



Highlights report

## HIGH-LEVEL RURAL POLICY FORUM

# Shaping the future of rural areas

### Introduction

The High-Level Rural Policy Forum brought together over 200 participants from all EU Member States to advance the political agenda for the future of rural areas and support Member States in taking action to unlock the potential of rural territories, helping them achieve the objectives outlined in the Long-Term Vision for the EU's Rural Areas (LTVRA). It acted as a gathering point for the Rural Pact community with European and national high-level political representatives, including two European Commissioners, five Ministers, three Deputy Ministers, 12 Secretaries of State, and senior managers responsible for the Common Agricultural Policy (CAP) and Cohesion Policy (CP).


The Forum facilitated a structured dialogue on how EU policies and funds can most effectively contribute to achieving the Rural Vision in key policy priority areas for the Spanish presidency of the Council of the EU. It also aimed to explore ways to improve the design of rural policies and to encourage actors to participate in the framework of the Rural Pact. Besides, the exchanges sought to identify ways to enhance multi-level governance frameworks and participatory structures to listen to the voices of rural actors and relevant stakeholders, as well as to explore ways in how the Rural Pact can add value.


This report highlights the main messages emerging from the event to contribute to the conclusions of the Council of the EU on the LTVRA.

**Organiser:** Spanish Presidency of the Council of the EU, European Commission & Rural Pact Support Office.

 27-29 September 2023

 Sigüenza, Spain

 200 (policy makers, public authorities, local practitioners, researchers, advisors, businesses, producers, other EU-funded projects, etc.)

 Presentations & recordings ([here](#))



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## Opening: The Spanish Presidency of the Council of the EU & the European Commission



**Janusz Wojciechowski** (Commissioner for Agriculture, European Commission) outlined that in the upcoming EU elections, citizens will scrutinise the EU's actions addressing rural issues. The EU rural action plan holds its promise. However, to truly impact rural areas, he emphasised that it is key to employ more interventions and maximise synergies among all policies and governance levels. The CAP and Cohesion Policy are contributors, yet potential remains untapped. The Rural Pact, with a growing community of over 2 000 members, gains momentum through support from the Rural Pact Support Office and Coordination Group. The initiative of the Spanish Presidency of the Council of the EU to adopt conclusions on the LTVRA by the end of 2023 is welcomed. Given national authorities' role in many policy domains, the Commissioner encouraged Member States to maximise opportunities for rural areas, as they are essential for the future of Europe for food production, natural resource preservation, economic diversity and overall resilience.

**Elisa Ferreira** (Commissioner for Cohesion and Reforms, European Commission) highlighted that rural areas are crucial for all Europeans, regardless of their residence. The adopted LTVRA recognises the importance of rural areas and frames investments and policies in these territories. The Commissioner emphasised that Cohesion Policy, in synergy with the CAP, empowers rural areas, especially the least developed regions.



This policy extends beyond funding, acting as a powerful developmental tool, supporting local strategies through CLLD and a strong territorial approach, much needed to tackle challenges such as depopulation, job loss, and services. The newly launched '[Talent Booster Mechanism](#)' will do its part in the needed regions. It tries to foster polycentric development by supporting small and medium towns and rural areas. Rural-urban linkages demand coordinated planning and efficient funding allocation to ensure no place is left behind.




**Mercedes Caballero** (Secretary General of EU Funds, Ministry of Finance, Spain) said that Cohesion Policy serves to bridge gaps and reduce disparities across European regions, particularly benefiting rural areas. Strategic EU fund programming is crucial for territorial convergence. Spain's Recovery and Resilience Plan focuses on vital structural investments spanning renewable energy, economy, care, and broadband. Collaboration and coordination among funds are essential to close the gap between the development of urban places and the periphery, and bridge the urban-rural divide by aligning service provisions. Inspiring European-funded projects supporting rural development were acknowledged by Ms Caballero, including a Smart Villages initiative in Extremadura, broadband projects in Asturias, and the Sky of Sierra Morena to diversify tourism offer.

