

RURAL PACT - POLICY ACTION LAB

Challenges of monitoring funding in rural areas. Learnings from the study on funding for EU rural areas

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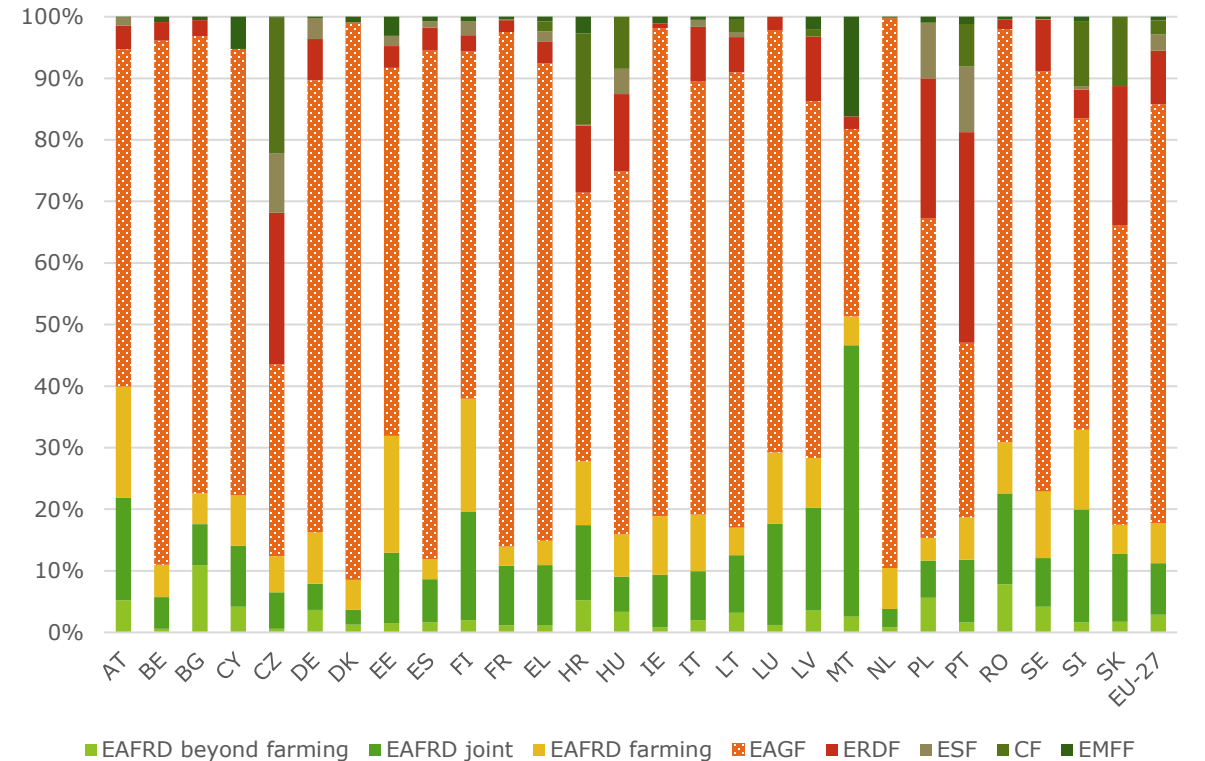
Brussels, 28 November 2024

Member State rural area approaches

- ▶ Based on case study analysis
- ▶ Holistic approaches:
 - ▶ Specific schemes to support rural areas with
 - ▶ a set of specific objectives and vision for rural areas
 - ▶ a refined definition of rural areas
 - ▶ specific consideration of rural investments beyond sectoral support
 - ▶ dedicated funds allocated to rural areas
 - ▶ France, Ireland, Italy and Spain
- ▶ Strong political commitment:
 - ▶ No holistic approach, but presence of general frameworks to support rural development designed at national level
 - ▶ Austria, France, Finland and Czechia (*CZ can be considered as holistic for 2023-2027*)
- ▶ Other approaches:
 - ▶ MS with thematically focussed approaches and no distinct targeting of rural areas
 - ▶ Portugal, Germany, Romania, Croatia and Bulgaria

