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## Improving the quality of life and promotion of economic activities in rural areas EU<sup>1</sup>

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**Abstract:** *The main directions of rural policy aimed at improving the quality of life and stimulate economic activities in the EU are: improving and developing infrastructure; diversification and development of economic activities; training and education of the population in rural areas. Indicators used for analysis in the formulation of strategies are: number of employees in non-agricultural sector; self-employment in tourism, service sector development, infrastructure and implementation of the Internet, migration and ongoing education of the population. The main sources of data used to realize the research objectives are publications Directorate-General for Agriculture and Rural Development in the EU and Eurostat. The authors analyze indicators and the effects achieved by the realization of these activities to economic development of the EU as a united community of member states.*

**Keywords:** *rural areas, indicators, diversification of activities, infrastructure, education, rural development, EU*

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Nearly everybody has some relationship with rural areas, be it as a place to work, to live or to visit for holidays. These relationships affect the performance of the rural economy in various ways: through direct contributions to economic activities, through demand for housing and consumer services or through demand for recreation facilities (Terluin, 2001). There exist already a large number of policies to encourage entrepreneurship in rural areas in Europe. However they are often provided in a disjointed and knowledge on issues concerning rural enterprise development. Furthermore, some policies are missing their target because they are based on a poor understanding of the local context on which enterprises operate. There is a need for a more strategic and coordinated approach towards building the entrepreneurial capacity in peripheral rural areas (EC, 2007). In 2010, the European Commission agreed on a new typology of predominantly rural, intermediate and predominantly urban regions based on a variation of the previously used OECD methodology. The aim of this new typology is to provide a consistent basis for the description of predominantly rural, intermediate and predominantly urban regions in all Commission communications, reports and publications (DGARD, 2010). In the EU-27, rural areas (predominantly rural and intermediate regions) represented 91% of the territory and 59% of the population in 2007. The corresponding areas for predominantly urban areas were 57% of the territory and 24% of the population. Rural areas are therefore particularly important in terms of territory (DGARD, 2010). The characteristics of the development potential of rural area are related to its degree of peripherality as well as to its economic base. One might argue that are four basic type-situations of rural areas that is:

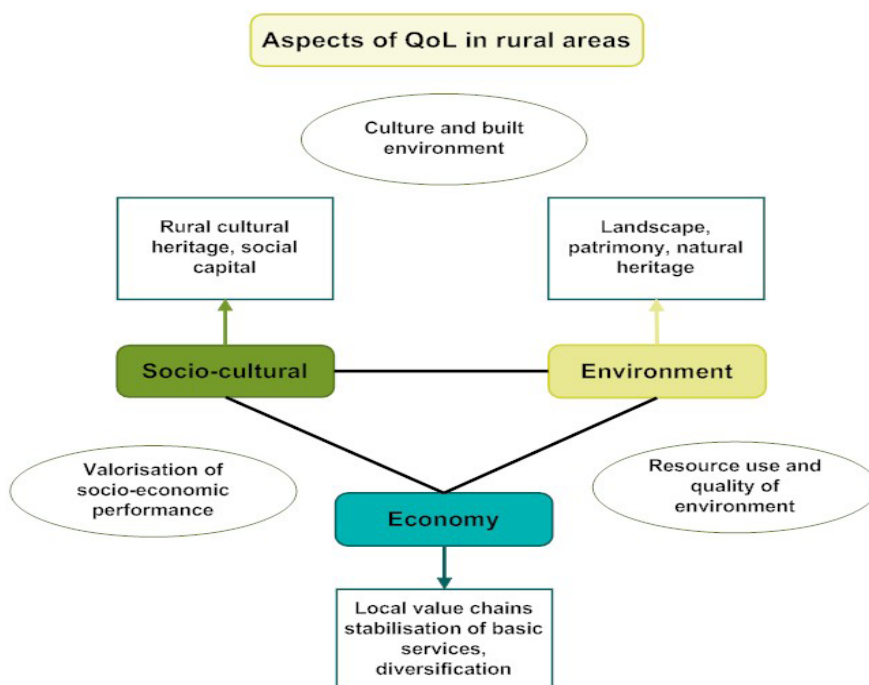
- Rural areas with poor access and poor physical resources;
- Rural areas with specialised economic base;
- Rural areas with a diversified economic base;
- Rural areas near urban agglomerations of significant size.

