. Innovation in integrated local development strategies at sub-regional level, including Leader
5. Improving and strengthening delivery systems
6. Utilizing learning processes

# 1. Strategic approach to rural development in EU programmes (1)

- ❑ The present notion of **strategic approach** is lacking: mainly based on separate design for each axis (axes as a mere aggregation of homogeneous measures?)
- ❑ Fundamental role of **minimum thresholds** in preserving weight of wider rural development interventions
- ❑ Very few examples of **territorial targeting** in designing the strategy (except Italian NSP): are there linkages between rural diversity and the definition of RD strategy?
- ❑ Territorial targeting is limited to some measures (agri-environment, Natura 2000), but not in all RDPs
- ❑ The definition of the RDP strategy is mainly determined by some **predominant sectoral interests** in a very small arena (but the situation is slightly better than in 2000-2006)

# 1. Strategic approach to rural development in EU programmes (2)

- How should the strategic approach be improved? Several options:
  - a) More **specific definition of needs** at territorial level, and **better linkages** between needs and strategy
  - b) More **formal and enlarged arenas** to negotiate the RD strategy, both at the institutional and social and economic partnership level
  - c) Identify the broader linkages with **cohesion and environmental challenges** (such as those set out in the EUROPE 2020 strategy)
  - d) Clearer and stronger **consistency between national and regional strategies** in the most regionalised contexts (is there room to legitimise national strategies?)
  - e) Develop sub-national or sub-regional strategies into strategies more **targeted to specific territories** (e.g. provinces in Netherlands, in Emilia-Romagna, IT; county level in Sweden).

## 2. Co-ordination at EU, national and regional level (1)

- ❑ Co-ordination has weakened with the principle: “one fund, one programme”
- ❑ Co-ordination mainly interpreted as a demarcation problem (no fund/scheme must invade the field of the other fund/scheme), complementarity issues are almost ignored. High transaction costs for implementing and control.
- ❑ Separation applies not only to RD-Cohesion relations, but also involves the relations between the two pillars and between RD measures, very often designed and delivered as a separate set of instruments (see the case of the English Uplands)
- ❑ Devolution of RDP to regional level does not necessarily compensate a lack of co-ordination at EU and national levels, devolution without trust is ineffective, and trust takes time to establish.
- ❑ Previous learning and positive experiences of co-ordination have been retained in some cases, despite the separation of funds (e.g. Mecklenburg-Western Pomerania, DE)
- ❑ Broader policy frameworks (national or regional) actively facilitate co-ordination between RDPs and nationally/regionally-funded RD measures (e.g. Netherlands, Sweden).

## 2. Co-ordination at EU, national and regional level (2)

- How should co-ordination and integration be improved?

Several options:

- Joint strategy** between Funds at the EU level, linked to EUROPA 2020 final strategy
- Joint National Strategic Framework** at national level or separate frameworks for each Fund, but with common definitions of key challenges and territorial diversity (rural/urban and rural typologies)
- Formal co-ordination structures** at national and regional level, established within Regulations: integrated management systems? Joint monitoring committee? Joint evaluation committee?
- Harmonization of rules** (eligible expenditures, payment procedures and deadlines, periodic reports, control systems)
- Promote and facilitate co-ordination and integration at the **sub-regional level**

# 3. Integrating new challenges in future rural policies

- ❑ New challenges are emerging from the present programming phase, after the last reforms of the 1<sup>st</sup> and 2<sup>nd</sup> pillar
  - a) Need a **more holistic view** about the use of the two pillars, which implies real complementarity between them at the territorial level (particularly in marginal areas, see Upland case study). More territorial targeting of 1<sup>st</sup> Pillar ?
  - b) Need reform of both pillars in order to **avoid duplication and overlaps** (with consequent demarcation problems).
  - c) Social inclusion, local networks, social continuity and a sense of community as components of **social public goods** should be included as further priorities of future RD (in some cases they are already part of the present RDPs, see Irish case).
  - d) **Innovation** deserves dedicated room for manoeuvre, within an integrated and more territorially-focused model of policy (see later).

