

**POLICY ACTION LAB** 









**Highlights report** 

# **Enhancing policy coordination for vibrant** rural areas: Learning from experience to build a sustainable rural future

#### Introduction

The Policy Action Lab organised by the Rural Pact Support Office (RPSO), with DG AGRI and DG REGIO, brought together around 130 participants from 25 European countries. The event addressed two questions of the EC report on the implementation of the rural vision.

- identifying policy tools to ensure integrated support for rural areas at all levels, based on lessons from existing national and regional strategies and action plans;
- improving the availability of information on rural policy tools and funding streams, without increasing the administrative burden.

**Organiser:** Rural Pact Support Office



28 November 2024



Brussels (Belgium)



Around 130 (policymakers, public authorities, local practitioners, researchers and civil society representatives)



Presentations & recordings (here)



If you see this icon, click to watch the recording

#### Main highlights from the event

#### Policy coordination and multi-level governance

- > The EU rural vision should be translated into a long-term strategy at EU, national and regional levels, with a dedicated budget and action plan.
- A dedicated rural funding instrument ('Rural Fund') with a minimum allocation would safeguard support for rural areas in the next programming period and contribute to the rural vision 2040.



- > **Strengthened rural proofing** of legislative and non-legislative initiatives at EU, national and regional levels is needed.
- > **Enhanced horizontal and vertical coordination mechanisms** (across policy departments and from EU to local levels) are needed for better policy design and implementation and national and regional levels. The EU institutions should **lead by example**, strengthening the coordination of rural policies across departments.
- > **Listening to rural voices:** policies must reflect the diverse needs of local people and provide support beyond traditional sectors such as agriculture, food and forestry.
- **Local stakeholder engagement**: policies and funding must prioritise the involvement of local communities and civil society, not only in design, but also in implementation and monitoring.
- > **Simplified access to funding for rural communities**: improved information on funding, including national and regional sources (possibly a 'Rural Toolkit 2.0'), capacity building and streamlined application processes for disadvantaged groups should be put in place.

#### **Monitoring rural support**

- > **A monitoring system** at EU, national and regional levels is needed to track support to rural stakeholders, assess policy impact and facilitate rural proofing.
- > **Efficient use of existing data** is essential for monitoring and reporting, with harmonised frameworks across different sources of funding and governance levels.
- > **Simplified reporting and data tools**: user-friendly reporting tools can help local actors engage in the monitoring process.

#### Addressing perception and communication gaps

- > Stronger emphasis should be put **on rural areas' and on their communities support needs** beyond agriculture, forestry and food.
- > Enhanced awareness of the rural vision and Pact is needed.

## Welcome and framing the day

Marek Teplansky, Head of Unit of the Territorial Unit, DG REGIO, European Commission



The Rural Pact with its dedicated governance, platform and support office, has been instrumental in facilitating discussion on the rural vision and supporting

Europe is confronted with a set of complex challenges that are critical for its future, as well as for its social, economic and territorial cohesion: the green and climate transitions; demographic challenges; rising geopolitical instabilities; accelerated technological change. These challenges will not impact all territories and regions in the same way.

Therefore, the European Commission services are tuned to listen to the voices of stakeholders representing different communities, levels of governance and sectors. While reflecting on the design of policy tools for the future, we should not forget the investment possibilities already available to address rural needs. Better coordination, stronger integrated approach tuned to the needs of territories, including rural areas, should be explored and applied already now.

Urszula Budzich-Tabor, Rural Pact Support Office (PPT)

RURAL The Policy Lab addresses two questions of the European Commission report on the implementation of the rural vision: PACT

- What are the best policy tools to ensure institutional, governance and integrated support for rural areas at all levels?
- How to improve the monitoring and assessment of the resources from the different EU funds and programmes?

## Integrating EU policies at EU and Member State levels



Key challenges of integrating rural policies: OECD principles on rural policy

Jose Enrique Garcilazo, Deputy Head of Division and Head of Regional and Rural Policy Unit, OECD (PPT)

Our society is facing compound effects of demographic, environmental, technological and globalisation trends, as well as sudden shocks (pandemic, energy crisis), which produce asymmetric territorial impacts. As a result, the population of most rural areas is shrinking and the income gap between rural and urban is increasing, as well as the gap in key enabling factors such as education, health or digital skills.



The way forward is integrating national rural policies to shape a multidimensional response and support-enabling factors for rural well-being (social, economic, environmental). Policy integration should happen both at vertical and horizontal levels, to ensure economies of scope and scale.

