



**Thematic Working Group 1: Targeting territorial specificities and
needs in Rural Development Programmes**

Building Blocks of a New Typology of Rural Areas

EN RD Contact Point

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Connecting Rural Europe

Context of Thematic Working Group 1

The EN RD has established Thematic Working Groups (TWGs) which carry out specific analysis on the basis of the current rural development programmes focusing on specific thematic priorities. The overall objective of TWG1 is to contribute, through relevant analysis and the diffusion of results, to an efficient targeting of territorial specificities and needs in Rural Development Programmes (RDPs) and to a more balanced development of rural areas across Europe. Based on a predefined workplan the Group conducted its analytical work in 3 steps:

- Step 1 analysed how EU Member States have defined or targeted rural areas in their RDPs for the 2007-2013 programming period, and what kind of indicators and definitions they have used for this purpose;
- Step 2 addressed the issue of demarcation and complementarity between the different European Union and national funds in terms of meeting the development needs of rural areas and the targeting of specific territories for the application of measures and resources to meet identified areas;
- Step 3 which is the final output of the analytical work, involves the production of an overall report bringing together the various elements (including significant commonalities and variations).

Within Step3, as the final part of the analytical work, TWG1 formulated the 'building blocks' of a possible typology of rural areas suitable for being used in connection with future programming in the area of EU rural development policy.

In its work the Working Group demonstrated that the OECD definition, with its twin ideas of a standard threshold of population density and a regional basis (at NUTS 2 or NUTS 3 level) for distinguishing urban and rural areas, was not accepted by a majority of EU states as a meaningful starting-point for defining rural areas for the purposes of their RDPs. Instead, the majority of MS and regions used their own alternative definitions. It was also showed that for targeting specific objectives; either sectoral (agricultural, environmental) or territorial (rural), that the OECD typology was not sufficient and that MS and regions used a number of various additional indicators to define territories to which the respective measures should be targeted. A number of regions and countries constructed territorial typologies for mainly the purpose of targeting measures of Axis 3 and Axis 4 (Leader)¹.

Reasons for considering a common approach to the definition and typology of rural areas include that:

- the combination of definitions now used by Member States (MS) to define rural areas means that more land, and far more population (c.135 million rather than c.94 million) are defined as rural than would have been under the OECD definition;
- the individual definitions and typologies of rural areas used by MS vary so widely that there is no clear basis for comparing them at European level.

Building blocks for a revised typology of rural areas

To offer building blocks for a revised typology of rural areas and a revised set of baseline indicators, several assumptions are made. First, any such revision will not come into play until the launch in 2014 of the new EU programming period, and; there will continue to be a distinct fund for rural development, with a scope similar to that of the present EAFRD. Second, that rural definition and typology will also form the basis for the division of labour between the rural development fund and other EU funds. A broad definition of rural areas is appropriate, for this EU-level purpose, to be based

¹ Separate TWG1 case studies on three such typologies have been developed. Namely: Finland, Denmark and Italy-Sardinia.

