



THE RURAL DEVELOPMENT DEBATE

Reflections arising from a draft Italian Position Paper

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Five Aspects of Rural Development Policy



- The role, significance and context of EU rural development policy.
- Relationship with other policies.
- Themes, content and measures.
- Governance questions.
- The debate in the UK.

Significance of Rural Development Policy



- Paper argues that rural development (RD) policy is important, needs attention, critical part of CAP debate. Welcome counterpart to the current focus on the single payment.
- Argues for clearer objectives and a series of reforms, while rural development remains clearly linked to the CAP.
- Suggests that the policy has become over-burdened with objectives, which are not all appropriate, and no new funds should be allocated until a full appraisal takes place.
- Neutral on future scale of funding and distribution between Member States.
- Proposes more emphasis on social and economic aspects of development and on a territorial approach. Helps to interpret “territorial”.

Recognising the New European Context



- New economic and budgetary priorities arising from the recession. More focus on employment and value for money.
- Lisbon 2020 – resource efficiency, innovation, green growth, competitiveness. Relevance of rural development.
- Need for greater coherence with Cohesion Policy.
- Importance of changing role of the CAP and Pillar 1 – focus on public goods.
- Builds on the principle of territorial cohesion – through more differentiated, targeted approach and regional focus.

Other Contextual Questions



- Importance of EU value added. Does this imply more focus on common themes?
- Can we address a wider rural social agenda at EU level without much larger budget and more focus on areas of greatest need?
- Issue of climate change.

Clarifying Objectives



- Desirable to focus on EU “common ground” challenges. But how much scope for national / regional objectives?
- Challenges of competitiveness and employment. Are these not addressed sufficiently in current policy?
- Both environmental and social public goods – How to define “local public goods of a social nature”?
- What policy consequences of stronger urban / rural ties?

Neglected Needs?



- Countering social exclusion.
- Safety and quality of agricultural work.
- Scientific and technological innovation.

Relationship with Pillar 1 of the CAP (1/2)



- Identifies need for holistic approach, less overlap between pillars, more unified delivery to beneficiaries.
- Questions of future role of direct payment. Will they be more targeted on public goods?
- If so, still an important role for programmed, more precise measures, characteristic of pillar 2.

Relationship with Pillar 1 of the CAP (2/2)



- Clear that more targeted territorial measures should be in rural development policy.
- And Article 68 measures are an anomaly unless there is a clear value in linking support to production.
- Co-funding an important issue.
- Safety net policies belong in Pillar 1 not Pillar 2.

Relationship with Cohesion Policy



- Paper recognises need for complementarity while retaining present functions
- Helpful focus on a “Unitary Strategic Framework” for EU funds with Clear thematic priorities.
- Maintain Axes 3 and 4 in EARDF.
- Consequences of greater territorial concentration?

Measures



- How to pursue territorial competitiveness in a more holistic way?
- How to focus on greener and more innovative investment and technologies? Through tighter eligibility requirement?
- Helpful to incorporate environmental priorities into all measures but does this mean end to Axes?
- Need balance between EU and more local environmental priorities.
- What new instruments to encourage future entrepreneurship?
- How to encourage more territorial concentration – national or EU rules?

Governance



- Essential to stress stronger governance and increased capacity at all levels. Don't forget farmers and farm advice.
- But difficult issues of EU funding for Member State public institutions – investment needed on both sides.
- Don't overlook questions of administrative burden arising from more diverse regional programmes – EU accountability remains essential.
- Monitoring and evaluation need common core indicators as well as local ones. Make proposals!

UK Perspectives – No single view



- Within the UK there is considerable support for EU rural development policy, but many variations in view.
- Some variations are territorial e.g. England, Scotland, Wales, Northern Ireland.
- Some more functional e.g. countryside agencies (Land Use Policy Group) have strong vision; more cautious voice from the Treasury.
- Support for stronger public goods and environmental focus, e.g. in Defra amongst NGOs. This is reflected in voluntary modulation and current RDP.

Some UK Issues - Budgetary



- Overall level of EU expenditure on the CAP considered too high by government.
- Emphasis on value for money and clear rationale for EU interventions.
- The small share of EAFRD budget allocated to the UK is a problem hence the question of voluntary modulation.

UK Issues – Policy design and performance



- More oriented to environmental than social public goods.
- Supportive of EU environmental objectives, including climate change – but sceptical about a special Axis for climate.
- Active debate around public goods; cooperation between environmental and landowning interests in support of a greener but substantial budget.
- Considerable investment in monitoring and evaluation.
- Some useful literature for those interested!