#### Stakeholder panel: Coordinating policy tools at Member State level

Péter Benkő, Head of Agriculture and Environment Unit of the Permanent Representation of Hungary to the EU (Spokesperson at the Special Committee on Agriculture at the Council of the EU)

The Hungarian Presidency recognises depopulation and climate change as the most relevant challenges impacting rural areas. A targeted discussion on generational renewal and demographic aspects in rural areas was reflected in the recent Council Conclusions, stressing the importance of adequately funded agricultural policy with both farmer-focused and non-agricultural measures to improve rural livelihoods.

#### Attila Nagy, Head of CAP Coordination Department, Hungarian Ministry of Agriculture (PPT)

Hungary supports rural areas through different policies: mainly the CAP Strategic Plan (co-financed with 80% national top-up for rural development); the Area and Settlement Development Operational Programme (ERDF, ESF+); and the Hungarian Village Programne.

Coordination happens through the governmental committee for rural development (involving the Prime Minister, Ministers linked to rural development, other members) which meets during the planning and implementation phases to define the objectives and then share goals/measures across Ministries. Such coordination helps avoid the risk of overlaps or double financing.

## Radim Sršeň, Deputy Minister for Regional Development (Czechia), Member of the European Committee of the Regions

In Czechia, rural development is managed by the Ministry for regional development. A number of governance bodies exist, including a high-level structure, which meets every month, and a National Standing Conference meeting twice a year. In addition, dedicated bodies coordinate activities linked to regional issues or CLLD.

Integrated, place-based approaches are encouraged, with a significant amount of European Regional Development Fund (ERDF) support channelled to rural areas through multi-funded Local Action Groups (LAGs). There is an independent monitoring system to evaluate and gather data on rural needs and quality of infrastructure investments (e.g. roads) in order to facilitate targeted funding to areas that are most socially or economically excluded.

# Klaus Heider, Director-General for Rural Development and Digital Innovation, Federal Ministry of Food and Agriculture (Germany) (*PPT*)

German policies for rural areas focus on sustainable development and fair living conditions, but resilience, competitiveness and innovation are also important. Political coordination at federal level is organised through a working group of parliamentary State Secretaries of the ministries concerned, and another working group of inter-ministerial directors, which is in charge of preparing inter-ministerial reports on living conditions.

There is also a working group ensuring cooperation between regions (Länder) and a council of experts, which includes municipal and civil society representatives. Dedicated research institutes provide policy evaluation and impact assessment, as well as rural proofing ('equivalence check').

# Fostering integrated approaches to rural policies at national/regional levels: lessons learned and ways forward

Three parallel working groups drew inspiration for discussion from peer-learning panels with examples and lessons from Member States, including:

- Belgium (Flanders): Kevin Grauwels from the Flemish Land Agency presented ongoing work on building an integrated rural policy with strong involvement of local actors;
- Finland: Sanna Sihvola and Marianne Selkäinaho from the Ministry of Agriculture and Forestry shared Finland's long experience of the National Rural Policy Council;



- Greece: Eleftheria Bakali from the Ministry of Rural Development and Food shared the experience of networking and coordination in addressing rural challenges in Greece, for example provision of broadband;
- **Italy** (Piemonte): Nuria Mignone from the Piemonte regional authority explained the challenges of coordinating different stakeholders involved in management, a key topic for the region's rural areas;



- Italy (Sardinia): Sonia Pili and Antonio Zidda from the Sardinian regional authority shared their region's expectations of combining top-down and bottom-up approaches in a pilot project of coordinating rural strategies;
- The Netherlands: Eva van der Meulen from the Ministry of Agriculture, Fisheries, Food Security and Nature presented the rationale and plan of building a comprehensive national programme for rural areas:
- Poland: Magdalena Krawczak-Rybczyk from the Ministry of Agriculture and Rural Development explained formal and informal ways of horizontal and vertical coordination of rural support;
- Spain: Florencio Cano from the Ministry of Ecological Transition and Demographic Challenge shared the lessons of combatting population decline through coordinated efforts at national

## Challenges of monitoring funding in rural areas



Francesco Mantino, Council for Agricultural Research and Economics (CREA), Italy (PPT)



The study on funding for EU rural areas published in 2024 shows that Member States have adopted different approaches to rural funding. While significant amounts of funding from cohesion policy reach EU rural areas, remote rural areas are mainly dependent on the CAP support (first and second pillar).