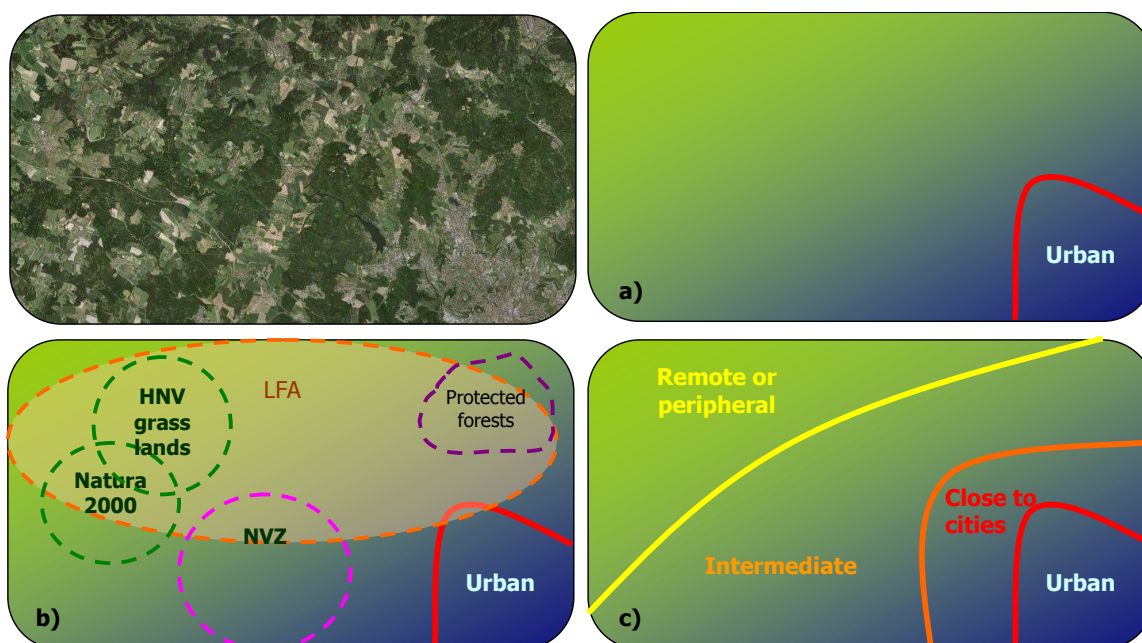
on clear and measurable criteria, to reflect as far as is sensible the variety of circumstances in different MS, but not to bind MS to the use of a uniform definition when applying the rural development fund to the needs of their territories.

In the territorial scope of the rural development programming, three issues are perceived, which are linked but separate. These are:

- a) The definition, at EU level or in each MS or region, of the boundary between 'rural' and 'urban' areas;
- b) The targeting of particular territories for the application of specific measures;
- c) The typology of rural areas.

The definition of areas as rural does not depend upon, or imply the need for, a typology of rural areas, rather, the defined rural area provides a frame within which a typology is developed, allowing further distinction between different types of areas. Further, territories may be targeted for the application of specific measures without the wider development of a formal typology of rural areas, and this targeting may cut across the urban-rural boundary, as in the example of Natura 2000 areas. Finally, within the context of rural development programmes at national or regional level, a wider typology of rural areas may only be needed where the state or region wishes to apply significantly different measures or levels of funding to different types of territory.

Figure 1 The distinction between definition, targeting and typology



Legend: Air photograph of a national territory, showing a city in the bottom right corner and illustrations of the issues defined above [a), b), c)].

Thus, as a prerequisite the boundary between 'rural' and urban areas must be defined (Purpose A), as the basis for:

- i. at EU level, the division of labour between the rural development fund and mainly the regional development and cohesion funds;
- ii. at national or regional level, to set the geographic scope of the Rural Development Programme, also in relation to other intervening programmes

The 'building blocks' for a territorial typology of rural areas have been defined primarily for the other purposes noted above. Namely:

- B. To define the areas to which specific sectoral measures do or do not apply.

- C. To define the areas which most need development, in the sense of social, economic or other change, in order to address socio-economic weaknesses, achieve cohesion and (in the medium to long-term) reduce dependence upon public funds.

These three purposes reflect the distinction between **definition, targeting** and **typology**. Thus:

- Definition of rural and urban areas for general purposes (Purpose **A**) may or may not require, or be part of, a typology which identifies differences within the rural area;
- Definition of areas for the application of specific measures (Purpose **B**) may offer sectoral building blocks for a typology, but not a complete territorial typology;
- definition of areas which most need development (Purpose **C**), and which may therefore be given priority in significant parts of the Rural Development Programme, requires a comparative analysis of all rural territories and is therefore likely to shape a territorial typology;

The development of building blocks as opposed to a revised typology is considered most appropriate for two main reasons: first, MS vary greatly in the approach that they take to defining rural areas and areas for the application of specific measures and to the formulation of territorial typologies; and second, some of the factors which may figure in a revised typology are not yet fully articulated in the form for which indicators are agreed.