**Luis Planas** (Minister of Agriculture, Fisheries and Food, Spain) emphasised that focusing on sustainable rural development is timely and crucial, as discussed in the [AGRIFISH Council on 18 September](#). It is essential to consider the sustainability and profitability of rural areas as depopulation is a reality from which policy makers cannot hide. Vital services such as broadband, care, and mobility are pivotal, and addressing gender equality and generational renewal is vital, hence the need for holistic, horizontal measures to combat depopulation and drive rural development. Maximising synergies of EU funds and aligning regulations between EAFRD, ERDF, and Recovery and Resilient Fund is imperative for integrated rural development. Mr Planas stressed that the Spanish Presidency was devoted to achieving ambitious Council Conclusions in November 2023.



## Taking stock of existing policy support and looking forward

### The contribution of the Common Agricultural Policy (CAP) to the Rural Vision

 **Mario Milouchev** (DG AGRI) introduced the results of the [study](#) that looked at the contribution of the Common Agricultural Policy (CAP) strategic plans to the Rural Vision, with a focus on support beyond the farming sector. Four main interventions were identified to support rural areas: investments, cooperation, rural businesses, and knowledge.

The study shows that 8% of CAP financial allocations (EUR 24.6 billion) contributes directly to rural areas beyond farming, empowering rural communities through LEADER and Smart Villages. However, this is insufficient to address all needs, priorities and objectives laid down for rural areas. Complementarity with other funds is crucial particularly to strengthen LEADER CLLD - being asked to do more with less resources – and support basic services, social inclusion, knowledge, innovation, business development and economic diversification in non-agricultural sectors, and investments in broadband and mobility. Finally, the CAP supports environmental resilience through agriculture and forestry, but rural areas have broader needs in this field too.

### EU high-level policy panel

The publication of the LTVRA triggered actions from key European institutions, including resolutions from the European Parliament (EP), opinions from the Committee of the Regions (CoR) and the European Economic and Social Committee (EESC), and exchanges in the context of the European Rural Parliament. The high-level panel was held with the participation of key representatives from these institutions that have led actions on the vision:



**Isabel Carvalhais**  
European Parliament



**Radim Sršeň**  
European Committee of the Regions (CoR)




**Lidija Pavić-Rogošić**  
European Economic and Social Committee (EESC)



**Thibaut Guignard**  
European Rural Parliament

### The contribution of Cohesion Policy to the Rural Vision

 **Wallis Vandebroek-Goelen** (DG REGIO) outlined the contribution of Cohesion Policy (CP) to all vision blocks, promoting economic, social, and territorial cohesion, including in rural areas, particularly through policy objective 5 and territorial instruments such as CLLD and ITIs under policy objectives 1 to 4.

Ongoing analyses revealed challenges in quantifying support to rural areas: 21% of total CP funding is territorially tagged by Member States. Out of these, 12 billion euros are explicitly and directly allocated to rural areas. Indirect and non-territorially tagged investments widely contribute to rural development in a wide range of sectors, as ERDF and ESF+ funding goes to less developed (72%) and transition regions (17%), priority regions of CP which host 69% of rural areas.

Finally, Wallis stressed the importance of Functional Area approaches and rural-urban linkages to maximise and extend the benefits of CP to rural areas.

This section highlights the main points and reactions from panellists to the stocktaking presented by the European Commission and their recommendations to move forward in providing better support to rural areas:

## Moving forward with the Rural Vision

- > Transforming the Rural Vision into a comprehensive **European Rural Strategy** with tailored indicators, targets and supporting policies is crucial. This alignment is vital to harmonise varying needs and strategies at the national, regional, and local levels.



