



*European Network for
Rural Development*

Thematic Working Group 1

Targeting territorial specificities and needs in Rural Development Programmes

Step 1 Report

EN RD Contact Point

27 November 2009



Connecting Rural Europe

The 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. Working on the basis of a specific mandate they provide in-depth analysis of the EU Rural Development policy implementation and contribute to the understanding and diffusion of 'know-how' and experiences and improvement of its effectiveness. As of October 2010, TWGs have been established on the following topics:

- TWG1: Targeting territorial specificities and needs in Rural Development Programmes
- TWG2: Agriculture and the wider rural economy
- TWG3: Public goods and public intervention
- TWG4: Delivery mechanisms of EU Rural Development Policy

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) with respect to:

- national approaches to the definition of rural areas;
- the analysis of territorial specificities and needs;
- the targeting of measures in relation to these specificities and needs;
- strategies for demarcation and complementarity between RDPs and other Community and national instruments.

Informed by the above, the Step 3 Report concludes by providing draft building blocks for a revised typology of rural areas, and a revised set of baseline indicators.

From autumn 2010 onwards a number of "products" based on the analysis and outcomes of the analytical work are being developed for widespread dissemination and discussion among EN RD stakeholders.

Table of Contents

ACRONYMS AND ABBREVIATIONS	IV
SUMMARY	1
CONTENTS OF THE REPORT	2
1. INTRODUCTION	3
2. HOW MEMBER STATES HAVE DEFINED RURAL AREAS FOR THE 2007-2013 RDPS.....	5
2.1. THE OECD DEFINITION	5
2.2. NATIONAL APPROACHES TO DEFINITION OF RURAL AREAS.....	5
2.3. MODIFICATIONS TO THE OECD DEFINITION.....	7
2.4. DISTINCTIONS BETWEEN CATEGORIES OF OECD	7
2.5. ALTERNATIVE DEFINITIONS OF RURALITY	8
2.6. REASONS FOR MODIFYING THE OECD DEFINITION OR USING AN ALTERNATIVE ONE	10
2.7 DENSITY OF POPULATION AS A FACTOR IN CHOOSING HOW TO DEFINE RURAL AREAS	11
3. CONCEPTS OF RURALITY	13
3.1. SECTION INTRODUCTION.....	13
3.2. FACTORS USED TO SHAPE CONCEPTS OF RURALITY	13
3.3. CONCEPTS OF RURALITY IN THE MEMBER STATES	14
3.4. PROPORTIONS OF POPULATION, TERRITORY AND MUNICIPALITIES DEFINED AS RURAL	15
4. DEFINITIONS USED IN TARGETING RURAL AREAS FOR INDIVIDUAL MEASURES OF THE RDP	20
5. CONCLUSION.....	22
5.1. CONCLUSION ON THE USEFULNESS OF BASELINE INDICATORS 1 AND 2	22
ANNEX 1 - SUMMARY OF CONCEPTS AND DEFINITIONS OF RURALITY USED BY MEMBER STATES	29
ANNEX 2 - REVIEW OF DEFINITIONS OF RURAL AREAS IN THE SURVEYED RDPS.....	36
ANNEX 3 -USE OF DEFINITIONS FOR TERRITORIAL TARGETING OF MEASURES.....	42
ANNEX 4 - BRIEF FOR RESEARCHERS	45

Acronyms and Abbreviations

DG AGRI	Directorate General for Agriculture and Rural Development
OECD	Organization for Economic Co-operation and Development
EAFRD	European Agricultural Fund for Rural Development
EN RD	European Network for Rural development
EU	European Union
Ha	Hectare
LAG	Local Action Group
LAU	Local Administrative Unit
LFA	Less Favoured Area
NUTS	Nomenclature of Territorial Units for Statistics
SAPARD	Special accession programme for agriculture and rural development

Summary

This report presents the results of **research undertaken during Step 1** of the Thematic Group's work. The object was to analyse how Member States, in their Rural Development Programmes (RDPs), have defined or targeted 'rural' areas for the 2007-2013 programming period, with the indicators or definitions that they have used for this purpose.

The results show that the **OECD definition of rural areas**, offered by the European Commission for use by Member States, was in fact **used (in some cases with modifications) by only two-fifths of the Member States**. Other countries chose to use their own definitions, based on a wide variety of overt factors or in order to bring farm or forest land wherever it is found into eligibility for the 'horizontal' measures in Axes 1 and 2 (Section 2).

Concepts of rurality thus vary significantly between countries, because of differences in topography, population density, administrative traditions etc. Some concepts are indicator-based: they include **areas below a defined threshold of population density** (using or not using the OECD norm); **areas which are not urban**, in senses which vary from country to country; **rural and peri-urban areas**, in countries where movement out of cities is bringing people to live in places which they conceive to be still rural. Some are more-policy-based, including **areas which have specific development needs** that can be served by the RDPs; and an **intricate mosaic of areas**, defined by reference to multiple factors (Sections 3.1 and 3.3).

The result of this process is that, in many countries, significantly **more land, and more population, is defined as rural than would have been under the OECD definition** (Section 3.4).

Analysis of the definitions used by Member States in targeting 'rural' areas for the application of individual measures in the RDP reveals that **certain main definitions are used by many states**. Of these, the most widely used are the whole area of the state or region; the whole of the rural area, or major types of rural area as defined; Less Favoured Areas; areas of environmental significance, such as Natura 2000, Protected Areas or forests; and areas defined for Local Action Groups (Section 4).

The **initial conclusion** on the usefulness of the indicators or definitions which the Commission offered to Member States to use is this - that the twin ideas (implicit in the OECD definition) of a **standard threshold of density and a regional basis (at NUTS 2 or NUTS 3 level) of distinguishing urban and rural do not meet the needs of many countries**. The reasons for this non-fit are partly geographic, and partly policy-related. The OECD definition, which is essentially a territorial classification of rural areas, has value as a starting-point in such classification, but may need to be significantly modified if it is to have more widespread use; but the typology of rural areas for policy purposes may need to be treated as a separate issue. This report presents optional starting-points for definitions which might be offered in future by the Commission (Section 5.1).

Research in Step 2 must take account of the wide variety of definitions used in targeting 'rural' areas for the individual measures of the RDP. The issues will be complex, because they address not only how areas are targeted, but also how needs are assessed and how measures are designed to address those needs. The research may best focus on issues that are found in many Member States, and on sampling of chosen RDPs or specific case-studies (Section 5.2).

Contents of the report

Section 1 recalls the objective behind the work programme of TWG 1, the scope of the first phase of that work, the sequence of work within that phase, and the specific aim and approach of Step 1.

Section 2 describes how Member States have defined rural areas for the 2007-2013 programming period, whether or not they have used the OECD definition offered by the Commission, and what other factors they have used in the process of definition.

Section 3 describes the main concepts of rurality that are used in different Rural Development Programmes. It then shows the effect of these concepts in terms of the proportion of territory, population and municipalities which are judged by each country to be rural; and, where the definitions differ from straight OECD definitions, how these proportions differ from what would have been judged rural by the OECD definitions.

Section 4 provides a summary of the definitions used by Member States in targeting 'rural' areas for the individual measures in their RDPs; this will provide a starting-point for the work in Step 2.

Section 5 presents an initial conclusion on the usefulness of the indicators or definitions offered by the Commission; and states the implications of the Step 1 findings for the approach to the work in Step 2.

1. Introduction

This introductory section recalls the objective behind the work programme of TWG 1, the scope of the first phase of that work, the sequence of work within that phase, and the specific aim and approach of Step 1.

The **objective of the Group** is to contribute, through relevant analysis and the diffusion of results, to an efficient targeting of territorial specificities and needs in Rural Development Programmes and to a more balanced development of rural areas across Europe.

The **first phase of the Group's work** – March to November 2009 – is focused on laying a fieldwork of understanding of how Member States, in their RDPs, have addressed the issues of:

- identifying the specificities of different territories;
- targeting the needs-based measures in these programmes to suit these specificities.

This work is being addressed in **three main Steps**:

Step 1: Analysis of how Member States, in their RDPs, have defined or targeted 'rural' areas for the 2007-2013 programming period, with the indicators or definitions that they have used for this purpose, the problems encountered and the solutions found in the process of definition.

Step 2: Analysis of how Member States have used their definition of rural areas to territorially target the rural development measures under the four Axes in the RDPs. The focus will be on the use of indicators or definitions to identify territorial specificities and needs, the role of territorial targeting in ensuring complementarity or demarcation vis-à-vis other EU instruments, the problems encountered and solutions found in this process.

Step 3: Production of a report showing the overall pattern, including both significant common elements and significant variations, in national approaches to definition of rural areas, to analysis of territorial specificities and needs, to targeting of measures in relation to these specificities and needs, and to strategies for complementarity and demarcation between RDPs and other Community instruments. The report will draw provisional conclusions on the apparent adequacy, efficiency and balance implied by this pattern of targeting of territorial specificities and needs, including the building blocks for a revised typology of rural areas and a revised set of baseline indicators.

The aim in Step 1 has been to analyse how Member States, in their Rural Development Programmes (RDPs) and (where available) National Strategic Plans (NSPs), have defined or targeted 'rural' areas for the 2007-2013 programming period, with the indicators or definitions that they have used for this purpose, the problems encountered and the solutions found in the process of definition. Specifically, the Group wished to assess how far Member States have used the indicators or definitions offered by the European Commission, notably the OECD definition of rural areas, with the reason for any deviation from these indicators or definitions; and to understand the concepts of rurality which underlay their choice of definitions.

The analysis was undertaken by a team of researchers, on the basis of a brief which is attached as annex 4 to this report.

The analysis covers all 27 Member States. However, in five of them RDPs are prepared at sub-national or regional level - Belgium, Germany and UK at NUTS 1 level, Italy and Spain at NUTS 2. Except in Italy, there is no national definition of rural areas in these Member States; or if there is one, as in Spain, it is not binding for regional RDPs. While the full coverage of sub-national or regional RDPs is provided for Belgium and the UK, in the case of Germany and Spain a sample of three randomly selected regional RDPs is analysed (Brandenburg, Bavaria, Hessen); Andalusia,

Catalonia and Navarra). For Italy, the Group analysed national definitions from strategy documents and the RDP.

The results of this analysis are recorded in **35 'fiches'** (23 national and 12 sub-national or regional), which are available to readers of this report. The essential findings from these fiches are summarised, country by country (in alphabetical order of Member States), in annex 1 to this report.

2. How Member States have defined rural areas for the 2007-2013 RDPs

In this section, the Group describes how Member States have defined rural areas for the 2007-2013 programming period, whether or not they have used the OECD definition offered by the Commission, and what other factors they have used in the process of definition.

2.1. The OECD definition

The European Commission suggested that Member States, when defining rural areas for the general purpose of their RDPs, should use two main 'horizontal' baseline indicators, namely:

- the **OECD definition** of three different categories of region (at NUTS 2 or NUTS 3 level) according to the proportion of the region's population that live in municipalities which have less than 150 inhabitants per square kilometre: the three different categories are Predominantly Rural, Intermediate and Predominantly Urban;
- the **importance of rural areas** (as defined by the OECD definition), as shown by four factors, namely the % of national territory, the % of national population, the % of Gross Value Added, and the % of employment that is located in those rural areas.

2.2. National approaches to definition of rural areas

Annex 2 contains a detailed analysis of the approaches to definition of rural areas in the 35 countries or regions within the survey. In this section, a summary of the findings is offered.

The survey shows the following pattern of approaches to defining rural areas

Table 1 - Definitions of rural areas in RDPs

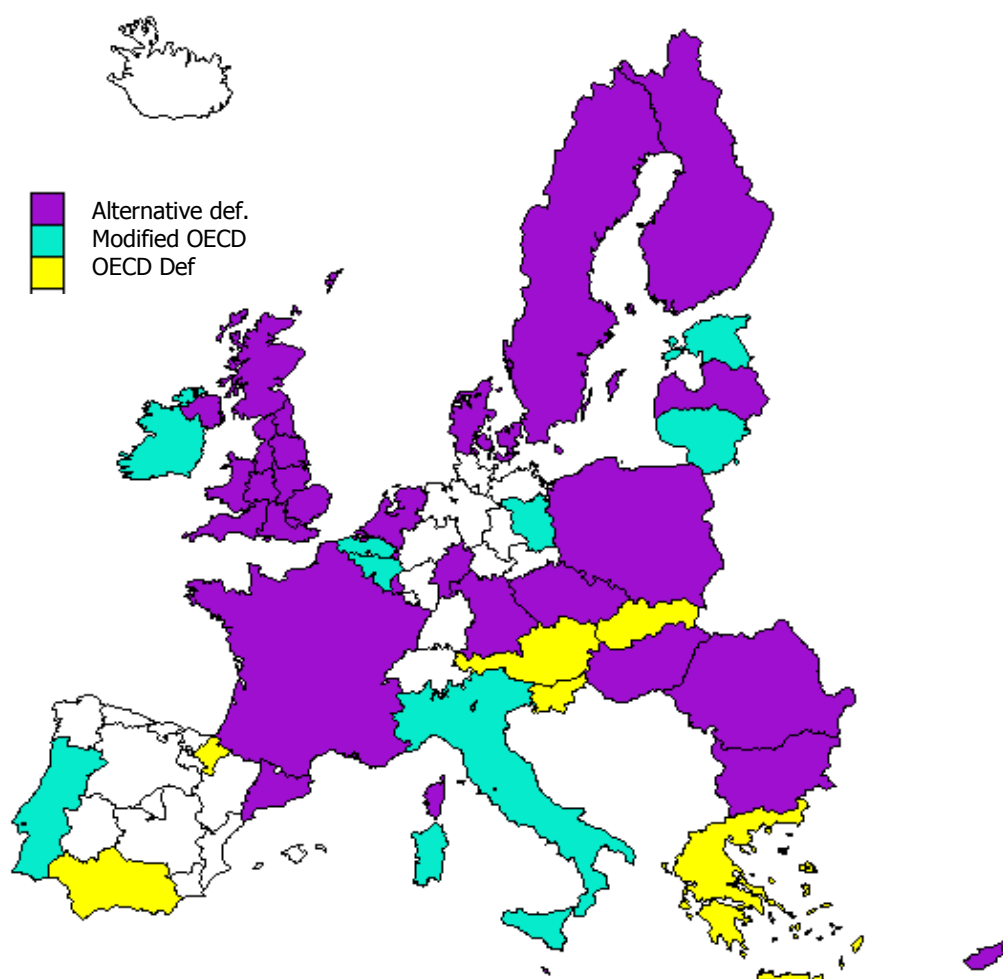
Definitions of rural areas	Number of RDPs in the analysis	
	National	Regional
Using OECD definition, unmodified	4	2
Using a modified form of that definition	5	2
Using alternative definitions	20	2

The **OECD definition, without modification** was used as the basis of definition by Austria, Greece, Slovakia, Slovenia and by two Spanish regions, Andalucia and Navarra. Czech Republic, England, France and Wales used that definition for analytical and comparative purposes, but not to define rural areas.

