



POLICY LAB

ENHANCING POLICY COORDINATION FOR VIBRANT RURAL AREAS: LEARNING FROM EXPERIENCE TO BUILD A SUSTAINABLE RURAL FUTURE

OECD Principles on Rural Policy

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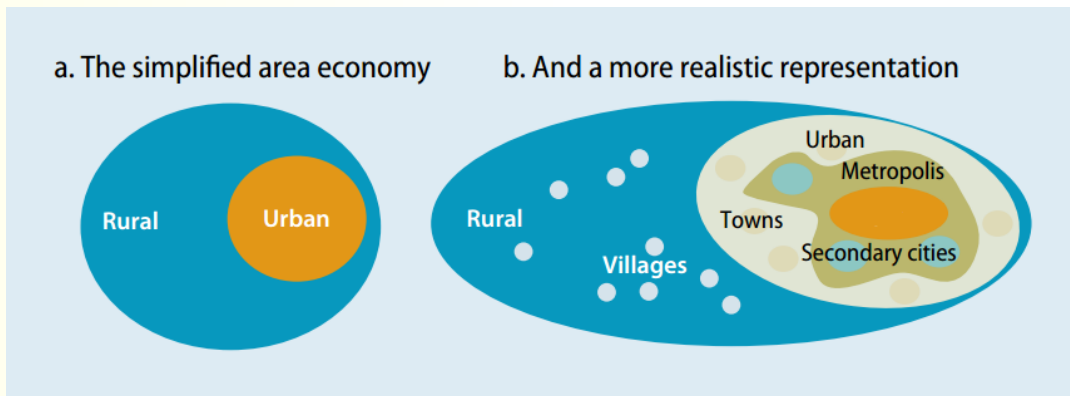
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Recognising the diversity of rural...

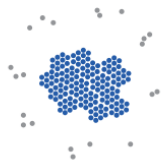


Three types of rural regions

Rural inside the functional urban area (FUA)¹

Rural outside but in close proximity to the FUA²

Rural is remote from the FUA³

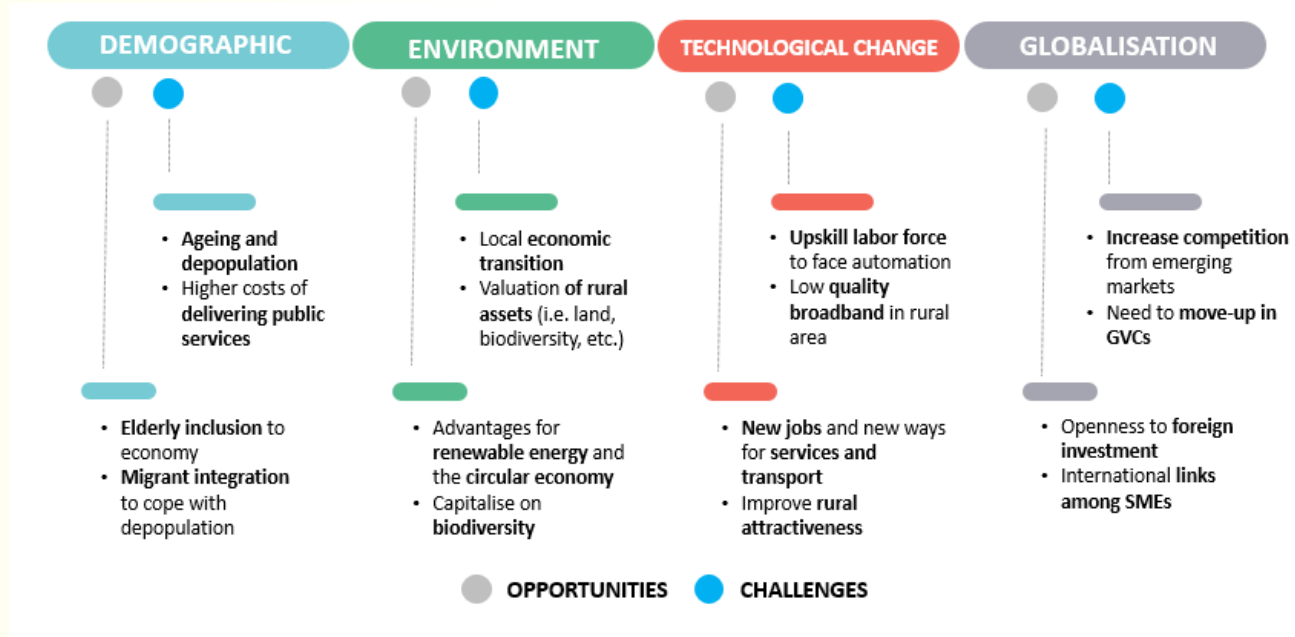


Challenges by type of rural region

Type	Challenges	Opportunities
Rural inside a functional urban area (FUA)	<ul style="list-style-type: none"> loss of control over the future activities concentrate in the urban core loss of rural identity 	<ul style="list-style-type: none"> more stable future potential to capture benefits of urban areas while avoiding the negatives
Rural outside, but in close proximity to a FUA	<ul style="list-style-type: none"> conflicts between new residents and locals may be too far away for some firms, but too close for others 	<ul style="list-style-type: none"> potential to attract high-income households seeking a high quality of life relatively easy access to advanced services and urban culture good access to transport
Rural remote	<ul style="list-style-type: none"> highly specialised economies subject to booms and busts limited connectivity and large distances between settlements high per capita costs of services 	<ul style="list-style-type: none"> absolute advantage in production of natural resource-based outputs attractive for firms that need access to an urban area, but not on a daily basis can offer unique environments that can be attractive to firms and individuals



Rural places are facing complex challenges...