These four type-situations complement the peripheral (mountainous), semi-peripheral, accessible/semi-urban rural areas trilogy (EC, 2007). Though economic activity tends to concentrate in more urban areas, rural areas generate 48% of the Gross value Added (GVA) in the EU-27 (DGARD, 2010). Even if rural areas are attractive as a place to live, remoteness remains a major problem and numerous aspects of quality of life need to be improved in many of rural areas (EC, 2010). The challenge of supporting and promoting appropriate economic, environmental and social change in rural areas has long been a concern for European policy. From the earliest days of the European Economic Community (EEC), the 1957 Treaty of Rome established a framework, which put agriculture and its modernization at heart of rural policy. But this single sector focus turned out to become costly, as after achieving very soon self-sufficiency of agricultural production severe excesses of surplus production occurred in many European countries. At the second half of the 1980s, together with escalating environmental and social changes, that jeopardized the values and attractiveness of large parts of the European countryside, these excessive costs led to a reform

spirit for new approaches towards an adequate rural development policy (Dax et al., 2011). The essential rules governing rural development policy for the period 2007 to 2013, as well as the policy measures available to Member States and regions, are set out in Council Regulation (EC) No. 1698/2005. Under this Regulation, rural development policy for 2007 to 2013 is focused on three themes (known as “thematic axes”). These are:

- Improving the competitiveness of the agricultural and forestry sector;
- Improving the environment and the countryside;
- Improving the quality of life in rural areas and encouraging diversification of the rural economy ([http://ec.europa.eu/agriculture/rurdev/index\\_en.htm](http://ec.europa.eu/agriculture/rurdev/index_en.htm)).

Quality of life is a function of people’s life circumstances, which of course have an economic dimension, but also includes their social networks, their health and their sense of worth, and the sustainability of the environment on which they depend (Grieve, Weinspach, 2010).



**Figure 1: Aspects of QoL in rural areas**

Source: [6]

Innovation using academic know-how: This development path entails the use of reciprocal technology transfer from universities in order to improve enterprise knowledge concerning the nature and quality of their products as well as the quality of their production processes (EC, 2007). Quality of life is multi-dimensional. Because these measures are social, economic and environmental in character, but

undertaken with a desire to stimulate progress towards sustainable rural development, the relationship between measure and economic impact or outcome is not always easy to identify (Grieve, Weinspach, 2010).

## Indicators in the rural development

The economic functions of rural areas have evolved considerably in recent decades. In all countries there are common economic and social threads. Agricultural intensification is common on “good land” or in more prosperous regions, and agricultural decline or abandonment on poorer or more marginal land (Baldock at all, 2001). In the EU, the renewed interest in rural development is generating increasing demands for the measurement of:

- The rural situation, its structure and its problematique;
- Progress, trends, and “development” in this situation; and
- The level of well-being of rural citizens (Bryden, 2002).

The assessment of policies is measured against the capacity to respond to the “needs” and development challenges of rural areas. However, these are far from static which has to be acknowledged in the analysis of the regional contexts development and adaptations of the policy concept and instruments (Dax at all, 2011). List of indicators in the rural development are:

- Farmers with other gainful activity;
- Employment development of non-agricultural sector;
- Economic development of non-agricultural sector;
- Self-employment development;
- Tourism infrastructure in rural area;
- Internet infrastructure;
- Internet take-up in rural areas;
- Development of services sector;
- Net migration;
- Educational attainment;
- Life-long learning in rural areas.

In the devolution of policy making and implementation in many fields to local and regional levels together with recognition of increasing diversity of rural areas and the trends within them provide cogent arguments for statistical indicators of “local” (sub-national) territorial units. Both the reality and the perception of the issues that rural policy has to face in the EU and its constituent member States have changed markedly over the past years. Appropriate indicators and related data to support these changes have lagged behind. Partly this is because confusion has persisted between sectoral (mainly agricultural) policies, and territorial development policies, these having very different goals and constituencies (Bryden, 2002). Demographic and economic change which has reduced the dependency of rural inhabitants upon farming and other primary industries. However, new industrial and service activities have emerged, although not necessarily in those regions suffering the most from rural decline (Baldock at all, 2001). Most rural areas are characterized by

low population densities: at EU-27 level, population density varies from 48 inhabitants/km<sup>2</sup> in predominantly rural areas to 514 inhabitants/km<sup>2</sup> in predominantly urban areas (DGARD, 2010). Rural policy is a key element in the territorialisation of development approaches in rural areas. Rural policy issues and challenges have become more complex and diversified both in economic and social terms (Dax at all, 2011). The age structure of the population does not vary significantly between different types of areas even if the proportion of working age people (from 15 to 64 years old) is often higher in urban areas and the proportion of old people (65 years old and more) is often slightly higher in predominantly rural areas at EU-27 level. It seems that age structure is more influenced by demographical differences among Member States (DGARD, 2010). There is a widespread sense that a new agenda and change in style requires more institutional adaption than has yet taken place. Institutional reengineering is seen as critical by many of the actors most committed to a more integrated and sustainable rural policy (Baldock at all, 2001). Disparities in economic development among regions have not only attracted the attention of academics, but that of policy makers as well. In order to reduce regional disparities, a wide spectrum of policy makers from the local to the EU level is involved in the process of designing and implementing rural development policy (Terluin, 2001).