A modified form of the OECD definition was used by Flanders, Ireland, Italy, Portugal, Wallonia, the German *land* of Brandenburg and the Spanish region of Catalonia – and also (not shown in the table above) by Spain at national level.

Alternative definitions were used by Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Hungary, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Romania, Sweden, the four countries of the United Kingdom, and the German *länder* of Bavaria and Hessen - and also (not shown in the table above) by Germany at national level.

Figure 1 Use of the definitions of rural areas at programme level



The variation between the regions in Germany and in Spain, the two countries where responsibility for Rural Development policy rests with the regions, is interesting. Germany, at federal level, takes the view that the OECD definition does not well fit with the real situation in Germany: specifically, the threshold of 150 inhabitants/km² is often not appropriate as a measure of rurality in German municipalities. Responsibility for RDPs is held by the länder: there is some variation in their view, as described in Annex 1. Of the sample of three regions whose RDPs were analysed by the Group, Bavaria defined its rural areas by reference to a classification of settlement structure based mainly on two indicators, population density and 'centrality of the NUTS 3 areas'; and used several other factors to fine-tune the definition – see detail in Annex 1. Brandenburg defined rural areas as 'areas that are outside of urban agglomerations'. Hessen defined its rural areas by reference to "context-related Baseline Indicators 1 and 2", subject to the exclusion of the Rhein-Main urban conglomeration and the city centres of Kassel, Fulda, Marburg, Gießen and Wetzlar.

Spain, in the National Strategy, retained the first level of OECD definition (rural municipalities with density below 150 inhabitants/km²), but replaced the second level of regional typology by summing up rural municipalities to a total figure of rural areas in each Autonomous Region. Two of the Spanish regions, Andalusia and Navarra, used the OECD definition without modification. Catalonia used the OECD definition, but as applied to LAU 1 areas (conmarcas), which are defined

as rural if the population density is less than 100 inhabitants/km² : in addition, municipalities with less than 10,000 inhabitants are defined as rural.

2.3. Modifications to the OECD definition

The main modifications to the OECD definition related to the threshold of population density; the size of administrative area to which the definition was applied; and adaptations to fit national policy priorities or criteria, for example exclusion of large cities or inclusion of small towns. Thus:

- *Flanders* used a threshold of 600 persons/km², compared with 150 in the OECD norm, to reflect their high average density of population;
- *Portugal* applied the OECD density criterion, but at the level of municipalities (LAU 1), rather than at NUTS 2 or 3;
- *Wallonia* applied the OECD definition at the level of communes: Rural Areas consist of those communes in which either the density of inhabitants is less than 150 inhabitants/km² or the density is more than 150 inhabitants/km² but rural spaces cover more than 80% of the whole commune's area;
- *Spain*, in its National Strategy, retained the first part of the OECD definition (rural municipalities with density below 150 inhabitants/km²) but omitted the second (regional typology): instead, the rural municipalities were summed up to a total figure of rural areas in each Autonomous Region;
- *Ireland* chose to include, in their definition of rural areas, a number of small to medium sized towns that do not meet the OECD definition;
- *Italy* used a classification based on a version of the OECD definition, plus altitude zones.

2.4. Distinctions between categories of OECD

Some of the countries which used the OECD definition, whether modified or not, drew a distinction between Predominantly Rural Regions (PR), Intermediate Regions (IR), and Predominantly Urban (PU) Regions, for purposes of the RDP:

Table 2 - Distinction drawn between PR, IR and PU regions

<i>Distinction drawn</i>	In RDPs which used the OECD definition		In RDPs which modified OECD definition	
	National	Regional	National	Regional
Yes	3	nil	1	2
No	3	nil	2	2

A distinction was drawn, between the categories of OECD regions, by Greece, Italy, Portugal, Slovakia, Slovenia and Wallonia.

No distinction was drawn by Austria, Flanders, Ireland, the German *land* of Brandenburg or the Spanish regions of Andalucia, Catalonia and Navarra, nor by Spain at national level.

Czech Republic drew a distinction at NUTS 2 and NUTS 3 levels, in order to show distinct economic and social performance and development trends between PR and IR regions: however, for most measures, no distinction is drawn between PR and IR.

Greece has defined as rural the PR regions (73.9% of the national territory, 37.2% of the population) and the IR regions (23. 2% of the territory, 27. 2% of the population). This distinction, when supported by the use of baseline indicator 2, illuminates the analysis of the rural economy and quality of life.

Italy drew a distinction between the four main types of rural area that emerged from the analytical process described in annex 1 to this report, namely urban poles; rural areas with specialised intensive agriculture; intermediate rural areas; and rural areas with complex problems of development.

Portugal used the modified form of the OECD definition to draw a distinction between Rural and Non-Rural areas.

Slovakia drew a distinction between three types of region which are equivalent to the OECD typology, namely "Mostly rural regions; other rural regions; and mostly urban regions".

Slovenia used the OECD criteria to define 11 of its 12 statistical regions (NUTS 3) as rural, including 5 PR and 6 'significantly rural'.

Wallonia used the distinction for a limited number of measures.

2.5. Alternative definitions of rurality¹

Alternative definitions to the OECD definition were used by 21 countries and regions (60% of the sample of RDPs). The reasons for not using the OECD definition, and the nature of the alternative definition, vary among countries.

Bulgaria saw the OECD definition as unrealistic for them, because it would bring 98.8% of the national territory and 84.3% of the population into predominantly rural or intermediate rural regions, the only exception being the capital Sofia. It therefore adopted instead a national definition, already used in the SAPARD programme, whereby rural areas are the municipalities (LAU 1) in which no settlement has a population of more than 30,000.

Cyprus saw the OECD definition as unsuited to its geographic pattern of settlements. Cyprus is a small country with small agricultural areas and small urban centres. If the OECD definition was used, many areas with relatively large population and small surface which are regarded as rural would not be classified as rural, while others with large population and large surface would be characterised as rural; there would be differences between neighbouring communities, and this would cause problems.

Czech Republic prefers to use a traditional Czech definition, as used in previous rural development programmes, under which rural areas are classified as suburban, intermediate or remote.

Denmark decided that they must have a more subtle indication, than the OECD definition could provide, of which rural areas had the greatest need to boost development. So they opted for a classification system based on 14 indicators, see annex 1.

Estonia used a national definition according to which the rural area consists of the territory of all rural municipalities. In addition, in case of Leader, small towns with up to 4000 people have been included to the rural area.

Finland is the most sparsely populated member state of the EU, so that the whole country would be either predominantly or significantly rural by the OECD definition. Since the first national rural programme in 1990, Finland has evolved a three-part classification of rural municipalities, dividing them into urban-adjacent rural areas, rural heartland areas and sparsely populated rural areas, in order to focus rural policy on specific regional needs.

¹ The statements in this sub-section are all quoted or paraphrased from the RDPs or NSPs of the relevant state or region.

France chose not to use the OECD definition, mainly for the reason that rural areas so defined would exclude significant parts of the peri-urban zone, which includes a third of France's agricultural land, 35% of its farms and the homes of 39% of the metropolitan population.

Germany, at a federal level, takes the view that the OECD definition does not well fit with the real situation in Germany: specifically, the threshold of 150 inhabitants/km² is often not appropriate as a measure of rurality in German municipalities. Responsibility for RDPs is held by the *länder*: there is some variation in their view, as shown below:

- *Bavaria* defines its rural areas by reference to the classification of settlement structure developed, for the whole of Germany, by the Federal Office for Building and Regional Planning;
- *Brandenburg*, as reported earlier, defines rural areas as 'areas that are outside of urban agglomerations';
- *Hesse* states that a standard definition like that of OECD, based on population density or workplace density, cannot be applied to all rural areas.

Hungary has chosen to create its own classification, with three main categories of micro-regions 'according to the level of urbanisation' in each micro-region (LAU 1).

Latvia gives no reason for not using the OECD definition. It regards as rural all the territory of Latvia, except cities with 'republican importance' and the non-rural parts of those regional territorial units which include towns with 5,000 inhabitants or more.

Lithuania uses a national definition of rural areas, focused on non-urban territories.

Luxembourg, being a single NUTS 3 region, would lack any distinction between rural and non-rural areas if it relied on the OECD definition. So, it has developed its own basis, by which 105 of the national total of 116 communes (LAU2) are defined as rural.

Malta takes the view that an international definition of rurality is unsuited to a small island nation, in which 'all areas constitute a continuum from urban to rural and the activities associated with each other occur side by side'. They have developed their own definition of rural areas, which have population density lower than 5,000 persons/km², at least 10% of the land in agriculture, and at least 35% of the area lying outside the designated Development Zone.

The Netherlands is a small and densely populated country with hardly any predominantly rural area. Areas regarded as rural are found all over the country, and the distance to urban areas is relatively short. Hence, the distinction between rural and urban is more appropriate than between peri-urban and intermediate rural.

Poland defines rural areas as those which are located outside urban areas. No rationale for this is given, but the RDP states that the rural areas so defined (covering 93% of the national territory and 38.6% of the population) correspond quite closely with what would apply by the OECD definition (91% of territory and 34.4% of population).

Romania has used a national definition, whereby the national territory is divided, at the LAU 2 level, into 319 urban units (including the 103 most important towns) and 2,851 rural communes (LAU2), which make up the rural area. The Romanian authorities say that there is little difference between the National and OECD definitions; and that the National Statistics Institute will use OECD indicators in the future.

Sweden finds the OECD definition unhelpful, because it would mean that 99 percent of national territory, and 70 per cent of the population, would count as rural, excluding only Stockholm and Skåne counties. It has developed its own definition, whereby 'rural' is defined as being outside an

urban area with a population of at least 3,000 inhabitants, and 'sparsely populated' areas are those situated more than 45 minutes by car from an urban area with a population of at least 3,000.

England is '...relatively urbanised and densely populated compared to much of the EU (and) is characterised by more heterogeneous regions than ... other OECD or EU countries'. Therefore, the OECD definition is seen as not useful, since it would mean that England has zero population living in Predominantly Rural areas.

Northern Ireland gave no specific reason for not using the OECD definition, but noted that 'In 2005, a Report by the Inter-Departmental Urban-Rural Definition Group reviewed definitions of urban and rural areas in use for policy and statistical reporting. The report recommended that Government Departments should consider defining urban and rural areas in ways that are appropriate for the specific programmes and projects under consideration. In the absence of a programme-specific definition, the report proposed that rural settlements with a population of 4,500 or less should be defined as rural.'

Scotland noted that 'the OECD definition is based only on population density and does not take account of remoteness, which is a particular feature of Scotland's rural areas'.

Wales gave no reason for not using the OECD definition. Instead, it referred to the review of definitions of urban and rural areas in use for policy and statistical reporting commissioned by the Office of the Deputy Prime Minister in 2001: the outcome of this process was the adoption in 2004 of a 'Rural Definition'.

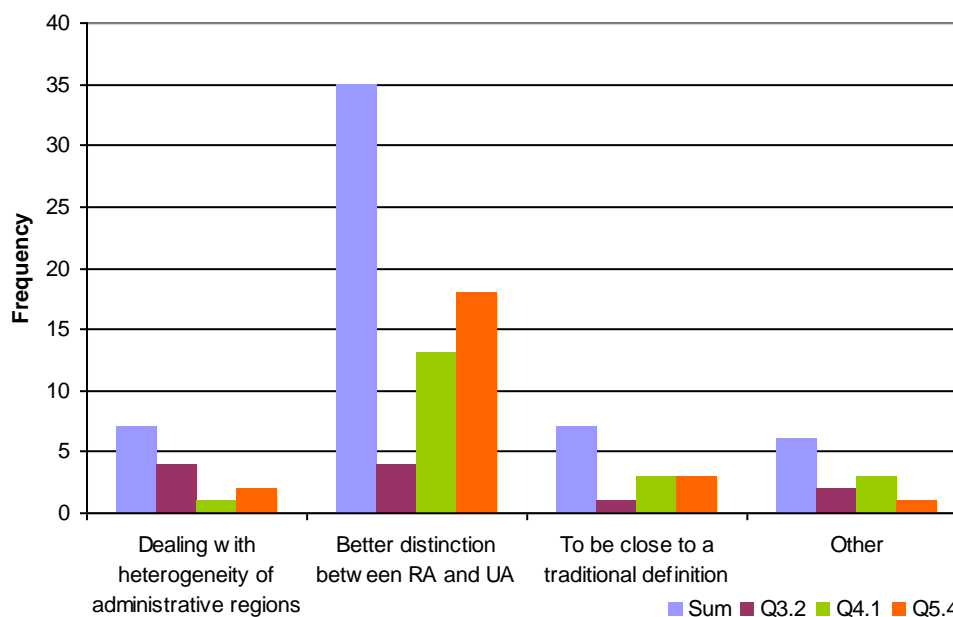
2.6. Reasons for modifying the OECD definition or using an alternative one

The Group summarises first the overt reasons which are given in the RDPs analysed, before commenting on the next page on an underlying but less explicit reason believed also to influence the decisions by some states to modify the OECD definition of rural areas or to use an alternative one.

Overt reasons. The decisions by many Member States to modify the OECD definition or to use an alternative definition of rurality were motivated by a variety of explicitly stated factors, which are mentioned country by country in Annex 1 and which can be clustered in four categories:

- a perception that the OECD definition was too crude a tool to fit the socio-geographical nature of the country or the heterogeneity of regions;
- a desire for clearer, or more nationally relevant, distinction between urban and rural areas;
- commitment to earlier national definitions;
- other factors, including a desire to have a more subtle tool to identify the more urgent and specific needs of different areas (Denmark, Hungary).