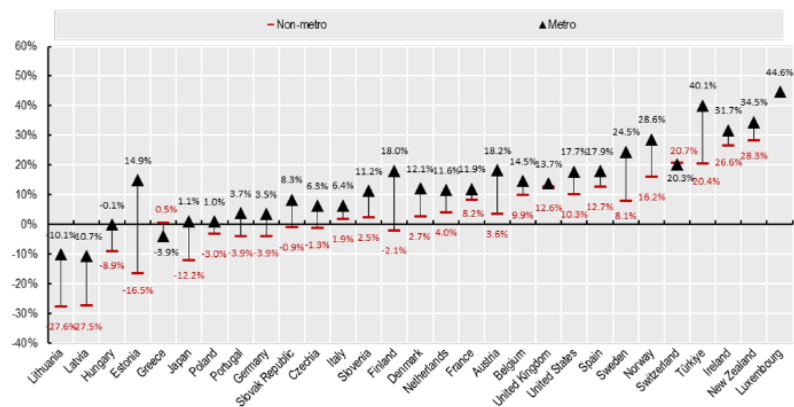
Compounded effects of Megatrends and economic shocks



Compound effects of megatrends and shocks...

Figure 2. Population growth, 2001-2021

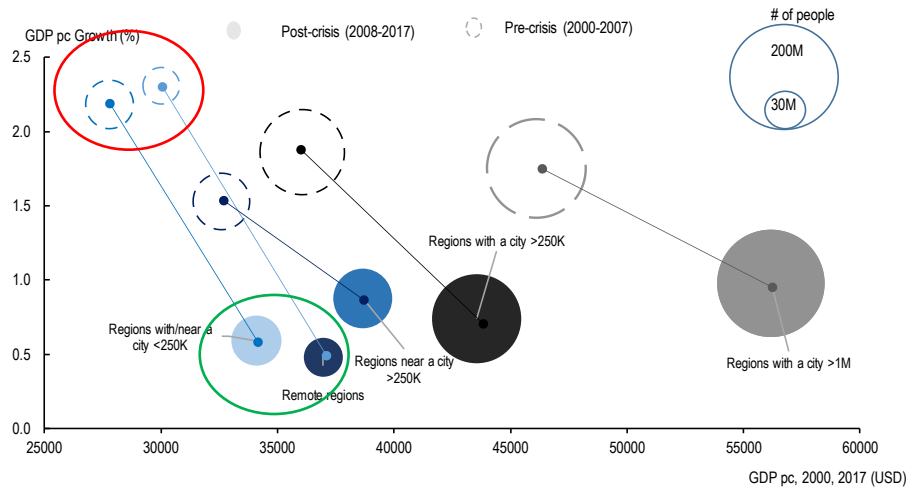
Relative population change



Note: The average figure inside countries is population weighted averages.
Source: Own calculations based on the OECD Regional Database

Rural-urban divides have grown since the global financial crisis

- The income gap increase by 15% between 2008 and 2020.