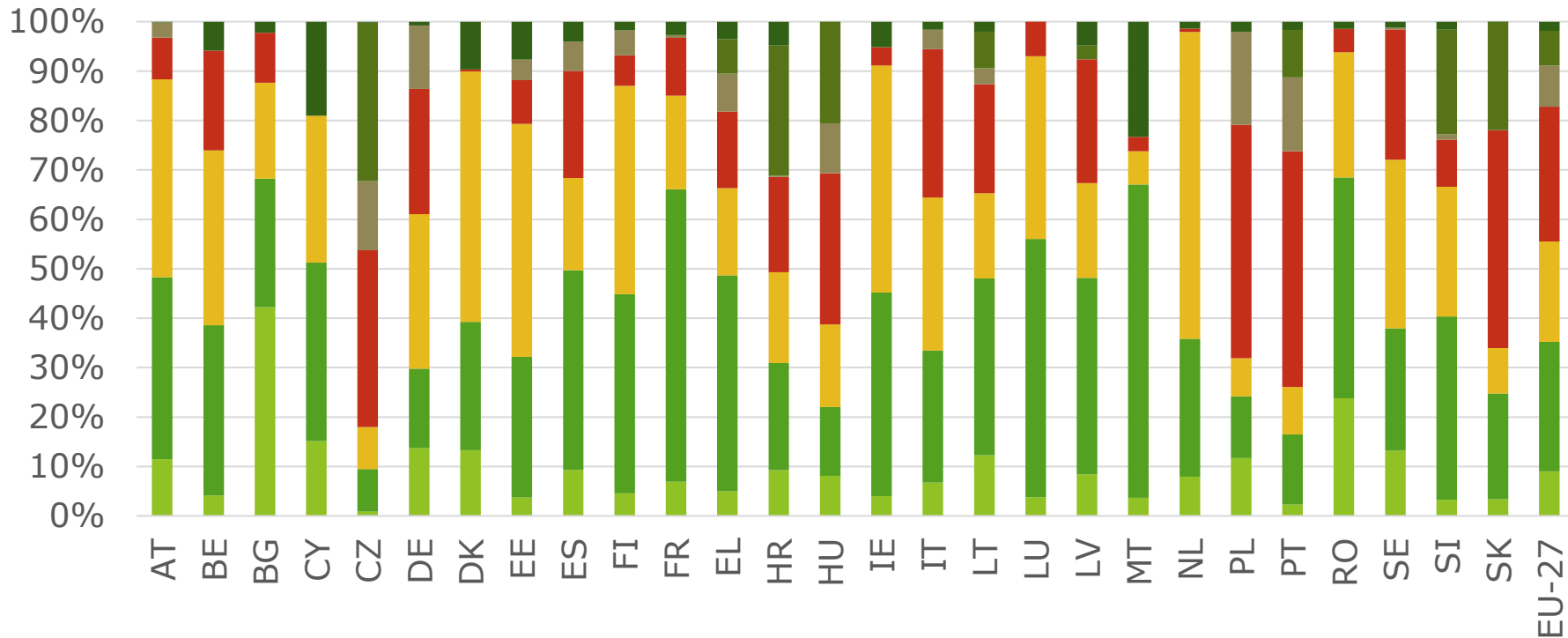
Integration of EU funding in rural areas (including 1st Pillar)

- ▶ Significant funding is channelled to rural and intermediate regions via the CAP 2014-2022 and the other ESIF 2014-2020
- ▶ For stronger, connected rural areas, Cohesion Policy plays an important role; resilient and prosperous rural areas see high importance of EAFRD on-farm/joint support
- ▶ In remote/constrained rural regions: EAGF and EAFRD remain largest funding sources
- ▶ However, explicit targeting of remote/constrained rural regions by CAP/EU funding not wide-spread across CS



Funding in rural and intermediate regions (average annual expenditure 2014-2021, relative split) CAP and other ESIF; Cohesion Data and CATS paid EU expenditure

Integration of EU funding in rural areas (excluding 1st Pillar)



Note:

- ▶ Rural development beyond farming - RD support targeting broader rural development
- ▶ Joint support - RD support able to target rural development and provide sectoral support
- ▶ Farming - sectoral support to the farm sector

■ EAFRD beyond farming
 ■ EAFRD joint
 ■ EAFRD farming
 ■ ERDF
 ■ ESF
 ■ CF
 ■ EMFF

Funding in rural and intermediate regions (average paid out annual expenditure 2014-2021, relative split) CAP and other ESIF; Cohesion Data and CATS paid EU expenditure