### Farmers with other gainful activity and employment development of non-agricultural sector

Besides their work on the farm, the holders may carry out other gainful activities. This indicator measures the extent to which farmers have complemented their income by gainful activities other than farming. This is every activity other than activity relating to farm work, carried out for remuneration (salary, wages profits or other payment, including payment in kind, according to the services rendered). This includes non-agricultural activities carried out on the holding itself (camping sites, accommodation for tourists, etc.) or on another agricultural holding as well as activity in a non-agricultural enterprise (DGARD, 2010). Based on analysis of data (Table 1) can be seen that as a minimum % holders with other gainful activities in predominantly rural areas (2007) has Belgium (15,9%), the following Greece with 22,7% and France (23,4%). Slovenia with 80,7% has the largest % holders with other gainful activities in predominantly rural areas, following Sweden (71,0%). When analyzed intermediate rural areas, can be seen that that as a minimum % holders with other gainful activities has Belgium (15,1%), the following Luxembourg with 18,5% and Greece (25,0%). Slovenia with 75,0% has the largest % holders with other gainful activities in intermediate rural areas, following Sweden (70,6%).

The diversification of the economy of rural areas to sectors other than agriculture is progressing. 35% of European farmers had gainful activity other than agriculture in 2007 and this percentage being even higher than 50% in many countries and regions (particularly in Slovenia, Sweden and Cyprus) (DGARD, 2010). Agricultural sector is therefore implicitly defined as the primary sector

(agriculture, hunting, forestry and fisheries). Diversification of the economy is expressed in the number of people employed outside the agricultural sector. Based on analysis of data (Table 1) can be seen that as a minimum share of employment in secondary and tertiary sectors (% total employment, 2007) in predominantly rural areas has Romania (61.1%), the following Bulgaria with 71.2% and Poland (72.6%). Sweden with 96,2% has the largest share of employment in secondary and tertiary sectors in predominantly rural areas, following Denmark (95.5%) and Germany (95.4%). When analyzed intermediate rural areas, can be seen that as a minimum share of employment in secondary and tertiary sectors has Romania (70.4%), the following Bulgaria with 78.5%. Luxembourg with 98.3% has the largest share of employment in secondary and tertiary sectors in intermediate rural areas, following Sweden as United Kingdom with the same 97.6%. 86% of employment and 95% of value added in predominantly rural areas of the EU-27 came from non-agricultural sectors, with respective average annual increases of around 1% and 1.8% per year between 2000 and 2007. [2]

**Table 1. Farmers with other gainful activity (% holders with other gainful activities, 2007) and employment development of non-agricultural sector (share of employment in secondary and tertiary sectors, % total employment, 2007)**

Country	Farmers with other gainful activity (% holders with other gainful activities, 2007)			Employment development of non-agricultural sector (share of employment in secondary and tertiary sectors, % total employment, 2007)		
	PR	IR	PU	PR	IR	PU
Belgium	15.9	15.1	16.7	94.5	97.0	98.8
Bulgaria	39.2	33.8	29.5	71.2	78.5	97.7
Czech Republic	46.3	47.6	42.6	94.4	96.8	98.1
Denmark	47.4	50.0	-	95.5	97.2	99.6
Germany	n.a.	n.a.	n.a.	95.4	97.4	99.1
Estonia	43.9	41.5	-	90.9	98.7	-
Ireland	47.1	-	47.3	92.1	-	99.5
Greece	22.7	25.0	25.8	76.4	86.8	98.9
Spain	n.a.	n.a.	n.a.	88.1	94.1	98.3
France	23.4	29.1	21.7	93.9	96.7	98.8
Italy	n.a.	n.a.	n.a.	92.1	95.4	98.7
Cyprus	-	50.1	-	-	95.5	-
Latvia	39.4	41.5	44.4	83.8	85.6	95.9
Lithuania	30.9	34.8	31.2	83.0	92.8	96.7
Luxembourg	-	18.5	-	-	98.3	-
Hungary	37.7	38.6	37.7	88.8	91.2	99.4
Malta	-	-	47.2	-	-	97.7
Netherlands	36.4	27.8	28.2	94.8	94.7	97.7
Austria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Poland	37.7	42.9	40.7	72.6	88.0	96.2
Portugal	25.1	26.6	25.2	76.8	86.7	97.3
Romania	37.1	35.3	36.3	61.1	70.4	98.9
Slovenia	80.7	75.0	78.5	86.5	93.9	-
Slovakia	43.3	46.1	44.3	94.6	97.0	99.0
Finland	41.4	44.1	42.6	91.4	95.5	99.4
Sweden	71.0	70.6	70.9	96.2	97.6	99.6
United Kingdom	n.a.	n.a.	n.a.	92.9	97.6	99.3