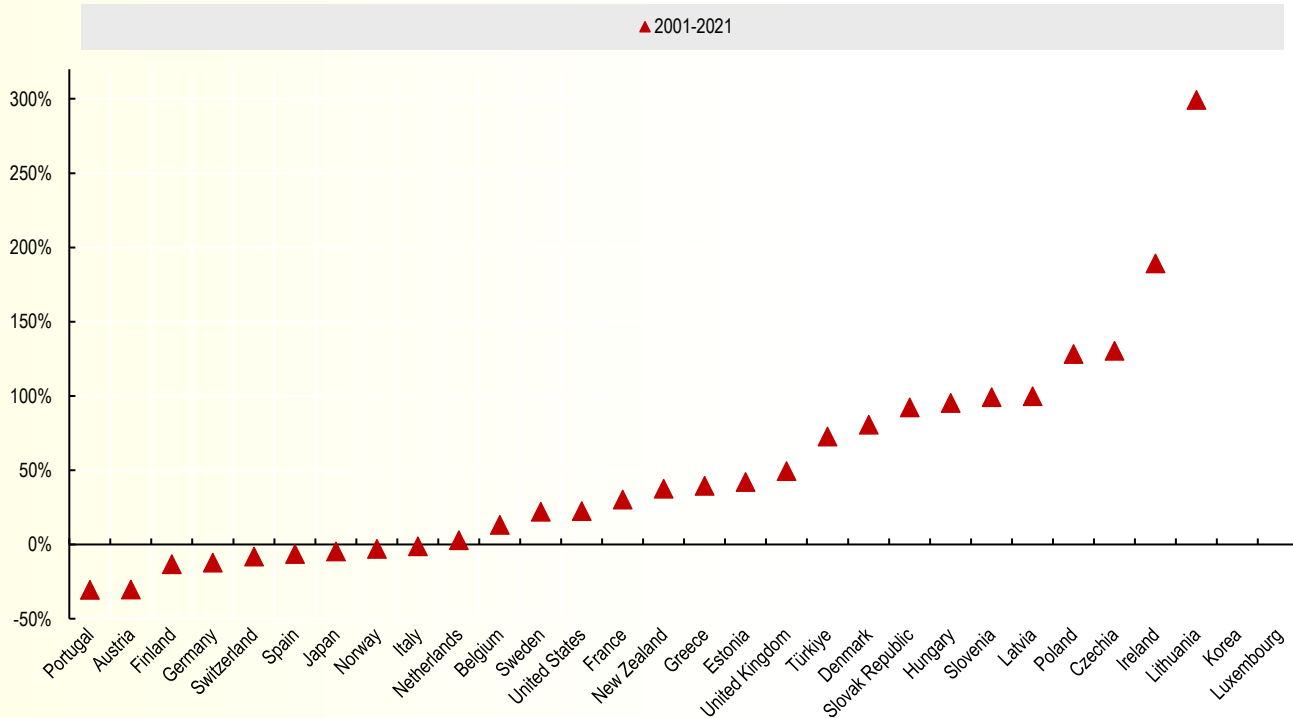
Demographic challenges are higher in rural

- 40% of remote regions in the OECD are shrinking
- 47% of rural close to medium and small metro are shrinking.



The gap in GDP pc between metro and non-metro has been rising

Change in the GDP pc gap between metro and non-metro regions

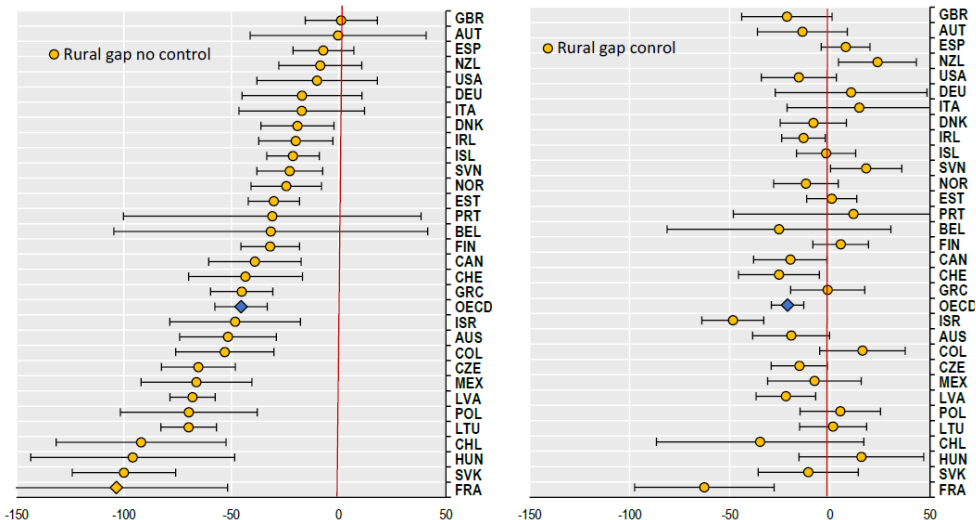


- The gap increased in **18 countries** during the past 2 decades.
- In 8 country the reduction was very small
- Only **3 countries** experience a substantial decrease in the gap



Gaps in PISA scores between urban and non-urban

PISA reading scores gaps between rural and urban areas, 2022



Source: Own calculations based on the OECD PISA Database

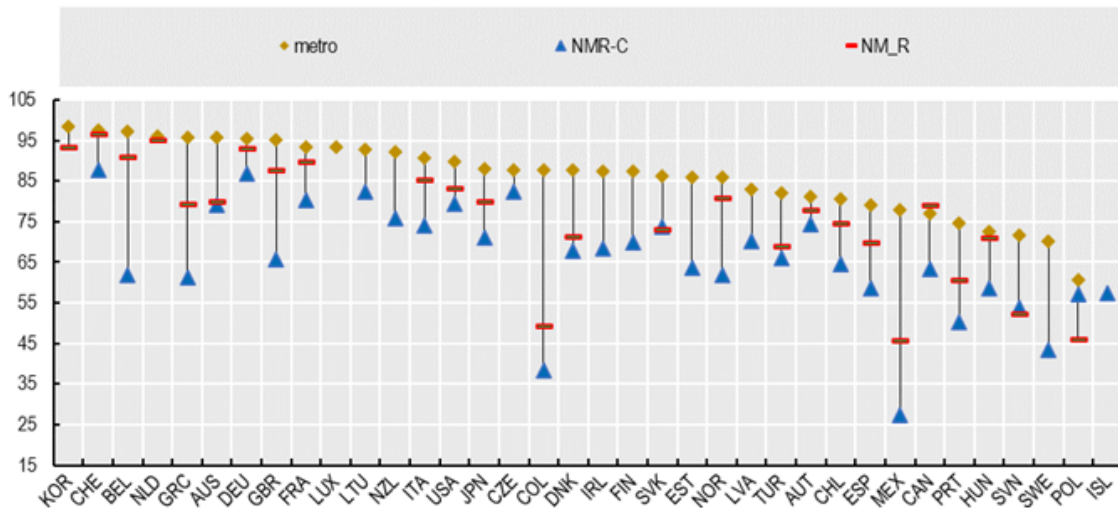
The gap in **PISA scores remain significant** but depends on socio-economic indicators.