- > Member States need to **fully use policies, instruments and funds which are already in place.**
- > **Enhanced stakeholder engagement** and fostering partnerships in rural areas, notably through initiatives like the Rural Pact, is of great importance.
- > It is important to **develop and make the Rural Pact work at all levels**, following a bottom-up, cohesive, and dynamic approach that actively involves the rural community.
- > **Rural proofing** should be strengthened or even made mandatory at all administrative levels, including EU, national, regional, and local levels.
- > Boosting **generational renewal** and **creating the conditions allowing people**, including youth and women, **to live well and stay in rural areas** should be a priority in all Member States.

## Strengthen funding support to rural areas

- > **More EU funding** for rural areas needs to support a **holistic, multi-sectoral approach to rural development. Clear, simplified, and consistent rules** are needed for rural stakeholders to access EU funds effectively.

Ensuring that funding is sufficient, stable, and sustained over the long term is crucial for sustainable rural development. Several ideas were proposed to enhance rural funding:

- A simplified and mandatory **multi-fund approach** for rural development;
  - A programme for **LEADER and CLLD under direct management**, bringing the EU and LAGs/local level closer while ensuring LAGs autonomy;
  - A dedicated **fund for rural development** with sufficient financial allocation to support the vision.
- > The CAP supports rural development, but **effective synergy among EU policies and funds** is crucial. Cohesion Policy and other EU funds have the potential to enhance and demonstrate their contribution to rural development.  
A specific request was made to the European Commission to create an **instrument to monitor all EU funding directed to rural areas.**
  - > Member States should be encouraged to show greater ambition by allocating more support to **LEADER and CLLD, increasing the 5% earmarked** allocation within CAP and extending it to other funds.
  - > **Greater consideration must be given to rural business creation**, not only in traditional activities but also in innovative ones such as the development of the bioeconomy.

## Enhance governance mechanisms for rural development

- > It is crucial to appoint a **European Commission representative overseeing rural development** across pertinent Directorates-General, extending beyond DG AGRI and DG REGIO. A vice-president would be highly desirable.
- > It is important to **enhance policy coherence** for rural development by breaking down silos and establishing an integrated governance structure across local, regional, and EU levels.

## Making the Rural Vision and Pact happen in Member States

A policy panel was moderated with three Ministers and one Secretary of State from four Member States, in charge of various policies supporting rural areas including the CAP and Cohesion Policy:



**Luis Planas**

Minister of Agriculture, Fisheries and Food (ES)



**Irena Šinko**

Minister of Agriculture, Forestry and Food (SI)



**Isabel Ferreira**

Secretary of State for Regional Development (PT)



**Céline Tellier**

Minister for the Environment, Nature, Forest, Rural Affairs & Animal Welfare of region Wallonia (BE)

Panellists shared their views on the role of national authorities in achieving the Rural Vision, experience with governance mechanisms that can ensure the necessary coordination between ministries and governance levels, and ideas to address the existing gaps in support schemes for rural areas. The main messages are summarised below:

### Key challenges in rural areas

- > It is key to acknowledge the **diversity of rural contexts** in Europe, with for instance, Spanish rural areas hosting 20% of population in 85% of the territory, Slovenian rural areas hosting 75% of the population living in 78% of the territory, or in Belgium where rural areas have more connections to cities.
- > **Equitable living conditions** should be ensured for rural citizens, alongside a greater focus on **triggering business development** in rural areas.
- > **Support must be strengthened** for farmers, especially small and young ones, for green transition, innovation, knowledge transfer, and income diversification for rural areas.
- > It is important to leverage support for local services, job creation, entrepreneurship, social inclusion, innovation, co-working spaces, transport, community-led development, and territorial cooperation to maximise opportunities.
- > Addressing **climate change and enhancing resilience** to extreme weather events are crucial for agriculture, forestry, and overall community well-being.