Figure 2 below shows how these broad types of reason underlie the decisions (a) to modify the OECD definition, (b) not to use the OECD definition, and (c) to seek alternative definition.

Figure 2 Reasons for not using or modifying the OECD definition or using an alternativeLegend

Q3.2- What reason was given for the modification of the OECD definition ?

Q4.1- What reason was given for not using the OECD definition ?

Q5.4- What reasons were given for the choice of additional factors

Underlying reason. RDPs are not only territorial programmes, but also sectoral ones, since they include in Axes 1 and 2 significant 'horizontal' measures aimed at farms and forest lands. This tends to push Member States to extend the definition of rural areas to include farm or forest land wherever it is found. Only in a few RDPs is this given as an explicit reason for extending defined rural areas beyond what would emerge from straight use of the OECD definition. For example, **France** states, as one reason for defining much of the peri-urban zone as 'rural', that it includes a third of France's agricultural land and 35% of its farms. The regional government of **Wallonie** defines as rural those communes in which the density is more than 150 inhabitants/km² but 'rural spaces' (including farmland and woodland) cover more than 80% of the whole commune's area. The national definition of rural areas used by **Italy** has the effect of bringing into the scope of the RDP a national total area of 13.2 million hectares of Utilisable Agricultural Area (UAA), as compared with 10.3 million hectares had the OECD definition been used. The full significance of this reason for deviation from the OECD classification will emerge in the analysis in Step 2, which may show a sharp distinction in targeting between the sectoral axes (1 & 2) and the territorial axes (3 & 4).

2.7 Density of population as a factor in choosing how to define rural areas

As mentioned some states and regions regard the OECD definition, with its focus on the threshold of population density at 150 inhabitants/km², as unsuited to their needs because of their own population density. Table 3 below shows the correlation of average population densities with the chosen basis of definition.

Table 3 Correlation of average population densities with basis of defining rural area

Member States who chose:	<i>Number of Member States regions with average density of population (inhabitants/km²)</i>				
	<u>0-50</u>	<u>50-100</u>	<u>100-150</u>	<u>150-200</u>	<u>>200</u>
OECD definition		<u>5</u>	<u>1</u>		
Modified OECD definition		<u>3</u>	<u>1</u>	<u>1</u>	<u>2</u>
Alternative definition	<u>4</u>	<u>5</u>	<u>6</u>	<u>3</u>	<u>4</u>

Those which chose the OECD definition are all in the density range below 150 inhabitants/km².

Those who chose modified versions of the OECD definition varied in density from 53 inhabitants/km² (Lithuania and Ireland) to 459 inhabitants/km² (Flanders).

Those which chose alternative definitions varied across the whole range of density, from Finland with 17 inhabitants/km² to Netherlands with 484 and Malta with 1256 inhabitants/km².

3. Concepts of rurality

3.1. Section introduction

For reasons which the report began to describe above, **Member States differ significantly in the definitions of what is rural.** Annex 1 contains a summary of the approach taken by each Member State.

This section summarises the factors which are used by Member States in shaping their concepts of rurality. It then describes the main concepts of rurality that are used in different Rural Development Programmes. It goes on to show the effect of these concepts in terms of the proportion of territory, population and municipalities which are judged by each country to be rural; and, where the definitions differ from straight OECD definitions, how these proportions differ from what would have been judged rural by the OECD definitions.

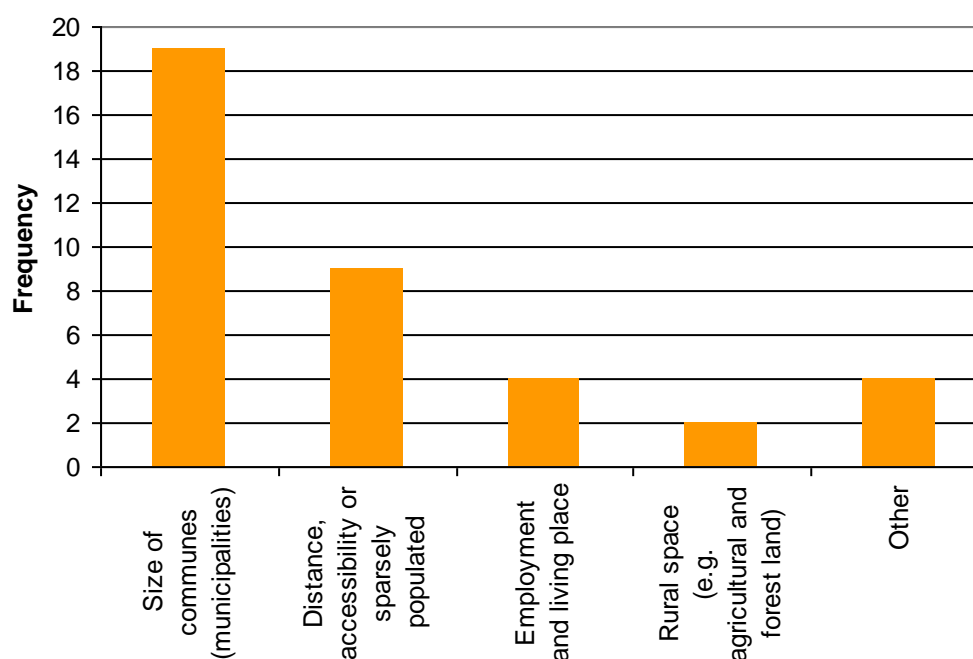
3.2. Factors used to shape concepts of rurality

Many governments start with the principal distinction between rural and urban areas, most often at the level of municipalities (LAU2), but sometimes at LAU1 level (e.g. Bulgaria, Ireland) or NUTS 3 (e.g. Bavaria). They may draw a distinction between different types of rural units, or may consider larger continuous territories which include both rural and urban units.

Those countries which do not rely on the OECD definition may also use factors such as:

- population density, in some cases by modifying the OECD threshold;
- size of communes, which may vary significantly between countries;
- references to remoteness e.g. distance from cities accessibility, altitude, sparse population;
- place of work and residence or structure of employment, particularly in the primary sector;
- structure of land use (presence of rural space: farmland, forest land and natural areas);
- others, including age, education levels and other demographic factors.

Figure 3 - use of additional factors in defining rural areas



3.3. Concepts of rurality in the Member States

The following concepts of rurality are found among the Member States:

- **Areas below a defined threshold of population density.** That threshold may vary according to the overall density of each country. Some countries (Greece, Slovakia, Slovenia, Spain, Wallonie) use the OECD norm of 150 inhabitants/km² as the main criterion, though they may vary as to the size of area (NUTS 2, 3, 4 or 5) to which it is applied. Others use different thresholds, from the 50 inhabitants/km² in Brandenburg to the 600 in Flanders.
- **Areas which are not urban,** using other criteria than population density sometimes not precisely defined and which vary from country to country (Bulgaria, Cyprus, Czech Republic, Brandenburg, Estonia, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Romania, Sweden). Where size of settlement is used as the measure of what is urban, it varies from 'more than 2,000' (Czech Republic) and 'more than 3,000' (Scotland) to 'more than 30,000' (Bulgaria, Netherlands). Some countries link the non-urban criterion to other factors (e.g Hungary, Ireland, Italy, Sweden).
- **Rural and peri-urban areas,** in countries (France, Flanders) where movement out of cities is bringing people to live in places which they conceive to be still rural.
- **Areas which have specific development needs** that can be served by the RDPs. In several countries, this leads to a differentiation between areas with different needs, such as mountain zones (Italy), islands (Greece), peripheral or remote areas (Denmark, Ireland, Scotland), sparsely populated areas (Finland, Sweden), Less Favoured Areas (Netherlands, Portugal).
- **An intricate mosaic of areas,** defined by reference to multiple factors in order to assist the application of rural policies and funding where they are needed (England, Malta, Northern Ireland, Wales).

Often, countries (MS) and regions follow more than one concept of rurality presented above, which likely relates to multi-facet notion of rurality and unsettled role of Rural Development Programmes in territorial development programming.

The Group comments further on the distinction between indicator-based and policy-based concepts of rurality at section 5.1 below.

Looking forward to the work in Step 2, it may be helpful to distinguish between two broad types of definition which appear to emerge from this analysis, namely :

- those which are dual (i.e. separating rural and rural needs and solutions) and
- those which are based on a continuum from urban to rural (with, often, links between urban and rural of needs and solutions)

Based on the summary in Annex 1, provisionally the countries or regions are placed in the following groups:

Division of countries/regions into 'dual' or 'continuum' definitions of rural areas

Dual definitions

- a. 'Rural needs are different': Austria
- b. 'Rural areas are residual': Flanders, Brandenburg, Latvia, Lithuania, Netherlands, Poland, Romania, Slovakia, Slovenia, 3 Spanish regions, Wallonie
- c. 'Urban needs are different': None

Continuum definitions

- a. by distance: Greece
- b. by population density: Bulgaria, Cyprus, Estonia, France, Hessen, Hungary, Luxembourg, Portugal
- c. by both of these: Czech Republic, Denmark, Finland, Bavaria, Ireland, Italy, Malta, Sweden, all 4 UK regions.

3.4. Proportions of population, territory and municipalities defined as rural

The variety of concepts of rurality, and the factors which are used to express these concepts, are reflected in the extent of the geographic area defined as rural in each country, and in the proportion of the national or regional population, territory and number of municipalities that fall within that geographic area. In the countries that have not used, or have modified, the OECD definition recommended by the Commission, these proportions may differ markedly from those which the Commission calculated would result from the use of that definition.

Table 4 below shows, for each Member State, that proportion of the national or regional population, territory and number of municipalities that fall within the area defined by that state as rural. Where the state or region has not used, or has modified, the OECD definition, the table shows for comparison the proportions that would apply had that definition been used.

Table 4 - A comparison between the OECD definition and the national approaches in terms of area, population and number of settlements

Country	Departure from OECD definition	Total Country			OECD definition at LAU2			Modifications and alternative definitions				Deviation from OECD			
		Territory	Population	Settlements (LAU2)	Rural Territory	Rural population	#Rural Settlements	Unit	Rural Territory	Rural population	#Rural Settlements	Rural Territory	Rural population	#Rural Settlements	Combined
		Km2	millions	number	%	%	%		%	%	%	%(ratio)	%(ratio)	%(ratio)	+/-
Austria		82456	8032926	2358	91%	41%	81%								
Belgium-FI	ModOECD	13522	5968074	308	10%	3%	7%	LAU2	58%	41%	64%	563%	1572%	900%	+
Belgium-WV	ModOECD	16844	3354711	262	65%	22%	48%	LAU2							
Bulgaria	Other	111028	8127734	4618	93%	37%	95%	LAU 1	81%	42%	88%	87%	112%	92%	+-
Cyprus	Other	8937	689362	613	55%	22%	54%			31%			141%		+
Czech Rep	Other	78926	10230060	6258	83%	30%	89%	LAU2	74%	26%	90%	89%	88%	101%	+-
Germany															
Bavaria	Other	70361	12220018	2295	71%	32%	61%	NUTS3	78%	53%		110%	164%		+
Brandenbu	ModOECD	29477	2594379	1474	86%	39%	90%								-
Hessen	Other	21114	6068129	430	46%	14%	36%	LAU2	82%	50%		178%	352%		+
Denmark	Other	43098	5349212	276	85%	41%	75%	LAU2	87%	54%	23%	102%	132%	30%	+-
Estonia	ModOECD	43445	1370052	247	98%	32%	81%	LAU2	97%	33%		99%	102%		+-
Spain															
Navarra		10343	553654	287	91%	45%	89%								
Catalonia	Other	32204	6343110	948	87%	13%	76%		89%	19%		102%	152%		+
Andalusia		87613	7355170	770	89%	34%	83%								
Finland	Other	304527	5181115	448	98%	54%	92%	LAU2	90%	42%		92%	78%		-
France	Other	633014	60184373	36680	90%	29%	86%	LAU2	92%	48%		102%	166%		+
Greece		131781	10932136	1033	95%	39%	83%								
Hungary	Other	93092	10196781	3158	88%	43%	92%	LAU2	87%	47%		99%	108%		+-
Ireland	ModOECD	70209	3735642	3440	97%	45%	81%	LAU2	95%	59%		98%	131%		+-
Italy	ModOECD	301328	56992852	8101	71%	21%	61%	LAU2	92%	59%		130%	283%		+
Lithuania	ModOECD	64993	3486935	527	96%	37%	87%	LAU2	97%	31%		101%	84%		+-
Luxembourg	Other	2586	439539	118	76%	28%	69%	LAU2	92%	55%	91%	122%	197%	132%	+
Latvia	Other	68523	2377356	585	92%	34%	86%	LAU1		32%			93%		-
Malta	Other	314	394641	68	2%	0%	1%	LAU2	91%	64%	69%	6057%	66818%	4700%	+
Netherland	Other	33783	15985538	504	30%	7%	14%	LAU2							
Poland	Other	312736	38230080	2489	90%	40%	80%	LAU2	93%	39%		103%	96%		+-
Portugal	ModOECD	92232	10373819	4253	87%	26%	64%	LAU2	85%			98%			-
Romania	Other	237838	22295872	2944	93%	46%	90%	LAU2	87%	45%		93%	97%		-
Sweden	Other	410934	8882792	289	99%	69%	89%	LAU2		24%			35%		-
Slovenia		20273	1964036	192	88%	56%	83%								
Slovakia		48746	5387282	2919	86%	41%	89%								
United King															
England	Other	130163	49131646	7957	72%	10%	23%	LAU2?		19%			185%		+
Wales	Other	20715	2903085	881	85%	18%	32%	LAU2?		35%			190%		+
Scotland	Other	75197	5062011	1222	95%	22%	30%	LAU2	98%	19%		103%	87%		+-
Northern Ire	Other	13736	1685267	582	90%	30%	36%	LAU2		35%			117%		+

Table 5 below, provides a summary of this comparison between OECD, modified OECD and alternative definitions, in terms of the proportion of national or regional territory, population and number of municipalities that fall within defined rural areas. Note that the Group does not have a complete database on all the 35 countries or regions for this purpose.