- Gaps are **48 points higher** in urban (**1 year of schooling**)
- When controlling for socioeconomic gap is reduced **21-point difference**, roughly (**half a year of schooling**)
- In 10 countries rural scores outperformed urban scores after controlling for socio-economic background



Gaps in health outcomes

Percentage of population within a 20-minute drive from a hospital, by type of region, small regions (TL3), 2022



Note: "M" refers to metropolitan regions (MR). "NMR-C" includes only regions near a FUA larger than 250k (NMR-M), and "NM-R" includes both regions near a FUA smaller than 250k (NMR-S) and remote regions (NMR-R).

Source: Regions and Cities at a Glance (OECD, 2022^[8])

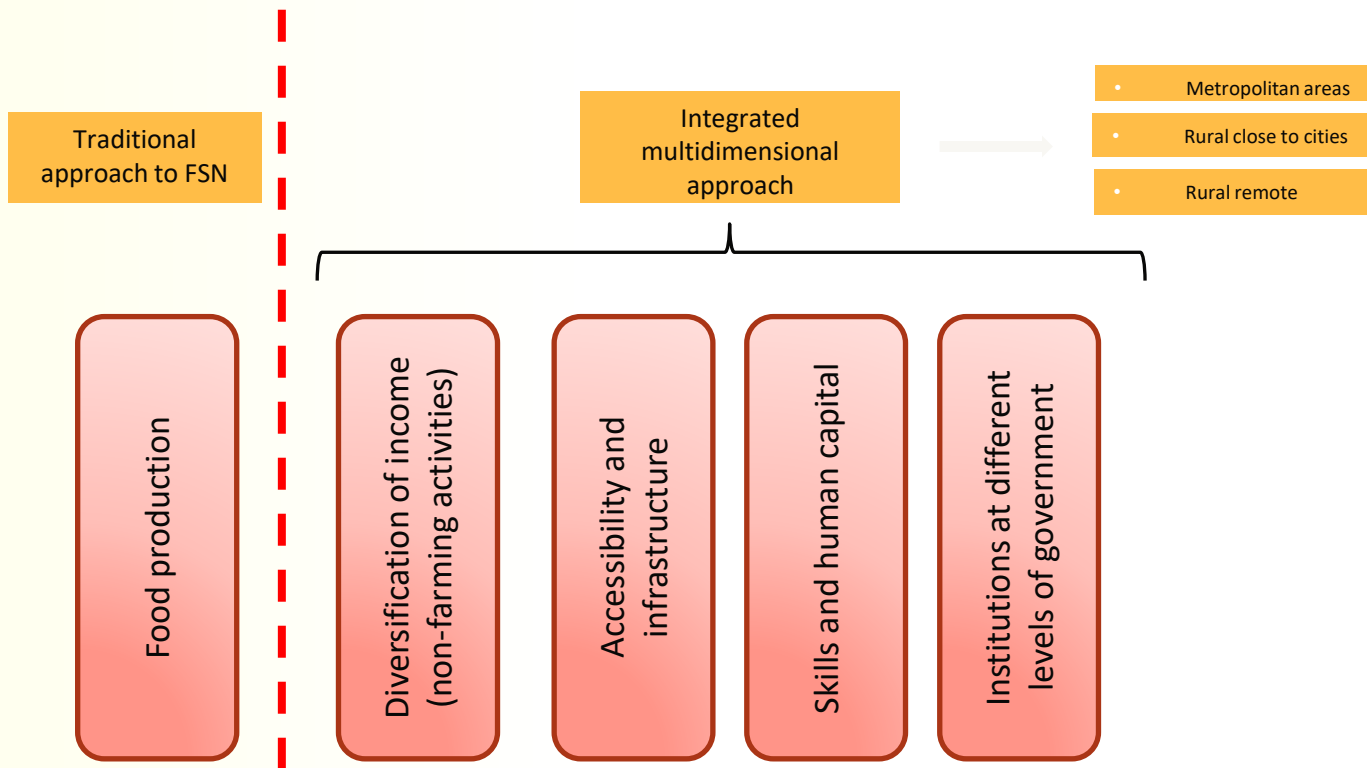


Summary of trends...

