



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search  
<http://ageconsearch.umn.edu>  
[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

# **RDP CAPACITIES, CHANGING GOVERNANCE STYLES AND THE NEW CHALLENGES**

**Janet Dwyer<sup>†‡</sup>, Sandrina Pereira<sup>†</sup>, Merit Mikk<sup>††</sup>, Argo Peepson<sup>††</sup> and Ken Thomson<sup>†</sup>**

<sup>†</sup> **Respectively Professor of Rural Policy, Research Assistant and Visiting Professor, Countryside and Community Research Institute, University of Gloucestershire, Dunholme Villa, The Park, Cheltenham GL50 2RH, England.**

<sup>††</sup> **Centre for Ecological Engineering, Fr. Tuglase 1-6, Tartu 51014, Estonia.**

<sup>‡</sup> **Corresponding author: tel. +44 (0)1242 714128, e-mail [jdwyer@glos.ac.uk](mailto:jdwyer@glos.ac.uk)**



***Paper prepared for presentation at the 118<sup>th</sup> seminar of the EAAE  
(European Association of Agricultural Economists),  
‘Rural development: governance, policy design and delivery’  
Ljubljana, Slovenia, August 25-27, 2010***

*Copyright 2010 by Janet Dwyer, Sandrina Pereira, Merit Mikk, Argo Peepson and Ken Thomson. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.*

# RDP CAPACITIES, CHANGING GOVERNANCE STYLES AND THE NEW CHALLENGES

Janet Dwyer, Sandrina Pereira, Merit Mikk, Argo Peepson and Ken Thomson

## Abstract

*CAP Pillar 2 policies and Rural Development Programmes (RDPs) reflect a broad range of governance styles and policy priorities, as well as significant devolution to regions and/or provinces within Member States. The processes supporting this new style of policymaking have become increasingly differentiated. The Europe 2020 document identifies significant “new challenges” facing the EU’s rural areas, notably climate change, sustainable water management and renewable energy generation. All of these “new challenges” impinge on EU rural development policies, and imply a need for significant shifts in priorities and actions. This paper draws from recent research carried out within the RuDI project, to analyse the capacity of the current Pillar 2 approach to meet these new challenges. The research notes a high and perhaps increasing level of bureaucratisation of EU rural development policy, but at the same time the growing “territorial” nature of RDPs and the evolution of active partnerships at both strategic and local levels. Examples of innovative action within Estonia and the United Kingdom, as well as a brief budgetary analysis, enable a discussion of RDPs’ capacity to accommodate a new challenges agenda, and both positive and negative points are identified. The paper concludes by considering how changes to the Pillar 2 framework after 2013 could enhance its capacity to plan for, and execute, more ambitious responses.*

Keywords: rural development policy, governance, new challenges, targeting, adaptation.

## 1. Introduction

This paper considers how the current capacity and governance of the EU rural development (RD) policy process is likely to handle the “new challenges” of the EU2020 agenda, in particular the need to adapt and mitigate the potentially significant impacts of climate change. It is partly based on the conceptual work and case studies of a recent EU-funded FP7 research project, RuDI (Assessing the Impacts of Rural Development Policies incl. LEADER, no. 213034) which has investigated this decision-making process in terms of design, delivery (or implementation, administration) and evaluation, using 20 case studies and broader policy process analysis in all 27 EU countries.

Expert analysis suggests that the pace and scale of adaptive and mitigating change need to increase substantially if the EU is to effectively manage and minimise climate change impacts over the coming decade (House of Lords, 2010). The analysis of capacity to respond, therefore, needs to encompass not only an assessment of whether this challenge is sufficiently acknowledged at the level of RDP programme documents, but also whether the current institutional and governance arrangements for programmes are likely to facilitate or to obstruct such change, in respect of programme design and effective delivery.

For this paper, evidence has been particularly drawn from two Member States (MSs), Estonia (which has a national RDP) and England (which operates its own RDP within the United Kingdom). Following a section on the EU context, some conceptual aspects of rural development policy-making are discussed in Section 3, and then the issue of capacity to address the new challenges is assessed in Section 4, by means of a preliminary budgetary analysis at EU level. Section 5 discusses issues of governance and transformative change, drawn from the two countries’ recent experiences of

partnership in RDP design and delivery. A final section offers conclusions on the likely capacity of the policy to address the new challenges, and considers how this capacity might most effectively be enhanced under a new RD Regulation, beyond 2013.

## **2. The EU Context**

EU policy-making for rural development has undergone a number of changes since its inception nearly 30 years ago (see Dwyer *et al.*, 2003; Shucksmith *et al.*, 2005), most recently via Rural Development Regulation (RDR) 1698/2005, and 2008 Health Check (HC). Revisions to modulation in the latter are expected to raise some Euro 3.24 billion (IEEP, 2008), accompanied by lower national/regional co-funding rates (25%; 10% in convergence regions) and by greater flexibility and increased aid rates in RDP implementation.

*“The funding obtained this way may be used by Member States to reinforce programmes in the fields of climate change, renewable energy, water management, biodiversity, innovation linked to the previous four points and for accompanying measures in the dairy sector. This transferred money will be co-financed by the EU at a rate of 75 percent and 90 percent in convergence regions where average GDP is lower”* (European Commission, 2009).

In addition, the European Economic Recovery Plan (EERP) will provide an extra €1.0 billion to be spent in the same period (2009-2013) on broadband in rural areas and on any/all of the above priorities.

Following revised strategic guidance from the Commission, these five “new challenges” or “priorities” are to be addressed via revised national strategy plans and RDPs for 2010 onwards (2012 for New Member States except Romania and Bulgaria). An “indicative list with types of operations and potential effects” was provided (Reg. 74/2009, Annex II) for each priority, plus “innovation linked” to these. Building on the identification of these new challenges, the European Council has now endorsed the Commission’s “Europe 2020” strategy, which places particular emphasis on job support and creation in the light of the current financial and macroeconomic crisis, but gives additional attention to climate change as a particular focus for future EU policy concern.