PR - predominantly rural; IR - intermediate rural; PU - predominantly urban

Source: Authors based on Directorate General for Agriculture and Rural Development, Rural Development in the EU, Statistical and Economic Information Report, December 2010



## Economic development of non-agricultural sector and Self-employment development

GVA in secondary and tertiary sectors Gross value added (GVA) at market prices is output at market prices minus intermediate consumption at purchaser prices; it is a balancing item of the national accounts production account. This indicator measures the gross value added (GVA) outside the agricultural sector in a region. Based on analysis of data (Table 2) can be seen that as a minimum share of GVA in secondary and tertiary sectors in predominantly rural areas (2007) has Bulgaria (87.3%), the following Poland with 90.2%. Denmark with 97.9% has the largest share of GVA in secondary and tertiary sectors in predominantly rural areas, following Germany (97.8%). When analyzed intermediate rural areas, can be seen that as a minimum share of GVA in secondary and tertiary sectors has Bulgaria (92.6%), the following Latvia with 93.5%. Luxembourg with 99.6% has the largest share of GVA in secondary and tertiary sectors in intermediate rural areas, following Estonia (99.0%).

**Table 2. Economic development of non-agricultural sector (share of GVA in secondary and tertiary sectors, % total GVA, 2007) and Self-Employment Development (share of self-employment in total employment, %, 2009)**

Country	Economic development of non-agricultural sector (share of GVA in secondary and tertiary sectors, % total GVA, 2007)			Self-Employment Development (share of self-employment in total employment, %, 2009)		
	PR	IR	PU	PR	IR	PU
Belgium	96.8	98.4	99.5	14.05	14.09	13.14
Bulgaria	87.3	92.6	99.7	11.42	11.68	10.16
Czech Republic	95.5	97.7	98.9	n.a.	n.a.	n.a.
Denmark	97.9	98.8	99.9	n.a.	n.a.	-
Germany	97.8	98.8	99.7	10.65	10.83	12.46
Estonia	91.8	99.0		n.a.	n.a.	-
Ireland	97.5	-	99.9	n.a.	-	n.a.
Greece	90.8	94.4	99.4	36.22	35.89	20.28
Spain	91.7	96.3	99.0	18.01	16.60	13.62
France	95.5	97.1	99.4	12.56	9.29	8.62
Italy	96.3	97.4	99.3	n.a.	n.a.	n.a.
Cyprus	-	97.8	-	-	n.a.	-
Latvia	90.8	93.5	98.8	n.a.	n.a.	n.a.
Lithuania	92.1	96.6	98.7	n.a.	n.a.	n.a.
Luxembourg	-	99.6	-	-	n.a.	-
Hungary	92.8	95.1	99.8	11.38	12.99	11.43
Malta	-	-	97.5	-	-	n.a.
Netherlands	97.0	96.6	98.4	10.85	13.19	12.13
Austria	96.0	98.8	99.5	11.76	10.32	10.69
Poland	90.2	96.2	99.0	21.13	17.26	16.80
Portugal	94.6	96.4	99.3	26.46	30.63	16.91
Romania	88.8	93.9	99.7	23.03	22.41	5.05
Slovenia	95.9	98.4	-	n.a.	n.a.	-
Slovakia	94.2	97.2	99.1	n.a.	n.a.	n.a.
Finland	93.8	97.0	99.6	14.60	11.55	11.29
Sweden	96.9	98.5	99.9	9.74	10.11	12.18
United Kingdom	95.2	98.2	99.6	n.a.	n.a.	n.a.

PR - predominantly rural; IR - intermediate rural; PU - predominantly urban

Source: Authors based on Directorate General for Agriculture and Rural Development, Rural Development in the EU, Statistical and Economic Information Report, December 2010.



Self-employed persons are persons who work in their own business, farm or professional practice for the purpose of earning a profit. Based on analysis of data (Table 2) can be seen that as a minimum share of self-employment in total employment (2009) in predominantly rural areas has Sweden (9.74%), the following Germany (10.65%). Greece with 36.22% has the largest share of self-employment in total employment in predominantly rural areas, following Portugal (26.46%). When analyzed intermediate rural areas, can be seen that as a minimum share of self-employment in total employment has France (9.29%), the following Sweden with 10.11%. Greece with 35.89% has the largest share of self-employment in total employment in intermediate rural areas, following Portugal (30.63%). The world into which children and young people grow is changing in many ways, as a result of globalization and other processes of restructuring. In rural areas of Europe there is a structural decline in employment in agriculture and other traditional land-based industries, while new jobs are arising in the service sector (Shucksmith, 2004).