### Examples of specific national support programmes:

- > 2030 National [plan](#) to combat demographic challenge with 130 measures (Spain);
- > Programme to revitalise inner areas (Portugal)

## Strengthening coordination mechanisms between various funds and levels of governance

- > The diverse constitutional systems require **tailored approaches to governance structures** in each country. The Rural Pact offers an opportunity to share and learn from experiences how Member States are taking action and progressing.
- > Balancing different objectives of various administrations requires a non-partisan, **long-term state policy for rural areas**.
- > The need for **long-term planning and anticipating** the future was stressed. Long-term integrated programmes such as the "Municipal Rural Development Programme" in Wallonia (BE), add value when built on a territorial diagnosis, public input, and with a strategic approach behind.
- > **Local Action Groups play a crucial role in connecting diverse funds** with beneficiaries at the grassroots level. Participatory approaches, including **participatory** budgeting, are actions that enhance democratic engagement of rural people.

## Reducing financial gaps in schemes supporting rural areas at various levels of governance

- > It is crucial to establish clear objectives for different funds, ensuring their effective **alignment with grassroots needs** through cooperative efforts.
- > **Rural parliaments** play a significant role in amplifying rural voices, effectively shedding light on priority areas that funds should address.
- > **Policy instruments should be flexible and agile** to accommodate both short-term and long-term changes. Additionally, fostering coordination is necessary between regional and national funding, as well as traditional and innovative financing sources.
- > Reliable indicators are indispensable for accurately **reporting funds allocated to rural areas**.

## Parallel Thematic Breakout sessions

Participants gathered in six thematic sessions to build policy recommendations that help to move forward in the respective topics and to feed into Council conclusions being prepared under the Spanish presidency. Inspirational presentations from key experts with relevant experience on the theme triggered discussions in each session (find all presentations [here](#)). This section highlights the main recommendations that emerged from each of the sessions:



### Session 1: Data and evidence for policy making

- > Implement an **effective and transparent rural proofing** at European and national levels.
- > Enhance the **granularity of data** (going to local levels) for better information by urging EU support for more indicators at municipal levels.
- > **Improve data collection**, including municipal level data, making the difference between rural areas close to a city and remote rural areas by further supporting local capacity to collect data and involving local actors in the design of indicators that account for local level reality.

## Session 2: Paving the way to the digital era

- > Establish **Gigabit Connectivity as a fundamental right**, enabling advanced digital infrastructure to enhance essential services while preserving physical ones.
- > Promote **digital innovation and the adoption of emerging technologies**, including through public procurement of services combining digital and physical (or 'hybrid') delivery models. Involve LEADER Local Action Groups in evaluating the social impact of digital investments.
- > Enhance **digital skills through tailored training** and awareness-raising initiatives, starting from primary schools. Invest in children as catalysts for change, expanding efforts to encompass all age groups.
- > Implement **rural proofing of digitalisation policies** and enhance coordination between digital and rural-focused ministries or departments and using adequate methodologies to measure progress towards closing the digital gap.

## Session 3: Strengthening rural areas contribution to food systems and the bioeconomy

- > Strengthen **territorial approaches** to improve essential services and infrastructure, encompassing aspects such as land access, education, training, and road networks and in particular design policy frameworks that support value chains in mountain areas.
- > Ensure a **social return on investment** by establishing conditions and criteria related to funding and selecting projects. This ensures that financial gains contribute to the local area and region, thereby maximising innovation and development within the region.
- > Design policy **initiatives at regional and local levels** and build the local capacity of rural residents to drive bottom-up development. It can be achieved through skills development and training related to project planning, funding access, and facilitated through one-stop-shops.
- > Encourage **multi-level dialogue** among rural stakeholders by reducing bureaucratic obstacles and allocating additional resources to enhance capacity and skills to act through LEADER.

## Session 4: Boosting women's role in rural areas

- > **Enhance data collection on women in rural areas** at national and EU levels to effectively gender-proof policies and address inequalities.
- > Mitigate gender disparities in rural areas by providing women **tailored support** such as finance, training, childcare, and healthcare, thus improving their employment and innovation prospects.
- > Promote **women's involvement in decision-making** by reshaping gender narratives, highlighting their innovative contributions, and striving for a specific representation of women in decision making bodies.