Table 5 - Comparison between OECD, modified OECD and alternative definitions, in terms of the proportion of national territory, population and number of municipalities that fall within defined rural areas

	Average figure shown in RDPs where known (number of countries or regions for each figure shown in brackets) for defined Rural Areas as percentage of national or regional		
In those countries or regions which used:	% of total territory	% of total population	% of total municipalities
OECD definition, unmodified	90.0 (6)	42.7 (6)	84.7 (6)
Modified form of OECD definition			
OECD figure (not used)	75.0 (8)	25.0 (8)	63.5 (8)
national or regional figures	83.8 (5)	44.5 (4)	64.0 (1)
average increase or decrease on OECD	+8.8 (5)	+19.5 (4)	+0.5 (1)
range of increase or decrease on OECD	-2 to +48	+6 to +38	+0.5
Alternative definitions			
OECD figure (not used)	77.6 (21)	30.6 (21)	62.7 (21)
national or regional figures	87.8 (14)	40.0 (19)	72.2 (5)
average increase or decrease on OECD	+10.2 (14)	+9.4 (19)	+9.5 (5)
range of increase or decrease on OECD	-12 to +89	-12 to +64	-7 to +68

It is clear from this summary that:

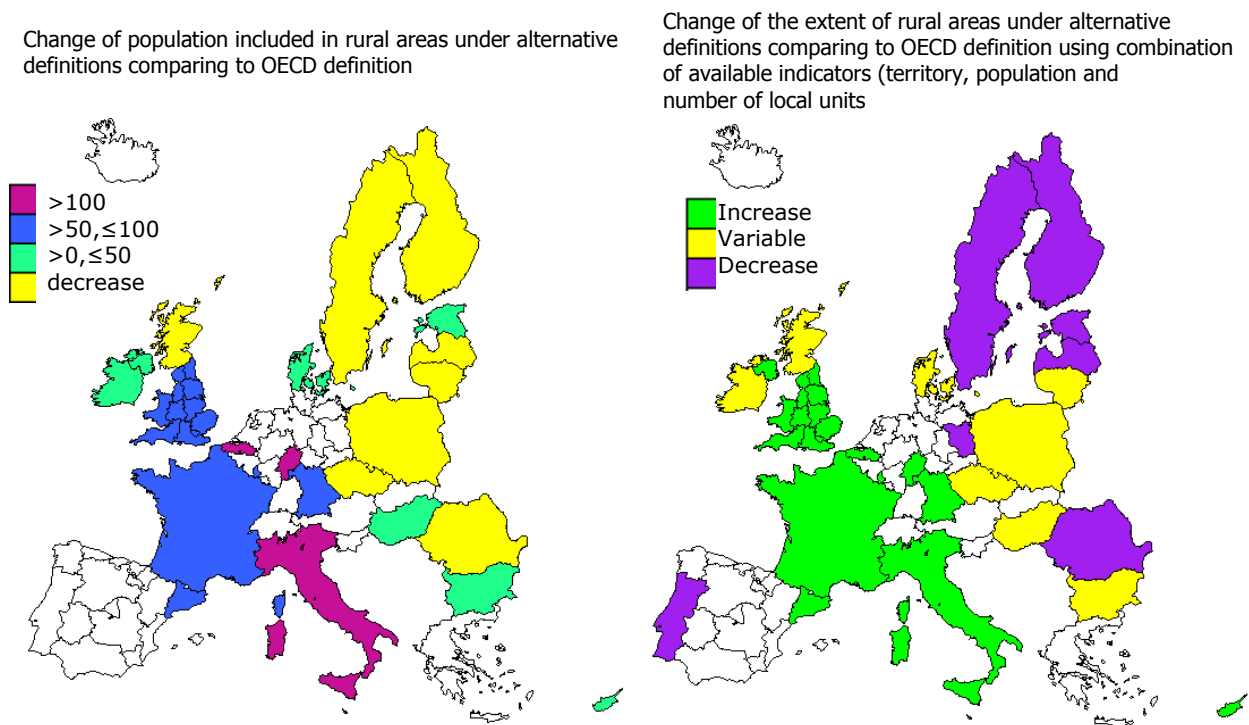
- Some decisions to use either a modified version of the OECD definition, or an alternative definition, are associated with a **decrease**, vis-à-vis that definition, in territory or population defined as rural, for example the -12% of territory so defined in Bulgaria or the -12% of population so defined in Finland.
- However, most deviations from the OECD norm are associated with an **increase** in the territory and population that are defined as rural. The average increase is of the order of 8 to 20 % of the national territory. Many increases are modest, between 1 and 10%. But they include some striking figures, such as those from:
 - Luxembourg (+16% of territory, + 27% of population, +22% of municipalities);
 - Italy (+21% of territory, + 38% of population);

- Hessen (+36% of territory, + 36% of population);
- Flanders (+48% of territory, + 38% of population, +61% of municipalities);
- Malta (+89% of territory, + 64% of population, +68% of municipalities).

The overall effect of the deviations is to:

- **increase the territory** in the whole of the EU which would have been defined as rural using the straight OECD definition from 2,249,259 km² to about 2,292,092 km²;
- **increase the population** in these defined rural territories from 93,803,883 to about 135,282,221;
- **decrease the number of municipalities** in these defined rural territories from 10,260 to about 10,068.

Figure 4 _ Change of the extent of rural areas under alternative definitions



A graphic example of the difference between rural areas as defined by the OECD definition and by an alternative national definition is provided by Italy, as shown in the maps (figure 3) and table 6 below.

Figure 5 - Maps of Italy showing rural areas as defined by OECD and in the national RDP

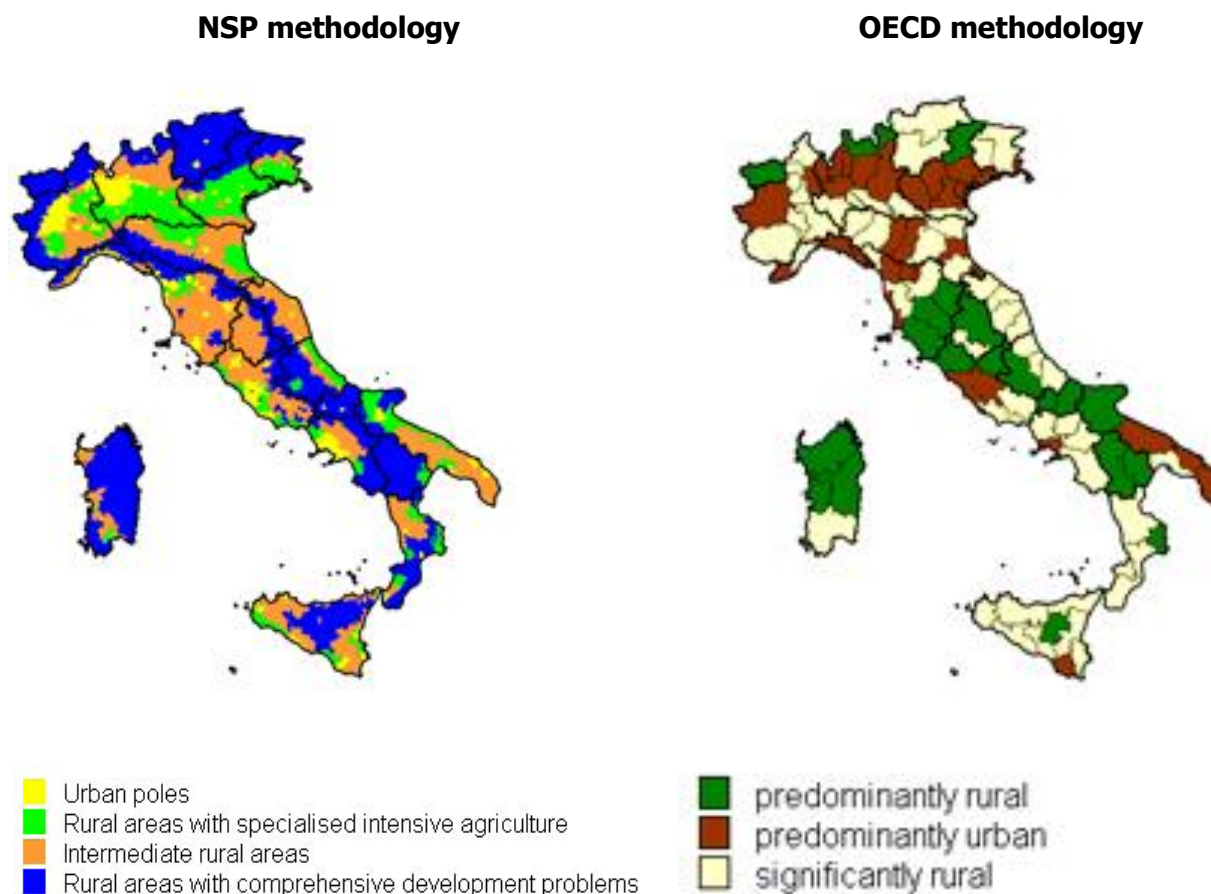


Table 6 - Italy: comparison between OECD and NSP classification of Rural Areas

	Surface		UAA		Population	
	Sqm	%	Ha	%	Number	%
1. OECD methodology	233.331,4	77,4	10.292.348,8	77,9	29.250.563	49,8
NSP methodology						
2. B+C+D	277.463,7	92,1	12.326.033,4	93,3	33.681.983	57,3
3. C+ D	226.744,9	75,2	9.175.320,8	69,5	20.829.778	35,5
Italy (whole country)	301.333,2	100,0	13.206.296,8	100,0	58.738.750	100,0

Legend

1 Significantly rural areas + Predominantly rural areas

2 (B) Rural areas with specialised intensive agriculture+(C) Intermediate rural areas+ (D) Rural areas with complex problems of development

3 (C) Intermediate rural areas + (D) Rural areas with complex problems of development

4. Definitions used in targeting rural areas for individual measures of the RDP

The 35 'fiches' each contain a list of the measures that are included in the relevant RDP, and – stated in simple terms – the type of area to which each measure is targeted (the RDPs themselves contain much more detail of the types of area).

The survey has shown that countries/ regions are using a spectrum of territorial definitions to target measures. The analysis has identified about 15 groups of these definitions, which can be put in three broader categories – i) those which aim at specific needs of rural areas; ii) those relating to site-specific environmental qualities; and iii) those focused on forest issues – see Table 7 below , and Annex 3 which is a complete analysis for all the 35 RDPs.

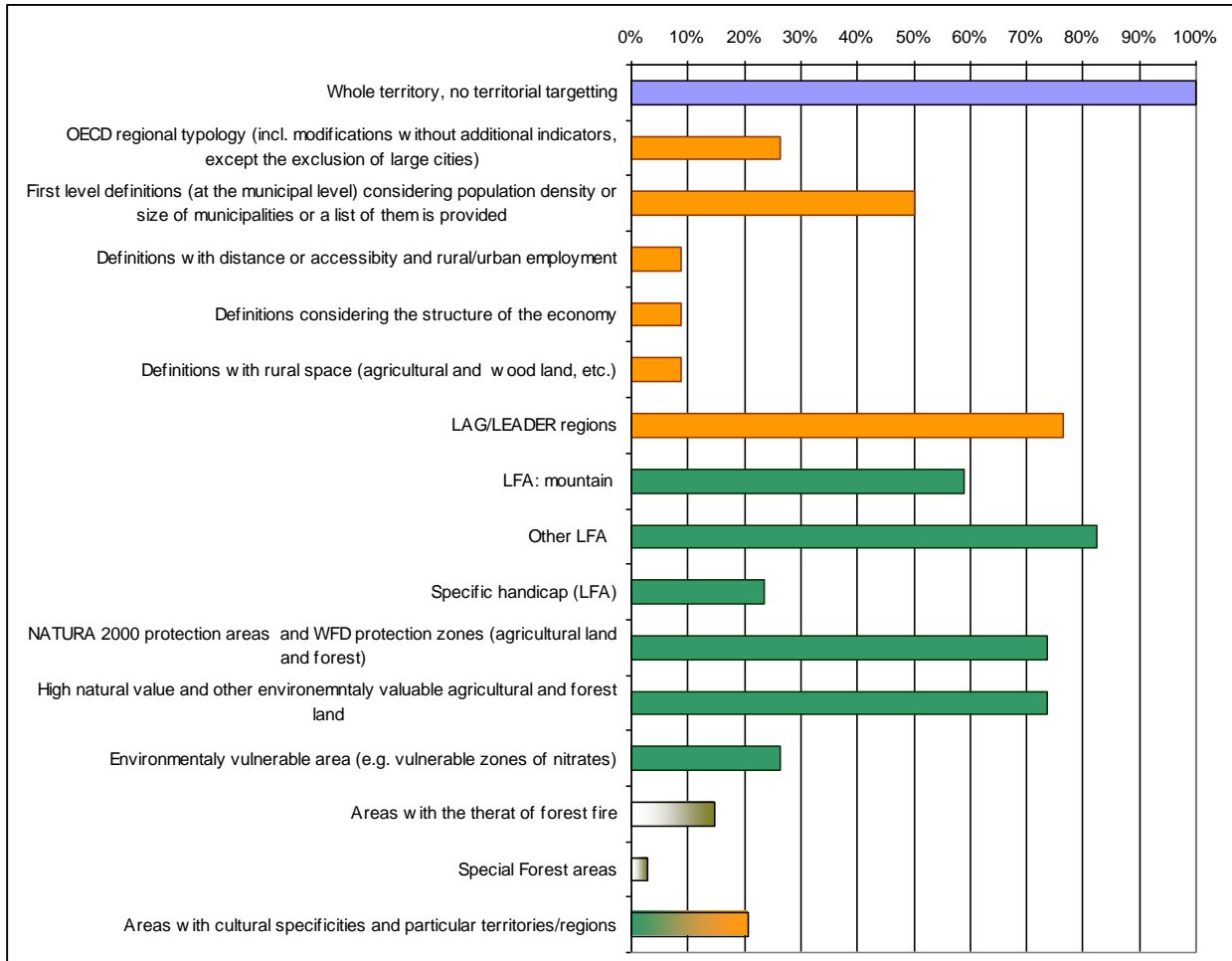
The first group of definitions (i) usually provide the basic eligibility framework of measures, particularly for those in axes 3 and 4. The definitions of this group refer to rurality and aim at distinguishing the specific needs of rural areas in socio-economic terms. The definitions of the second group relate mainly to axis 2. Generally, they refer to nature and environment without regard to whether the territory is classified as rural. Two of the groups - Less Favoured Areas; and areas with cultural specificities and particular territories or regions - could in fact belong to categories (i) or (ii).