More targeted and refined definitions of rural areas are needed, and increased attention should be paid to the needs of remote rural areas. Information should be available at lower granularity than NUTS3, at Local Administrative Unit (LAU) level.

Representatives of three Directorates General of the European Commission shared their services' experience and challenges of monitoring EU funding and its impact on rural areas

#### Sophie Hélaine (DG AGRI) (PPT)

CAP support data, available in 2014-2022 period at NUTS3 level, was used notably to assess the redistribution of income support between regions and to demonstrate the contribution of CAP funding to jobs and gross value added in rural areas.

In the 2023-2027 period, the common CAP performance monitoring and evaluation framework entails a data collection on LAG activities and municipalities covered and CAP data (excluding LEADER) by intervention and beneficiary, as well as characteristics of farm beneficiaries (age, gender, municipality etc.). This data will be used to assess the performance of the CAP and disseminated in an aggregated form.

#### Mathilde Prilleux (DG EMPL) (PPT)

Territorial delivery mechanisms such as Community-led Local Development (CLLD) and Integrated Territorial Investments (ITIs) represent EUR 6.4 billion of the total ESF+ budget (EUR 95.8 billion). These instruments, particularly CLLD, are often used to fund projects in rural areas, including to support social inclusion.

However, reporting methods on ESF+ do not provide reliable data on the territorial characteristics of the projects funded. The ESF+ rationale is to invest in people, targeting beneficiaries based on their social needs, rather than their geographical situation. As part of cohesion policy, ESF+ contributes to support disadvantaged territories, including rural areas, but does not focus its reporting on that dimension.

#### Eoin Mac Aoidh (DG MARE) (PPT)

Infosys is a database of all operations selected and implemented under the European Maritime, Fisheries and Aquaculture Fund (EMFAF), covering all operations under shared management and direct/indirect management. It is a powerful and valuable database with constantly quality-checked and readily available data that can be used for information and evaluation purposes.

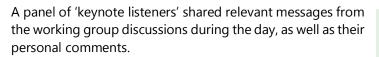
Member States report each operation via Infosys twice a year and the system enables detailed and cross-cutting analysis, as well as aggregation of data.

Participants in breakout rooms developed ideas on improving the current systems of collecting information on funding for rural areas without increasing administrative burden. Suggestions included:

- > **Why collect information?** To improve the existing information system (for example, to identify funding gaps) and measure the impact of intervention, rather than as justification of spending.
- > What kind of information is needed? Data on beneficiaries (income level, average age, private contribution to project) and area (GDP at local level, basic services, real estate prices); information on the long-term sustainability (after project completion).
- How should it be collected? Information collected at application stage should be better used; for example, it should facilitate profiling of beneficiaries to assess impact (compare their situation prior to support with the situation after support). Self-assessment can be an important source of information, as well as geo-localisation/geo-tagging of projects. It is important to build capacity for collecting information (helpdesk, network organisations) and collect stories at local level.
- Other suggestions: phone applications to simplify access to provision funding and information to most vulnerable groups; 'Rural Campus' - a programme financing short stays of university graduates in rural areas; use of digital including artificial intelligence (AI), and need for more information on the funding sources mobilised in good practices.



### **Co-creating conclusions and proposals**



In parallel, participants were invited to propose their key messages via a Mentimeter poll (see box below).

#### Policy coordination and multi-level governance

- The translation of the EU rural vision into a longterm strategy at EU, national and regional levels,
  - with a dedicated budget and action plan, is crucial for coherence, planning, and prioritisation of support to rural areas. Putting in place a rural strategy was proposed as a mandatory condition for EU funding in the future.
- Horizontal and vertical coordination mechanism for policy design and implementation: vertically, from the EU level down to national, regional, and local levels.
- The EU must lead by example: the European Commission should continue and strengthen coordination of rural policies across departments, fostering multi-level governance and improving cooperation between Directorates General (including better alignment between the CAP and cohesion policy).
- **Listening to rural voices** is essential to ensure that policies reflect the diverse local needs and provide support beyond the agricultural sector address emerging challenges opportunities. The absence of strong political commitment to hear and effectively address rural needs leaves communities feeling neglected.
- Local stakeholder engagement: policies and funding must prioritise the involvement of local communities and civil society, not only in design, but also in implementation and monitoring. Establishing effective feedback mechanisms between higher governance levels and local actors is essential to ensure responsiveness and accountability.
- A dedicated rural funding instrument: there is strong advocacy to safeguard funding for rural areas through a dedicated instrument ('Rural Fund') in the next programming period, with minimum allocations to ensure rural areas are not overlooked. As far as possible, funding

#### should reach rural areas through territorial approaches such as CLLD or ITI, with mandatory minimum allocation for these.