## Session 5: Enabling community-led innovation and Smart Villages

- > Build **local capacities** and support through **single access points to assistance and funding** offering facilitation and innovation brokering to develop project ideas and apply for funding.
- > 'Facilitate access to funding to carry out difficult things': Simplify funding procedures and audit rules to foster **risk-friendly support for innovation**.
- > Upgrade **evaluation methods to measure innovation** impacts, including on social capital, and encourage learning from failures and trigger replication of impactful solutions.

## Session 6: Harnessing rural talent through entrepreneurship and the social economy

- > Acknowledge that young farmers often need multiple sources of income (e.g. farming and entrepreneurship), highlighting the necessity for a **flexible job market in rural areas**.
- > Increase the **participation of rural youth in decision-making** at national, regional, and local levels. It is essential to train decision-makers in engaging with rural youth organisations.
- > Develop territorial **policies that facilitate young rural talents'** access to land, resources, and services and creates high-quality job opportunities.

## Key takeaways from members of the Rural Pact Community

**Michael Schmitz** (Council of European Municipalities and Regions - CEMR), **Ben Van Essen** (European Rural Community Alliance – ERCA) and **Hilkka Vihinen** (Natural Resources Institute, Finland) representing rural municipalities, civil society and academics were invited to highlight the most important takeaways from the day for their stakeholder group.



They highlighted that the progress made since the launch of the Rural Vision, with 30 ongoing actions, is noteworthy. Building on this positive momentum requires **encouraging collaborative efforts** with stakeholders to drive progress effectively. The need for additional **tools for impact assessments** and the implementation of comparative studies and research was stressed; a particular call was also made to encourage researchers' involvement in the implementation of the Rural Vision.

The panellists expressed **concerns regarding decreasing resources for rural areas in EAFRD and Cohesion Policy funding**, stressing the underutilisation of available tools by Member States. A call was made for a focused EU policy supporting rural areas with tailored strategies considering their unique needs and capabilities. **Transforming the Rural Vision into a fully-fledged rural strategy** can attract real political attention for rural areas in a Europe with numerous priorities. Panellists acknowledged that **neglecting rural areas can trigger potential political repercussions**, evident in various countries recently and drew attention to various distributions of powers associated to policy choices.

### Key policy recommendations and takeaways from the audience

The audience was asked to provide their main policy recommendations through a Slido exercise. The following recommendations stood out as most popular:

- > Create one-stop-shops to support project development in small municipalities;
- > Make coordination between policies that can support rural areas mandatory;
- > Ring-fence funding for LEADER and CLLD in all funds;
- > Legal frameworks should support LEADER to act as a facilitator and driver of social innovation;
- > Create a dedicated Rural Pact or Rural Vision 'fund' as well as a rural development directorate;
- > Engage young people in decision-making for and in rural areas.



## Main messages from the Keynote Listener of the high-level forum



**Enrique Garcilazo** (OECD) highlighted that the Forum and its outcomes show that rural areas bear societal significance, not just for rural inhabitants but for all. Research indicates notable inequalities between large urban areas and rural territories, with approximately 80% of lagging regions falling into the rural category. Addressing these territorial disparities is critical to prevent destabilising the system.

He welcomed the positive direction Europe is taking with its vision, the Rural Pact, and the action plan. Enrique stressed the necessity to move beyond aspirations, advocating for the delivery of a holistic, people-centric, and integrated rural policy that focuses on well-being. This policy should span from the EU to local levels, encompassing social, economic, and climate dimensions, with enhanced coordination among all policy instruments. He emphasised the importance of transforming rural policies into a 'state' policy that transcends political changes, persevering over the years with clear long-term objectives.

Enrique outlined the importance of strengthening bottom-up approaches and involving local actors in policymaking from the initial stages of design, to ensure successful policies. Designing policies at the appropriate geographical scale is crucial, especially in providing essential services (avoiding fragmentation and boosting territorial cooperation to deliver). The concept of functional rural areas could assist in defining suitable functional scales.