In respect of meeting the climate change challenge, the EC clearly takes the view that radical change is needed. *‘The pace of eco-innovation is currently too limited to cope with the dimension and the urgency of today’s environmental challenges. Eco-innovation should move beyond simply greening products towards new system solutions’* (CEC FP7 call, July 2010). Furthermore, the potential role of rural development funding in promoting a shift towards a more carbon-neutral economy is highlighted. In particular, RDPs are seen as playing a role in stimulating the renewable energy supply chain based upon sustainable resource use, and in promoting more carbon-conserving techniques in land and water management, including through agri-environmental schemes as well as via ‘green’ investment, and training within the primary sector.

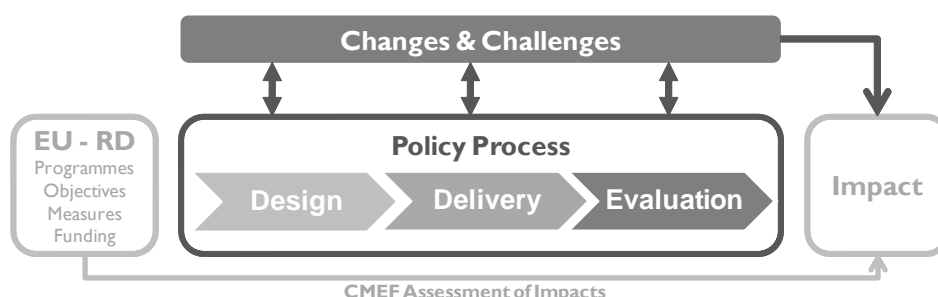
These factors suggest that Pillar 2 programmes can be a significant component in MSs’ response to meeting the EU climate change challenge and the associated challenges of sustainable water management, biodiversity and renewable energy generation. The question therefore arises: how well are the programmes and policy processes for rural development likely to respond to these new challenges?

## **3. The RuDI Model of RD Policy-Making**

The RuDI project adopted a conceptual and analytical approach which emphasises how the outcomes of RD policy are a result of much more than simply its formal structures, regulations and levels of resourcing (Dwyer *et al.*, 2009a). Policy impacts depend upon the conduct and operation of a series of ‘policy processes’, including policy design, delivery and targeting, and monitoring and

evaluation, which interact with one another and together affect how financial resources are transformed into impacts ‘on the ground’ (Figure 1).

Figure 1. The “Forgotten Middle” of Rural Development Policy



Source: RuDI Final Conference Extended Policy Brief.

Over successive programming periods, MSs have developed an increasingly differentiated and diverse approach to RD policy design and delivery, often involving full or partial devolution of responsibility to regional or more local levels and embracing a variety of public and private actors and institutions. This evolution reflects broad changes in societal organisation and governance which have been perhaps gradual within the EU-15, but marked among the New Member States of central and eastern Europe. Many of the changes in policy processes can be characterised as an attempt to recognise and involve the skills, knowledge and initiative of wider civil society in policymaking activities. Increasing resort to consultation and partnership in policy and programme planning, as well as in ongoing support and monitoring of delivery, have been apparent in EU RD policy statements and guidance. Since 2000, it has been compulsory for all RDPs to be designed following a consultation process involving the ‘main social and economic partners’. Furthermore, the EU principle of subsidiarity has influenced decisions about the appropriate administrative or governmental level(s) at which policy design and delivery should take place. Today, we can identify an often multi-layered and multi-actor complex within which these policies take shape and are implemented.

The RuDI study documented and analysed the policy structures and processes governing RD policy design, delivery and governance in all 27 MSs, for the current programming period. This revealed the different ways in which RD policies (EU and national) are governed and administered, and the nature of public-private interactions and key socio-political drivers underpinning these institutional and operational arrangements.

Increasing complexity in rural governance, and in particular its implications for effective policymaking, have been discussed recently by Curry (2009), in the context of rural England: *‘Strategic policy agendas ... in the areas of regionalism, citizenship and relocalisation ... provide examples of the way in which general policies have served, wittingly or not, to increase the complexity of rural decision-making. Empowerment through regional and local subsidiarity has gone hand-in-hand with the construction of an intricate (and sometimes opaque) fabric within which rural decisions are made’.*

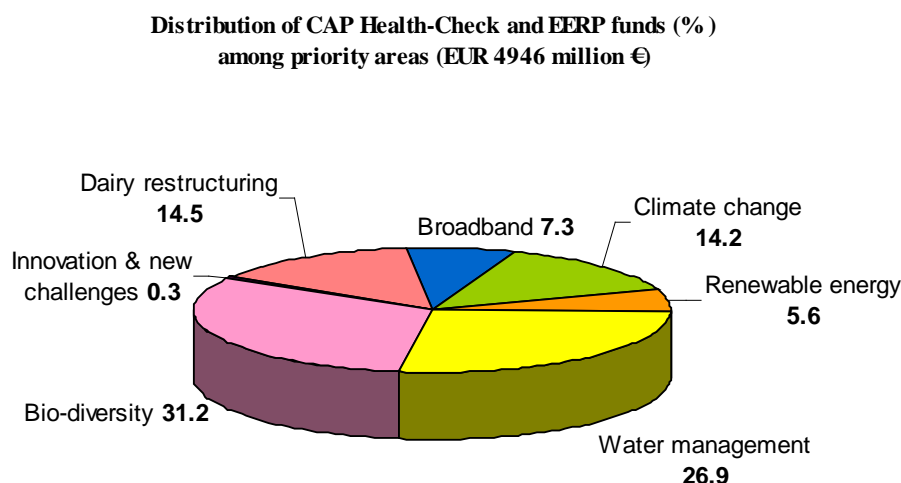
The implications of this process are identified as ‘the disempowerment of empowerment’, as complex structures effectively ‘clog up’ (obstruct) decision-making processes. Different types of ‘clogging-up’ are distinguished, with implications ranging from a lack of clear accountability to an inability to make effective decisions. Other authors have drawn similar inferences from other empirical analysis (Ayers and Pearce, 2004; Sullivan, 2002). However, in the specific context of RD policy across the EU, there has been little research to date which would allow a consideration of the extent to which these problems affect the effectiveness and legitimacy of programmes, nor indeed their capacity to deal effectively with new, and more ambitious, challenges.