Table 7- Groups and Clusters of definitions for targeting measures of RDPs

Group	Territorial cluster	Standardised Definition or Indicator
0		Whole territory, no territorial targeting
1	Definitions aiming at rurality and marginality	OECD regional typology (incl. modifications without additional indicators, except the exclusion of large cities)
2		First level definitions (at the municipal level) considering population density or size of municipalities or a list of them is provided
3		Definitions with distance or accessibility and rural/urban employment
4		Definitions considering the structure of the economy
5		Definitions with rural space (farmland, woodland etc.)
6		LAG/LEADER regions
7	Definitions relating to site specificities of environmental qualities	LFA: mountain
8		Other LFA
9		Specific handicap (LFA)
10		NATURA 2000 protection areas and WFD protection zones (agricultural land and forest)
11		High natural value and other environmentally valuable agricultural and forest land
12	Environmentally vulnerable area (e.g. vulnerable zones of nitrates)	
13		Areas with the threat of forest fire
14		Special forest areas
15		Areas with cultural specificities and particular territories/regions

Figure 6, below, shows for each group of definitions the percentage of the 35 RDPs that use that group. Most frequently used are those, such as LFA or Natura 2000, which are set out in the Rural Development Regulation; those which relate to the agri-environment measures used in every member state; and the LEADER areas. The Group recognises that the limitation of analysing only 35 RDPs out of the total of 89 may produce some bias in these figures, but it is believed that they offer a useful guide to relative frequencies, which will help in shaping the more detailed work in Step 2.

Figure 6 - Frequency of the use of definitions for territorial targeting



This classification will form a starting-point for work in Step 2, when the actual use of territorial targeting of measures will be investigated.

5. Conclusions

This final section develops an initial conclusion on the usefulness of the indicators or definitions which Member States are currently advised to use.

5.1. Conclusion on the usefulness of Baseline Indicators 1 and 2

At 2.2 and 2.5 above, the report records that two-thirds of Member States did not use the OECD definition, and the Group summarised as follows the reasons why they chose not to do so:

- a perception that it was too crude a tool to fit the socio-geographical nature of the country or the heterogeneity of regions (Bulgaria, Cyprus, England, Estonia, Finland, Germany, Luxembourg, Malta, Northern Ireland, Scotland, Sweden);
- a desire for clearer, or more nationally relevant, distinction between urban and rural areas (Bulgaria, Cyprus, Estonia, France, Latvia, Lithuania, Luxembourg, Netherlands, Poland and Sweden);
- commitment to earlier national definitions (Bulgaria, Czech Republic, Finland, Germany, Lithuania, Romania and Wales);
- other reasons, including a desire to have a more subtle tool to identify the more urgent and specific needs of different areas (Denmark, Hungary).

A few of those in the third of these categories - commitment to earlier national definitions - appear to be willing to move towards use of the OECD definition. But the overall picture is that the twin ideas (implicit in the OECD definition) of a standard threshold of density and a regional basis (at NUTS 2 or NUTS 3 level) of distinguishing urban and rural do not meet the needs of many countries.

The reasons for this non-fit are partly geographic related to the territorial classification of rural area; and partly political, i.e related to policy purposes. This distinction echoes that between indicator-based and policy-based concepts of rurality, described at section 3.3. There is of course some overlap between the geographic and political reasons.

The **geographic** or indicator-related reasons are that:

- some countries (or regions with RDP responsibility) are so small that they represent only one NUTS region, which by OECD definition would be wholly urban or wholly rural, depending on density of population;
- some countries (or regions with RDP responsibility) are so low, or so high, in population density that the OECD norm is not helpful;
- many countries have such a pattern of juxtaposed towns and countryside that the use of administrative boundaries to divide the nominally rural from the nominally urban does not fit the realities on the ground;
- settlements which are perceived to serve an urban function, and therefore may fall outside rural areas, vary greatly between different countries or regions, in terms of population size.

The **political** or policy-related reasons are that:

- governments may wish to focus their rural development policies and funds on areas that they perceive to have greatest needs, or to make distinctions between different broad types of rural areas according to their perceived needs : for them, the definition of what is rural is driven by policy, not by any transnational norms;

Step 1 Report - Year 2009

- elsewhere, definitions may be driven by popular perceptions of what is rural, as exemplified by the focus on peri-urban areas in Flanders or in France or on 'those areas where agricultural activity, countryside recreation and nature conservation occur' in Malta;
- Member States may wish to extend the definition of rural areas to include farmland or forest land wherever they are found, in order to make that land eligible for the 'horizontal' measures in Axes 1 and 2.

Annex 1 - Summary of concepts and definitions of rurality used by Member States ²

Austria claims to have used the OECD definition, and (as indicators) the percentage of national territory and population that falls within rural areas. It has identified three types of rural area for use in the RDP. These are:

- **Rural regions with higher than average agricultural rates.** In these regions, the decline of agricultural employment has led to an increase in commuting, but agriculture still has a strong impact on landscapes, economic structure, local society and culture. In recent years, the economy of these regions succeeded through diversification (tourism, food industries, timber processing etc.) and the development of regional, inter-sectoral cooperation.
- **Production-oriented rural regions.** These are Regions with an employment share of more than 25% in the secondary sector : they include traditionally industrial, partly mono-structured regions which are strongly dependent on dominant sectors or businesses. In the past, high structural - mainly male - unemployment and out-migration could be observed. Innovations within the secondary sector and the development of tourism activities could often stabilise these regions in a sustainable manner.
- **Rural regions of high regional significance for tourism.** Many rural areas - mostly in mountain regions – are characterised by well-developed tourist industries, a notable example, with 67% of all overnight stays, being western Austria. Regionally, tourism in Austria is highly concentrated. However, since the 1990s, structural changes have been underway: a broadening of the tourist supply and new tourist groups from Central and Eastern Europe had a positive impact on tourism performance, particularly in these regions.

Belgium

- **Flanders** has a high average density of population. Most of the region would (using the OECD Definition) fall into the categories intermediate and predominantly urban, but the people perceive the peri-urban area to be rural. Flanders has therefore used a modified form of the OECD definition, with a threshold of 600 persons per square kilometre compared with 150 in the OECD norm. The areas below that threshold are defined as rural, and intermediate categories are not considered.
- **Wallonie** is less densely populated than Flanders, with average of 201 inhabitants/km². But half of the population live in urban areas, at a density of more than 2500 inhabitants/km², within about 3% of the regional territory. The regional government places great importance on 'rural spaces', including farmland, woodlands, wetlands, coastal dunes etc. For these reasons, the straight OECD definition is seen as not suiting the character of the region, and is modified to apply at the level of communes. Thus Rural Areas consist of those communes in which either the density of inhabitants is less than 150 inhabitants/km² or the density is more than 150 inhabitants/km² but rural spaces cover more than 80% of the whole commune's area.

Bulgaria saw the OECD definition as unrealistic for them, because it would bring 98.8% of the national territory and 84.3% of the population into predominantly rural or intermediate rural regions, the only exception being the capital Sofia. It therefore adopted instead a national definition, already used in the SAPARD programme, whereby rural areas are the municipalities in which no settlement has a population of more than 30,000 : the remaining municipalities were considered Urban Areas. According to this definition, 231 out of Bulgaria's total of 264 municipalities are classified as rural. These Rural Areas represent 81% of the Bulgarian territory and 42% of the population. Baseline Indicator 2 was used only for descriptive purposes, not for targeting rural areas.

² **Note:** The statements in this Annex are all quoted or paraphrased from the RDPs or NSPs of the relevant state or region.

Cyprus does not use the OECD definition because it does not suit the geographic pattern of settlements. Cyprus is a small country with small agricultural areas and small urban centres.

If the OECD definition was used, many areas with relatively large population and small surface which are regarded as rural would not be classified as rural, while others with large population and large surface would be characterised as rural; there would be differences between neighbouring communities and this would cause problems. Cyprus therefore prefers to use the definition it has always used, for reasons of continuity and comparability, namely to define as rural those areas that are not defined as urban in local spatial plans. The rural areas, as so defined, contain 30.6% of the national population (2004 Census).

Czech Republic defines as rural those municipalities (LAU2) with less than 2,000 inhabitants. This is a traditional Czech definition, as used in previous rural development programmes. With this starting-point, rural areas are classified as **suburban, intermediate or remote**. This typology is based on identification of small sub-regional units (micro-regions of about 1,000 to 1,300 inhabitants) which contain municipalities with the basic facilities like school, post office, medical centre, etc. and their nearest "catchment" areas i.e. neighbouring villages and other human settlements using these facilities. Continuous territories of these units are then classified in the three types. Suburban rural areas are those within urban agglomerations or narrowly delimited urbanized areas with more than 50,000 inhabitants. Remote rural areas include, in particular, the so-called peripheral areas, which have adverse socio-economic characteristics. The intermediate rural areas cover the remaining rural territory of the Czech Republic.

Denmark decided that they must have a more subtle indication, than the OECD definition could provide, of which rural areas had the greatest need to boost development. So they opted for a classification system based on 14 indicators, which were selected in order to describe the structural, economic and demographic situation in the 98 Danish municipalities. They include some elements of Baseline Indicator 2, namely percentage of national territory, population and employment in rural areas.

The 14 equally weighted indicators of rurality are:

- proportion of the municipality's area in rural zones
- population in rural areas and towns with less than 1,000 inhabitants
- population per Km²
- population trends, 1994-2004
- employment trends, 1994-2004
- average distance to areas with a high surplus of jobs, 2004
- jobs in proportion to employees (dependence on commuting)
- percentage employed in agricultural enterprises
- taxation base per capita, 2007
- percentage of the workforce with medium-cycle or tertiary education, 2005
- percentage of the workforce with basic schooling, 2005
- average distance to a motorway
- percentage of the population aged 25-44 years
- percentage of the population aged 17-64 years.

Using the weighting from these 14 indicators, the 98 municipalities are then divided into four different classes – Peripheral; Rural; Intermediate; Urban. The first three classes, a total of 63 municipalities, count as Rural for the purposes of the RDP.

Estonia decided not to use the OECD definition because in most parts of the country, the population density is less than 150 inhabitants/km²: even the capital city Tallinn would count as an intermediate rural region under the OECD classification. They use a national definition according to which the rural

area consists of the territory of all rural municipalities. In addition, in case of Leader, small towns with up to 4000 people have been included to the rural area. On this basis, 98.4% of the country, containing one-third of the national population, is defined as rural.

Finland is the most sparsely populated member state of the EU, so that the whole country would be either predominantly or significantly rural by the OECD definition. Since the first national rural programme in 1990, Finland has evolved a three-part classification of rural municipalities (LAU2), dividing them into urban-adjacent rural areas, rural heartland areas and sparsely populated rural areas, in order to focus rural policy on specific regional needs and to ensure effective delivery of policy. The rural typology has gone through changes, because of changes in the operational environment and because rural areas have become increasingly diversified. Major factors in this process have been EU membership and the wish to strengthen the urban dimension in evolving the typology. Rural municipalities were classified in 1993, again in 2000, and for the third time in 2006, when the present classification emerged.

The rural typology in Finland is based on a three-stage process of classification:

- Stage 1 – definition of important urban areas and other urban areas, using proportion of the rural population in the municipality as the basic criterion;
- Stage 2 – identification of urban-adjacent areas, according to the volume of commuter traffic to target centres from the rural locations within the municipality;
- Stage 3 - a multivariate analysis on the remaining municipalities, using 10 variables.

The result of this process is the present typology, which includes:

- Urban areas – a total of 58 municipalities, which includes the centres of major urban areas, and other urban areas with comparable characteristics: the criteria used in defining them include the proportion of the rural population in the municipality (less than 10%), the location in relation to major centres, the number of inhabitants, and the number of farms;
- Urban-adjacent rural areas – a total of 89 municipalities : the criteria used in defining them include identification of the rural locations within them which are sources of commuter traffic to urban areas with more than 15,000 inhabitants; the proportion of commuters among the employed persons in the rural locations; and related factors;
- Rural heartland areas – a total of 142 municipalities;
- Sparsely populated rural areas – a total of 143 municipalities.

The rural heartland areas, and the sparsely populated areas, were defined and differentiated by multi-variable analysis, using 10 variables, namely:

- Population density (population in rural areas ÷ inhabited km² grid cells in 2004)
- Average distance in km of inhabited km² grid cells of rural areas to the nearest agglomeration of more than 500 inhabitants in 2004
- Length of public roads in relation to the rural population in 2004 (km/rural resident)
- % of jobs in forestry and mining in 2003
- Diversity of economic activities in rural areas in 2002
- Average taxable income per holding between 2001-2003
- % of gross value added, average for 2002-2004
- % average net migration in relation to the population of the municipality between 2002-2004
- % of the rural population aged 20 to 39 in 2004
- Economic dependency ratio in 2003

France (mainland only) chose not to use the OECD definition, mainly for the reason that rural areas so defined would exclude significant parts of the peri-urban zone, which includes a third of France's agricultural land, 35% of its farms and the homes of 39% of the metropolitan population. The rising emphasis on quality of life prompts many of those who live in the peri-urban zone to think that they live in the countryside. France has therefore developed a concept of "peri-urban and rural crowns", as the basis for defining rural areas for the RD. This concept draws on the earlier idea that a rural commune

(LAU2) is usually one with less than 2000 citizens, but adds criteria developed by the National Institute of Economic Studies and Statistics. These criteria relate to density and localisation of the potential of employment and its importance in both urban and rural areas. The Institute defines three categories of space:

- **predominantly urban space**, which is composed of an urban employment pool (defined as having a potential of at least 5000 jobs) and its "peri-urban crown" (composed of communes where at least 40% of working people live in the commune and have a job in the "urban pool" (such a "peri-urban crown" is not unlike the areas named "Intermediate region" in the OECD definition);
- **predominantly rural space**, which is composed of a rural employment pool (defined as having a potential of at least 500 jobs) and the "the crown of the pool" (composed of communes where at least 40% of the population is working in this rural pool);
- **other rural communes.**

The RDP applies to predominantly rural space, other rural communes and peri-urban crowns, but not to the urban employment pools.