- Demographic challenges are stronger in rural
- There are significant gaps in income per capita and productivity
- Gaps are also significant in enabling factors
 - Digital gaps
 - Digital skills
 - Education
 - Health
- Gaps are also present in new opportunities
 - Remote working
 - Transition to the green economy

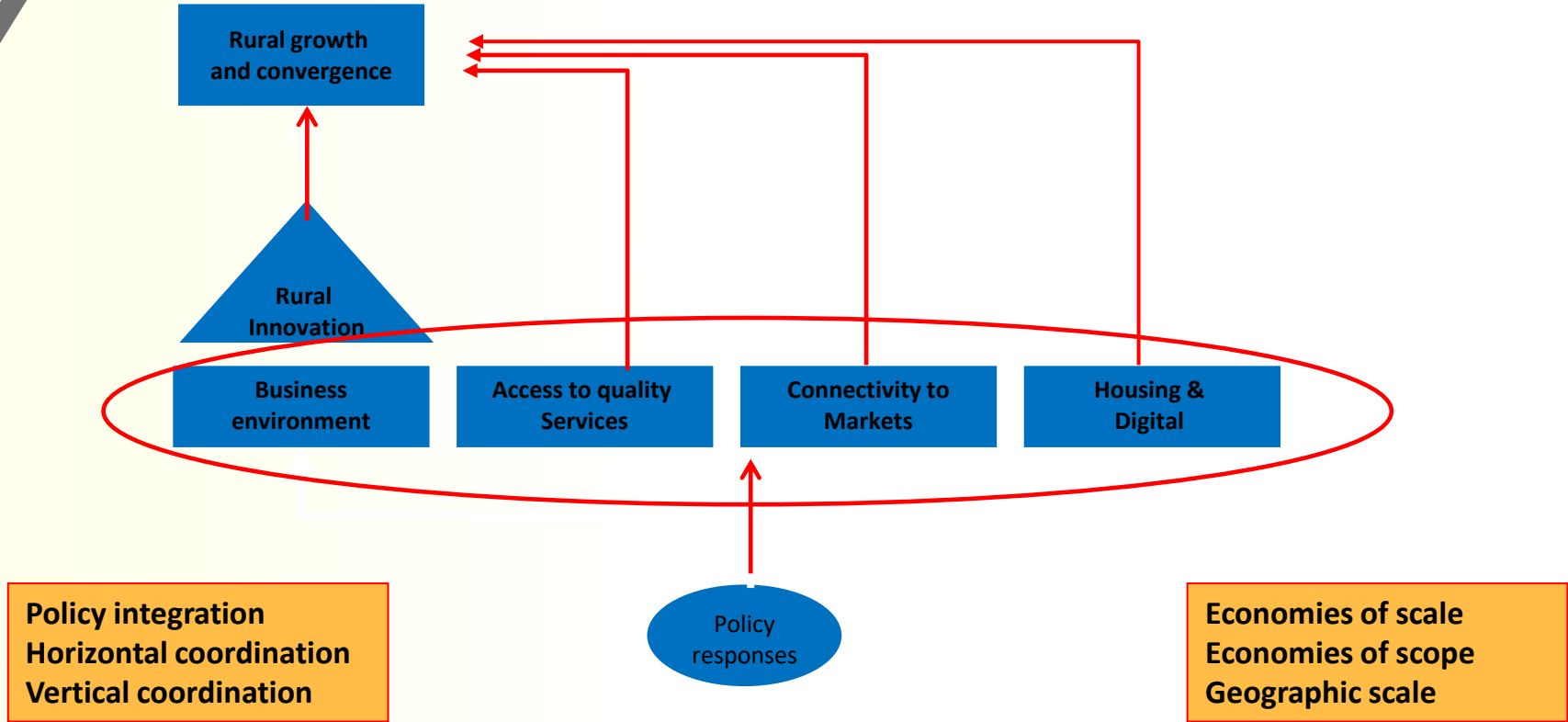


Integrating national rural policies: isolated sectoral action may have unintended outcomes.





