# rozprawy i studia

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## PRESENT AND FUTURE EUROPEAN RURAL POLICY

**Abstract.** The European Union, which had been gradually becoming less agriculture-oriented, it also became troublingly more rural. In this new, more rural Europe, the population living in rural areas is now the majority (over 57 % in the EU-27). The development of the new Europe's countryside has become a political objective aimed at achieving economic, social and territorial cohesion. However, the current EU rural policy 2007–2013 is inappropriate and insufficient, and should have been included in the new Cohesion Policy, which is multi-sectoral and territorial, and not in a basically sectoral agricultural policy like the CAP. In this context, the new proposal for rural development policies, presented by the European Commission in 2011, seems to have many wake points. In fact, "promoting social inclusion, poverty reduction and economic development in rural areas" are the sixth priority for the future European rural policy. Consequently, if the European policies have not made sufficient headway in the required direction, supplementary national and regional policies will have to be established.

**Key words:** rural areas, rural policy, multi-sectoral and territorial rural policy, national and regional rural development policies

### INTRODUCTION

The European Union, which had been gradually becoming less agriculture--oriented, experienced a temporary upswing in this activity with the latest expansion, but above all it also became troublingly more rural. This assertion can be readily explained: agriculture in the new member countries will undergo intensive conversion in coming years, and their rural areas will require significant support to compensate for the loss of farming jobs. More specifically, the CAP reforms and their reflection in the accession treaties will not facilitate the future

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maintenance of activity in the rural areas of the new Member States, in which agricultural employment is four times higher than in the EU-15 (24% compared to 6% of their respective working populations on average).

In this new, more rural Europe, the population living in rural areas is no longer in the minority (18% in the EU-15) but is now the majority (over 57% in the EU-27). Furthermore, the rural area has increased (from 81% in the EU-15 to over 90% in the EU-27) because of the highly rural nature of the new countries. The development of this new Europe's countryside has become a political objective aimed at achieving economic, social and territorial cohesion.

## THE CURRENT RURAL DEVELOPMENT POLICY IN 2007–2013

To deal with this situation, the rural policy measures implemented since 2007 have a simple structure. In brief, these measures fall exclusively under the CAP, are included in only one rural development regulation and have a single source of funding (the EAFRD). Generally speaking, this structure represents the transfer of rural development measures that must, by definition, be multi-sectoral, to the domain of a sectoral agricultural policy.

Apparently, instead of moving towards the consolidation of a European rural policy as an integral part of the Cohesion Policy, it was decided to incorporate this rural policy into the CAP as a mere appendix. Despite the progress represented by having a larger number of rural development measures concentrated within a single programme, the question is whether this was the best option to meet the needs of Europe's rural areas.

**Objectives and measures.** The current structure of the rural policy measures is reflected in the Community Rural Development Regulation[2]. This is a regulation whose basic strategic objectives are primarily agricultural ("improving the competitiveness of agriculture") or agri-environmental ("improving the environment and the countryside"), although it also includes a third objective that is more in line with multi-sectoral rural development: "improving the quality of life in rural areas and encouraging diversification of economic activity".

The programmes of European rural policy measures in existence prior to 2007 have certainly undergone changes and significant reductions. The most obvious change in the European Union's current rural policy was its reorganization into a single programme of measures. The regulation has a long list of them (nearly 40 measures) distributed across four axes of action and their respective objectives. The Member States may choose from among these measures and receive Community financial support from the EAFRD, which must be supplemented by State and regional public funding and private contributions.

Together with the unification of rural development policy measures within the so-called Second Pillar of the CAP, another result was their incorporation as a supplement to the agricultural markets and income policy-in other words, to

[2] Council Regulation (EC) No. 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

the First Pillar of the CAP. This structuring of rural policies corresponds to a concept of European rural development that does not specifically fall within the general objective of achieving economic, social and territorial cohesion that is one of the pillars of the European Union structure[3].

