April 2006





Food and Agriculture Organization of the United Nations

Organisation des Nations Unies pour l'alimentation et l'agriculture

Organización de las Naciones Unidas para la Agricultura y la Alimentación

### EUROPEAN COMMISSION ON AGRICULTURE

# **Thirty-fourth Session**

Riga, Latvia, 7 June 2006

# THE ROLE OF AGRICULTURE AND RURAL DEVELOPMENT IN REVITALIZING ABANDONED/DEPOPULATED AREAS

#### **DEFINITION OF RURAL AREAS**

Annex 1

The most common definition applied by international organizations to separate rural and urban regions is that developed by the Organisation for Economic Co-Operation and Development (OECD). The definition distinguishes two hierarchical levels of territorial unit: local and regional. At local community level the OECD defines rural areas as communities with a population density below 150 inhabitants per square kilometre. At regional level, the OECD distinguishes larger functional or administrative units by their degree of rurality, depending on what share of the region's population lives in rural communities. To facilitate analysis, regions are then grouped into three types:

- Predominantly rural regions: over 50 percent of the population living in rural communities;
- Significantly rural regions: 15 to 50 percent of the population living in rural communities;
- Predominantly urban regions: less than 15 percent of the population living in rural communities.

2 ECA 34/06/2-Sup.1

# EUROPEAN COMMISSION PROPOSAL FOR THE NEW RURAL DEVELOPMENT REGULATION (2007-2013)

Annex 2

Axis	Content	Budget
Axis 1	Improvement of agricultural competitiveness and sylviculture	At least 15% of the EAFRD¹ resources
Axis 2	Management of the landscape and environment	At least 25% of the EAFRD resources
Axis 3	Rural economy diversification and quality of life in rural areas	At least 15% of the EAFRD resources
Axis 4	The LEADER approach: carry out actions corresponding to the objectives of one or several main axes according to a strategy of integrated local development	At least 7% of the EAFRD resources, which will eventually be topped up by a reserve of 3%

\_

<sup>&</sup>lt;sup>1</sup> European Agricultural Fund for Rural Development

#### COMMUNITY INITIATIVE FOR RURAL DEVELOPMENT – LEADER+

Annex 3

#### **Objectives**

Integrated rural development schemes and pilot projects designed to be implemented by active partnerships at local level are now covered by the LEADER+ Initiative.

#### **Beneficiaries**

The beneficiaries will be "Local Action Groups" (LAGs) that will draw up development strategies for their local area and be responsible for their implementation.

These "Local Action Groups" must consist of a balanced and representative selection of partners drawn from the different socio-economic sectors in the territory concerned. At the decision-making level, not more than 50 percent of a local partnership may be made up of government officials and elected office holders.

The "Local Action Groups" will operate in rural territories of a small size which form a homogeneous unit in physical (geographical), economic and social terms. The population must, as a general rule, be not more than 100 000 in the most densely populated areas (around 120 inhabitants/km²) and in general not less than about 10 000. However, in areas with a high or low population density, such as, for example, certain areas of northern Europe, exceptions to these criteria may be accepted.

#### Eligible measures

LEADER+ is structured around two actions:

Action 1: Support for integrated territorial rural development strategies of a pilot nature based on the bottom-up approach and horizontal partnerships.

Support will be given to rural areas which show a willingness and ability to devise and implement an integrated and sustainable pilot development strategy, supported by the presentation of a development plan, based on a representative partnership and structured around a strong theme typical of the identity and/or resources and/or specific know-how of the territory concerned.

The priority themes at European level are:

- the use of new know-how and new technologies to make the products and services of rural areas more competitive;
- improving the quality of life in rural areas;
- adding value to local products, in particular by facilitating access to markets for small production units via collective actions;
- making the best use of natural and cultural resources, including enhancing the value of sites of Community interest selected under NATURA 2000.

However, the list of priority themes and target groups may be extended by the Member States to take account of their own specific situations.

As a priority, the Commission would like support to be given to strategies, which seek to enhance the job opportunities and/or activities for women and young people.

The development strategy must be economically viable and sustainable and be of a pilot nature. The experimentation which started under LEADER I and II should be intensified under LEADER+ with original and ambitious approaches to rural development which are transferable and complement the interventions made under the "mainstream" programmes in the area concerned.

By way of illustration, the "pilot" concept could be assessed in terms of:

- the emergence of new products and services which incorporate the distinctiveness of the local area;
- new methods permitting the combination of the area's human, natural and/or financial resources, resulting in better use of indigenous potential;
- the combination of and links between economic sectors which are traditionally separate;
- original forms of organization and involvement of the local population in the decision-making process and in implementing the project.