Towards a Multidimensional Response

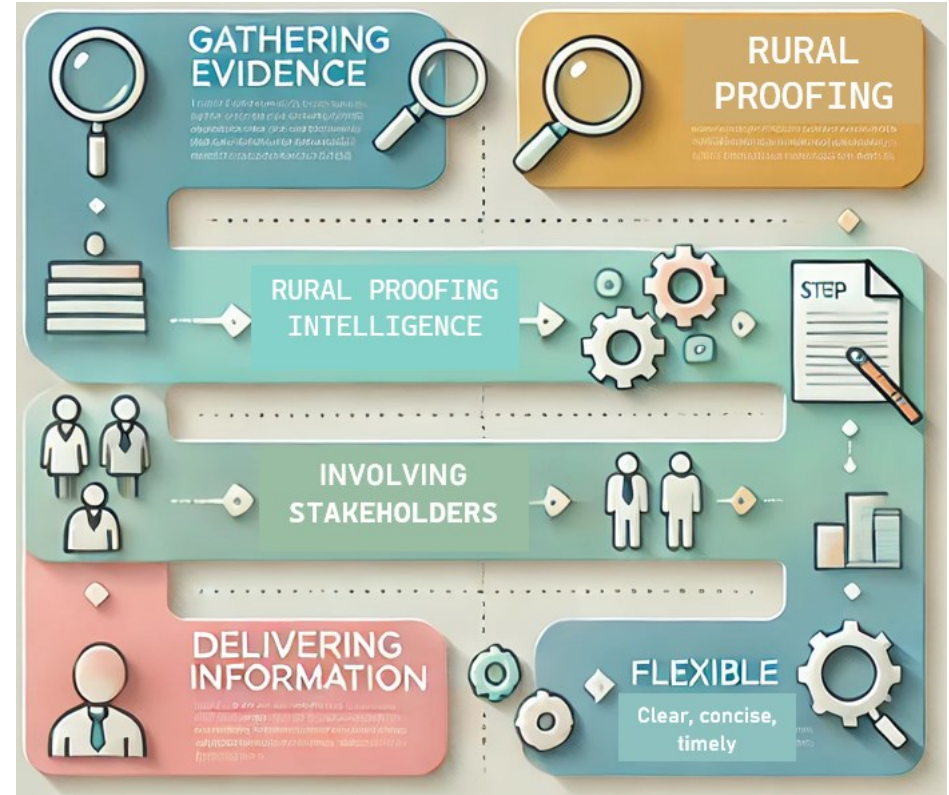




Rural Proofing – how does it work?

- Three pillars:
 - **Gathering evidence**
 - **Involving stakeholders**
 - **Delivering Information**

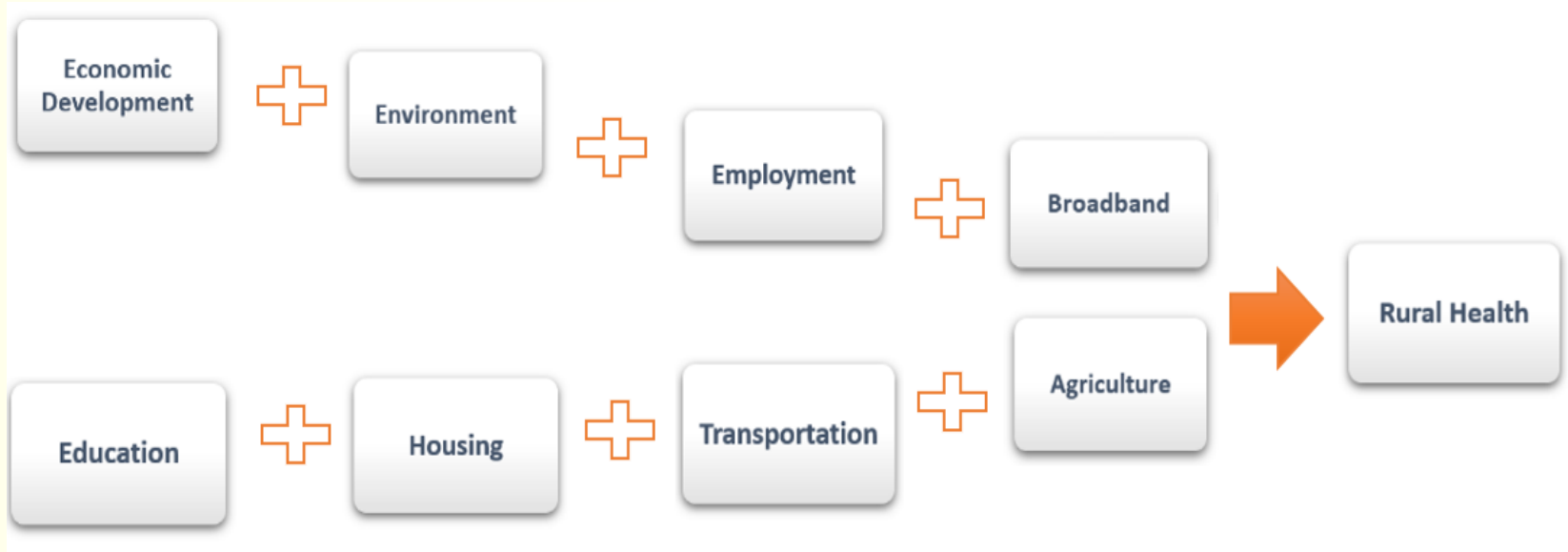
- Outputs should be
 - **clear,**
 - **concise, and**
 - **timely**





Rural development – cross government

- Different departments





State of rural – importance of data

2. Living in the countryside

- 2.1 Introduction
- 2.2 Population and migration
- 2.3 Access to services
- 2.4 Transport and travel
- 2.5 Housing and homelessness
- 2.6 Health and healthcare
- 2.7 Education
- 2.8 Community strength

3. The economy in rural England

- 3.1 Introduction
- 3.2 Income and expenditure
- 3.3 Employment
- 3.4 Enterprise and entrepreneurship

4. Land and the environment

- 4.1 Introduction
- 4.2 Land use and development
- 4.3 Farming and forestry
- 4.4 Environment quality
- 4.5 Leisure and recreation
- 4.6 Climate change



Rural intelligence towards co-creation

Potential Impact of the proposed policy action

Type: data specific to the policy action e.g., climate change, transportation

Purpose: provide guidance on the potential impact of that specific action on rural areas

When should it be used: also in the early stages, when working with lead agency on the policy action.

