

***The Second Pillar and sustainable rural  
development:  
early experience with the RDR and SAPARD***

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# Results and ideas from an 18 month project to

Assess how far the RDR & SAPARD instruments are  
likely to achieve EU objectives & promote  
sustainable rural development

Identify good practice & learn lessons from  
implementation

Help to identify policy messages for CAP reform  
and for rural development programmes



# Project set-up: Europe's Rural Futures, 2001-3

**Sponsored and managed by LUPG and WWF  
Europe – pan-European Steering Group**

- ***Research Coordinators:***
  - Dwyer, Baldock, Bennett (IEEP)
  - Lowe and Ward (CRE)
  - Beaufoy (IDRISI)
- ***Research Team:***
  - Independent consultants / institutes in 13 European countries

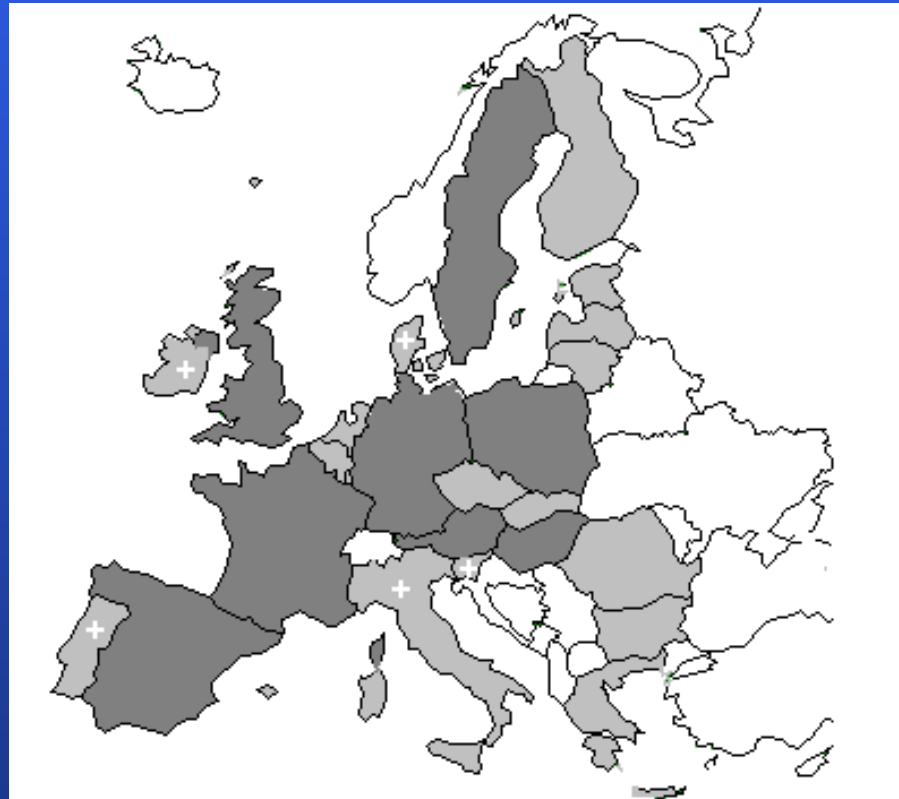


# Scope of the study

8 Core

Countries: 

Input from 5  
others: +



## Methods

- Literature review, incl evaluations of previous component parts
- National / EU contextualisation (scoping studies)
- Examination of plans/programmes, interviews, early data on outputs and outcomes
- Case studies of practice – ‘good’ and ‘bad’
- Assessed against agreed ‘principles of SRD’: balance and coherence, participation, integration, diversity, adaptability and subsidiarity, respect for rural assets and resources
- National reports using ‘common agreed framework’, EU forum, then comparative report