#### 4. Assessing RDP capacities to respond: preliminary budgetary analysis

A common tool used in the assessment of policy instruments is budgetary analysis. The following analysis of HC and European Economic Recovery Plan (EERP) funding allocation is focused on the climate change priority as well as on the other priority areas (water management, biodiversity, renewable energy, and innovation linked to new challenges) that may also less directly address the climate change challenge.

Figure 2 reveals that, at the level of the EU-27, the majority of HC/EERP funding is to be devoted to biodiversity (31.2% or €1.5 billion) and water management (26.9%, €1.3 billion). Climate change measures account for 14.2% (€0.7 billion), with renewable energy 5.6% (€0.3 billion) of the total additional budget. By contrast, the allocations to dairy restructuring and broadband are 14.5% and 7.3% respectively, of the total. Thus MSs demonstrate a clear preference for biodiversity and water management measures, even though these may contribute a certain extent to the adaptation and mitigation of climate change.

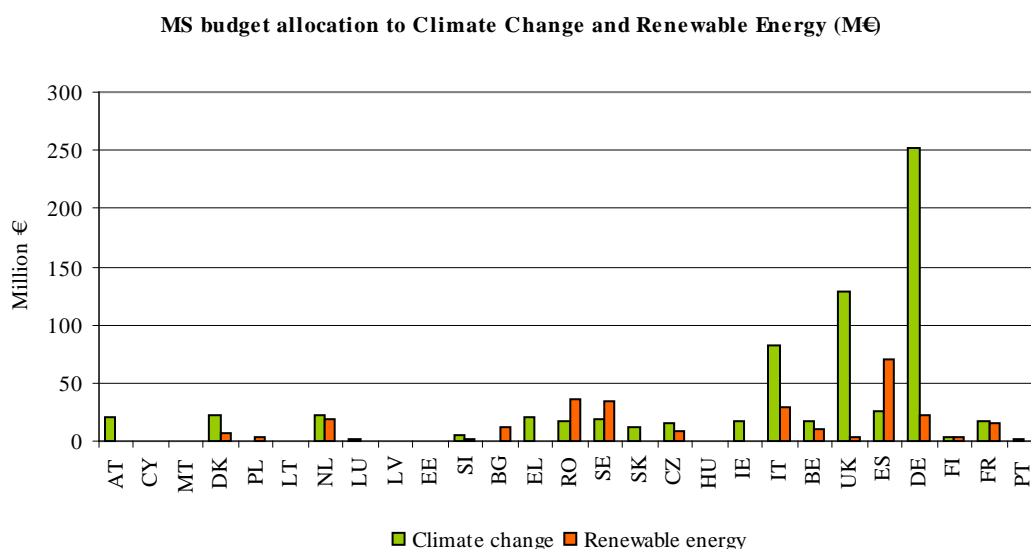
Figure 2. Distribution of CAP Health Check and EERP funds (EUR 4.95 billion).



Source: European Commission press release 29 January 2010.

Figure 3 shows that, for a total expenditure of €704 million on climate change, the top 5 spenders on this priority area are Germany (35.8%), the UK (18.3%), Italy (11.8%), Spain (3.7%) and the Netherlands (3.3%). Thus climate change is being addressed as a priority in both Northern and Southern countries. For the renewable energy priority, the MSs that are to spend the most are Spain (25.5%), Romania (13.1%) and Sweden (12.4%). In absolute terms, the countries allocating more funding to both priorities belong to the EU-15, and most new MSs are not allocating any funding to these two priorities. This may partly reflect the funding mechanism, in that the EU-15 are the only MSs receiving funds from increased compulsory modulation, and these receipts will be proportional to their total allocation of funding under CAP Pillar 1, so that some EU-15 MSs (notably Germany) gain more funds than others from this mechanism.

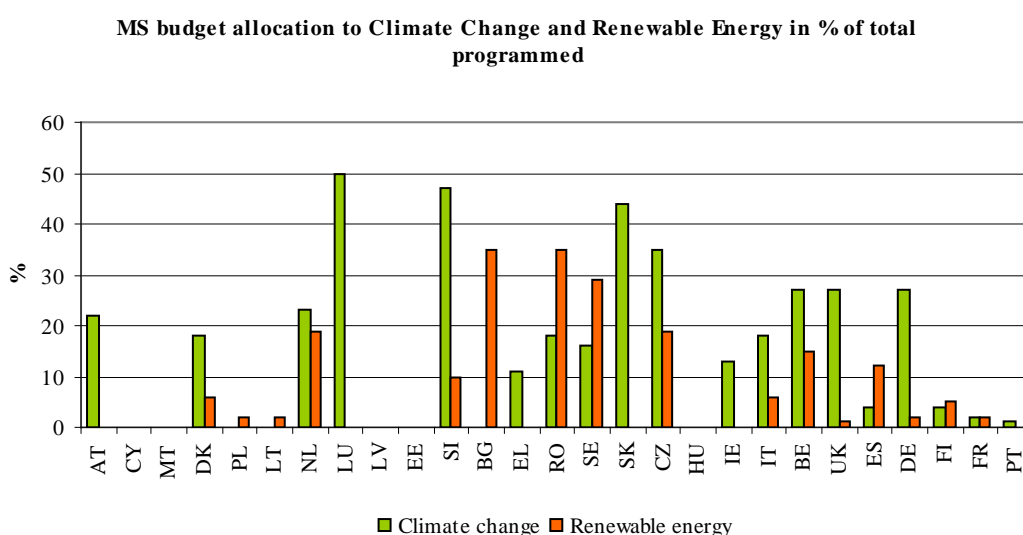
Figure 3. Budget Allocation to Climate Change and Renewable Energy per MS (in million €).