For these reasons, the proposed building blocks towards a revised typology will require a further work at the EU level as well as at Member State or regional levels in preparing the next generation of Rural Development Programmes. The research undertaken and the literature reviewed for this purpose suggested nine factors to be considered for the revised typology:

- | | |
|------------------------------|---------------------------------------|
| 1. Population Density | 6. Demography |
| 2. Urban Areas | 7. Socio-economic disadvantage |
| 3. Land Use | 8. Economic structure |
| 4. Physical Handicap | 9. Access to urban services/economies |
| 5. Environmental Sensitivity | |

These factors have been grouped into **three building blocks** as follows: i) Physical handicap, ii) Environmental sensitivity and iii) Socio-economic disadvantage. Table 1 below shows how the factors are combined into the building blocks and are seen to relate to the first three purposes for typologies stated above.

Table 1: Main factors of potential building blocks for a revised typology of rural areas with their relation to the purposes of typologies

Buiding Blocks	Factors	A	B	C
Rural Definition	1 Population Density	X		?
	2 Urban Areas	X		?
	3 Land Use	X	X	
Block 1 - Physical handicap	4 Physical Handicap		X	X
Block 2 - Environmental Sensitivity	5 Environmental Sensitivity		X	
Block 3 - Socio-economic disadvantage	6 Demography			X
	7 Socio-economic problems			X
	8 Economic structure			X
	9 Access to urban services/economies			X

A Definitions of RA for general purposes

B Definition of areas for application of specific measures

C definition of areas which most need development

X - define links

? - possible links

Below are listed the possible **indicators** that might be used in defining of each of the 9 main factors,

	Factor	Indicators
1	Population Density	Population density (BSLI 17)
2	Urban Areas	Size of LAU2 or built-up areas
3	Land use	Land cover (BSLI 7), Land use (BSLI 3,9)
4	Physical handicap	Latitude, altitude, slope, soil quality (BSLI 8), Climate - precipitation, temperatures, Water regime - aridity, salinity, drought, flood etc. (BSLI 15)
5	Environmental Sensitivity	Natura 2000 area (BSLI 10), Biodiversity: Protected Forests (BSLI 11), NVZ (BSLI 14), Protective Forests concerning primarily soil, water and other ecosystem functions (BSLI 16), Cultural heritage, Landscape diversity and quality
6	Demography	Balance of births and deaths, Balance of in- and out-migration, Age structure (BSLI 18), Life expectancy Indicators
7	Socio-economic problems	Levels of educational attainment (BSLI 22), Levels of unemployment, under-employment, low levels of economic activity, Long-term unemployment (BSLI 21), Levels of average income and purchasing power, Access to basic communal services and infrastructure Standards of infrastructure, Internet infrastructure (BSLI 23)
8	Economic structure and strength	Structure of the Economy (BSLI 19), Structure of employment (BSLI 20), Structure of farming (BSLI 4) Structure, productivity and health of forests (BSLI 5,6, 13), Multipliers and leakage in regional and sub-regional economies, Levels of job vacancy, GDP and GVA per capita
9	Access to urban services/economies	Presence of urban areas (see factor 2 above), Presence of basic services in these urban areas , Presence of job vacancies in these urban areas, Ease of access to these urban areas, in terms of personal or public transport, Levels of commuting

(BSLI – Baseline Indicators of CMEF)

In addition, it is important to be able to identify areas which offer prime opportunities for specific types of development, such as renewable energy, carbon capture and sequestration, attraction of external investment, development of tourism, improvement of landscape and ecosystems etc. As the factors relating to these 'potentials for action' and the 'new challenges' are specific, it is not proposed that they are combined into one or more further common building blocks to form part of the basis for a general territorial typology.