# RDR Rhetoric

## Second Pillar of CAP

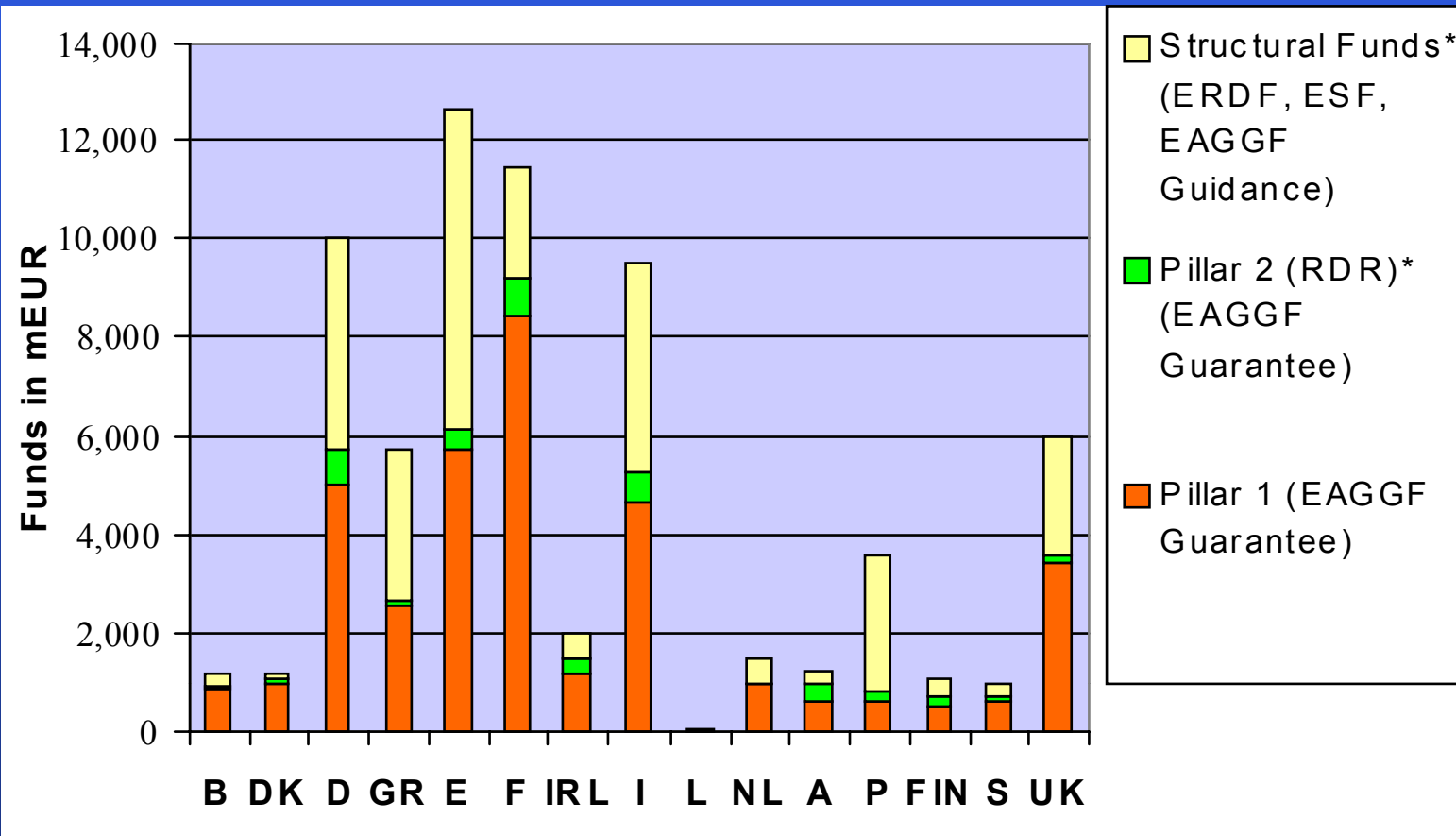
Birth of a new mechanism for rural support

Signals CAP move from production to rural development and multifunctionality, reward for public goods provision

Subsidiary, territorially focused, integrated and flexible (based upon principles of 'Cork declaration')



# Pillar 2 in Context: Comparative EU spending (existing Member States, \*annual ave 2000-6)



## Pillar 2 in context: spending levels 1998-2006

Member State	1998	2000	2001	2002	2003	2004	2005	2006
<i>Belgium</i>	-	56	58	59	60	61	63	64
<i>Denmark</i>	-	47	48	49	50	51	52	53
<i>Germany</i>	-	969	993	1,015	1,038	1,061	1,085	1,109
<i>Greece</i>	-	288	295	302	308	315	322	330
<i>Spain</i>	-	1,079	1,106	1,130	1,156	1,182	1,208	1,235
<i>France</i>	-	826	846	865	885	905	925	945
<i>Ireland</i>	-	335	343	351	359	367	375	384
<i>Italy</i>	-	925	948	969	991	1,013	1,036	1,059
<i>Luxembourg</i>	-	12	12	13	13	13	14	14
<i>Netherlands</i>	-	57	58	59	61	62	63	65
<i>Austria</i>	-	432	443	453	463	473	484	494
<i>Portugal</i>	-	518	531	543	555	568	580	593
<i>Finland</i>	-	315	323	330	338	345	353	361
<i>Sweden</i>	-	165	170	173	177	181	185	189
<i>United Kingdom</i>	-	181	185	190	194	198	203	207
<b><i>EU-15</i></b>	<b>6,030</b>	<b>6,206</b>	<b>6,360</b>	<b>6,502</b>	<b>6,647</b>	<b>6,796</b>	<b>6,948</b>	<b>7,103</b>