### Tourism infrastructure in rural area and development of services sector

Rural tourism is essentially an activity which takes place in the countryside. Any form of tourism that showcases the rural life, art, culture and heritage at rural locations, thereby benefiting the local community economically and socially as well as enabling interaction between the tourists and the locals for a more enriching tourism experience can be termed as rural tourism. As against conventional tourism, rural tourism has certain typical characteristics like; it is experience oriented, the locations are sparsely populated, it is predominantly in natural environment, it meshes with seasonality and local events and is based on preservation of culture, heritage and traditions (Štrbac at all, 2007). The tourism infrastructure in rural areas consists in several elements. For this indicator the number of bed places is taken as an indication for the tourism infrastructure capacity. One of the key opportunities in terms of potential growth for rural areas comes from tourism. Limited information is available on the small scale tourism structure that is the main feature of rural tourism. However, given that 33% of bed places of the EU-27 are in predominantly rural areas, this sector already plays a major role in most of them, but increases less rapidly than in urban areas (DGARD, 2010). Based on analysis of data (Table 3) can be seen that as a minimum total number of bed places in hotels, camping, holiday dwellings, etc., (% , 2008) in predominantly rural areas has Netherlands with 2.4%, the following United Kingdom (12.7%). Ireland with 79.1% has the largest total number of bed places in hotels, camping, holiday dwellings, etc., in predominantly rural areas, following Greece with 72.5%. When analyzed intermediate rural areas, can be seen that as a minimum total number of bed places in hotels, camping, holiday dwellings, etc., has Portugal (8.7%), the following Latvia with 15%. Cyprus and Luxembourg has the same 100% total number of bed places in intermediate rural areas, following Bulgaria (75.9%) and Ro-

mania (67.5%). Due to their rural amenities, rural areas are attractive as a place to live, even if remoteness and peripherality remain a major problem in some of them. However, some aspects of quality of life need to be improved in many rural areas. For instance, broadband internet infrastructure and take-up by the population are significantly lower than in urban areas and take-up is often progressing more slowly (DGARD, 2010). In several countries, tourism has become a major feature, ranging from the environmentally-sensitive rural tourism of parts of Austria and Germany to the more extreme developments seen in Mediterranean states. Leisure and tourism are still widely regarded as significant development options for rural economies (Baldock at all, 2001).

**Table 3. Tourism Infrastructure in Rural Areas (% , total number of bed places in hotels, camping, holiday dwellings, etc., 2008) and Development of Service Sector (% of GVA in services, 2007)**

Country	Tourism Infrastructure in Rural Areas (% , total number of bed places in hotels, camping, holiday dwellings, etc., 2008)			Development of Service Sector (% of GVA in services, 2007)		
	PR	IR	PU	PR	IR	PU
Belgium	24.5	31.4	44.1	71.2	68.2	77.4
Bulgaria	20.8	75.9	3.3	48.3	54.2	78.5
Czech Republic	33.9	41.9	24.3	50.2	52.6	72.6
Denmark	64.9	27.2	7.9	67.7	74.2	85.7
Germany	27.5	48.1	24.4	62.8	66.1	72.3
Estonia	55.6	44.4	-	58.5	70.5	-
Ireland	79.1	-	20.9	55.6	-	78.9
Greece	72.5	17.2	10.3	66.0	73.1	82.9
Spain	13.1	58.6	28.3	62.6	65.4	70.9
France	47.5	35.0	17.5	70.6	74.0	83.2
Italy	32.1	48.3	19.6	68.4	67.3	74.9
Cyprus	-	100.0	-	-	78.9	-
Latvia	19.6	15.0	65.5	66.0	63.6	77.1
Lithuania	26.8	43.1	30.1	53.9	62.3	71.6
Luxembourg	-	100.0	-	-	83.7	-
Hungary	61.5	25.2	13.3	56.0	58.2	82.2
Malta	-	-	100.0	-	-	75.7
Netherlands	2.4	49.4	48.2	46.0	65.2	77.6
Austria	68.4	17.9	13.7	58.8	64.1	77.1
Poland	32.7	50.3	17.0	57.4	63.4	70.8
Portugal	57.5	8.7	33.8	68.4	61.3	77.8
Romania	26.1	67.5	6.4	51.0	52.2	69.2
Slovenia	39.8	60.2	-	51.2	69.7	-
Slovakia	45.0	43.0	12.0	50.0	52.0	76.4
Finland	63.0	21.8	15.2	57.1	58.2	75.8
Sweden	41.0	49.5	9.4	62.8	66.9	81.7
United Kingdom	12.7	40.5	46.8	66.8	71.2	80.0