Action 2: Support for inter-territorial and transnational cooperation.

LEADER+ will support cooperation actions within one Member State (inter-territorial cooperation), between several Member States (transnational cooperation) and/or third countries. Cooperation must demonstrate genuine added value for the territories and may have the two following, often complementary, aims:

- achieving the critical mass necessary for a joint project to be viable;
- encouraging complementary actions.

The cooperation actions may not only consist of exchanges of experience but must include the implementation of a joint project, if possible supported by a common structure.

Funding under this action will be granted for the joint project and for upstream expenditure on technical assistance for cooperation.

This action applies only to rural territories selected under Action 1 of the Initiative. It will be implemented under the responsibility of a LAG coordinator.

#### Financial participation of the EU

The LEADER+ Initiative will be jointly financed by the Member States and the Community. The total contribution of the European Agricultural Guidance and Guarantee Fund (EAGGF) Guidance Section for the period 2000-06 will be €2 020 million at 1999 prices. The EAGGF Guidance Section contribution to each programme shall be indexed at 2 percent a year up to 2003 and shall be decided at 2003 prices for the years 2004 to 2006. By 31 December 2003, the Commission shall determine the rate of indexation applicable for 2004 to 2006.

In particular, the EAGGF Guidance Section contribution will be a maximum of 75 percent of the total eligible cost in the regions covered by Objective I and a maximum of 50 percent in other areas.

The indicative allocation of the commitment appropriations available among the Member States are the following, in millions of Euros in 1999 prices: Austria 71, Belgium 15, Denmark 16, Finland 52, France 252, Germany 247, Greece 172, Ireland 45, Italy 267, Luxembourg 2, the Netherlands 78, Portugal 152, Spain 467, Sweden 38 and the United Kingdom 106.

#### Legal references

- Commission notice to the Member States laying down guidelines for the Community Initiative for rural development (LEADER+), OJ C 139, 18.5.2000.
- Article 20(1)(c) of Council Regulation (EC) No 1260/1999 of 21 June 1999, laying down General Provisions on the Structural Funds, OJ L 161, 26.6.1999, p.1.
- Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF), OJ L 160, 26.6.1999, p.80.

ECA 34/06/2-Sup.1 5

# Additional sources of information

At the Community level:
European Commission
Directorate-General for Agriculture. Directorate F.
Unit F3 "Coordination within Rural Development"
Rue de la Loi 200
Office L 130 6/197
B-1049 Brussels
Belgium

Fax: +32 2 296 59 92 Email: agri-leader@cec.eu.int 6 ECA 34/06/2-Sup.1

#### **SARD M**

Annex 4

#### **Rationales and Beneficiaries**

The SARD-M project of FAO liaises between Sustainable Agriculture and Rural Development (SARD) and Mountain issues. The project recalls the importance of these issues - both discussed at the Rio Conference in 1992 - and identifies the many challenges of Sustainable Agriculture and Rural Development in mountain regions, and calls for coherent policies, instruments and programmes.

# Sustainable Agriculture and Rural Development related policies will improve rural livelihoods

Access to land, water, markets and financial services, recognition of the rights of the most vulnerable groups, community empowerment, democracy and good governance are prerequisites to sustainable development. Appropriate, well-targeted and comprehensive policies, legislation and institutions are needed to improve the rural livelihoods of the most vulnerable groups. These policies should take into account the specific needs of mountain communities, as well as the essential linkage between mountain and lowland populations. These policies also need to be holistic - considering agricultural, economic, social and cultural issues - at all levels.

## Mountain communities are among the most vulnerable in the world

About 270 million mountain people lack food security, of whom 135 million are chronically hungry. While the vast majority of mountain people are rural, agriculture alone cannot ensure their livelihoods. Mountains constitute a wealth of strategic resources: fresh water for half of humanity and the biodiversity that will help feed the world. Mountain populations may also benefit from new economic opportunities, once empowered and involved in the decision process.

#### A voice for mountain populations

Mountain populations lack a voice and political influence because they are physically isolated and socially marginalized. They are far from decision centres, on the wrong side of the digital divide and often do not represent a critical mass to impact on political decisions. Few countries have developed specific policies, legislations and institutions to address the specific needs of mountain populations.

#### A SARD project to serve mountain populations

As the United Nations lead agency on both sustainable agriculture and rural development and mountain issues, FAO, with support from the Swiss government, prepared a four-year multi-donor project on SARD in mountain regions (SARD-M). The SARD-M project aims to facilitate the formulation, implementation and evaluation of sustainable agriculture and rural development policies. The project also favours the development and implementation of institutions and legislation inspired by SARD principles and adapted to mountain specificities.