Germany. Rural areas in Germany are extremely heterogeneous. A unique definition of rural areas doesn't exist. German spatial planning uses different definitions, depending on the particular purpose. Spatial planning authorities in the *Länder* also use different classifications. In the run-up to the 2007–2013 programming process in Germany, there was discussion about defining rural areas uniformly, but in the end there were no agreement on this. The Federal Ministry of Food, Agriculture and Consumer Protection of Germany advised the Commission in 2006 that the OECD definition does not well fit with the real situation in Germany: specifically, the threshold of 150 inhabitants per square kilometer is often not appropriate as a measure of rurality in German municipalities.

In consequence, there is no clear definition in the German National Strategy, and it was left to the *Länder* to define rural areas in their programme documents. All *Länder* programmes make a clear distinction between a general definition of rural areas and the actual targeting of RD support. As regards the general definition, different concepts of rural areas are used:

- More densely populated Länder (Baden-Württemberg, Bayern, Hessen, Nordrhein-Westfalen), but also Brandenburg make use of the definitions in their Landesentwicklungsprogramm (State development plan elaborated by the spatial planning authority). Accordingly, rural area is defined as the area outside the Verdichtungsraum (densely populated area, which is variably defined).
- In some RDPs (Niedersachsen, Thüringen, Sachsen-Anhalt, Mecklenburg-Vorpommern), rural area is defined as the whole area except kreisfreie Städte (cities independent of an administrative district (NUTS3).
- Others draw a general borderline between rural areas and towns with more than 20,000 (Rheinland-Pfalz) or 30,000 inhabitants (Sachsen, Schleswig-Holstein).
- In the RDPs of the smallest but densely populated Länder (Saarland and Hamburg), no definition is given.

As indications of the variation between Länder, the Group describes the approaches taken by Bavaria, Brandenburg and Hesse:

- **Bavaria** does not use the OECD definition. It defines its rural areas by reference to the classification of settlement structure developed, for the whole of Germany, by the Federal Office for Building and Regional Planning. This classification is based mainly on the two indicators - population density; and 'centrality of the NUTS 3 areas', which is a measure of the proximity of rural areas to urban conglomerations. Several other factors are then used to fine-tune the

definition: these are average travel time by car, or by public transport, to the nearest metropolis; density of population and of work-places; and prices of building land

- **Brandenburg** noted that the OECD definition is ill-suited to its low average density of population, since much of its rural areas are at less than 50 persons per square kilometre. Had the OECD definition been used, 97,5 % of the territory of Brandenburg would be designated as rural. The Land therefore defines rural areas as " areas that are outside of urban agglomerations": within this definition, it distinguishes the sub-urban areas of Berlin, recognising that these areas face different problems from those of more peripheral areas.
- **Hessen** states that a standard definition like that of OECD, based on population density or workplace density, cannot be applied to all rural areas. To define all "non-urban-areas" as rural areas would also not be appropriate. Nevertheless the RDP states that Rural areas are defined by reference to "context-related Baseline Indicators 1 and 2", subject to the exclusion of the Rhein-Main urban conglomeration and the city centres of Kassel, Fulda, Marburg, Gießen and Wetzlar.

Greece uses the OECD definition to define its rural areas. It also uses baseline indicator 2 in the analysis of the rural economy and quality of life, with a focus on agricultural production, population density, changes in population trends (e.g. population movements between rural, intermediate and urban regions), age structure, GDP per capita, structure of employment and unemployment etc. In addition, it uses other factors to shape definitions for specific purposes. For example, a different classification of rural areas has been used for the purpose of spatial analysis, with three categories:

- **Dynamic rural areas.** These are located in plains, easily accessible to the cities, and constitute the heart of agricultural production and exports : however, they are negatively affected by CAP reform. Other factors used in these areas include the percentage of irrigated land, the type of farmers, intensive agriculture and its environmental impact etc.
- **Mountainous, disadvantaged or problematic rural areas.** Factors used in these areas include the percentage of irrigated land, degree of land abandonment, potential for soft tourism or for production of "special products" using local character, high quality, special technology etc.
- **Island rural areas.** These are highly varied, by size, topography, degree of tourism development etc. They are all affected, to greater or lesser degree, by distance from mainland Greece and therefore increased transport costs, ecological impacts, scarcity of resources, competitive use of land for tourism or agricultural activities etc.

Hungary has created its own classification, with three main categories of micro-regions. "The ... rational of rurality at micro-regional level (LAU 1) is defined in the National Spatial Development Concept (NSDC)." The categories of micro-regions are formulated "according to the level of urbanisation, namely presence or lack of urban centres in the micro region. The level of urbanisation and the ratio of urban settlements in a micro-region is usually a determining condition for the orientation, priorities and the financial resources of its development." The criteria for rurality are:

- Settlements with population density below 120 persons/km² or
- Settlements with less than 10,000 permanent residents excluding the settlements of Budapest agglomeration, but
- Including the outskirts areas of those non-rural settlements which have more than 2% of their population living in outskirts territories.

Using these criteria, three main categories of micro-regions were defined:

1. Urban micro-regions
2. Rural micro regions with urban centres
3. Predominantly rural micro-regions

Categories 2 and 3 count as rural. In this way, 87% of the national territory is defined as rural, with 47% of the national and 96% of the country's municipalities settlements.

Another typology of the micro-regions is also used, with an economic focus, namely :

- Peri-urban micro-regions;
- Agricultural micro- regions;
- Micro-regions with touristic potential;
- Industrial areas.

Ireland chose to include, in their definition of rural areas, a number of small to medium sized towns that do not meet the OECD definition. This was justified by the close proximity of these towns to the greater Dublin area, with the consequent threat from urban sprawl, or by their location in key regional areas where a priority is to stabilise the population. The effect of this inclusion was to increase from 54% to 59% the proportion of the national population that lives in defined rural areas. The national definition builds on work done in producing a National Spatial Strategy, which defines five types of rural area:

- "Strong" areas, with settlements that are peri-urban in nature and have the highest population densities in this area type of over 40 persons/ km² (greater than 25% of rural territory).
- "Changing" areas, characterised by having the lowest level of self-employment outside agriculture at 13% of the available labour force (greater than 25% of rural territory).
- "Weak" areas, where population decline has been significant and the ratio of those aged 65 and over exceeds 15% of the total population of the area (greater than 25% of rural territory).
- "Remote" areas that represent the highest proportion of part-time female workers at 29% of the total female population at work.
- "Culturally distinct and highly diversified areas": these vary across the country.

Italy has an extremely diversified territory. The OECD methodology, if used alone, would not adequately reflect this diversity. So, the methodology has been revised to suit the Italian context. Municipalities (LAU2) have been classified according to the altitude zone (plain, hill and mountain) at province level. The outcome is a distinction between four types of zone, namely:

- Urban Poles
- Rural Areas with Specialised Intensive Agriculture
- Intermediate Rural Areas
- Rural Areas with Complex Problems of Development.

This classification has been defined in the NSP and adopted also in the National Strategy Framework in order to identify the priority of the Cohesion Policies. Regions may adopt a more detailed articulation of the territory, provided that this reflects one of the above types of zone.

The process of defining these zones was as follows:

- First, the provincial capital communes with over 150 inhabitants/km², which have only the most residual elements of agriculture, were treated as "urban areas in a strict sense" and omitted from further consideration.
- Second, the OECD methodology was applied to the remaining communes, identifying the predominantly urban, intermediate and predominantly rural areas not at the provincial level (OECD methodology), but rather by distinguishing the communes, within each province, by altitude zone and calculating for each of the three zones (plain, hill and mountain) the incidence of the population of the communes classified as rural.
- Third, the category of predominantly urban areas was sub-divided into two groups, namely:

- communes more similar to provincial capitals (e.g. the communes around the major Italian cities and/or certain coastal communes with a high degree of urban development) and
 - a series of densely populated communes, where a rich and intensive agriculture is present (e.g. the plains of Northern Italy). For this purpose, the predominantly urban areas were re-classified, on the basis of the density (150 inhabitants/sq. km) and the proportion of agricultural area within the territory. Thus, communes with high population density but also having over 2/3 of the territorial area in agriculture were defined as "urbanised rural". By applying the altitude zone analysis, a further category of area was obtained, defined as "highly urbanised rural," inasmuch as rural communes have a significant weight (over 15% of total population) and urbanised rural communes have a prevalent weight (over 50% of the rural population).
- Fourth, the revised OECD areas were cross-related to the three altitude zones and the country's three territorial districts (North, Centre and South) to form the following 4 homogeneous macro-areas:
 - A. Urban Poles;
 - B. Rural Areas with Specialised Intensive Agriculture;
 - C. Intermediate Rural Areas;
 - D. Rural Areas with Complex Problems of Development.

The effect of this process, in terms of the area defined and the contrast with those which would have been defined using the OECD definition is shown graphically in the map and table at section 3.4 of the report.

Latvia, in its RDP, mentions neither the OECD definition nor the reason for not using it.

As to other indicators, "% territory in rural areas" and "% population in rural areas" are mentioned in the RDP only for descriptive purposes, i.e. they were not used to target rural areas; gross value added is indicated for the agriculture and forestry sectors; employment in rural areas is indicated only in volume, not as a % of total employment.

Context for the definition of rural areas is provided by the administrative-territorial reform that has been evolving in Latvia since 1998. Reform of local municipalities will be completed by time of the 2009 elections, and a new category of "regional territorial units" and "republican cities" will be operational. In this context, the RDP uses two definitions of Rural Area:

- up to 31 December 2008, Rural Area is all the territory of Latvia, except cities with republican importance and the non-rural parts of the administrative centres of the earlier districts.
- from 1 January 2009, Rural Area is all the territory of Latvia, except cities with republican importance and the non-rural parts of those regional territorial units which include towns with 5,000 inhabitants or more.

Lithuania used a national definition of rural areas, focused on non-urban territories: this produced a slightly lower total of rural population (33.1%, against 33.4%, of the national total) than the OECD definition. "When determining rural and urban territories, the Law on Territorial-Administrative Units is applied, namely the Article defining the concept of living localities in the territory of the Republic of Lithuania."

Luxembourg, being a single NUTS 3 region, would lack any distinction between rural and non-rural areas if it relied on the OECD definition. So, it has developed its own basis, by which 105 of the national total of 116 communes (LAU2) - 92% of the national territory, and 55% of the national population - are defined as rural. The methodology used to define the rural communes is not described in detail. The RDP refers to the *Programme Directeur d'Aménagement du Territoire* (2003), which indicates that "a rough

subdivision of the national territory in areas presenting common characteristics has been obtained by taking into account for each commune some predefined criteria (population density, proportion of farmers in the active population etc.)". Five categories of areas are identified, and represented on a simple map at national level - very dense areas, dense areas, "rurban" areas, rural areas, urban centres in rural areas. The aim of this classification is to deliver a simple scheme of the whole territory; and to reflect the clear-cut distinction between the few densely inhabited urban or semi-urban areas and centres, and the rest of the country which has a mainly rural character.

Malta takes the view that an international definition of rurality is unsuited to a small island nation, in which "all areas constitute a continuum from urban to rural and the activities associated with each other occur side by side." The people of Malta consider as rural "those areas where agricultural activity, countryside recreation and nature conservation occur". Accordingly, they have developed their own definition of rural areas, namely those which have population density lower than 5,000 persons/km², at least 10% of the land in agriculture, and at least 35% of the area lying outside the designated Development Zone. On this basis, 47 municipalities (33 in Malta, 14 in Gozo), out of a national total of 68, are defined as rural: they contain 91% of the islands' territory, and 64% of the total population.

The Netherlands is a small and densely populated country with hardly any predominantly rural area. Other rural areas are situated all over the country and the distance to urban areas is relatively short. Hence, the distinction between rural and urban is more appropriate than between peri-urban and intermediate rural. Rural areas are defined as those that lie outside urban centres that have more than 30,000 inhabitants: these areas qualify for measures under axes 3 and 4. Measures under Axis 2 apply to Less Favoured Areas, including pastureland on deep peat soils, floodplains, valley bottoms, and sloping land. Measures under axis 1 are of a sectoral nature for which urban centres could qualify as well.

Poland defines rural areas as those which are located outside urban areas. No rationale for this is given, but the RDP states that the rural areas so defined (covering 93% of the national territory and 38.6% of the population) correspond quite closely with what would apply by the OECD definition (91% of territory and 34.4% of population). The RDP also states that there are close relationships between rural and urban areas, therefore any definition of rural areas should be seen only as a theoretical construct and has the character of an "indicator".

Portugal applied the OECD density criterion, but at the level of municipalities (LAU 1), rather than at NUTS 2 or 3, for the reason that municipalities are very heterogeneous and can include both urban and rural areas within a single administrative boundary. To cope with this heterogeneity, Portugal applied the OECD threshold of population density to the smallest administrative (and statistical) territorial unit, the 'freguesia' (parish) at LAU 2 level. It then focused on three other factors - Less Favoured Areas; the percentage of economically active population employed in agriculture and forestry; and the presence of settlements with at least 15,000 inhabitants

From this came the following classification. Rural Areas include:

- Freguesias from Predominantly Urban NUTS 3 Regions (by the OECD definition), provided that they are Less Favoured Areas (LFA).
- Freguesias from Intermediate/Significantly Rural NUTS 3 Regions, provided that they are either LFA or are in municipalities (LAU 1) in which at least 10% of the economically active population are employed in agriculture or forestry.
- Freguesias from Predominantly Rural NUTS 3 Regions.

Not considered rural are all Freguesias from every NUTS 3 Region which includes villages or cities (urban centres) with at least 15,000 inhabitants.