PR - predominantly rural; IR - intermediate rural; PU - predominantly urban

Source: Authors based on Directorate General for Agriculture and Rural Development, Rural Development in the EU, Statistical and Economic Information Report, December 2010

In the more densely populated and industrialized EU states such as the UK, Germany and France, agriculture's relative decline in importance has been matched by counter-urbanization in many areas, where local economies are

characterized by new services or a pattern of commuting to neighboring urban areas (Baldock at all, 2001). This indicator measures the share of gross value added (GVA) in the services sector in a region. Based on analysis of data (Table 3) can be seen that as a minimum % of GVA in services (2007) in predominantly rural areas has Netherlands (46.0%), the following Bulgaria (48.3%). Belgium with 71.2% has the largest % of GVA in services in predominantly rural areas, following France with 70.6%. When analyzed intermediate rural areas, can be seen that as a minimum % of GVA in services has Slovakia (52.0%), the following Romania with 52.2% and Czech Republic (52.6%). Luxembourg with 83.7% has the largest % of GVA in services in intermediate rural areas, following Cyprus (78.9%). The development of services is also lower in the rural areas of many Member States: at EU-27 level, services represent 64% of the economic activity in predominantly rural areas in comparison with 77% in predominantly urban areas (DGARD, 2010). Over the last years, the share of services in rural and urban regions has grown at approximately the same pace (EC, 2010).

### Internet infrastructure and life-long learning in rural areas

Technological changes will continue to be an important motor of change in Europe's rural areas in the coming years, particularly information and communication technologies and new biotechnologies (Baldock at all, 2001). Persons having subscribed to DSL internet as a percentage of total population Digital Subscriber Line (2004 Commission Communication COM (2004) 369: Connecting Europe at High Speed). National Broadband Strategies referred to broadband as "a wide range of technologies that have been developed to support the delivery of innovative interactive services, equipped with always-on functionality, providing broad bandwidth capacity that evolves over time and allowing the simultaneous use of both voice and data services (DGARD, 2010). Based on analysis of data (Table 4) can be seen that as a minimum DSL coverage (2009) in rural areas has Bulgaria with 18.0%, the following Cyprus (30.0%). Belgium, Denmark, France and Luxembourg has the same 100% DSL coverage in rural areas, following United Kingdom with 99.6% and Netherlands (99.0%). When analyzed suburban areas, can be seen that as a minimum DSL coverage has Bulgaria (73.0%), the following Poland with 76.8%. Belgium, Denmark, Greece, Luxembourg, Portugal and UK has the same 100% DSL coverage in suburban areas, following Ireland, Spain, Netherlands and Sweden with the same 99.0%. Broadband internet infrastructure and take-up by the population are also significantly lower in rural than in urban areas: at the end of 2009, the percentage of population having subscribed to DSL internet in predominantly rural areas of almost all the EU-27 member States was lower than that of urban areas, whereas internet take-up rate was 13.4% and 20.8% respectively in predominantly rural and predominantly urban regions of the EU-27 (EC, 2010). Improvement and development of rural infrastructure can help reduce regional disparities and increase the attractiveness of rural areas for the development of entrepreneurship and create conditions for development of rural economy.

**Table 4. Internet infrastructure (DSL coverage, %, 2009) and Life-Long Learning in Rural Areas (% of adults participating in education and training, 2009)**

Country	Internet infrastructure (DSL coverage, %, 2009)			Life-Long Learning in Rural Areas (% of adults participating in education and training, 2009)		
	Rural	Suburban	Urban	PR	IR	PU
Belgium	100.0	100.0	100.0	5.5	5.9	7.6
Bulgaria	18.0	73.0	100.0	1.0	1.5	3.1
Czech Republic	85.0	93.0	99.0	6.3	6.1	8.7
Denmark	100.0	100.0	100.0	30.4	29.9	35.5
Germany	89.9	95.9	99.4	7.7	7.7	8.2
Estonia	80.0	n.a.	100.0	11.6	9.2	-
Ireland	82.0	99.0	100.0	6.4	-	6.2
Greece	60.0	100.0	100.0	2.6	2.6	4.3
Spain	99.0	99.0	99.0	10.3	10.2	10.9
France	100.0	100.0	100.0	5.5	6.4	6.2
Italy	85.0	95.0	99.0	6.2	5.8	6.0
Cyprus	30.0	96.0	100.0	-	7.8	-
Latvia	67.0	85.0	99.3	5.3	6.1	5.0
Lithuania	68.5	96.7	99.0	n.a.	n.a.	n.a.
Luxembourg	100.0	100.0	100.0	-	13.4	-
Hungary	82.2	98.6	100.0	2.2	3.5	2.2
Malta	-	-	99.0	-	-	5.8
Netherlands	99.0	99.0	99.0	16.0	16.0	16.6
Austria	83.0	99.2	100.0	12.2	14.0	16.6
Poland	52.2	76.8	94.1	4.3	5.2	4.7
Portugal	89.0	100.0	100.0	6.5	6.5	5.7
Romania	45.0	-	97.0	1.4	1.4	1.5
Slovenia	83.0	97.0	99.0	14.2	15.2	-
Slovakia	53.6	88.0	99.8	2.2	2.1	7.4
Finland	90.0	98.0	99.0	20.6	23.6	23.7
Sweden	91.0	99.0	100.0	20.0	23.5	22.6
United Kingdom	99.6	100.0	100.0	18.0	19.6	20.4