Some relevant lessons for monitoring Funds

- ▶ Application of **more targeted and refined definitions** of rural areas in strategic frameworks for rural areas by Member States
- ▶ Increased attention to the funding needs of remote and constrained rural regions from EAFRD, and cohesion policy support as well. Need for a specific analysis of funds addressed to these areas
- ▶ Need for information at a lower level of granularity than NUTS3

What information and at which territorial unit

- ▶ NUTS3 level greatly insufficient to make analysis of public spending
- ▶ High heterogeneity of NUTS3 regions between countries and within the same country (internal heterogeneity)
- ▶ Need for collecting and processing information at LAU level
- ▶ LAU level should be the minimum common territorial basis for all Funds
- ▶ LAU would make it possible comparison between territorial targeting from different Funds
- ▶ Some problems of comparability arise with ERDF (no specific territorial targets and scope larger than LAU)

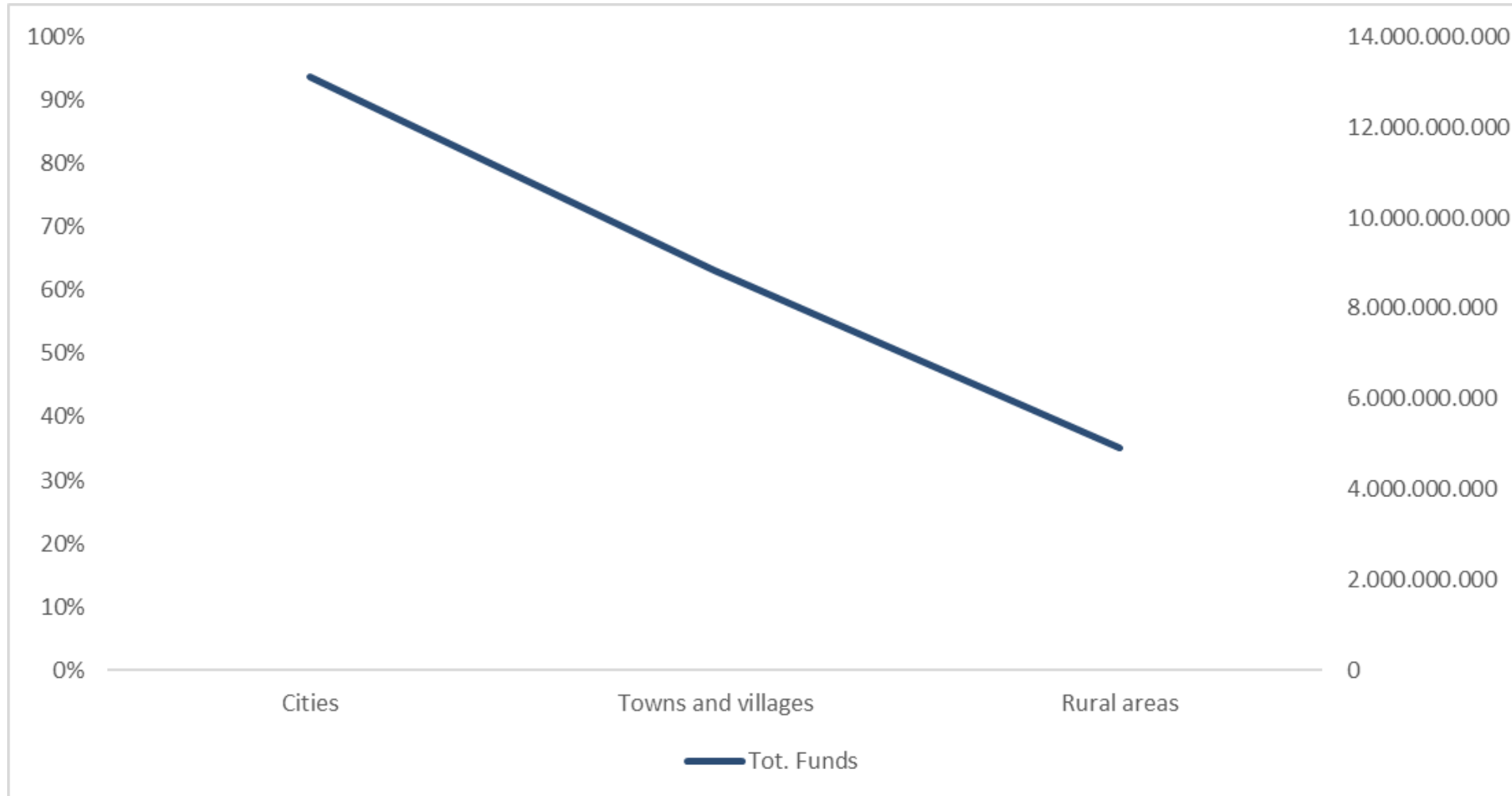
Need for common information from different Funds, based on the individual beneficiary of the support