Romania has used a national definition, whereby the national territory is divided, at the LAU 2 level, into 319 urban units (including the 103 most important towns) and 2,851 rural communes, which make up the rural area. The Romanian authorities say that the National Statistics Institute will assess the possibility of collecting statistical data based on OECD definitions, which will allow for international comparisons.

Slovakia used the OECD definition, without modification. In the English version of the RDP, the three main types of region are defined as:

- Mostly rural regions;
- Other rural regions;
- Mostly urban regions.

Slovenia used the OECD definition, without modification. At the NUTS 3 level, eleven of the national total of twelve statistical regions are designated as rural, whereof five are classified as predominantly rural and six as significantly rural. These rural regions include 67% of all municipalities (LAU 2), 77% of the national territory, and 41% of national population (census of 2002).

Spain. In Spain, the responsibility for preparing and implementing RDPs rests with each Autonomous Region (Comunidad Autonoma), and their definition of rural area varies as shown below. In the National Strategy, the first level of OECD definition (rural municipalities with density below 150 inhabitants per km²) was retained, while the second level (regional typology) was omitted and rural municipalities were summed up to a total figure of rural areas in each Autonomous Region. This approach was used because "the OECD definition does not always correctly reflect rurality, particularly in the zones with the highest population density". However, there is ongoing discussion at national level, and the most recent proposal is to use the OECD definition and typology, with the following additional criteria:

- If region classified as PR contains a municipality with more than 200,000 inhabitants representing more than 25% of that region's population, the region is reclassified as IR
- If region classified as IR contains a municipality with more than 500,000 inhabitants representing more than 25% of that region's population, the region is reclassified as PU.

Andalucía used the OECD definition, without modification.

Catalonia used the OECD definition, but as applied to LAU 1 areas (*conmarcas*), which are defined as rural if the population density is less than 100 inhabitants per km². In addition, municipalities with less than 10,000 inhabitants are defined as rural.

Navarra used the OECD definition, without modification.

Sweden found the OECD definition unhelpful, because it would mean that 99 per cent of national territory, and 70 per cent of the population, would count as rural, excluding only Stockholm and Skåne counties. Moreover, the rural areas vary widely in the different parts of the country. The attractiveness and accessibility of rural areas nearer to the cities, together with improved communications and changes in lifestyle, have brought fundamental changes in the way in which the rural areas are used for residence, work and recreation, resulting in a reversal of population decline. But the more distant and sparsely populated areas face serious social and economic challenges.

Sweden has therefore developed its own definition, whereby 'rural' is defined as being outside an urban area with a population of at least 3,000, and 'sparsely populated' areas are those situated more than 45 minutes by car from an urban area with a population of at least 3,000. The rural areas are then divided into four types of region, based on what labour markets are within the reach of commuters who go home each day. These are:

- *inland regions of the northern Swedish counties*, consisting mainly of the local labour markets that were part of the EU's previous Objective 6 area;
- other areas of the northern Swedish counties;
- *metropolitan regions*, covering the local labour markets of Stockholm, Gothenburg and Malmö;
- *rest of Sweden*, covering other parts of the country.

United Kingdom

England is "...relatively urbanised and densely populated compared to much of the EU (and) is characterised by more heterogeneous regions than ... other OECD or EU countries". Therefore, the OECD definition is seen as not useful, since it would mean that England has zero population living in Predominantly Rural areas. Instead, England uses a definition of rural areas that has been applied since 2004, and recently updated to reflect changes in local authority boundaries. This definition reflects the type of settlement and the geographic context. At its most detailed level, the Rural Definition focuses on Output Areas (OA), each of which represents a cluster of adjacent postcodes and has an average of 125 households. These are then allocated to one of 8 different area types, as shown below:

1. Urban (Less Sparse)
2. Urban (Less Sparse)
3. Town (Less Sparse)
4. Town (Sparse)
5. Village (Less Sparse)
6. Village (Sparse)
7. Dispersed (Less Sparse)
8. Dispersed (Sparse)

A Rural Classification is then applied at the level of Local Authority Districts (LAU 1) , with 6 resulting categories:

- Major Urban: districts with either 100,000 people or 50 percent of their population in urban areas with a population of more than 750,000;
- Large Urban: districts with either 50,000 people or 50 percent of their population in one of 17 urban areas with a population between 250,000 and 750,000;
- Other Urban: districts with fewer than 37,000 people or less than 26 percent of their population in rural settlements and larger market towns;
- Significant Rural: districts with more than 37,000 people or more than 26 percent of their population in rural settlements and larger market towns;
- Rural-50: districts with at least 50 percent but less than 80 percent of their population in rural settlements and larger market towns;
- Rural-80: districts with at least 80 percent of their population in rural settlements and larger market towns.

It is stated in the RDP that this basis of classification "has the advantage that it takes into account population density as well as distances between settlements. The OECD definition does not take into account the context or accessibility of rural settlements in this way. Furthermore, the England rural definition is applicable at low levels of geography, which is better able to characterise rural England. ... Overall, using the rural definition and classification for England is of much more value for England's policymakers than the OECD classification. Taking advantage of the relatively small size of England, it is possible to classify areas in the context of their surroundings, to an agreed uniform classification used throughout Central Government and, increasingly, outside."

Northern Ireland gave no specific reason for not using the OECD definition, but noted that "In 2005, a Report by the Inter-Departmental Urban-Rural Definition Group reviewed definitions of urban and rural areas in use for policy and statistical reporting. The report recommended that Government Departments should consider defining urban and rural areas in ways that are appropriate for the specific programmes and projects under consideration. In the absence of a programme-specific definition, the report proposed that rural settlements with a population of 4,500 or less should be defined as rural."

Rural areas, as defined, include (a) settlements with a population of 4,500 or less, and (b) areas outside the development limits of settlements with a population greater than 4,500.

An additional classification of rural areas – ‘accessible’ and ‘less accessible’ – is also used. ‘Accessible rural areas’ are settlements with a population of 4,500 or less in the following District Council areas: Antrim, Ballymena, Banbridge, Carrickfergus, Castlereagh, Craigavon, Down, Larne, Lisburn, Newtownabbey, Newtownards and North Down.

Scotland noted that “the OECD definition is based only on population density and does not take account of remoteness, which is a particular feature of Scotland’s rural areas”. For this reason, the RDP adopts the Scottish Executive’s Urban Rural Classification^{3**}, which uses settlement size and remoteness to classify areas as rural. Rural areas are defined as settlements with a population of less than 3,000. Based on analysis of drive times to larger settlements, rural Scotland is then split into:

- Accessible rural areas i.e. those with a less than 30 minute drive time to the nearest settlement with a population of 10,000 or more; and
- Remote rural areas i.e. those with a greater than 30 minute drive time to the nearest settlement with a population of 10,000 or more.

Wales gave no reason for not using the OECD definition. Instead, it referred to the review of definitions of urban and rural areas in use for policy and statistical reporting commissioned by the Office of the Deputy Prime Minister in 2001: the outcome of this process was the adoption in 2004 of a “Rural Definition”. This definition (also used in England) reflects the type of settlement and the geographic context. At the most detailed level, it focuses on Output Areas (OA), each of which includes a cluster of adjacent postcodes, with an average of 125 households. Each OA is placed in one of 8 different area types, namely:

1. Urban (Less Sparse)
2. Urban (Sparse)
3. Town (Less Sparse)
4. Town (Sparse)
5. Village (Less Sparse)
6. Village (Sparse)
7. Dispersed (Less Sparse)
8. Dispersed (Sparse)

The core OA definition has also been adapted for larger geographical units, specifically: Wards; Middle Super Output Areas; and Lower Super Output Areas. At these levels, ‘Hamlet and isolated dwellings’ and ‘Village’ are combined as ‘Village, hamlet and isolated dwellings’.

In 2004, the Welsh Assembly Government started a ward-level statistical analysis for the whole of Wales to identify which wards have similar characteristics to wards designated as rural for the purposes of the then existing Rural Development Plan. The purpose of the exercise was to identify wards that would be

³ The Scottish Executive’s Urban Rural Classification includes:

1. Large urban areas (with a population of over 125,000)
2. Other urban areas (with a population of 10,000 to 125,000)
3. Accessible small towns (with a population of 3,000 to 10,000 and within a 30 minute drive time of a settlement with a population of 10,000)
4. Remote small towns (with a population of 3,000 to 10,000 and over a 30 minute drive time of a settlement with a population of 10,000)
5. Accessible rural (with a population less than 3,000 and within a 30 minute drive time of a settlement with a population of 10,000)
6. Remote rural (with a population less than 3,000 and over a 30 minute drive of a settlement with a population of 10,000)

eligible for support under Axis 3 and Axis 4 of the Rural Development Plan 2007-2013. The exercise used the Rural Definition (as described above) to identify settlements. However, the Rural Definition was considered "too blunt a tool to use to decide issues such as eligibility and possible allocation of funding".

Therefore, a second stage "refined the statistical findings by working with Local Authorities to consider qualitative criteria such as settlement and population characteristics, economic activity, culture, access and communication at the local level to draw out the other arguments for defining areas as rural. Each Local Authority was approached to (a) check that the areas matched the statistical profiles, (b) check that the assumptions about the nature of each area were correct and (c) facilitate informed discussion about the areas. This also allowed the Welsh Assembly Government to check whether or not the Local Authority concerned supported the designation of any of its wards as rural, as their commitment to the introduction of any rural programme will be critical to the success of that programme."

Based on the exercise, rural areas were categorised for support under Axis 3 and Axis 4 of the new RDP. The rural areas deemed eligible for that support are in the following categories:

- Rural Ward - a ward with a solely or predominantly 'Rural' or 'Small Town' Output Area population profile or where non-statistical evidence provided by the Local Authority supports the rural nature of the ward. Projects can be located in the ward with the full benefits arising from the project accruing to it.
- Service Centre Ward - a ward with a predominantly 'Small Town' or 'Large Town' Output Area population profile with either some 'Rural' Output Area population, or with strong links to the surrounding rural areas supported by non-statistical evidence provided by the Local Authority. Projects can be located in the ward with up to 30% of the benefits arising from the project accruing to that ward but with the balance accruing to the surrounding rural area.
- Host Ward - a ward with only a 'Large Town' Output Area population profile, where the Local Authority has provided non-statistical evidence that the ward plays a key role in the rural area. Projects can be located in the ward for practical/operational reasons (e.g. premises, cost efficiencies etc.), but none of the benefits arising from the project can accrue to the ward itself.

Not eligible for support through the RDP are Ineligible Wards - wards with only a 'Large Town' Output Area population profile that have no or limited links with rural areas, or where the Local Authority's view is that there are no rural elements or significant interaction with rural areas. These wards are regarded as exclusively urban in nature.

Annex 2 - Review of definitions of rural areas in the surveyed RDPs⁴

					Was a distinction drawn, for purposes of the RDP, between PR, IR, and PU regions?	To contrast different conditions	To contrast different performance	To differentiate strategies	To target measures	Were other indicators or definitions also used?	Only the first level used	Different population density threshold	Exclusion of large cities	Additional indicators	Alternative typology
1= yes, 2= no		OECD	Modified OECD	Other	Q2.A	Q2.B.1	Q2.B.2	Q2.B.3	Q2.B.4	Q2.C	Q3.1.1	Q3.1.2	Q3.1.3	Q3.1.4	Q3.1.5
Country/Region	RegCode	Q1.1	Q1.2	Q1.3	Q2.A	Q2.B.1	Q2.B.2	Q2.B.3	Q2.B.4	Q2.C	Q3.1.1	Q3.1.2	Q3.1.3	Q3.1.4	Q3.1.5
Austria	AT	1			1				1	2					
Belgium-Flanders	BE2		1									1			
Belgium-Valonia	BE3		1											1	
Bulgaria	BG			1											
Cyprus	CY			1											
Czech Republic	CZ	1		1	1		1			1					
Denmark	DK			1											
Estonia	EE		1		1	1				2					
Finland	FI			1											
France	FR	1		1	1		1								
Germany	DE														
Bavaria	DE2			1											
Brandenburg	DE4		1									1			
Hessen	DE7			1											
Greece	GR	1			1	1	1			1					
Hungary	HU			1									1		1
Ireland	IE		1										1		
Italy	IT		1											1	
Latvia	LV			1											
Lithuania	LT		1									1			
Luxembourg	LU			1											

⁴ References in the column headings are to questions on the Questionnaire used by researchers (see Annex 4). The box entry '1' means 'Yes' : '2' means 'No'

Step 1 Report - Year 2009

					Was a distinction drawn, for purposes of the RDP, between PR, IR, and PU regions?	To contrast different conditions	To contrast different performance	To differentiate strategies	To target measures	Were other indicators or definitions also used?	Only the first level used	Different population density threshold	Exclusion of large cities	Additional indicators	Alternative typology
1= yes, 2= no	RegCode	OECD Q1.1	Modified OECD Q1.2	Other Q1.3	Q2.A	Q2.B.1	Q2.B.2	Q2.B.3	Q2.B.4	Q2.C	Q3.1.1	Q3.1.2	Q3.1.3	Q3.1.4	Q3.1.5
Malta	MT			1											
Netherlands	NL			1											
Poland	PL			1											
Portugal	PT		1										1	1	
Romania	RO			1											
Slovakia	SK	1			1					2					
Slovenia	SI	1			1	1				2					
Spain	ES00	1	1		1					2	1				
Andalusia	ES61	1			2										
Catalonia	ES51	1		1	2					2					
Navarra	ES22	1			2					2					
Sweden	SE			1											
United Kingdom	UK														
England	UK (Engl)	1		1	1										
Northern Ireland	UKN			1											
Scotland	UKM			1											
Wales	UKL	1		1	2										