Simplified access to funding for rural communities: improved information on funding opportunities would require a more ambitious Rural Toolkit 2.0 (including information on national and regional sources). Capacity building is crucial to strengthen rural actors' ability to

#### **Panellists**

- > Edina Ocsko (Smart Village Network Services, Vice-Chair of the Rural Pact Coordination Group)
- > Anita Seļicka (Latvian Rural Forum)
- Kevin Grauwels (Flemish Land Agency)
- Magda Porta, (EU funds evaluator, PT)
- improved coordination is crucial both horizontally, between ministries and sectors, and

# Key messages from participants

Better coordination is needed at all levels, starting from the EU! Improved coordination brings synergies (1+1=3)

**Direct dedicated funding** for rural areas, with funding mechanisms that are understood and effectively used by local actors

Rural development needs holistic and comprehensive approaches

Rural vision needs to be strengthened and turned into an **EU rural strategy**, with more mandate and power to the Rural Pact

Rural diversity is key, every Member State is different

Simplification is essential to enable access to

**Decentralisation and place-based policies** are crucial, **LAGs** should become local rural development agencies

access and implement EU funds, while streamlined application processes, featuring simpler language and AI tools would support better accessibility and understanding (for example, for disadvantaged groups).

#### **Monitoring rural support**

- A monitoring system at EU level is needed to track support to rural areas: monitoring is essential to ensure rural areas' access to funding and to assess whether policies deliver concrete impacts at the local level. Each EU fund should report on its impact in rural areas. Additionally, a common monitoring system would support rural proofing.
- Efficient use of existing data, including Al-driven tools, should be leveraged for monitoring and reporting, with harmonised frameworks across funds and governance levels. The focus should shift from quantitative data to incorporating qualitative indicators capturing well-being, governance improvements, and long-term results.
- Simplified reporting and data tools that are userfriendly (e.g., simple, mobile-based applications) can help local actors engage in the monitoring process.



#### Addressing perception and communication gaps

- Rural areas need support beyond the one provided to agriculture, forestry and food. There is a continued need to emphasise that rural development is a holistic policy encompassing economy, infrastructure, services, employment, and more.
- Enhanced awareness of the rural vision is needed: communication gaps persist, as many stakeholders, including LEADER groups, remain unfamiliar with the long-term vision for rural areas. Effective communication, awareness campaigns, and capacity building are essential to promote and embed the vision at all levels. It is a key condition to move the Rural Pact towards the national and regional levels.

## **Concluding remarks**



#### **Next steps for the Rural Pact Support Office**

Pascale Van Doren, Rural Pact Support Office (PPT)



Several Rural Pact publications available in December 2024:

- > second edition of the Rural Vision Magazine (translations French and German will follow);
- Policy Briefing on 'Empowering communities to take action for the rural vision' (translations in all official EU languages will follow);
- Declaration of the Rural Pact Coordination Group on the future of rural areas and rural development policy in the European Union (translations in all official EU languages will follow).

A key upcoming event will be the second Rural Pact Conference held on 8-9 April 2025 in Château du Biez, Belgium. Other upcoming events include a Good Practice Webinar on rural housing on 20 February, and a Policy-Lab on rural proofing later in the year.

#### **Closing remarks of the European Commission**

Antonia Gámez Moreno (DG AGRI)



This Policy Lab comes at a turning point in the policy cycle, when the rural communities have a clear opportunity to make their voices heard. In the mission letters of Commissioner Hansen in charge of Agriculture and Food and Vice-President Fitto in charge of Cohesion and Reforms, they are tasked with the mission to "understand the concerns of people in rural communities and come up with solutions that will make a real difference".

Commissioner Hansen is preparing a 'Vision for Agriculture and Food' to be presented within 100 days of his appointment, and rural areas will be part of this vision. Europe is listening and the Rural Pact Community should use the momentum to actively participate in the debate and preparation of the post-2027 EU policies.

> Join the Rural Pact Community and online platform https://ruralpact.rural-vision.europa.eu/become-member\_en











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