PR - predominantly rural; IR - intermediate rural; PU - predominantly urban

Source: Authors based on Directorate General for Agriculture and Rural Development, Rural Development in the EU, Statistical and Economic Information Report, December 2010

Human potential is a key factor for the development of rural areas. In 2009, 72% of adults in the EU-27 reached a medium or high education level. There are however large variations among Member States (from 28% to 91%), with notably a higher level of education in most new Member States than in the EU-15. In most of the countries the level of education is lower in rural areas than in urban areas. [2] Based on analysis of data (Table 4) can be seen that as a minimum adults participating in education and training (2009) in predominantly rural areas has Bulgaria (1.0%), the following Romania with 1.4%. Denmark with 30.4% has the largest adults participating in education and training, following Finland (20.6%), % of adults (25-64 y. o.) participating in education and training. Life-long learning indicator refers to persons aged 25 to 64 who answered they received education or training in the four weeks preceding the survey (numerator) (DGARD, 2010). When analyzed intermediate rural areas, can be seen that as a minimum adults participating in education and training has Romania (1.4%), the following Bulgaria with 1.5%. Denmark with 29.9% has the largest % adults participating in education and training in intermediate rural areas, following Finland (23.6%) and

Sweden (23.5%). Life-long learning is a good instrument to improve the skills of workers and favors economic development. The dynamism of the population and their willingness to be actors for their development is also essential. This involvement is successful as LEADER actions cover in many cases more than 50% of the population in rural areas (predominantly rural and intermediate regions) (DGARD, 2010). More flexibility in educational systems, to meet diverse individual needs, will also be beneficial for those who want to come back to education to acquire more qualifications at a later stage in their lives (Shucksmith, 2004). There is a growing sense that it is necessary to involve local people more directly in policy formation, without much knowledge of how this can be done in practice. Many organizations recognize a need to strengthen consultation and partnership but most experience to date suggests that this has not yet translated into policy planning and implementation. Important steps in this direction have been a particular feature of some of the countries studied (e.g., UK, France) (Baldock at all, 2001).

### Net migration

The crude rate of net migration is the ratio of the net migration during the year to the average population in that year. The value is expressed per 1000 inhabitants. Based on analysis of data (Table 5) can be seen that negative net migration rude rate per 1000 in predominantly rural areas (2007) have 9 countries, while in intermediate rural areas have 6 EU member states. Ireland and Spain have the largest net migration rude rate per 1000 in predominantly rural areas, while Spain and Luxembourg have the largest net migration rude rate per 1000 in intermediate rural areas.

The net migration rate is a good indicator to measure the global attractiveness of an area. It is often lower in predominantly rural areas (+2‰ for the EU-27 in 2007) than in urban areas (+4.6‰ for the EU-27). It should be noticed that the pattern varies significantly in the different Member States and that this information should obviously be analyzed with care as other factors, such as more favorable climatic conditions, can play a major role in the decision of people to go and live in another place. Many rural areas face long term challenges posed by an ageing population, as well as opportunities enjoyed by populations that benefit from continually rising living standards. There is a general trend towards a greater emphasis on amenity and quality of life, such as a new environmental ethic, as living standards rise. However, among the nations in Europe the policy goals of rural development are understood in different ways, and a variety of approaches has been pursued. Terms like “integrated rural development” have a range of possible interpretations at national and local levels, and the motivation for different actors and stakeholders becoming involved in these initiatives can be equally diverse. The question therefore arises as to how such variety is likely to influence the development of these policies at national and European levels. Rural areas are characterized by distinguished by an extremely rich variety of heritage and natural, cultural resources and vest resources of human skill and energy.