- ▶ Type of beneficiary (private/public and nature of beneficiary)
- ▶ Demographic characteristics (gender, age, education)
- ▶ Structural characteristics (NACE, economic size)
- ▶ Localisation of the supported beneficiary (LAU code)
- ▶ Public support (EU/national, planned, committed, paid)
- ▶ Typologies of support (general and specific for each Fund)
- ▶ Process of delivery (types of call, dates of implementing phase)

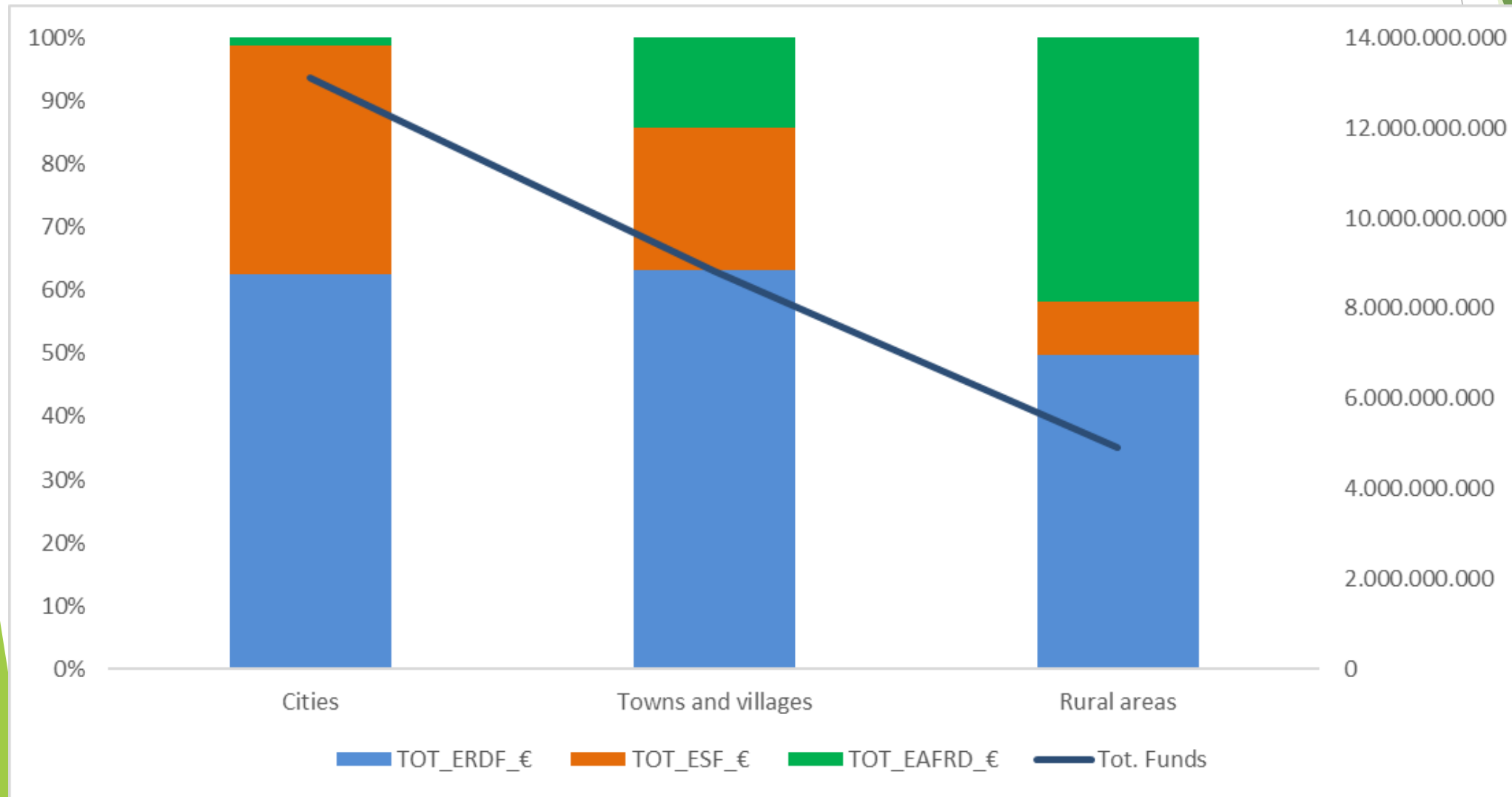
Implications for the agenda of the years to come