Source: European Commission press release 29 January 2010.

When we consider the percentage of the total new budget per MS allocated to climate change (Figure 4), Luxembourg, Slovenia, Slovakia and Czech Republic (the latter three new MSs) have made the bigger efforts within their total budgets, and 13 countries allocate a climate change share higher than the EU 27 average of 14.2%. Of the remaining 14 countries, eight (Cyprus, Malta, Poland, Lithuania, Latvia, Estonia, Bulgaria, Hungary) did not allocate any funding to climate change. For the renewable energy priority, the highest budget allocations are observed in Belgium, Romania and Sweden.

Figure 4. Climate Change and Renewable Energy percentages in each MS total budget.

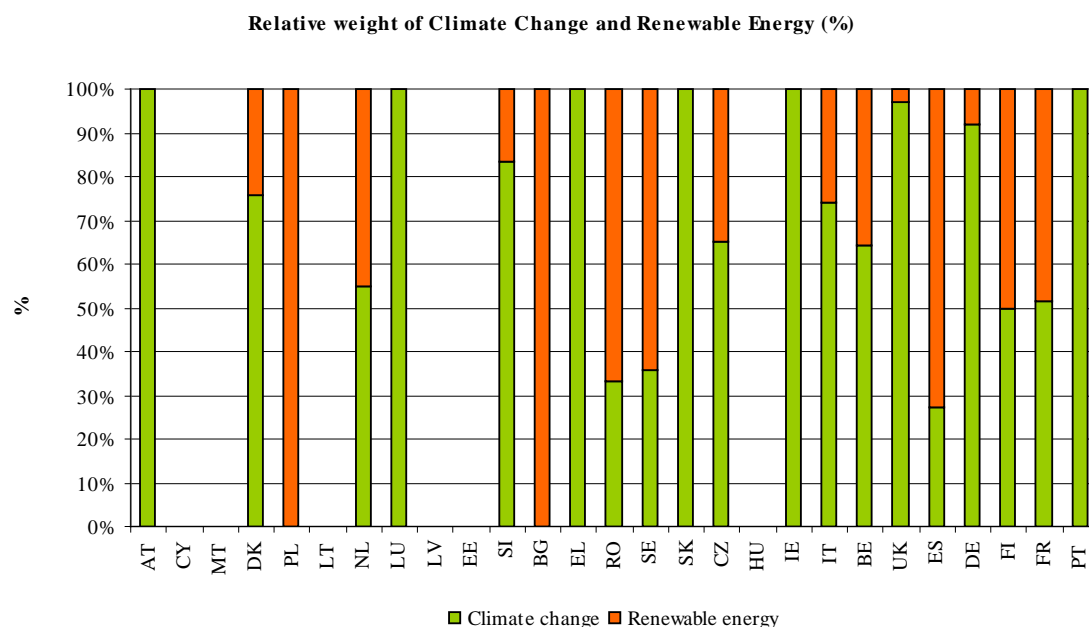


Source: European Commission press release 29 January 2010.

Figure 5 shows a pattern that separates the EU-15 and the new MSs in terms of their budget allocations only to climate change and renewable energy. For the great majority of the EU-15, climate

change has the higher budget allocation; in new MSs, there is not such a clear budgetary distinction between these two priorities.

Figure 5. Relative weight within each MS for climate change and renewable energy (in % of the total of climate change and renewable energy budgets).



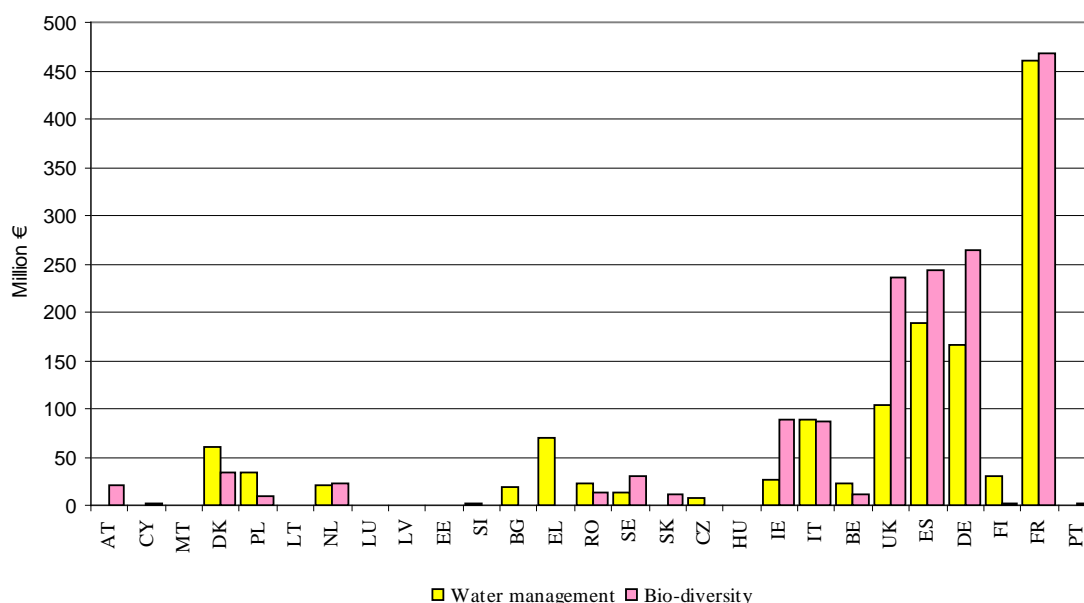
Source: European Commission press release 29 January 2010.