## 4. Integrated local development strategies at sub-regional level, incl. Leader (1)

- ❑ Local development strategies have wider application than the Leader model
- ❑ Growing conflict between **flexibility and accountability**. Transparency and common rules and procedures in the mainstream constrain and reduce the room for manoeuvre for innovative ideas and organisations
- ❑ Different **models of Leader** after mainstreaming: rationalisation of local development agencies, more thematic focus (e.g. Axis 3), strict control by Managing Authorities and/or Paying Agency, National Agencies (i.e. English case).
- ❑ Major successes where local development strategies are able to **combine different policies and funding streams** (e.g. LAGs in Emilia-Romagna, IT).

## 4. Integrated local development strategies at sub-regional level, incl. Leader (2)

□ How to provide more space for innovation ?

Several options/challenges:

1. **Relaxing EARDF rules**, in particular for innovative local development strategies within the context of mainstreaming → Problems: infeasible, as would need to harmonise rules for RD.
2. Allow **support by different EU Funds** within the mainstream in order to increase room for manoeuvre → Problems: difficult to co-ordinate funding and management of local initiatives.
3. Manage innovative local development strategies **outside mainstreaming** (with direct funding by EC, as in Leader 1) → Problems: need an intermediary body between EC and local initiatives for management and control.
4. Incentivise **integrated approaches** in other fields of intervention and not necessarily through the Leader model: rural-urban relations, agricultural filières, biodiversity conservation, etc..

## 5. Improving and strengthening delivery systems (1)

1. RuDI has focused for the first time on the importance of the delivery system within an EU-wide comparative analysis, in particular on different models and relations between institutional levels
2. Delivery systems have not only been influenced by the last reform of RD but also (and particularly) by different institutional changes and trends in Member States and Regions
3. More strict management and control in 2007-2013 have led to reduced room for manoeuvre for innovation in several countries; a greater role for the Paying Agency; re-centralisation of delivery phases
5. Delivery of RD has been more fragmented between measures/Axes also at the sub-regional and local level, e.g. devolution of Axis 3 but centralisation of Axis 1-2; division of Axes between different specialised Agencies, e.g. England
6. Selection criteria for the most important measures are not always used for better targeting; frequently used as mere eligibility criteria (automatic selection process)

## 5. Improving and strengthening delivery systems (2)

□ Several challenges:

1. Leave more scope to define detailed **content of measures** at programme level → set strategic objectives and some selection criteria at EU level, to be further tailored at the lowest level
2. Make it easier to define and notify **new measures**, through State aid within the RDP
3. Better **distinction and separation between the tasks** of Managing Authority and Paying Agency
4. Facilitate **contractual agreements and cooperation** between actors involved in delivery
5. **Greater support** (possibly through a specific measure) for advice, technical assistance, animation, project design, etc. to local actors and also local public administrations (for the integrated use of measures, packages, etc.)
6. More flexible **spending deadlines** → relax the rule of financial de-commitment?

## 7. Conclusions: learning processes

- ❑ Learning processes are really important at every level (EU, national, regional, local) and between levels, to provide **ideas for the future** and to **improve performance now**
- ❑ RuDI, through the different WPs, has provided **many examples** of learning processes, but difficult to identify typologies. Institutional contexts are so different in EU – this requires in-depth analysis.
- ❑ WPs on design, delivery and case studies have shown that there is a rich and widespread **awareness of policy issues**
- ❑ Learning processes at every level were generated by policy implementation and may explain **the positive impact** of some sub-regional/local integrated development strategies
- ❑ These learning processes should be **investigated further** in the present and future analysis of RDP impacts, both within the European and national Rural Networks and in official RDP evaluations



**Thank you for your attention**