- ▶ Exploiting the current data sources:
 - EAFRD and EAFG (Paying Agency)
 - ERDF and ESF (National databases)
- ▶ Revising the minimum territorial unit to gather beneficiary information
 - moving from NUTS3 to LAU
 - necessary adjustments for Funds with larger territorial scope (ERDF)
- ▶ Use the spending data to compare different territorial allocations (DEGURBA classification, CAP SP definitions, OECD definitions, others)
- ▶ Actions promoting higher coordination among Funds in data gathering and provision, even within a setting of funding specificities

Which allocation between Cities, Town and Villages and Rural Areas? A recent analysis focusing the Italian case

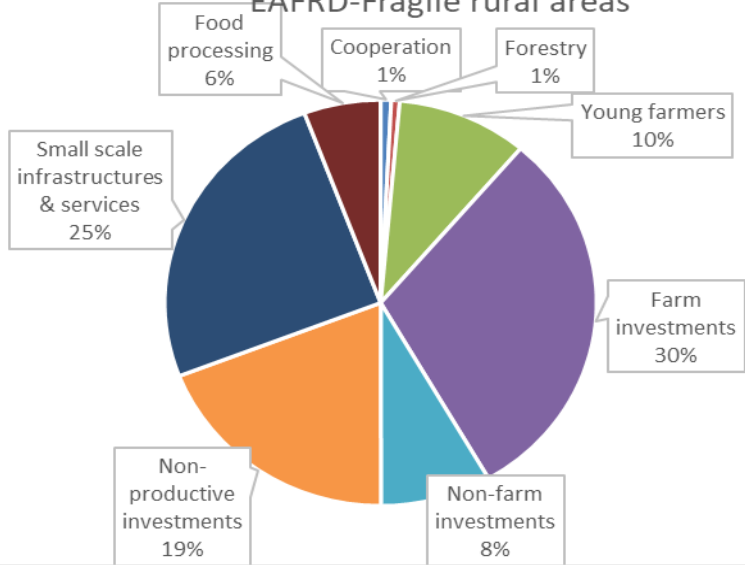


What allocation between Cities, Town and Villages and Rural Areas? A recent analysis focusing the Italian case