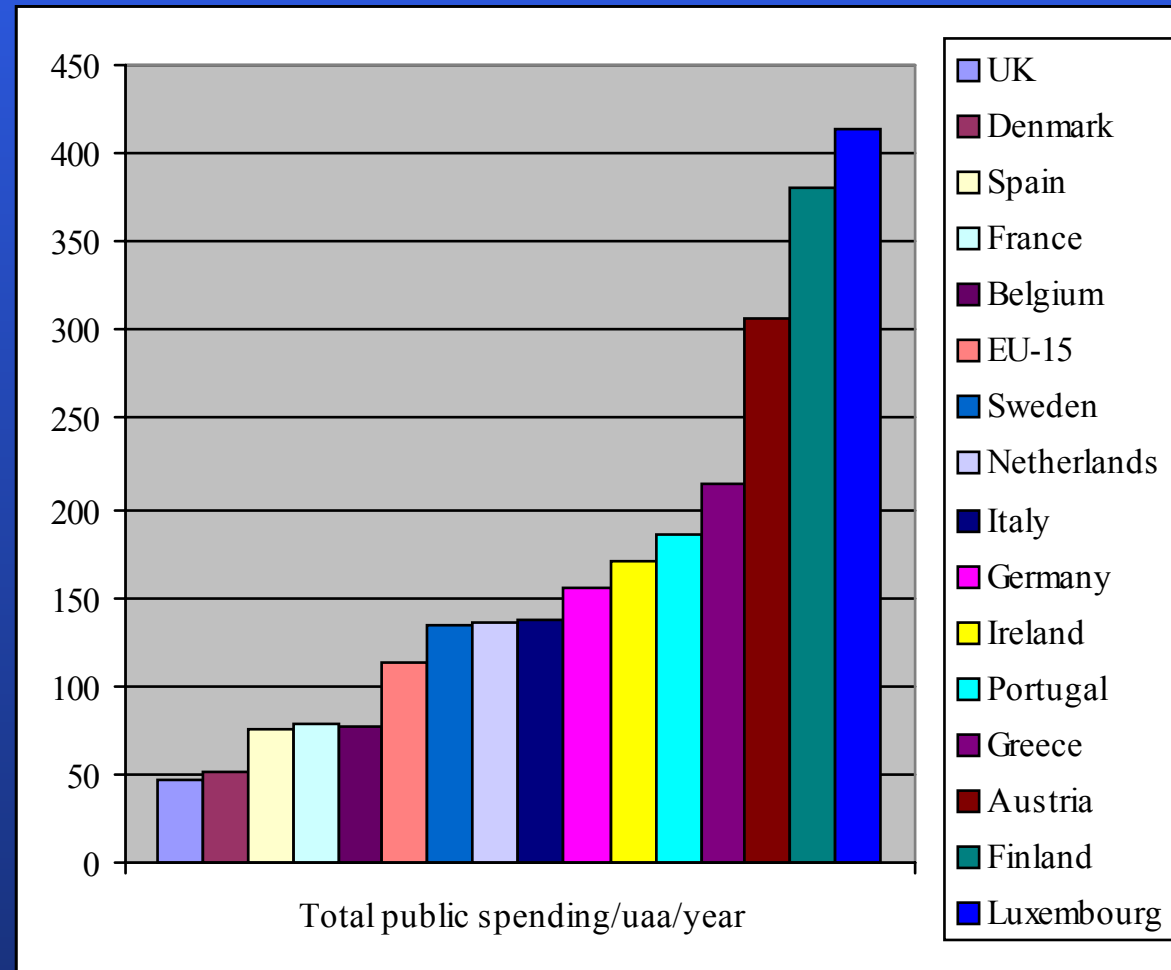


# Intensity of RDR Aid: Planned Spend per hectare of farmland per year (Ave 2000-6 