Figure 6 shows the budgetary importance attached by MSs to bio-diversity and water management, the two other priorities that are most likely to contribute, in different degrees, to the climate change challenge. The major budget allocations are by 4 countries (France, Spain, Germany, the UK). The highest is France with €29 million, followed by Spain (432 €M) and Germany (430 €M). The UK allocates essentially to the biodiversity priority (235€M). Apart from Germany, the percentage of funding allocations to these priorities is far higher than for climate change. Comparing Figure 3 with Figure 6, we can see the same budgetary pattern among the countries, with the exception of France and Spain. Those countries that focus more budget funds on climate change also do so on renewable energy, water management and biodiversity. France and Spain have biodiversity and water management as their major concerns.

Figure 6. Budget allocation (in €M) to other priorities helping fighting climate change.



**MS budget allocation to other priorities contributing to climate change challenge (M€)**



Source: European Commission press release 29 January 2010.

These different relative and absolute funding allocations to climate change may reflect differences in perceived or actual priorities for such action. However, without more information on context, it is difficult to assess whether the pattern of response in any way matches a pattern of relative ‘need’ for such resources, measured in an objective way. Most critically, without information such as the extent of non-RDP support for these priorities and the degree to which the different MSs already have well-developed renewable energy supply chains or other strategies for climate change mitigation and adaptation, we cannot know where the new funding might best be used to good effect, in this role. Estonia’s preliminary Europe 2020 objectives are quite ambitious, e.g. to increase the share of renewable energy to 25% compared to the EU target of 20% (State Chancellery of the Republic of Estonia, 2010), and significant national funding is already in place – in 2010, planned support for renewable energy production is close to €M50, which is similar to the yearly expenditure of all ERDP Axis 1 measures. What does seem clear, at least, is that the absolute scale of funding being applied to these ends in each country appears to be influenced more by its history of CAP support and the size of its Pillar 1 budget, than by any objective measure of need. Thus we might conclude at this point that RDPs throughout the EU-27 are unlikely to be equally well-equipped to tackle climate change during the current funding period, as a result of the HC and EERP funding boost. This would in turn imply that the degree to which they will be prepared for more spending of this nature beyond 2013 will also differ.

## **5. Governance and capacity for transformative change at local level: experiences of RDP Partnership in Estonia and England**

### *5.1 Estonia*

After regaining independence in 1991, Estonian agriculture and rural development emphasised the restructuring of agricultural production, including land reform (re-privatisation) and the

restoration of private farms. The 2000-06 SAPARD programme was followed by the Estonian Rural Development Plan (ERDP) 2004-2006 and by Priority 3 (agriculture, fisheries, rural life) of the Estonian National Development Plan (ENDP) 2004-2006. With significant emphasis on wider rural development, the current ERDP 2007-2013 has a central position in rural development in Estonia, although other instruments do exist. Compared to 1995, support for agriculture and rural development per year has increased more than tenfold, and has become a focus for new ways of working, based increasingly on the EC's concept of multi-stakeholder partnership and consultation involving key social and economic actors in the design and oversight of policy implementation.

The most important institution involved in the design of ERDP 2007-2013 was the Estonian Ministry of Agriculture (EMoA), which co-ordinated the whole process, which involved several working groups (WGs). However, two advisory bodies played an important role: the Agriculture and Rural Development Council (ARDC) and the Steering Committee (SC) for the preparation of the RDP. During ARDC and SC meetings, EMoA officials provided information from various sources, and ARDC members made comments and proposals on WG drafts of support measure sheets. Information was published, and nearly 350 proposals on the ERDP were received from 32 different organizations and individuals, of which more than 60% were taken into account to some degree (EMoA, 2007). More recently, the Monitoring Committee (MC), which comprises the representatives of a wide range of stakeholder bodies, including other ministries (5), the Paying Agency and a wide range of producer and rural organisations and interests, has been highly influential.

The design of the ERDP was in general a rather inclusive process, and there was an open debate on all RD issues. Moreover, Eurobarometer (2009) results indicate that Estonian people have a positive attitude to EU agricultural and rural development policy, which is seen as an important future issue, even if 68% of them have never heard of the term 'CAP'. RuDI results show that all stakeholders interviewed considered the changes (e.g. more attention to diversification, and to LEADER, and more measures available under Axis 2) to be positive. ERDP 2007-2013 is in general considered quite balanced (e.g. more favourable also to smaller (incl. micro) enterprises than was ERDP 2004-2006), and to match relatively well the present situation of the country and the needs of rural areas (Mikk and Peepson, 2009). This leads to the question whether the positive experience of more active stakeholder involvement in the RDP 2007-2013 design and the continuing development process in Estonia is building consensus and capacity for more radical changes in the future, or whether it tends more towards compromises or 'clogging', and might thereby be less able to cope with the new challenges. In this respect, the structure of the MC and the discussions held there will largely determine the content of (future) ERDP for facing the new challenges as well as the whole future of rural development in Estonia.

Although the MC contains a comprehensive cross-section of relevant bodies, market organisations and producers' organisations (e.g. Association of Estonian Food Industry, Estonian Producers Union) still have high influence on the decisions made. One reason for this is weakness of institutional capacity for some of the stakeholder groups and finding relevant experts who could represent their views in the best possible way. In the context of facing the new challenges, institutional capacity building for several of the organisations represented in the MC will be important to guarantee fair participation in decisive discussions.