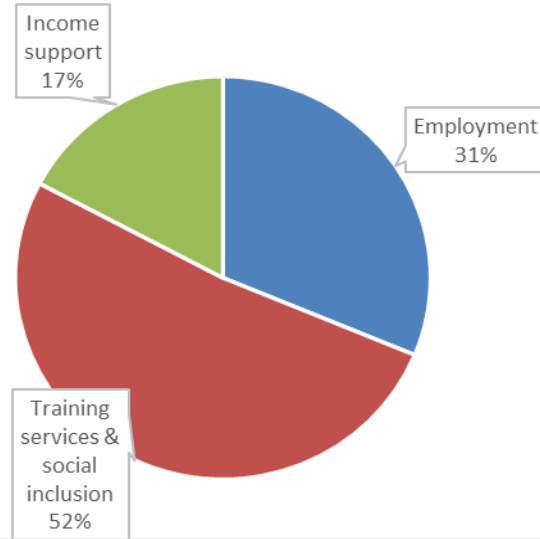


Funds allocation in different Italian rural areas

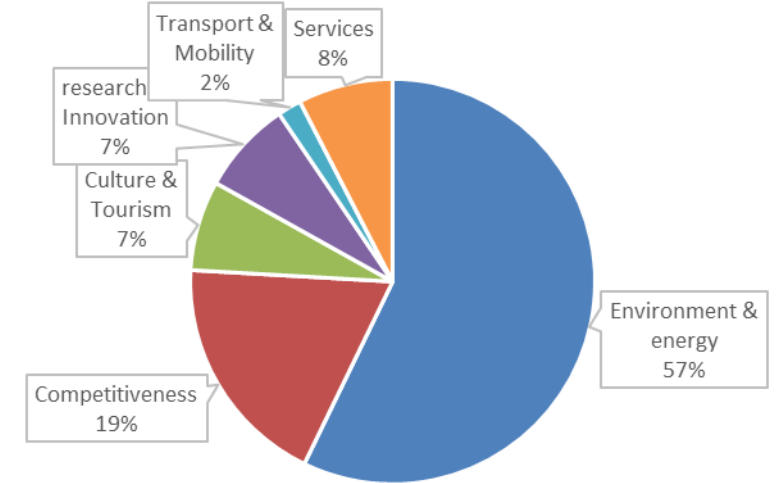
EAFRD-Fragile rural areas



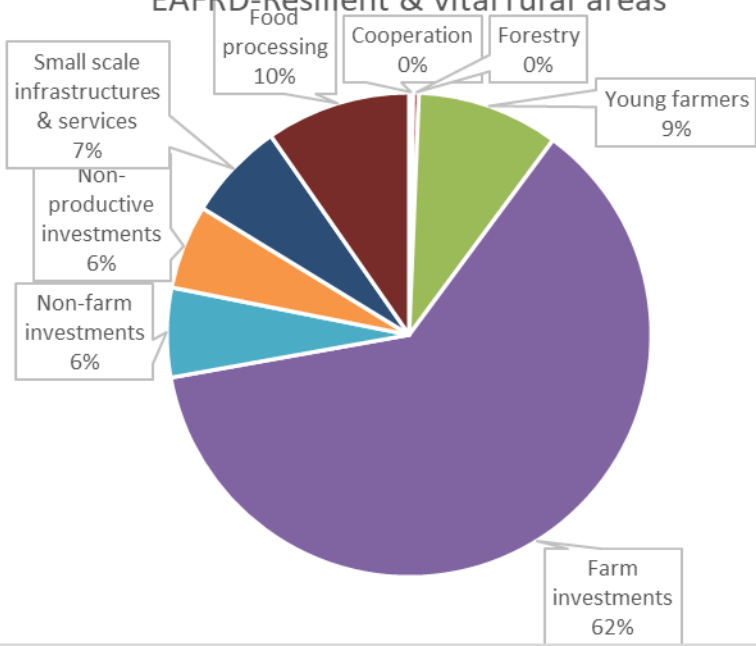
ESF-Fragile rural areas



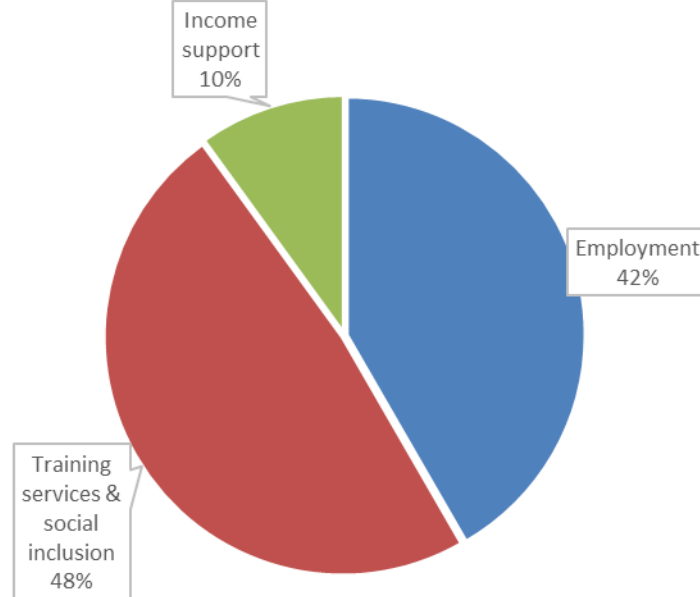
ERDF-Fragile rural areas



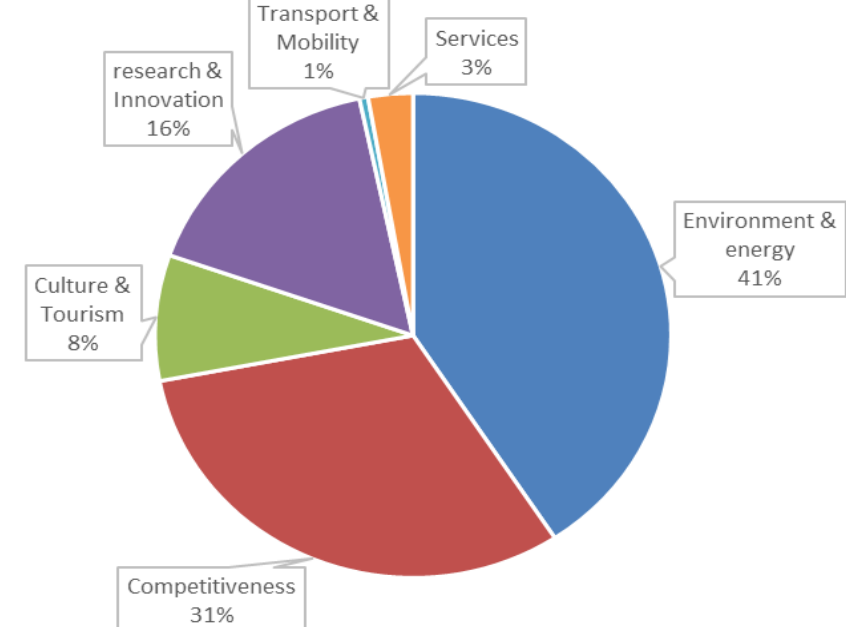