In any case, the Community rural development policy adopted and the criteria for its implementation were the following: the measures that are selected must be included in a Rural Development Programme (RDP) adapted to the specific needs of the Member State, or in the case of some countries, in light of the decision adopted, of each region. To this end, each Member State presents a National Strategic Plan (NSP) as a tool for planning rural policy on a nation-wide basis. This plan specifies the priorities for EAFRD intervention in that country and includes a National Framework with some horizontal measures for the State as a whole.

Broadly speaking, the measures in axis 1 of this Community rural development regulation coincide with the objectives of the traditional agricultural structure policy, aimed at improving the physical and human capital of farm holdings and agro-industry; they also include special provisions designed to promote quality products and foster innovation.

Axis 2 encompasses measures aimed at achieving sustainable management of agricultural and forest land resources, and provides for certain lines of support intended for farmers and livestock raisers who must perform their activities in areas that present difficulties, either because of physical or natural limitations (less favoured areas) or regulatory constraints (Natura 2000 Network areas or those affected by the Water Framework Directive). Finally, axis 3 includes measures that go beyond the sectoral focus of axis 1 and the environmental orientation of axis 2 and tend to foster a more economically diversified countryside, in which certain services can be enhanced to improve the quality of life of its population.

In addition to these three axes, the regulation established axis 4, whose approach was methodological rather than theme-oriented. This axis includes actions to be carried out using the LEADER method, through local action groups that promote rural development policy based on an integrated, participative and territorial focus. Measures are also provided to support group operating efficiency and inter-group cooperation.

## A CURRENT EU RURAL POLICY INAPPROPRIATE AND INSUFFICIENT

However, this regulation can initially be assessed by considering its financial significance. The change in the name of the old EAGGF Guidance section to EAFRD involved no increase in the funding for rural policy measures: the 77,6

[3] The European Commission itself acknowledges the need to ”ensure consistency [of the rural policy] with other EU policies, in particular in the fields of cohesion and environment” (Article 1 of 2006/144/EC: *Council Decision on Community strategic guidelines for rural development*).

billion euros for all of the EU's 27 countries for the period from 2007–2013 was a significantly smaller amount than the total for the four rural programmes in existence until 2007.

Actually, several countries, such as Germany, France, the United Kingdom, Spain and so forth have seen reductions in European funds for rural policies for 2007–2013, compared to the previous period. Thus, there are reasons to wonder whether an inversion might have taken place in how the funds are distributed, shifting them from the rural areas that used to receive them to non-rural, advanced areas, and whether in the end the EAFRD can be regarded as the single fund that was needed for European rural development.

Finally, the planned distribution of Community funds among the different axes of action shows that most European countries have opted to give high priority to axis 2, agrienvironmental measures, and less significant priority to axes 3 and 4 regarding diversification and quality of life using the LEADER method. For instance, Spain, as some new Member States, was one of the countries that placed more emphasis on the axis 1 measures for improving the competitiveness of agriculture (Figure 1), which means that the pattern of the previous period will be continued.