The EMoA in close co-operation with the Estonian Rural Network has recently (2009) started discussions about the future of rural policy in Estonia, using structured questionnaires and several conferences, seminars and workshops (ERN, 2010). The majority of participants in discussions concluded that the rural development policy should remain a part of the CAP, but that Pillar I and II should be much more proportional both at EU and national levels, and be more synergistic. Key challenges for both the CAP in general and Pillar 2 were identified as biodiversity, climate change, use of renewable energy, food supply, demographic changes, urbanisation and rural employment; thus we can say that the representative organisations agree that the challenges identified in the framework of the CAP Health Check are appropriate.

Existing rural development policy objectives (i.e. the current Axes) were found relevant also for the next programming period, although emphasis is placed on the areas represented by the organisations; for example, agricultural organisations stressed the importance of actions enhancing competitiveness, environmental organisations wanted more for Axis 2 and organisations representing rural entrepreneurs stressed diversification. As a cross-linking principle, the need for better coherence of the topics was set out. However, it was agreed that agriculture alone cannot ensure the sustainability of rural areas. It was pointed out that it is important to maintain the vitality of rural areas, which will be achieved through making rural areas more attractive for work and residence. In particular, the important role of regional policy and structural funds was seen here.

The new challenges of climate change, conservation of biodiversity and water management played an important part in the discussions. However, most stakeholders think that more radical changes should be made in the countries with more intensive agriculture rather than in Estonia (where the share of UAA in the territory as a whole is very small). Most of the agricultural organisations stressed the importance of development of bioenergy; this seems to be one topic where willingness to go into deeper discussions exists.

Looking ahead, some key factors in exploring the ERDP's capacity to accommodate a new challenges agenda can be highlighted, drawing from research carried out within the RuDI project:

- more stakeholder (and not only EMoA) awareness of the potential options provided by the RDP;
- specific WGs could start their work more intensively already in earlier stages of the development process, and EMoA should designate key persons related to all Axes;
- need for wider (and not only formal, e.g. to avoid overlaps) discussion with other relevant Ministries in order to establish a common and holistic vision for developing rural areas.

There is high potential to use active participation of different stakeholder groups in on-going discussions about the future CAP, and enlarging discussion about future needs. However, at the moment, most Estonian stakeholders do not see big challenges such as climate change and increasing biodiversity as top-priority problems. Having regard to the fact that a high share of Estonia is covered with forest, wetlands and permanent grasslands, most stakeholders think that it is sufficient just to maintain the present situation. In order to build the capacity for a spirit of change, the needs (relevant to the Estonian context) have to be very clearly indicated, explained and verified.

## 5.2 England

In contrast to Estonia, rural development policy under CAP Pillar 2 in England has relatively low prominence beyond the farm sector. This is partly because, compared to other areas of government funding, the money allocated to the English RDP (RDPE) is relatively small, and is heavily skewed to only a few measures, most notably the agri-environment schemes (Measure 214). Nevertheless, at the local level in particular, a broad range of rural stakeholders has become involved in both the design and the delivery of RDPE schemes in the 2007-13 period (Dwyer *et al*, 2009b).

One of the innovations in 2007-13 RDPE design and delivery was a decision to devolve the detailed specification and delivery of all socio-economic support (Pillar 2 Axes 1, 3 and 4, and other domestic and EU-cofinanced schemes) to the eight multi-sector Regional Development Agencies (RDAs), with the environmental component (Axis 2) and similar national schemes delivered by the single agency Natural England. This decision followed a review (Haskins, 2004), aimed at simplifying the complex and multi-actor, multi-agency delivery of rural funding, which had grown up in a rather piecemeal fashion over the previous decade. In the 2000-06 RDPE, all RDP measures had been delivered by the central Department (Ministry) for Environment, Food and Rural Affairs (Defra), which at that time had its own Rural Development Service. Whilst some RDAs played an active role

in the MC and in regional RD consultation groups in 2000-06, they had not had direct delivery responsibilities.

This shift to a new delivery structure for the 2007-13 RDP has undoubtedly created some obstacles to establishing an efficient and effective administrative process for Programme design and delivery. Interviews with RDA officers and their partners at sub-regional level (including Leader groups) revealed some frustration in setting up new structures and in negotiating procedures for administration and control with Defra and its dedicated Rural Payments Agency (RPA). By comparison with delivery of Axis 2 measures which was already established in 2005 under the previous programme, this reorganisation slowed the process of identifying suitable projects and determining funding. The RuDI report on rural delivery for England noted two concerns, in particular, in respect of Axes 1, 3 and 4:

- *Too much bureaucracy in the 'chains of command' for measure delivery, which serve to constrain local actors and may also reduce the overall effectiveness of the measures (e.g. making it uneconomic to fund very small projects)*
- *A degree of insecurity and/or mistrust between different actors in the multi-tiered hierarchy, which needs to be overcome, in order to strengthen confidence in the measures among beneficiaries and key agents in local delivery (Dwyer et al., 2009b).*

However, devolution of delivery to the regional level has also enabled locally based officers to work in an increasingly differentiated way with a range of partners, reflecting the particular policy and institutional 'landscape' within each region. Building on groups formed within the RDPE 2000-06, the RDAs (or, more accurately, particular officials within these agencies) appear to have been able to elicit key public and private/NGO interests to work together and to identify and support targeting statements and new ideas emerging from entrepreneurial individuals and communities. The process has built upon previously developed targeting statements and distinctive visions for rural development in the English regions. In the current programme period, particularly where the individuals involved in local-level delivery have been retained from the previous funding period, they have worked successfully with regional partners to develop a relatively ambitious focus upon projects with radical environmental aims including the new challenges, and climate change in particular. This focus reflects a wider recent interest in the climate change agenda among many public and private bodies in the UK, promoted by government action, media interest and academic research.