EAFRD-Resilient & vital rural areas



ESF-Resilient & vital rural areas

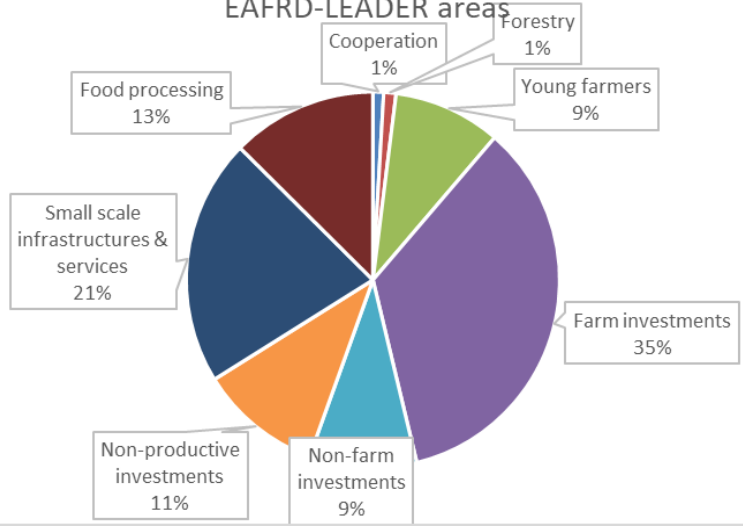


ERDF-Resilient and vital rural areas

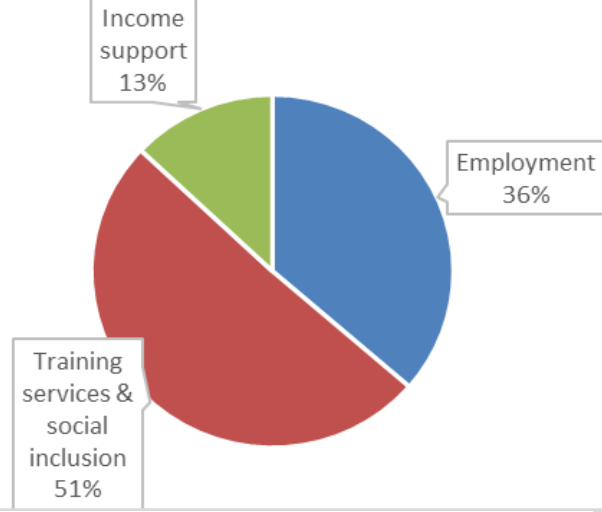


Fund allocation in LEADER and non-LEADER areas

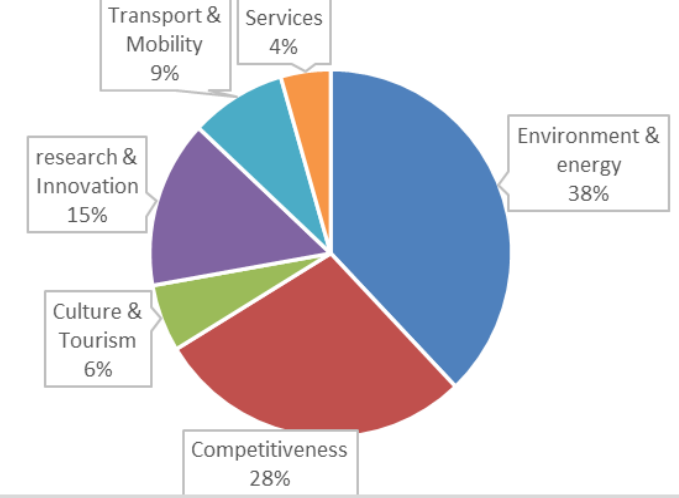
EAFRD-LEADER areas



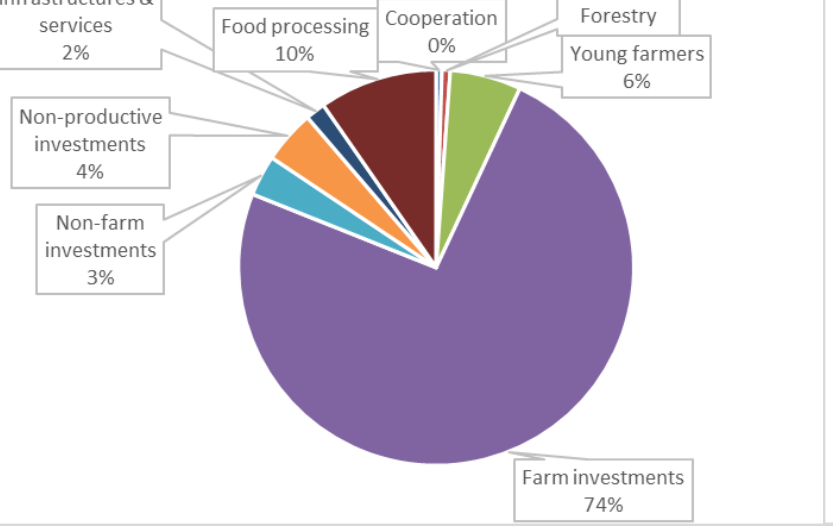
ESF- LEADER areas