Key topics that emerged during the forum focused on opening up rural areas to innovation and entrepreneurship, enhancing rural-urban linkages, and providing support for youth and women. Rural areas must be prepared for the future, positioning themselves better to benefit from emerging opportunities offered by the green and digital transition, building on culture to transform traditional sectors. Rural proofing is imperative, and having better granular data will help in identifying areas where value is created, enabling the planning of policies accordingly. Finally, building local capacities and establishing the right institutions (such as one-stop-shops) to bring support closer to local people and entrepreneurs are essential steps to support lagging rural areas move forward.

## Closing Remarks

A final panel provided the final reflections from the day:



**Normunds Popenis** (Deputy Director-General, DG REGIO) highlighted that place-based

Cohesion Policy is an ally for rural areas and is taking the Rural Vision seriously. To foster Europe's holistic territorial development and cooperation, it is imperative to go for integrated territorial development in rural areas and to effectively channel Cohesion Policy investments. Maximising and showing results, of the tools already in place is equally important. This requires avoiding competition between rural and urban. Embracing the Functional Areas concept and Integrated Territorial Instruments can help moving forward. Normunds stressed the importance of strengthening the territorial development approach in the future Multi-annual Financial Framework (MFF). A possibility to explore is to bring together the types of support provided under the resilience and recovery funds and the classical way to implement Cohesion Policy. Normunds introduced the work being conducted in two pilot regions that are losing population to find recipes of success. The lessons should feed into the next programming exercise adjusting policies accordingly to deliver on the ground.



**Mario Milouchev** (Director, DG AGRI) voiced his expectation that the results of the Forum will feed in the Council conclusions that will be adopted under the Spanish presidency in Autumn. He acknowledged that participants have expressed concerns about the reduced utilisation of LEADER and multi-funding. An upcoming workshop in Slovenia in mid-October will delve into this issue. In addition, he announced the possibility to organise a dedicated event to address the issue raised by participants to enhance coordination among funds and administrations building on successful experiences from Member States. Mario mentioned the need to enhance the information on how all funds are contributing to and supporting rural areas.

The forum outlined the importance to make the Rural Pact more operational at national level. Thus, Mario invited national stakeholders to become part of the [Rural Pact](#). Finally, he announced the Commission plans to release a report in early 2024, summarising progress to date on the vision and offering insights into the future to feed the political discussions after the European elections.



**Paco Boya** (Secretary-General for Demographic Challenge, Ministry of Ecological Transition & Demographic Challenge, Spain) mentioned that rural areas must not remain underdeveloped; addressing this challenge is both a democratic imperative and a societal necessity. These regions make significant contributions to our society, for instance, by mitigating the effects of climate change. He stressed that Spanish rural areas face a significant challenge with rural depopulation and inequalities. The Spanish government has implemented 130 measures to tackle underlying structural challenges and investment in enhancing services in rural areas. He highlighted the importance of giving instruments to local communities and municipalities to enhance avenues for participation in the existing governance models of each country and consider the cultural sensitivities of each territory. Attracting talent, fostering youth engagement, social cohesion, innovation and economic diversification beyond the agri-food sector are key priorities.



**Fernando Miranda** (Secretary-General for Agriculture and Food, Ministry of Agriculture, Fisheries and Food, Spain) highlighted that rural policies should actively contribute to improving the well-being of those residing in rural areas. Their objective should be to bridge the divide with urban areas, ensuring equal opportunities for all citizens, regardless of where they live. The Spanish presidency of the Council of the EU is reactivating the debate on the future of rural areas, intending to produce conclusions that will inform discussions on the rural policies for the next programming period. Fernando outlined as an important reflection that policymakers should listen better to people on the ground. The forum recognised that EU policies have fallen short in delivering the expected results in rural areas and meet the expectations of rural stakeholders, notwithstanding many examples of success. He outlined the need to rethink the architecture of rural policies to make a significant impact in the future, avoiding making the next programming period a simple copy of the previous.

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