EUR/ha UAA/yr)

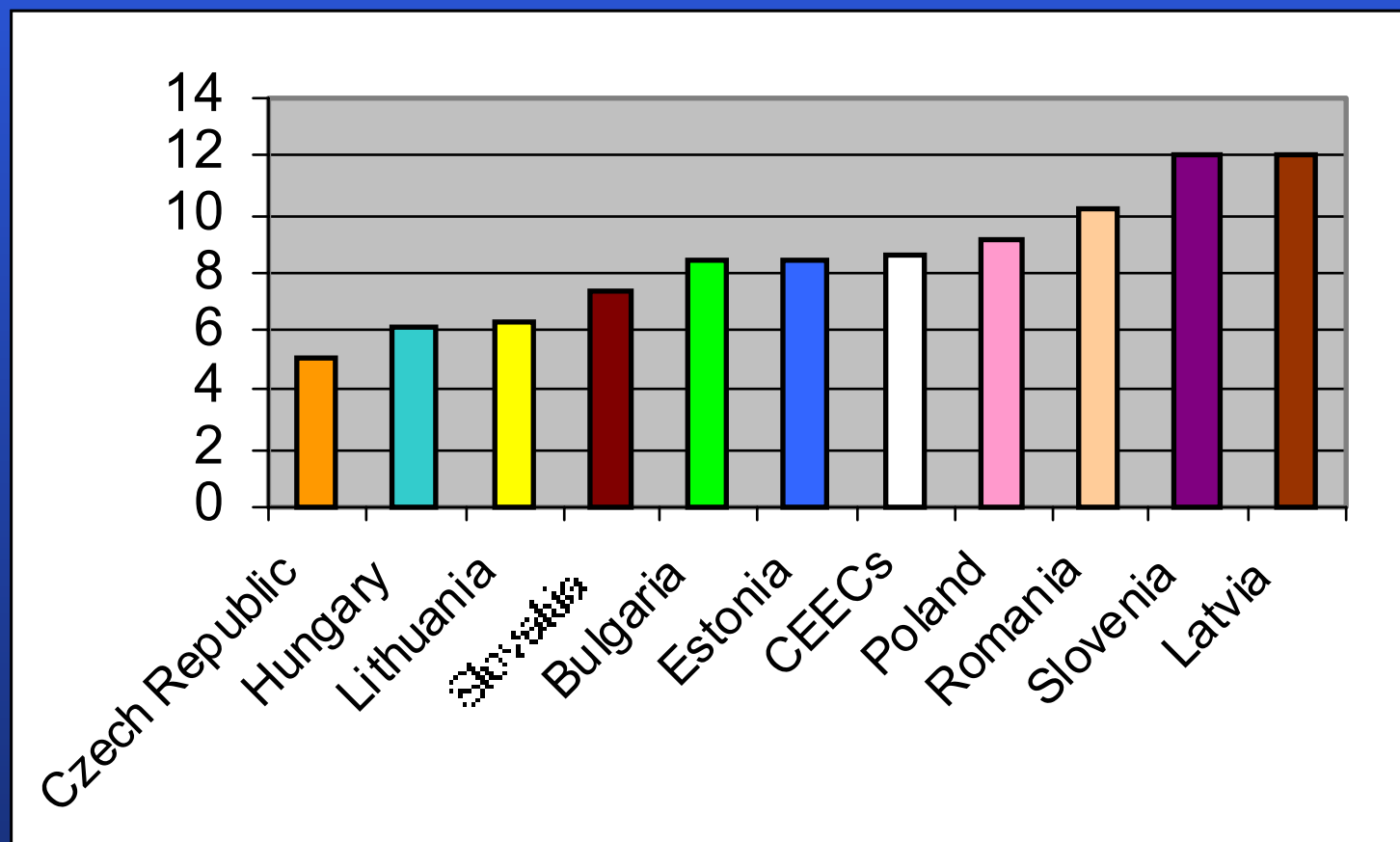
UK < 50

Germany  
>150

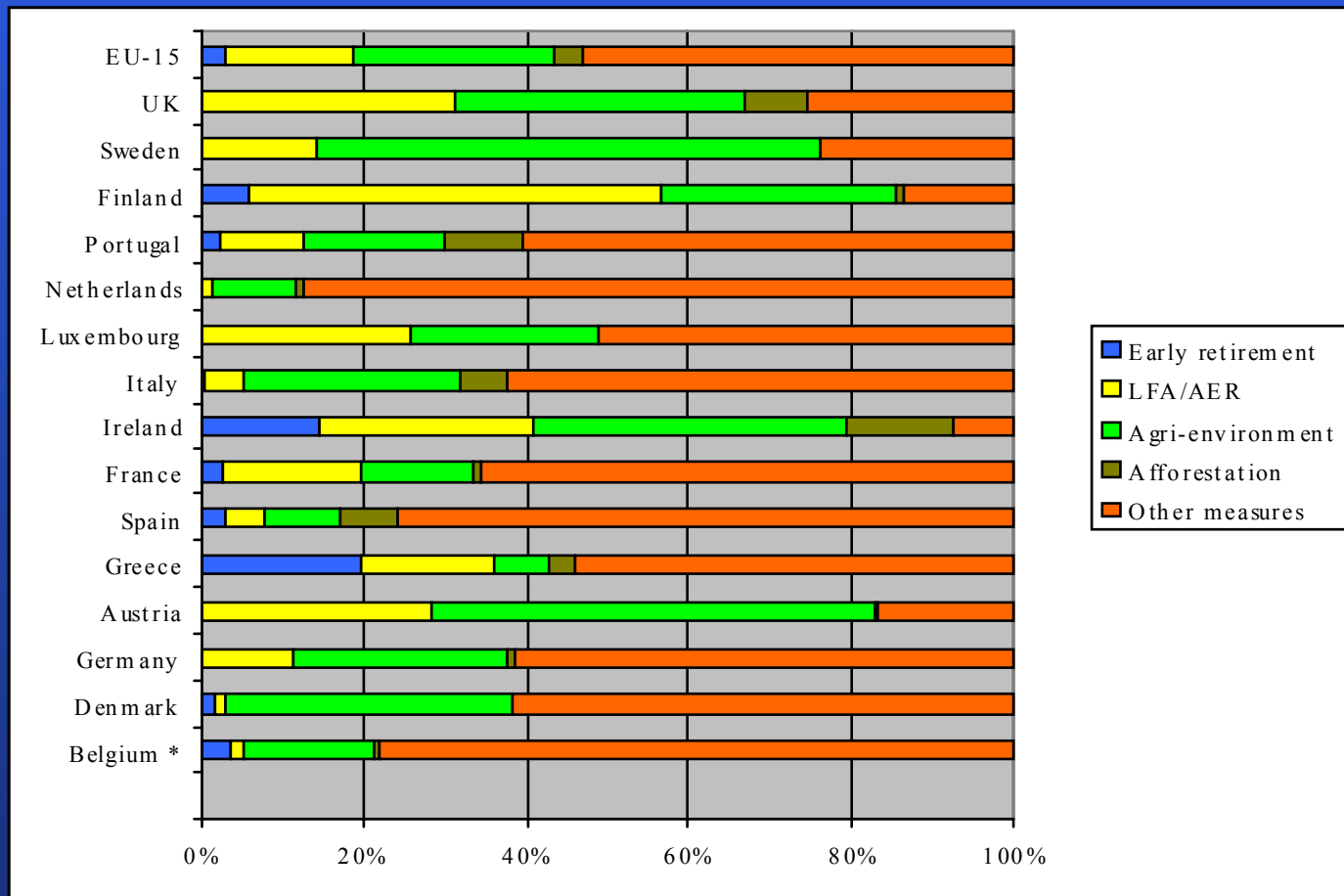