For example, in the south-west region, the dedicated RDA officer with principal responsibility for RDP expenditure has worked over the first 2-3 years of the RDPE to stimulate the establishment of novel and ambitious partnerships to lead projects on the ground. This individual had previously been involved in RDP delivery in 2000-06, employed by Defra's Rural Development Service in the region, and had become familiar with the activities and concerns of a wide range of stakeholder organisations. As he noted, in interview: *'it does take time to get everything set up, when delivery is devolved to regional level and then you have to work with different sub-regional groups to devise projects. So, we are half-way into the programme but really we are just starting, on some of the most interesting initiatives.'*

In north-west England, where many effective sub-regional partnerships already existed (partly since this region had Structural Fund Objective 5b status in 1994-99), the RDA has worked closely with these groups to devise themes and initiate project development in a more ambitious way, in respect of climate change and renewable energy generation. The groups form part of a loose 'Northern Rural Network' which was established in 2000-06 with funding from the RDAs in this part of England (Northwest, Yorkshire and Humber and North-East regions), and continues in the current programming period, working with the England National Rural Network.

Another notable phenomenon of rural England, perhaps in contrast to other parts of rural Europe, is the presence of a significant proportion of rural in-migrants, as well as people for whom farming

and land management are just one part of a broader rural and urban portfolio of resources that they manage. Thus the RDP can seek to engage with these people, some of whom have particularly ambitious and innovative ideas about how best to live sustainably without compromising their quality of life. In projects which have so far received EAFRD funds in the north and south-west of England, climate change has been a significant factor in encouraging quite radical project proposals from successful established and new businesses, sub-regional agencies and NGOs, and local community groups, often working together. These initiatives include micro-hydropower generation plants, integrated carbon storage and habitat restoration projects, and new community buildings to be entirely run on renewable energies including woodfuel, solar panels and wind. Some such projects take a lead from the 'transition towns' initiatives (Hopkins, 2008; Chamberlin, 2009), in which local communities seek to reduce their collective carbon 'footprint' by making staged and ambitious changes to lifestyles and to the planning and delivery of community assets and services.

What these findings illustrate is a capacity for Pillar 2 policy to be locally tailored to reflect and encourage examples of already-present and forward-looking individual enterprise. The most interesting projects in both regions critically depend upon the skills of the people driving the private and community initiatives that are seeking support, as well as upon the open-minded and active assistance of dynamic individual 'facilitators' within the RDAs and among key partner agencies and NGOs at regional level, who can nurture and encourage these initiatives through to fruition.

These local partnerships take time to establish, and depend upon high levels of trust between agencies and RDP facilitators, as well as detailed knowledge of EAFRD requirements and operational procedures to encourage local entrepreneurs to 'tackle the system'. In discussion with project initiators, a common factor is a very positive view of the skills, dynamism and sustained support of the local facilitators and other sub-regional agency staff, in helping them to 'find their way' through the bureaucracy involved in drawing down RDP support funding. These key staff themselves often complain about burdensome and time-consuming bureaucracy, when they believe that they should be spending more time promoting and helping to cement ambitious project ideas and initiatives 'on the ground'. Bringing together these two viewpoints suggests that individual officers play a pivotal role in ensuring that RDP funds are spent to good effect and in supporting significant new challenges, including climate change.

However, analysis of the situation in England also makes one very aware that these systems are inherently fragile and frequently beset with external challenges. Neither individual people nor local-level partnership working is formally embedded or acknowledged within a settled strategic framework for RDP design and delivery. On the contrary, the framework has been subject to major change at regular intervals, reflecting wider political and institutional tensions and debates. Most recently, the new government in London has decided to disband the RDAs within 2 years, and to divide their ongoing responsibilities between their constituent sub-regional 'counties', with significant changes in responsible personnel and institutions. It is not yet clear what institutional apparatus will continue the process of RDP delivery, but there seems to be no political will to retain the regional level as a key player. It remains uncertain, therefore, whether the established skills and networks currently operating at regional and sub-regional level in respect of RDP project initiation and strategic support will persist.

## **6. Conclusions**

This paper has drawn on budgetary figures and investigational research in two EU MSs to throw light on the likely ability of RDPs to address the 'new challenges', particularly climate change, of the CAP Health Check and the Europe 2020 strategy. The limited indications of progress to date might suggest that not enough is being done to address climate change through RDPs, and that the relevant policy process is too bureaucratic. However, examples discussed here suggest that moves towards more trusting relationships and evidence of ability to innovate in policy thinking and action can be found in both countries, and more widely (see RuDI project case studies, e.g. Delta 2000 in Italy,

‘green services’ in the Netherlands; see <http://www.rudi-europe.net/100.html>). Successful climate change adaptation and mitigation will require (amongst much else) a shift in resource allocation and governance in rural development, as well as new technologies, institutions and behaviours. This will be facilitated by partnerships which are:

- experimental – taking some risks; trying out new ideas
- aspirational – able to think ahead; keen to achieve and to make a difference
- in touch – embedded within and accessible to the relevant networks of actors and entrepreneurs
- recombinant – able to bring different strands of thought and capacity together, in new combinations
- problem-solving – learning from experience and addressing barriers to action
- adaptive and creative – evolving in response to external changes and new opportunities.

Understanding rural capacities is a necessary part of identifying how change can be achieved. Valuing and strengthening ‘bridging’ forms of social capital is likely to be helpful; other research (e.g. EDORA, [www.espon.eu/main/menu\\_projects/menu\\_appliedresearch/edora.html](http://www.espon.eu/main/menu_projects/menu_appliedresearch/edora.html)) suggests that this can be critical to rural innovation and socio-economic transformation. Thus, notwithstanding the changing complexity of the RD policy landscape with its multiplicity of actors and processes, it appears capable of promoting a successful response to climate change within policy design and delivery, despite risks of ‘clogging’ and disempowerment.