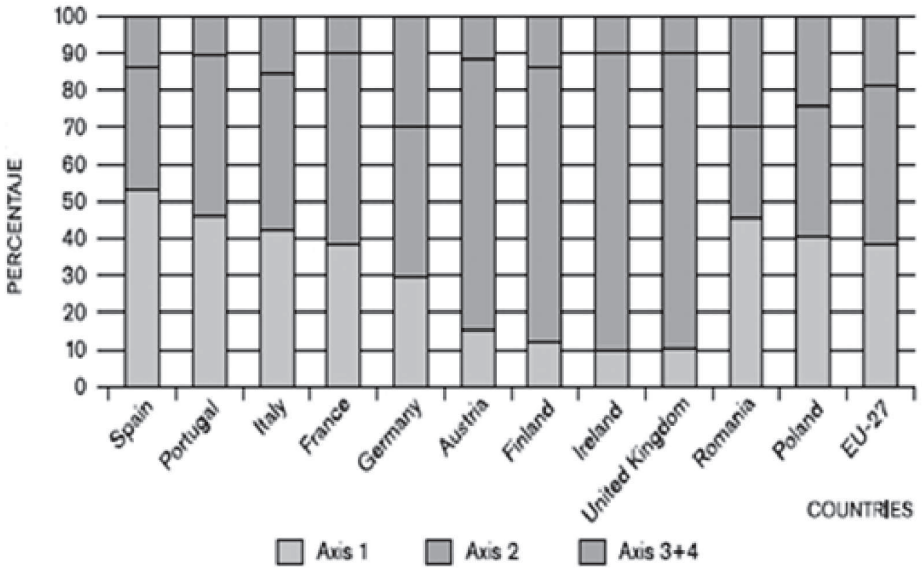


FIGURE 1. Distribution of EU rural development spending by country and axis of action
RYSUNEK 1. Rozkład wydatków UE na rozwój obszarów wiejskich według krajów i osi
Source: European Commission, 2007.

**The EU lacks a genuine rural policy for the future.** Although, the European rural policy has progressed to some degree, mainly due to the establishment of a single rural development regulation; however, its principal axes of action do not form a complete programme of measures in which all of the truly necessary elements are taken into consideration. This single programme should obviously

have been included in the new Cohesion Policy, which is multi-sectoral and territorial, and not in a basically sectoral agricultural policy like the CAP.

At the same time, progress has been made with respect to the creation of a single European fund for rural development (the EAFRD), which has consolidated some of the existing funds that formerly financed rural policy measures. However, and above all, the allocation envisaged under this single fund should have provided sufficient funding: the political commitment should have been to double the funding for a new European rural policy as of 2007, as was done with the Cohesion Policy in 1991, on this occasion to compensate the new Member States for the effort of integrating the rural areas.

Moreover, maintaining the LEADER approach as an instrument for implementing some of the political measures included in the regulation was a wise decision, for the three phases of the LEADER Community initiative (from 1991 to 2006) have proven that the effectiveness of this method justifies its use on more than an experimental basis. However, this instrument should have been mainstreamed into the core rural development policies, as suggested by a number of evaluation reports on the LEADER programme compiled by the Commission.

In this context, the new proposal for rural development policies, presented by the European Commission[4], seems to have many weak points[5]. Mainly, this new policy will have foreseeable weak impact on rural areas: the scant of funding (only 14.6 billion euros per year for 27 countries) and the low priority foreseen for the territorial and multi-sectoral rural development approach (Figure 2). In fact, ”promoting social inclusion, poverty reduction and economic development in rural areas” are the sixth priority for this future European rural policy (until now this priority was the third).

In conclusion, as the European policies have not made sufficient headway in the required direction, supplementary national and regional policies will have to be established. This need is especially urgent in countries which have not had their own national rural policies, which will have to be developed and implemented. The weakness of the Community rural development measures means that the future of rural policy will depend primarily on the Member States; it would now be totally insufficient and inappropriate for the latter to limit themselves to merely transposing EU programmes into national provisions.

These crucial national and regional rural development policies will have to include such elements as strategies adapted to suit the territories, national rural development funds to consolidate and ensure the continuity of the actions, zoning and classification of rural areas to make differentiated treatment possible, promotion of the participation of society at large (new entrepreneurs, young people, etc.) in development projects, and so forth. In short, the time has come

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[4] European Commission, 2011: *Proposal for a Regulation on Support for Rural Development by the EAFRD,* COM (2011) 627 final, Brussels.

[5] See Regidor, 2011: *Building the New Cap: Balanced Territorial Development,* Conference-debate ”CAP reform through analytical lenses”, Brussels, European Parliament, December.