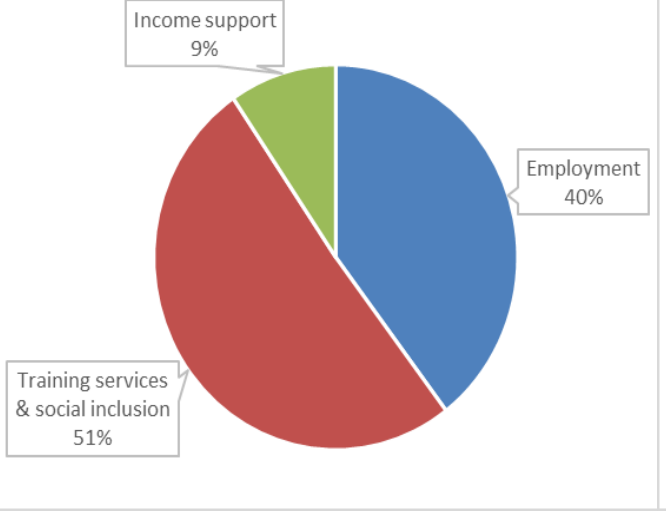
ERDF- LEADER areas



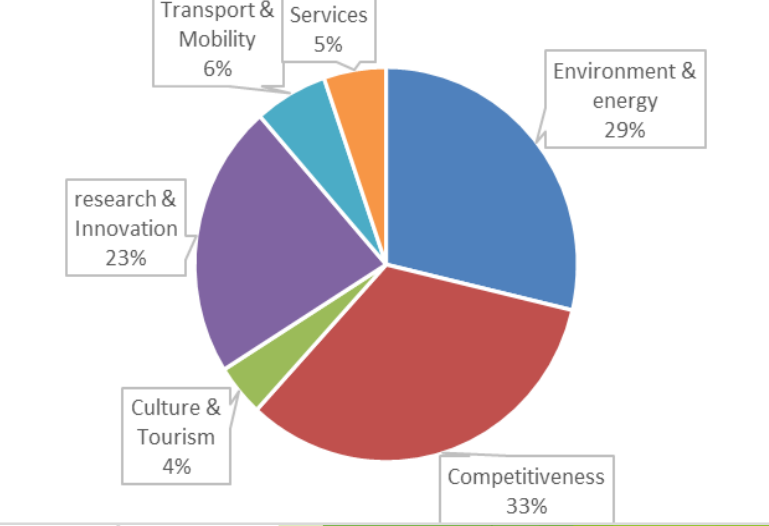
EAFRD Rural areas & Towns and villages NO LEADER



ESF Rural areas & Towns and villages NO LEADER



ERDF Rural areas & Towns and villages NO LEADER



Thanks for your attention!!

For further information:

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