Austria >300



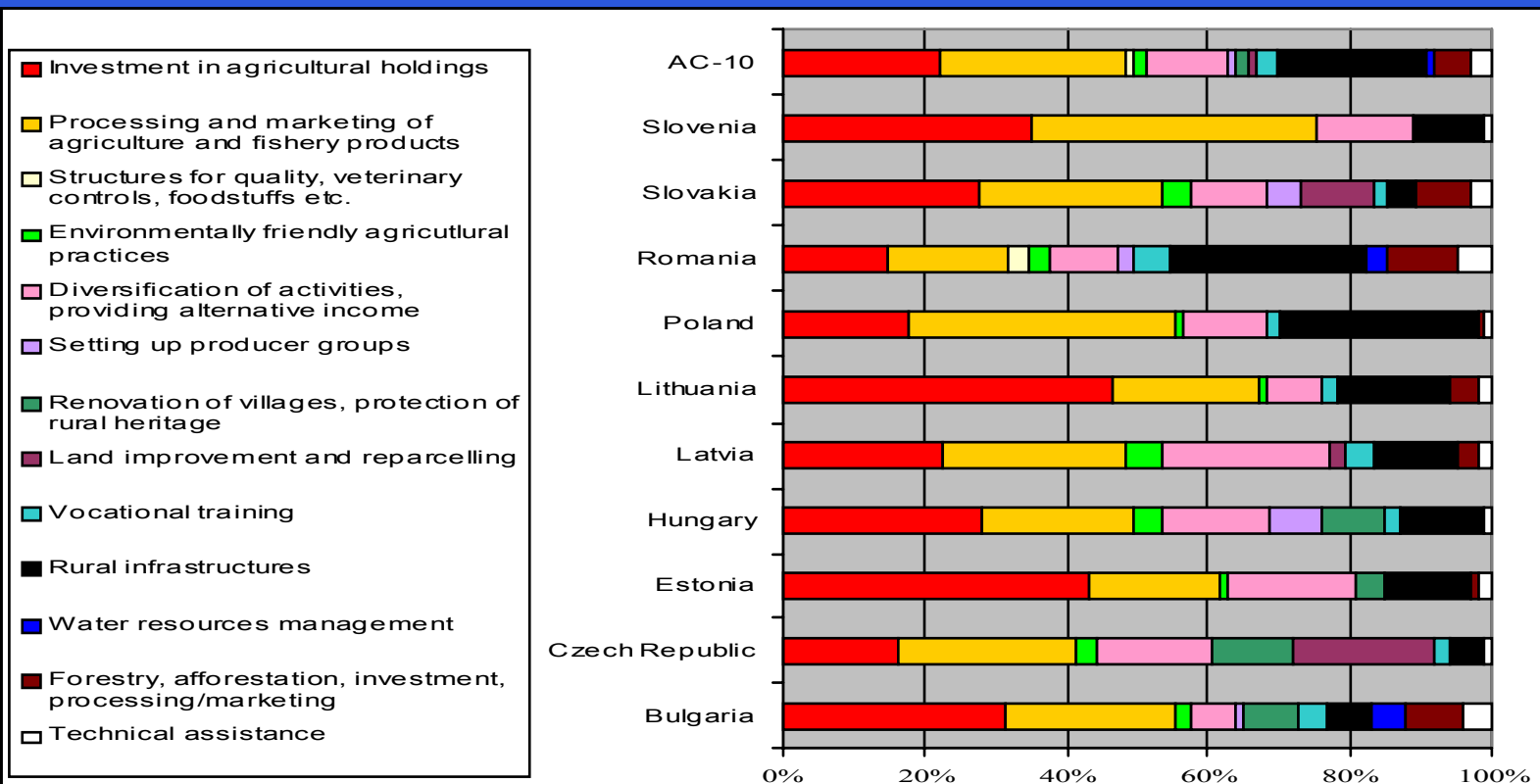
## Intensity of SAPARD aid: planned spend per hectare of farmland per year