Value added of rural

Type: data on the links between rural and the department specific policy objectives

Purpose: show the benefits of working with rural communities

When should it be used: (1) rural proofer or lead agency does not see why they need to work with rural areas. (2) to help to show rural in a different light – changes the rural narrative from negative to positive



Rural Proofing – collaboration and participation

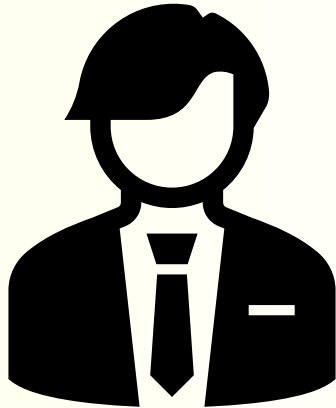
- Citizen engagement can help combine pragmatic government approach with other types of knowledge to increase relevance and impact:
- Support and inform the development of tools
- Helps with communication, buy-in and managing expectations.
 - Is there a channel to engage with rural stakeholders?
 - Is it set up, early enough in the process to inform guidance?





Rural Proofing – *Rural proofer*

Consider the “end user” – the rural proofer



Public servants are often responsible for "rural proofing,"

- overburdened and under-resourced.
- rural proofing may involve extra steps and activities that could be seen as burdensome,
- involving public servants in the design process will facilitate buy-in and tools that make sense for them



Factors that could increase the effectiveness of rural proofing

1. Develop clear objectives and tailored supporting tools
2. Adopt a “pilot study” approach – learn from sub-optimal short-term results
3. Build a model that is less dependent on political commitment over time
4. Change the rural narrative – from negative “*rural needs help*” to positive “” *rural is a place of untapped opportunities*”
6. Consider the context, if rural proofing is new maybe a targeted issue is more suitable than an all of government approach
7. Design the rural proofing model with the public servant “end user” in mind
8. Encourage the collection of different types of data to support rural proofing
9. Be flexible – there is no one size fits all rural proofing model
10. Measure success but set realistic expectations



The Rural Well-being Framework: a people centred approach



ECONOMY

Enhancing productivity and competitiveness

- Deepening **smart specialisation** strategies and **promoting innovation**.
- Supporting **SME growth**
- Facilitating access to **sources of financing** for rural firms.
- Retaining **more value** in rural communities

- Enhancing the quality and availability of **digital tools** and skills
- Designing **resilient services** and providing **targeted mentoring initiatives**
- **Developing 'silver'** services to support the elderly population
- **Supporting social innovations** that target societal challenges
- Developing **targeted programmes for youth and newcomers**

SOCIAL

Planning to demographic change and social innovation



ENVIRONMENTAL

Shifting to a zero-carbon economy

- Facilitating the **development of renewable energies**
- Identifying ways to account for and **create value from eco-system services**
- Promoting **sustainable land-use** a part of the circular and bio-economy.
- **Rethinking transportation** for rural dwellers