English experience suggests there is considerable potential to be harnessed from private and almost independent local-level actions, where local agencies and individual facilitators within the policy delivery structure have established trusting and adaptive behaviours. However, larger-scale politically driven changes may dissipate and hinder positive adaptation in the medium term. Estonian experience suggests that, in the critical context of New Member States with weak prior experience of this style of governance, RDP policy processes can stimulate a new agenda and ways of working, and be an enabler of more radical future action.

Taken together, these points highlight how a successful RD policy needs to be able – empowered by central government coordination and leadership – to harness the skills and ambition of rural stakeholders through open partnerships in which Managing Authorities work effectively with other interests, and through territorially embedded delivery structures which can recognise and support local-level innovation and radical action (with its associated risks and uncertainties), for real change across the EU.

As regards changes to the Pillar 2 framework after 2013, a new RDR should be drafted with close attention to the need to avoid over-bureaucratisation of the design and delivery of both programmes (at national/regional level) and projects (at regional/local level). The specification of minimum expenditure shares to the current Axes of the Pillar 2 has almost certainly pressured some Member States into allocating more funds to some measures than might otherwise have been the case, and a similar mechanism might be adopted for the “new challenges”. On the other hand, given significant nationally funded MS programmes in some of these new challenge areas, such minima might not be particularly effective, and the different challenges vary greatly in importance and urgency between the MSs.

More important seems to be to promote the inclusion of many stakeholders in the design and delivery of “new challenge RD policy”, and to discourage over-mobility amongst the officials and official institutions activating, assisting and coordinating such policy at sub-regional level. Perhaps, with the new challenges having been addressed at least initially within current RDPs, the need to establish some stability and real freedom of action at this level for the next programming period will be seen more clearly by both the Commission and by MS ministries.

## References

- Ayers, S. and Pearce, G. (2004) Review of Current West Midlands Strategies and Action Plans. West Midlands Regional Affairs Forum .  
[www.ruralnetworkwm.org.uk/wmraf/meetings/papers/wmraf\\_11/wmraf11\\_10.doc](http://www.ruralnetworkwm.org.uk/wmraf/meetings/papers/wmraf_11/wmraf11_10.doc).
- Chamberlin, S. (2009) *The Transition Timeline for a Local, Resilient Future*. Green Books: Foxhole.
- Curry, N. (2009) The Disempowerment of Empowerment: How Stakeholding Clogs Up Rural Decision-Making, *Space and Polity*, 13(3), 213-232.
- Dwyer, J., Baldock, D., Beaufoy, G., Bennett, H., Lowe, P. and Ward, N. (2003) *Europe's Rural Futures – the Nature of Rural Development II: rural development in an enlarging European Union*. Report for WWF Europe/LUPG agencies. IEEP, London. <http://www.lupg.org.uk/pubs>.
- Dwyer, J., Kirwan, J., Maye, D., Thomson, K.J. and Pereira, S. (2009a) Policy Design. RuDI workpackage 2 report available at [www.rudi-europe.net](http://www.rudi-europe.net).
- Dwyer, J., Simpson, R., Kambites, C., and Powell, J. (2009b) Rural Development Policy Delivery and Governance in England. RuDI workpackage 3 report available at <http://www.rudi-europe.net>.
- Estonian Ministry of Agriculture (EMoA) (2007) *Estonian Rural Development Plan 2007–2013*. Tallinn. [http://www.agri.ee/public/juurkataloog/MAK/RDP\\_2007-2013.pdf](http://www.agri.ee/public/juurkataloog/MAK/RDP_2007-2013.pdf).
- Estonian Rural Network (ERN) (2010) Summary of discussions on the future of rural policy in Estonia. [http://www.maainfo.ee/public/files/Maaelu\\_tulevik\\_parast\\_2013\\_arutelude\\_syntees.pdf](http://www.maainfo.ee/public/files/Maaelu_tulevik_parast_2013_arutelude_syntees.pdf). (in Estonian).
- Eurobarometer (2009) *Europeans, Agriculture and the Common Agricultural Policy*. [http://ec.europa.eu/agriculture/survey/index\\_en.htm](http://ec.europa.eu/agriculture/survey/index_en.htm).
- European Commission (2009) "Health Check" of the Common Agricultural Policy, Directorate General for Agriculture, Brussels. [http://ec.europa.eu/agriculture/healthcheck/index\\_en.htm](http://ec.europa.eu/agriculture/healthcheck/index_en.htm).
- Haskins, Lord (2004) Review of rural delivery in England. HMSO, London.  
[http://www.defra.gov.uk/rural/documents/policy/ruraldelivery/haskins\\_full\\_report.pdf](http://www.defra.gov.uk/rural/documents/policy/ruraldelivery/haskins_full_report.pdf)
- Hopkins, R. (2008) *The Transition Handbook: from Oil Dependency to Local Resilience*. Green Books: Foxhole.
- House of Lords (2010) *Adapting to Climate Change: EU Agriculture and Forestry*, European Union Committee, Eighth Report, Session 2009-10. London.  
<http://www.publications.parliament.uk/pa/ld200910/ldselect/ldcom/91/9102.htm>.
- IEEP (Institute for European Environmental Policy) (2008) CAP Health Check Review: Overview of Key Outcomes. CAP2020 paper, London. <http://cap2020.ieep.eu/2008/12/2/ieep-cap-health-check-review-political-agreement-on-health-check-reached>.
- Mikk, M., Peepson, A. (2009) Policy Design. RuDI workpackage 2 report available at [www.rudi-europe.net](http://www.rudi-europe.net).
- Shucksmith, M., Thomson, K. J. and Roberts, D. (2005) *CAP and the Regions*. Wallingford: CABI.
- State Chancellery of the Republic of Estonia (2010) *Estonian Positions on EU 2020 Strategy*.  
<http://www.riigikantselei.ee/index.php?id=73395>.
- Sullivan, H. (2002) New forms of local accountability: coming to terms with 'many hands'?, *Policy and Politics*, 31(3), 353–369.