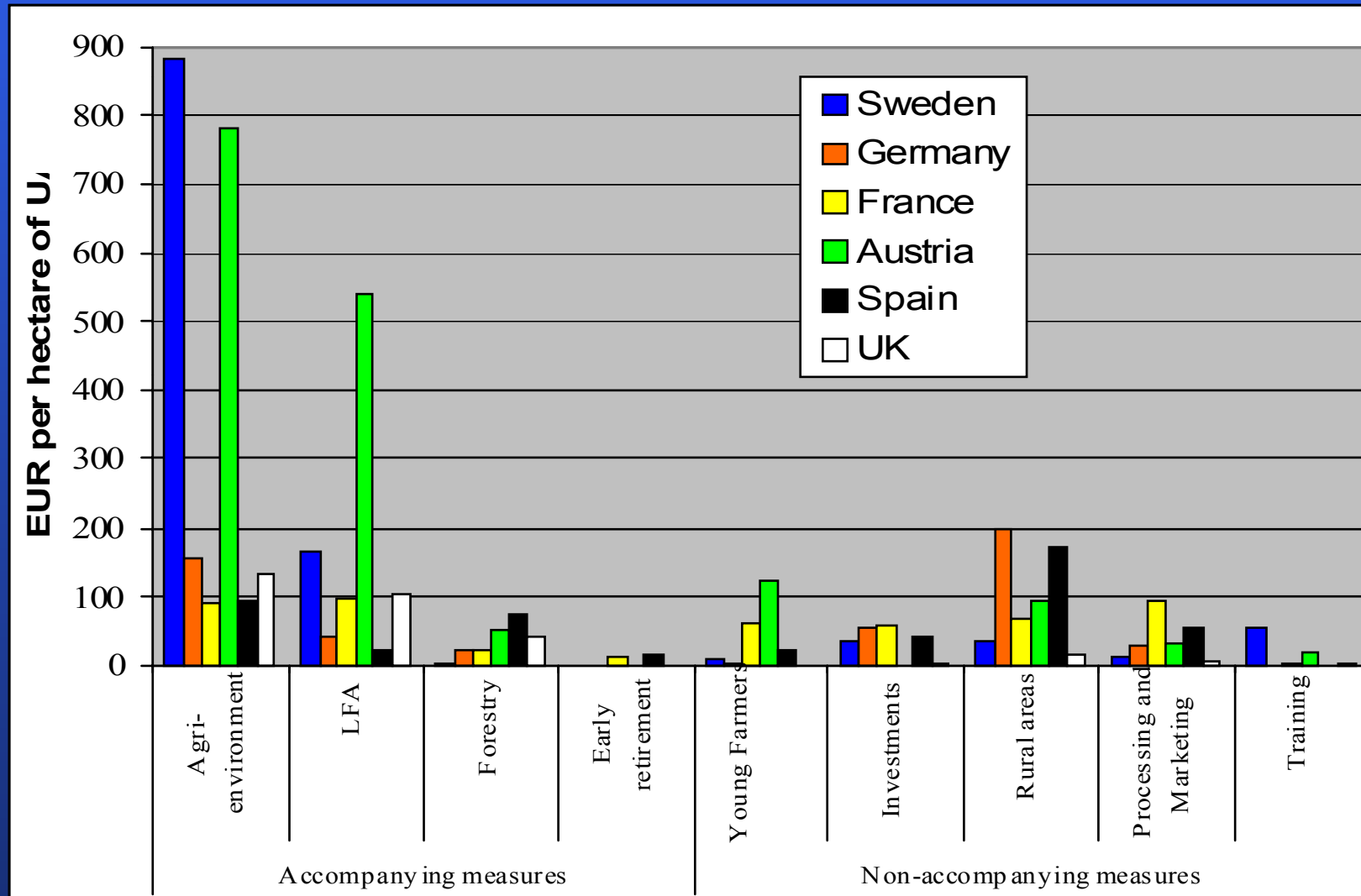
# Planned RDR spending in Member States (Percentage, 2000-2006)