11 Principles on Rural Policy: Scale, Strategy, Stakeholders





Chile

Política Nacional de Desarrollo Rural*

Mejorar la calidad de vida y aumentar las oportunidades



1. Bienestar Social

Disminuir las brechas de acceso a bienes y servicios



2. Oportunidades económicas

Mejorar el desempeño y dinamismo local



3. Sustentabilidad medioambiental

Valorar los espacios naturales y gestionar sus riesgos



4. Cultura e identidad

Resguardar y poner en valor el patrimonio material e inmaterial

* DECRETO SUPREMO N.19 DEL
MINISTERIO DEL INTERIOR Y
SEGURIDAD PÚBLICA 20.01.2020

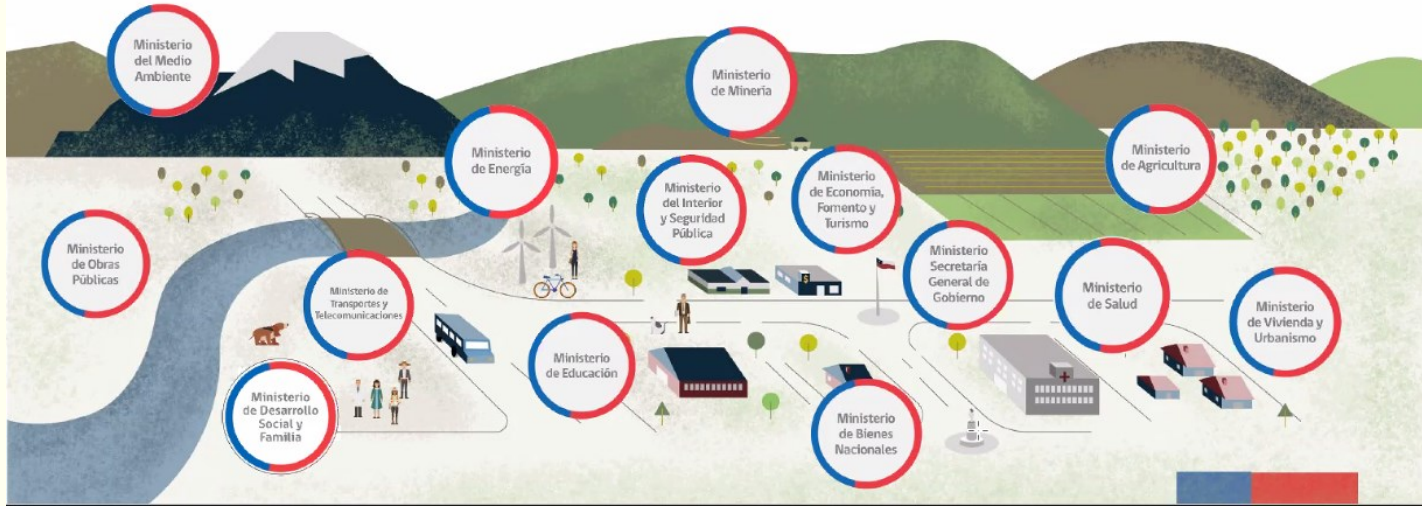
Gobernanza



Chile

Política Nacional de Desarrollo Rural

Acción coordinada interministerial



Canada's Rural Economic Development Strategy

- Released in 2019, the Strategy outlines a whole-of-government approach to meet the economic, social development and sustainability needs of rural Canada, with contributions from 21 departments and agencies, built around three themes: **places**, **people**, and **partnerships**.

PLACES

Building Rural Communities

- Expanding broadband and mobile connectivity
- Renewing infrastructure and building climate resilience
- Strengthening local economies and helping firms affected by the pandemic

PEOPLE

Supporting Rural Canadians

- Helping newcomers to rural communities
- Building affordable housing and investing in public transit
- Helping women return to work and investing in early learning and childcare

PARTNERSHIPS

Working Together, Better

- Integrating rural perspectives into federal policies and decisions
- Working horizontally to improve access to federal programs and services
- Ensuring that federal investments benefit rural communities

Advancing the Rural Economic Development Strategy

(Working with Government of Canada Departments and Agencies)

Connectivity

- Universal Broadband Fund (**ISED**)

Housing

- National Housing Strategy/Housing Accelerator Fund (**CMHC, HICC**)
- Urban, Rural and Northern Indigenous Housing Strategy (**CMHC, HICC**)
- Regional Homebuilding Innovation Initiative (**RDAs**)

Rural Transit & Infrastructure

- Investing in Canada Plan – Rural & Northern Infrastructure Stream (**HICC**)
- Rural Transit Solutions Fund / Canada Public Transit Fund (**HICC**)
- Air Access (**TC/RDAs**)

Rural Lens in Federal Policies and Programs

- Enhanced GBA Plus Framework (**WAGE**)

Health

- Access to Rural Mental Health (**HC**)
- Oral Health Access Fund (**HC**)
- Canada Student Loan Forgiveness for Family Doctors and Nurses (**ESDC**)

Immigration

- Rural and Northern Immigration (**IRCC**)
- Temporary Foreign Workers and International Students (**ESDC/IRCC**)

Climate Resiliency

- Clean Energy for Rural and Remote Communities (**NRCan**)

US and USDA Integrated into Program Delivery

The Key Priorities are integrated into existing processes and work.



Funding
Notices

Regulations
Planning

Regulations

Outreach
and
Engagement

Partnering

US and USDA Continued Partnership Across U.S. Government Agencies



Interagency Working Group on
Coal & Power Plant Communities
& Economic Revitalization



- **Joint Customer Resource Guides**
- **Joint Funding Fairs and Webinars**
- **Stacking or Braiding of Program Funds for Projects**
- **Engaging Distressed and Disadvantaged Communities**
- **Connecting customers to each others programs**
- **Memorandums of Understanding**
- **Policy Coordination**
- **Information Sharing**

Effective policy responses for rural places



Economic measures:

- Improve availability of **data** and **information**.
- Incentives and measures to support **rural entrepreneurs** and **businesses** including skills and digital skills.
- Promote tech in agriculture and rural economy for **added value** and promote **rural eco-system**.
- Develop effective **public and private partnerships** and civil society.

Better access to markets and planning:

- **Invest** in roads, railways, and quality internet to improve connectivity.
- **Planning** -- adaptation and mitigation to climate change and extreme weather (scenario building, foresight, planning & response measures).

Enhanced quality of life and building capacity:

- **Services** -- promote affordable housing and utilise telemedicine and online learning for better healthcare and education.
- **Capacity building & partnerships** -- empower local governments and communities to tailor and implement effective programs.



Thank you!

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