The SARD-M project is a unique opportunity for all concerned stakeholders – governments, the international community and civil society – to develop joint initiatives in favour of sustainable development. At the ground level, this participatory project will benefit mountain populations worldwide.

#### **FAO SARD-M Project (2005 – 2007)**

The Sustainable Agriculture and Rural Development in Mountain Regions (SARD-M) Project, funded by France, Japan and Switzerland, aims at "strengthening mountain populations' livelihoods with improved policies for sustainable agriculture and rural development". The project addresses policy issues and bolsters institutions.

ECA 34/06/2-Sup.1 7

The project utilizes a multi-stakeholder approach (i.e. governments, civil society, international organizations), and its activities rely on the involvement of regional focal points (i.e. EUROMONTANA for Europe), pivotal project partners, and synergy-building with ongoing projects, while taking into consideration a balanced representation of regions all over the world. Activities are articulated at various levels (i.e. local, country, regional or sub-regional and global levels) in order to facilitate exchanges and interactions among different stakeholders.

Activities conducted in Europe include:

The assessment of the strengths and weaknesses of mountain policies inspired by SARD principles carried out by the Interim Secretariat of the Carpathian Convention (UNEP) in three Carpathian countries, i.e. Romania, Slovak Republic and Ukraine;

A Regional/Carpathian Workshop on Strengthening SARD-M Policies for the Protection and Sustainable Development of the Carpathians organized jointly by the United Nations Environment Programme (UNEP), EUROMONTANA and the SARD-M Project (24 October 2005 in Liptovský Mikuláš, Slovak Republic);

Support to EUROMONTANA's Seminar on mountain positive externalities: "Reaping the benefits of Europe's precious place - Policies releasing the potential of mountain and remoter rural areas" held in Aviemore Scotland from 9 to 11 November 2005.

The participants of the Regional Workshop showed a high level of interest in the findings of SARD-M country and regional/Carpathian policy assessments, globally validated them and identified possible follow-up activities in the Carpathians notably:

- the expansion of the policy assessment to the other four Carpathian countries;
- an official contribution to the first Conference of the Parties of the Carpathian Convention through the output of the SARD-M policy assessment.

8 ECA 34/06/2-Sup.1

### REFERENCES AND SOURCES

Annex 5

Asian Development Bank. 2004. Environmental Monitoring and Information Management System for Sustainable Land Use in Kazakhstan, Tar:KAZ 36441.

Baur, P. 2004. Die Landwirtschaft geht — der Wald kommt, Montagna No. 4.

Baylis, K. 2002. A Brief introduction to Agricultural and Environmental Policies in the EU, Lectures EEP 141, Agricultural and Environmental Policy, Berkeley University. On-line at http://are.berkeley.edu/—baylis/EEP%201 41 files/EEP14I Lectures.htm

Brouwer, F. 2002. Effects of agricultural policies and pratices on the environment: review of empirical work in OECD countries. OECD.

Bryden, John. 2000. Decline? What decline? A demographic revival is being observed in a number of rural areas. LEADER Magazine nr.22 - Spring, 2000.

CARNET (www.craresd.net). Economic and Legal Aspects of Land Degradation Prevention.

Damary, P. 2002. Towards sustainable agriculture policies promoting biological diversity and landscapes. *In*: Pan-European Conference on Agriculture and Biodiversity (5-6-7 June 2002). Towards integrating biological and landscape diversity for sustainable agriculture in Europe. Maison de l'Unesco, Paris (France) 5-7 June 2002. Conference organized by the Council of Europe in cooperation with the French Government and UNEP.

Di Lavoco, F. 2003. Lo sviluppo sociale nelle aree rurali. Franco Angeli, Milano.

Dunford, B. 2003. Report on Workshop on Land Abandonment.

EC (European Commission). 2002. Agriculture and the Environment, http://europa.eu.intlcomrnfagriculture/envir/report/enfevo\_cu\_en/report.htm

Feng, H., Kurkalova, L.A., Kling, C.L. and Gassman, P.W. 2004. Land Retirement versus Changing Practices on Working Land, Working Paper 04-WP 365, Center for Agricultural and Rural Development, Iowa State University, Ames, Iowa 50011-1 070, www.card.iastate.edu

FIDA. 2002. Exposé de la Stratégie Regionale, Europe Centrale et Orientale et les Nouveaux États Indépendants.