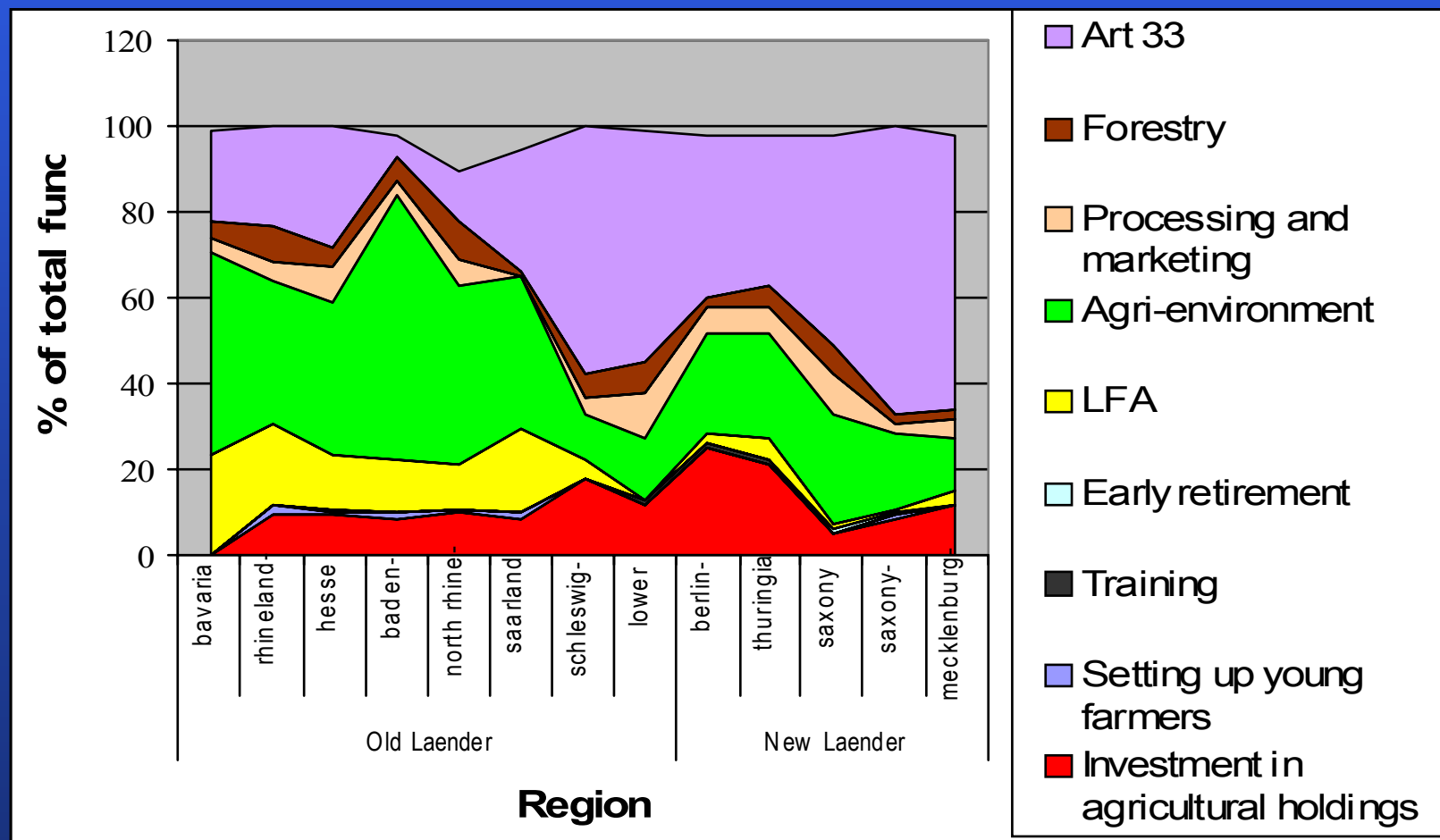
# SAPARD planned expenditure by Candidate Country



# Planned RDR expenditure within selected EU Member States, per Ha UAA



# Varied regional priorities: RDR spending patterns in Germany



## Balance, coherence and integration

- **Priorities reflect pre-existing agendas** - 'business as usual', spectrum from preservationist to developmental/modernising
- **Some good local examples of integration** – both design & delivery
- **Greater internal coherence than prior to 2000** but mainly in planning process, not follow-through
- **Conflict / lack of coherence with other policies** – Structural Funds, other RDPs, sometimes Pillar 1 (though some notable P1 mimicry, too)



# Adaptability, innovation and respect for rural resources

- **Rigidity of EAGGF Guarantee approach hinders adaptability and innovation** – better results with EAGGF guidance in EU-15
- **Nevertheless, some good examples**, often built on previous experience and determination
- **Appreciation of ‘rural resources’ frequently narrow** – social and environmental aspects weaker
- **Environment acknowledged** but not fully taken into account, linkages/indirect impacts often ignored





# Progress and Constraints

## Positive signs in both MS and CCs

- MS: greater partnership and strategy, broader involvement in 'agricultural' policy, some innovation
- CCs: central capacity building as preparation for accession

## Significant constraints

- Design (and budgets) conservative, encourage institutional inertia
- Institutional learning – takes time and resources
- Severe practical obstacles, including financial rules and conditions from CAP legacy
- Some signs that outcomes will be more constrained than plans



## SAPARD – key issues

- High expectations of what it would promise
- Low and slow delivery – major delays
- Focus on accreditation above all else – to exacting standards
- No support for local/bottom up initiatives
- Simplest spending options favoured
- Little opportunity to learn from it, in planning for RDR



# Factors underlying progress

- **Prior experience of IRD**
- **Strong local partnerships**
- **Territories with multi-sectoral interests / actors (often borne out of conflict)**
- **Institutional flexibility / local responsibility**
- **Willingness to challenge traditionalist CAP / farming approaches**
- **Recognised legacy of unmet needs / demands**