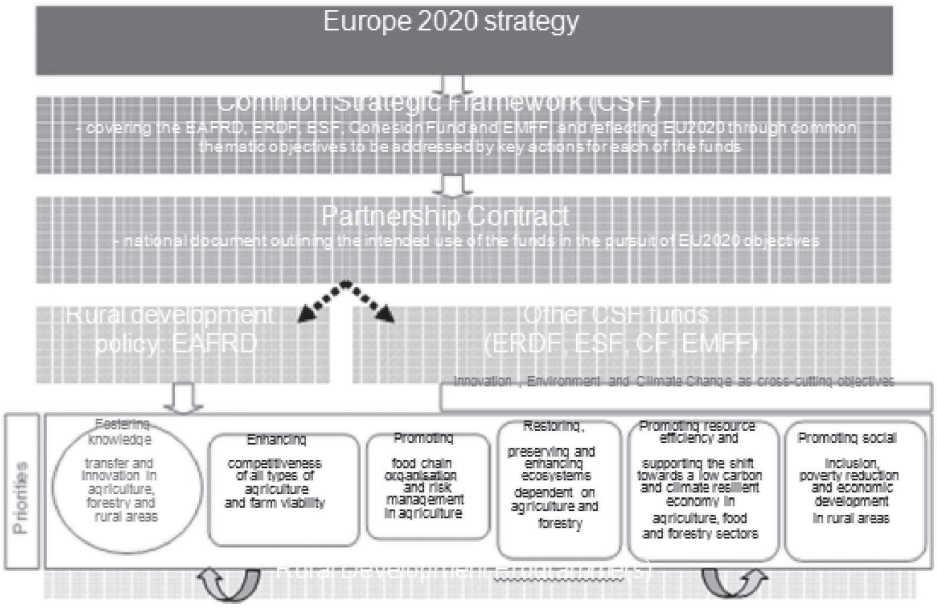


FIGURE 2. Proposal of the new EU rural development policy
RYSUNEK 2. Propozycja ram dla nowej europejskiej strategii rozwoju wsi
Source: European Commission, 2011.

for rural development to constitute a heightened political priority in the new European Union. Will it be this time?

## TERAŹNIEJSZOŚĆ I PRZYSZŁOŚĆ EUROPEJSKIEJ POLITYKI WOBEC OBSZARÓW WIEJSKICH

**Abstrakt.** Unia Europejska, która staje się stopniowo mniej zorientowana na rolnictwo, zrobiła się jednocześnie bardziej wiejska. W tej nowej, bardziej wiejskiej Europie ludność zamieszkująca obszary wiejskie stanowi obecnie większość (ponad 57% w EU-27). Rozwój nowej europejskiej wsi stał się celem politycznym, zmierzającym do osiągnięcia ekonomicznej, społecznej i terytorialnej spójności. Jednak obecna polityka wobec wsi realizowana w latach 2007–2013 jest niewłaściwa i niewystarczająca. Powinna być ona włączona do nowej polityki spójności, która jest wielosektorowa i terytorialna, a nie do zasadniczo sektorowej polityki, jaką jest WPR. W tym kontekście nowa propozycja strategii rozwoju wsi, zaprezentowana przez Komisję Europejską w 2011 roku, zdaje się mieć wiele słabych punktów. Rzeczywiście „promowanie społecznej inkluzji, zmniejszenie ubóstwa i rozwój ekonomiczny na obszarach wiejskich" to ważny szósty priorytet przyszłej europejskiej polityki wiejskiej. Jednak jeśli polityka europejska nie zrobi postępów w tym kierunku, to konieczne stanie się przyjęcie dodatkowych, narodowych i regionalnych strategii rozwoju obszarów wiejskich.

**Słowa kluczowe:** obszary wiejskie, polityka rozwoju obszarów wiejskich, wielosektorowa i terytorialna polityka wobec wsi, narodowe i regionalne strategie rozwoju obszarów wiejskich