Grimm, M. Jones, R.J.A. and Montanarella, L. 2002. Soil Erosion Risk in Europe, European Soil Bureau, Institute for Environment and Sustainability, European Commission, Joint Research Centre, Ispra.

Hurni, H. 2004. Der Tadschikische Pamir, Geographische Rundschau, Heft 10.

Institute of Agriculture Development in Central and Eastern Europe. 2005. Creation of Agricultural Land Market in Ukraine: Current State of Development, Discussion Paper No. 86.

Institute of Agriculture Development in Central and Eastern Europe. 2004. Interregionale Disparitäten und Entwicklung ländlicher Räume als regiorialpolitische Herausforderung für die neuen EU Mitgliedstaaten, Discussion Paper No. 61.

Lorenzi, F. and Vakrou, A. 2005. The European support policy for mountain and hill farming, as a basis for the development of an agri-environmental policy. Workshop 'The political economy of agri-environmental policies in the USA and the EU', 27-28 May 2005. University of California, Berkeley.

Lowe, P., Murdoch, J. and Ward, N. 1995. Networks in rural development beyond endogenous and ex endogenous models. *In*: Ploeg, J.D. and van 0ok (eds) 'Beyond modernization. The impact of endogenous rural development', Assen, Van Gorcum.

Mauro, F. 2001. Prospettive per l'uso sostenibile della biodiversità nelle specificita italiane: ambienti mediterranei ed ambienti montani. *In*: La Biodiversitá nelle politiche ambientali. Quaderni di Guargnano. ARGE ALP. Edited by V. Giacomini.

Mazoyer, M. and Roudard, L. 1997. Histoire des agricultures du monde, Seuil, Paris.

Murbach, F. and Paus, M. 2005. L'agriculture de l'arc lémanique. Etude sur la valeur ajoutée. Rapport final. Office fédéral de la statistique et institut d'économie rurale de l'ETHZ.

Murdoch, J., Lowe, P., Ward, N. and Marsden, T. 2003. The differentiated countryside. London: Routeledge.

Murray, S. 1997. Urban and Peri-Urban Forestry in Quito, Ecuador. A case study. Forestry Department. FAO, Rome.

OECD. 1998. Agriculture and the Environment: Issues and Policies. Available on <a href="https://www.oecd.org/topic">www.oecd.org/topic</a>

OECD. 2001. Improving the Environmental Performance of Agriculture: Policy Options and Market Approaches. Available on <a href="https://www.oecd.org/topic">www.oecd.org/topic</a>

OECD. 2003. The Future of Rural Policy, From Sectoral to Place-Based Policies in Rural Areas. OECD Publishing.

OECD. 2004. Agriculture and Environment: Lessons Learned from a Decade of OECD Work. Available on <a href="https://www.oecd.org/topic">www.oecd.org/topic</a>

Parlement européen, Révisé le 1er septembre 1996, La forét en symbiose avec l'espace rural.

Podmaniczky, L., Balãzs, K. and Szabo, 0. 2001. CEESA — Agri-environmental Practices at Farm Level in order to preserve Biodiversity of Landscape. Dévavanya Case Study Area, Hungary.

Renting, H. *et al.* 2006 (to be published). Multifunctionality of agricultural activities, changing rural identities and new territorial linkages. International Journal of Agricultural Resources, Governance and Ecology (IJARGE).

Rural Europe. 1995. Exploiting local agricultural resources. The exploitation of agricultural products in the Jerte Valley: new products, new markets? Document type: case study. Source: LEADER dossier. On-line at http://europa.eu.int/comm/archives/leader2/rural-en/biblio/produ/art 3.htm

Swiss Federal Office of Agriculture. 2004. Agricultural Report 2004.

Tisenkopfs, T. and Sumane, S. 2004. 'Rural Community Initiatives in the Latvian Countryside'. *In:* Ilkka Alanen (ed.). Mapping Rural Problematics in the Baltic. Aldershot: Ashgate Publishing, pp. 219-247.

Van der Ploeg, J.D. and Roep, 0. 2003. Multifunctionality and rural development: the actual situation in Europe. *In*: van Huylenbroek, G. and Durand, G. (eds). Multifunctional agriculture. A new paradigm for European Agriculture and Rural Development. Ashgate, Aldershot, UK. pp. 37-53.

Van der Ploeg, J.D. *et al.* 2002. (eds) Living Countrysides: The State of the Art. Doetinchem: Elsevier.

Zellei, A., Gorton, M. and Lowe, P. 2001. CEESA. Comparative Analysis of the Agri-Environmental Policies in Central and Eastern European Countries. Newcastle.