**Table 5: Net Migration Rate (Net migration rude rate per 1.000, 2007)**

Country	Net Migration Rate (Net migration rude rate per 1.000, 2007)		
	PR predominantly rural	IR intermediate rural	PU predominantly urban
Belgium	7.2	5.6	5.2
Bulgaria	-3.3	0.5	5.4
Czech Republic	3.0	2.4	14.2
Denmark	3.5	3.4	0.8
Germany	-2.6	-0.4	2.4
Estonia	-0.3	-0.3	-
Ireland	15.7	-	3.1
Greece	0.8	6.2	5.9
Spain	13.1	16.3	13.7
France	4.9	1.5	-1.0
Italy	6.5	7.1	8.4
Cyprus	-	10.6	-
Latvia	-4.6	-4.3	3.0
Lithuania	-3.9	-1.3	2.5
Luxembourg	-	12.1	-
Hungary	-1.2	4.9	4.6
Malta	-	-	9.8
Netherlands	0.9	-0.9	-0.8
Austria	0.3	3.9	7.6
Poland	-2.2	-0.1	0.1
Portugal	3.4	1.1	2.0
Romania	-2.6	0.7	7.0
Slovenia	4.1	5.4	-
Slovakia	0.8	0.1	5.1
Finland	-0.4	3.5	5.7
Sweden	2.1	5.7	9.4
United Kingdom	n.a.	n.a.	n.a.

**Source: Authors based on Directorate General for Agriculture and Rural Development, Rural Development in the EU, Statistical and Economic Information Report, December 2010**

They meet the needs of most of Europe for food, timber and other natural resources, provide space and facilities for recreation of the citizens of Europe, the hosts are a huge and growing number of visitors from other states. The local economy in these areas is very different and creates products and services from which all Europeans are used to enrich the European export trade. General guideline for strategies towards economic development in rural regions are several general recommendations can be derived from the theories and the case studies, which together constitute a kind of general guideline for economic development strategies in rural regions. This guideline involves the following key issues (Terluin, 2001; Grieve, Weinspach, 2010):

- Think global and act local;
- Improve the capacity (knowledge, skills and attitude) of local actors to establish and sustain development within region;
- Strengthen the cooperation of local actors and the cooperation of actors inside and outside the region;
- Try to affect the balance of power in external networks in such a way that local actors benefit to a reasonable extent from these networks;



- Adjust administrative structures, i.e. the linkages between the local, regional, national and EU authorities, in such a way that the administrative structure encourages and responds to bottom-up initiatives;
- Use a comprehensive territorial development plan, based on the strengths, weaknesses, opportunities and threats of the region, and integrate all measures and projects within the scope of the plan.
- Quality of life emanates from having the capability to flourish.

## Conclusion

Rural areas are very different in character from suburban areas around cities and pastures in the high mountains of the Mediterranean land with olive trees and vineyards. With more than half the population living in rural areas, which cover 90% of the Union, Rural Development is vitally important part of EU policy. Agricultural producers may have income on the basis that takes into account the protection of the environment; the landscape of high quality entrepreneurs may be attracted to live in the countryside and can be the basis for rural tourism; new industry can bring value added products from farms and forests. Rural policy in line with the economic development in the EU involves the development of non-agricultural activities in rural areas; the establishment of micro enterprises; encouraging tourism activities; the preservation and enhancement of rural heritage entertainment; training economic actors in order to prepare and implement local development strategies. In addition, agriculture and forestry remain crucial for land use and management of natural resources for rural areas of the European Union, but also a platform for economic diversification in rural communities. Agriculture as the leading activity in many rural areas are increasingly losing its significance. However, it is still very important for the management of land within the European Union, contributing to the rural economy and is important for food security, public goods and services. Promoting new businesses in rural areas and start new ways of business requires significant investment or supplementary/additional financial investments in existing activities that are planned adaptive innovative solutions in line with trends and Rural Policy. Agricultural Policy and the necessary restructuring should make both: the old and new EU member states. In order to ensure a balanced strategy is needed to provide the minimum funding. Reorganization and streamlining the requirements for the use of measures for rural development increases the flexibility of their application. The funds are directed should contribute to achieving the most important priority in the creation of employment opportunities and conditions for growth. A large range of measures, which are made available, should be specifically used to promote capacity building, skills and organization to develop local strategies and to ensure that rural areas remain attractive for future generations. To make rural areas more attractive, it is necessary to promote sustainable development and create new employment opportunities, especially for young people and women, as well as easier access to the latest information and information technology solutions. Educational measures are contributing to the improvement of professional skills and competence of persons engaged in agriculture, food



and forestry sector. The development and diversification of rural economic activities relating to the purpose of the measures is to encourage diversity and development of rural economic activities through the launch of economic activity, create employment opportunities and through diversification into non-agricultural activities. Priority in this program provides a much investment to create micro and small enterprises, crafts and rural tourism to promote development of entrepreneurship and economic production. At the EU level, improving the quality of life of the medium or long-term goal in several areas of European policy is namely economic, social and environmental policy.

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