## Case Study Integrated approach - *Sölktäler Nature Park, Austria*

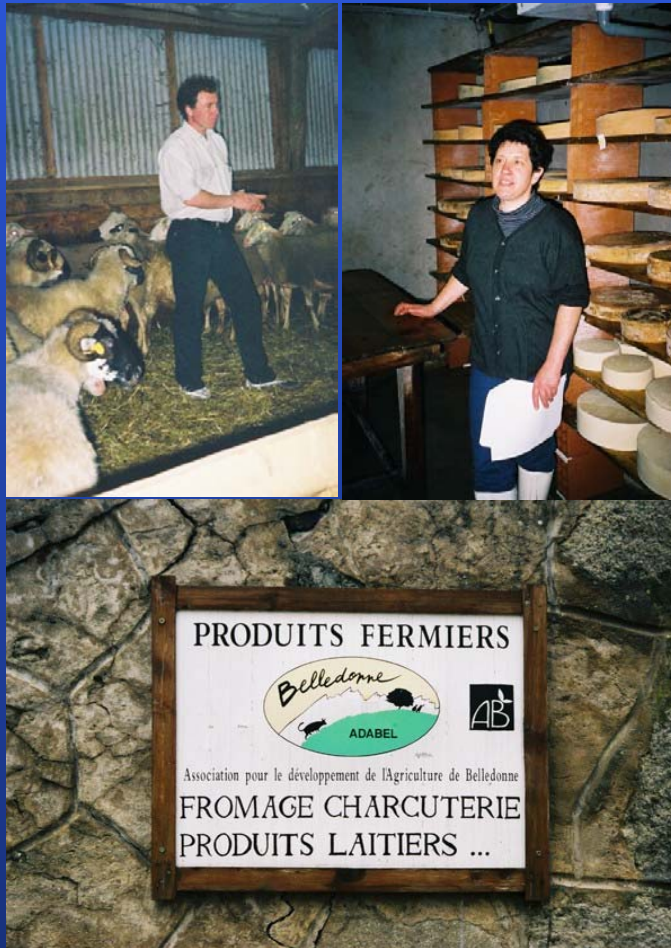


- ***Aims:*** maintain alpine landscape & bio-diversity
- ***Problems:*** abandonment & forest encroachment
- **Integrates measures:** Article 33, agri-environment (ÖPUL), training (Art. 9) & LEADER +
- Park Administration co-ordinates a **broad partnership**

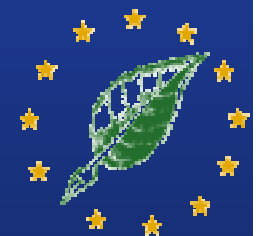


# Case Study 'Made to measure'

## - Contrats Territoriaux d'Exploitation (CTE), France



- **Contracts between farmers & stakeholders**
- **Farm business development & environmental management**
- **Integrated many RDR measures**
- **Targeted packages to meet local needs**
- **An innovative but complex measure**
- **needed time to develop**



# Factors causing problems and missed opportunities

- Poor support from national authorities
- No impetus for change
- Local / multi-sector involvement limited
- Complexity of the regulations
- Unsustainable reliance on agriculture



# Case Study - An unstable rural economy

## *La Vera, Spain*

- **Over-dependence on tobacco subsidy** – c. 80% rural economy, likely to be phased out
- **RDR & domestic PRODER programmes not being used** to attempt to diversify the economy or support high natural value marginal landscapes
- **Need a more strategic approach for the future** to provide more balanced rural development
- **There is much potential:** farm product diversification, improved quality products, rural tourism, LFA support, & improved landscape & environment, all providing new employment





# Case Study – integrated support structures

## *Farming Connect, Wales*



- Supports farming families to adapt to structural change

- Provides an environmentally sustainable framework

- Links advisory services, training, information transfer, demonstration farms, national & European Funding, Objective 1 and 2 mechanisms





# Case Study - A missed opportunity

## *Cötkény, Hungary*



- **Micro-regional association** - bottom-up local involvement
- **Strategy** based on local ecology, economy & culture
- **Lack of funds / delays** – programme limited to ‘showcase projects’
- **Disillusionment, but hope for the future**
  - Experience of applying for funding
  - Strong community links



# Key Policy messages 1 – Processes & priorities

**Simplify the framework, mechanisms & administrative processes** - to promote better planning, provide flexibility, enable integration of measures & encourage innovation

**A broader, less agricultural, focus** – to support agricultural restructuring & to enable programmes to address the diverse needs of Europe's rural areas

**A clearer link** between programme objectives, priorities selected, measures used & funding allocated with involvement of the full range of stakeholders



# Key Policy messages 2 – Integration & support

**More emphasis on sustainable development –**  
better integration of economic, environmental & social interests across all measures

**Investment in facilitation & capacity building –**  
to use RDR resources more effectively & adapt delivery to local needs

**A greater support role for the Commission –**

- focus on outcomes & targets;
- guidance on strategic design & delivery;
- a mechanism to share good practice



## **Key Policy messages 3 – RDR Resources**

**Funding needs are much greater than current & proposed budgets**

**CAP Resource balance needs to shift from Pillar 1 to Pillar 2 to deliver public benefits & realise the potential of the RDR**

**Funding should be allocated using clear & objective criteria - both between & within Member States**

**Better integration of RDR programmes with other programmes for rural areas is essential**



## **Key Policy messages 4 – The RDR's potential**

**The Rural Development Regulation has  
great potential to support sustainable  
rural development**

**The Second Pillar is essential for CAP to  
evolve successfully**

- from its focus on production
- to support adjustments in Pillar 1
- to meet the challenge of sustainability