Step 1 Report - Year 2009

		Dealing with heterogeneity of administrative regions	Better distinction between RA and UA	To be close to a traditional definition	Other	Was a distinction drawn, for purposes of the RDP, between different types of region	To contrast different conditions	To contrast different performance	To differentiate strategies	To target measures	Dealing with heterogeneity of administrative regions	Better distinction between RA and UA	Preferring a traditional definition	Other
1= yes, 2= no	RegCode	Q3.2.1	Q3.2.2	Q3.2.3	Q3.2.4	Q3.3	Q3.4.1	Q3.4.2	Q3.4.3	Q3.4.4	Q4.1.1	Q4.1.2	Q4.1.3	Q4.1.4
Austria	AT													
Belgium-Flanders	BE2				1	2								
Belgium-Valonia	BE3		1			1		1		1				
Bulgaria	BG											1		
Cyprus	CY											1	1	
Czech Republic	CZ													
Denmark	DK											1		
Estonia	EE		1	1										
Finland	FI											1		
France	FR											1		
Germany	DE													
Bavaria	DE2											1		
Brandenburg	DE4		1			2								
Hessen	DE7											1		
Greece	GR													
Hungary	HU											1		
Ireland	IE	1				2								
Italy	IT	1				1	1							
Latvia	LV													1
Lithuania	LT				1	2								
Luxembourg	LU											1		

Step 1 Report - Year 2009

		Dealing with heterogeneity of administrative regions	Better distinction between RA and UA	To be close to a traditional definition	Other	Was a distinction drawn, for purposes of the RDP, between different types of region	To contrast different conditions	To contrast different performance	To differentiate strategies	To target measures	Dealing with heterogeneity of administrative regions	Better distinction between RA and UA	Preferring a traditional definition	Other
1= yes, 2= no	RegCode	Q3.2.1	Q3.2.2	Q3.2.3	Q3.2.4	Q3.3	Q3.4.1	Q3.4.2	Q3.4.3	Q3.4.4	Q4.1.1	Q4.1.2	Q4.1.3	Q4.1.4
Country/Region	RegCode													
Malta	MT											1		
Netherlands	NL											1		
Poland	PL												1	
Portugal	PT	1				1	1							
Romania	RO												1	
Slovakia	SK													
Slovenia	SI													
Spain	ES00	1	1			2								
Andalusia	ES61													
Catalonia	ES51													
Navarra	ES22													
Sweden	SE											1		
United Kingdom	UK													
England	UK (Engl)										1	1		
Northern Ireland	UKN													
Scotland	UKM													1
Wales	UKL													1

Step 1 Report - Year 2009

		% territory in rural areas	% populati on in rural areas	% Gross Value Added in rural areas	% employ ment in rural areas	As additional distinguish ing factors	Constitui ng more complex indicator s	Other	Size of commu nes (municip alities)	Distance , accessib ility or sparsely populate d	Employ ment and living place	Rural space (e.g. agricultu ral and forest land)	Other	Dealing with heterog eneity of administ rative	Better distincti on between RA and UA	Prefer ring a tradi tional defin er	Other
1= yes, 2= no	RegCode	Q5.1.1	Q5.1.2	Q5.1.3	Q5.1.4	Q5.2.1	Q5.2.2	Q5.2.3	Q5.3.1	Q5.3.2	Q5.3.3	Q5.3.4	Q5.3.5	Q5.4.1	Q5.4.2	Q5.4.	Q5.4.
Austria	AT			1	1	1											
Belgium-Flanders	BE2																
Belgium-Valonia	BE3											1					
Bulgaria	BG								1						1	1	
Cyprus	CY								1						1	1	
Czech Republic	CZ								1								
Denmark	DK	1	1		1		1			1			1		1		
Estonia	EE								1								
Finland	FI		1				1			1	1			1	1		
France	FR		1		1		1		1		1				1		
Germany	DE																
Bavaria	DE2								1	1				1	1		
Brandenburg	DE4																
Hessen	DE7	1	1	1	1		1		1						1		
Greece	GR	1	1	1	1	1				1							
Hungary	HU								1		1				1		
Ireland	IE																
Italy	IT																
Latvia	LV								1								1
Lithuania	LT																
Luxembourg	LU									1					1		

Step 1 Report - Year 2009

		% territory in rural areas	% population in rural areas	% Gross Value Added in rural areas	% employment in rural areas	As additional distinguishing factors	Constituting more complex indicators	Other	Size of communes (municipalities)	Distance, accessibility or sparsely populated	Employment and living place	Rural space (e.g. agricultural and forest land)	Other	with heterogeneity of administrative regions	Better distinction between RA and UA	ring a traditional definition	Other
1= yes, 2= no	RegCode	Q5.1.1	Q5.1.2	Q5.1.3	Q5.1.4	Q5.2.1	Q5.2.2	Q5.2.3	Q5.3.1	Q5.3.2	Q5.3.3	Q5.3.4	Q5.3.5	Q5.4.1	Q5.4.2	Q5.4.	Q5.4.
Malta	MT								1	1		1			1		
Netherlands	NL								1						1		
Poland	PL								1				1		1	1	
Portugal	PT	1	1					1	1		1						
Romania	RO	1		1	1	1											
Slovakia	SK																
Slovenia	SI																
Spain	ES00																
Andalusia	ES61																
Catalonia	ES51								1				1				
Navarra	ES22																
Sweden	SE								1	1						1	
United Kingdom	UK																
England	UK (Engl)								1	1						1	
Northern Ireland	UKN								1							1	
Scotland	UKM								1	1						1	
Wales	UKL								1				1			1	

Annex 3 -Use of definitions for territorial targeting of measures

Territorial cluster	Standardised Definition or Indicator	Country Codes																	
		AT	BE2	BE3	BG	CY	CZ	DK	EE	FI	FR	DE2	DE4	DE7	GR	HU	IE		
0	Whole territory, no territorial targeting	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
1	Definitions aiming at rurality and marginality						1		1							1			
2		RA - First level definitions (at the municipal level) considering population density or size of municipalities or a list of them is provided	1	1		1	1	1				1		1				1	
3		RA -Definitions with distance or accessibility and rural/urban employment									1		1						
4		RA -Definitions considering the structure of the economy													1				1
5		RA - Definitions with rural space (agricultural and wood land, etc.)				1													1
6		LAG/LEADER regions	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
7		LFA: mountain	1			1	1	1	1			1	1		1	1	1	1	1
8		Other LFA	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
9		Specific handicap (LFA)						1		1									
10		NATURA 2000 protection areas and WFD protection zones (agricultural land and forest)	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
11		High natural value and other environmentally valuable agricultural and forest land			1	1	1	1	1	1	1	1	1				1	1	1
12		Environmentally vulnerable area (e.g. vulnerable zones of nitrates, erosion)			1		1	1		1	1		1			1		1	
13		Areas with the threat of forest fire				1							1						
14		Special Forest areas					1						1						
15		Areas with cultural specificities and particular territories/regions					1		1			1							

Step 1 Report - Year 2009

Territorial clusters	Standardised Definition or Indicator	IT	LV	LT	LU	MT	NL	PL	PT	RO	SK	SI	ES61	ES51	ES22	
0	Whole territory, no territorial targeting		1	1	1	1	1	1	1	1	1	1	1	1	1	
1	Definitions aiming at rurality and marginality	RA - OECD regional typology (incl. modifications without additional indicators, except the exclusion of large cities)		1							1		1	1	1	
2		RA - First level definitions (at the municipal level) considering population density or size of municipalities or a list of them is provided		1		1		1	1	1			1			
3		RA -Definitions with distance or accessibility and rural/urban employment														
4		RA -Definitions considering the structure of the economy														
5		RA - Definitions with rural space (agricultural and wood land, etc.)					1									
6		LAG/LEADER regions		1	1	1	1		1	1	1	1		1	1	1
7	Definitions realting to site specificities of environmental qualities	LFA: mountain						1	1	1	1	1	1	1	1	
8		Other LFA			1	1	1	1	1	1	1	1	1	1	1	
9		Specific handicap (LFA)		1						1		1		1	1	1
10		NATURA 2000 protection areas and WFD protection zones (agricultural land and forest)		1	1		1	1	1	1		1		1	1	1
11		High natural value and other environmentalaly valuable agricultural and forest land		1	1	1		1	1		1		1	1	1	1
12		Environmentally vulnerable area (e.g. vulnerable zones of nitrates, erosion)		1		1			1				1	1	1	1
13		Areas with the threat of forest fire		1						1						
14		Special Forest areas														
15		Areas with cultural specificities and particular territories/regions										1				

Territorial clusters	Standardised Definition or Indicator	SE	UK (Engl)	UKN	UKM	UKL	Total	%	
0	Whole territory, no territorial targetting	1	1	1	1	1	34	100%	
1	Definitions aiming at rurality and marginality					1	9	26%	
2				1	1	1	17	50%	
3			1				3	9%	
4			1				3	9%	
5							3	9%	
6		LAG/LEADER regions	1					26	76%
7	Definitions relating to site specificities of environmental qualities		1		1	1	20	59%	
8				1		1	28	82%	
9							8	24%	
10						1	1	25	74%
11			1	1		1	1	25	74%
12						1		9	26%
13							1	5	15%
14						1		1	3%
15		1	1		1		7	21%	

Annex 4 - Brief for researchers

European Network for Rural Development Thematic Working Group 1

Targeting territorial specificities and needs in Rural Development programmes

Brief and questionnaire for Task 1.1 researchers

Introduction

This brief is designed to assist the team of researchers who are helping the EN-RD Contact Point on Step 1 of the work programme for Thematic Working Group (TWG) 1.

The brief:

- states the **objective of the TWG 1** (section 1);
- summarizes its **overall Work Programme** (section 2);
- describes the **First Phase** of the work programme, and the expected outputs (section 3);
- focuses on **Step 1 and within it on Task 1.1.** that the researchers will undertake (section 4);
- provides **operational guidelines for task 1.1;**
- introduces the **Questionnaire** which the researchers are asked to complete, one for each country (section 6).

The Questionnaire is attached to this brief, together with annexes referred to below.

1. Objective of the Thematic Working Group

The objective of the group is to contribute, through relevant analysis and the diffusion of their results, to an efficient targeting of territorial specificities and needs in Rural Development programmes and to a more balanced development of rural areas across Europe.

2. Work Programme of the Thematic Working Group

The Group's work programme is divided into two phases – March to November 2009; and early 2010 to early 2011.

In the first phase, the group will focus on:

- the main factors which contribute to the diversity of rural areas in Europe;
- the strategies adopted in Rural Development Programmes (RDPs) in relation to different types of territory;
- the approaches used by Member States for targeting measures geographically;
- the role that territorial targeting plays in securing complementarity or demarcation between the EAFRD and other Community instruments;
- innovative approaches and initiatives to target funds where they are most needed within a territory;
- lessons learned and possible recommendations at the level of programming.

In the later phase, starting early 2010, the group expects to address forward-looking issues, including:

- territorial dimension of links between the agri-food sector and the wider rural economy;

- tapping the potential for synergies and complementarities between Community instruments at territorial level;
- governance and territorial targeting in RDPs (e.g. consistent delivery mechanisms, mobilising endogenous potential, mutual learning etc);
- examples of institutional efficiency in targeting of territorial specificities and needs, and of achieving balanced development of rural areas;
- how to address the needs of distinct categories of rural areas, such as those on the fringes of the EU, or islands, or rural areas nearest to cities;
- how policies for targeting of territorial specificities and needs are being implemented in national and regional programmes.

3. First Phase of the work programme

So, the first phase of the group's work is focused on laying a fieldwork of understanding of how Member States, in their RDPs, have addressed the issues of:

- identifying the specificities of different territories;
- targeting the needs-based measures in these programmes to suit these specificities.

The output from this first phase will be a report bringing together:

- findings on the apparent relevance and efficiency of targeting of territorial specificities and needs, and the common elements in rural development, contained within the existing RDPs;
- examination of what could be the building blocks of a new typology to achieve greater efficiency in targeting and achieving a better balance in rural development.

This work will be addressed in **three main Steps**:

Step 1: Analysis of how Member States, in their RDPs, have defined or targeted 'rural' areas for the 2007-2013 programming period, with the indicators or definitions that they have used for this purpose, the problems encountered and the solutions found in the process of definition.

Step 2: Analysis of how Member States have used their definition of rural areas to territorially target the rural development measures under the four Axes in the RDPs. The focus will be on the use of indicators or definitions to identify territorial specificities and needs, the role of territorial targeting in ensuring complementarity or demarcation vis-à-vis other EU instruments, the problems encountered and solutions found in this process.

Step 3: Production of a report showing the overall pattern, including both significant common elements and significant variations, in national approaches to definition of rural areas, to analysis of territorial specificities and needs, to targeting of measures in relation to these specificities and needs, and to strategies for complementarity and demarcation between RDPs and other Community instruments. The report will draw provisional conclusions on the apparent adequacy, efficiency and balance implied by this pattern of targeting of territorial specificities and needs, including the building blocks for a revised typology of rural areas and a revised set of baseline indicators.

4. Step 1

The focus of the present brief is on Step 1, namely analysis of how Member States, in their RDPs, have defined or targeted 'rural' areas for the 2007-2013 programming period, with the indicators or definitions that they have used for this purpose, the problems they encountered and the solutions found in this process of definition.

This Step is itself divided into three tasks:

Task 1.1: by desk study of RDPs, plus contact with those who prepared them, to analyse how rural areas were defined or targeted for:

- the general focus of these programmes;
- the application of specific measures within them.

The analysis will reveal how far Member States have used the indicators or definitions advised by the European Commission when defining or targeting rural areas for the above purposes, with the reason for any deviation from these indicators or definitions; and will record the problems that were encountered and the solutions found in the process of definition or targeting. The output will be a 'fiche' in standardised form, one for each country, containing the results of this analysis.

Task 1.2: this desk analysis will then be complemented by a short consultation with DG AGRI Desk Officers who have worked with the people and organisations in each member state who prepared the RDPs, in order to check their understanding of how rural areas were defined or targeted, how well the indicators or definitions worked, why variations emerged and were agreed.

Task 1.3: production of a report which will :

- describe how Member States have defined or targeted rural areas for the 2007-2013 programming period, using or deviating from indicators or definitions advised by the Commission, with reasons for deviation, type of problems encountered and solutions found in defining rural areas;
- identify typologies of rural regions and sub-regions which emerge from the comparative analysis of 27 Member States, with the indicators or definitions that have been used;
- present an initial conclusion on the usefulness of the indicators or definitions which member states are currently advised to use.

This report will be supported by **27 short 'fiches'**, containing the findings for each Member State.

5. Operational guidelines for Task 1.1.

This task will be pursued by a **two-step process**:

- **first**, desk study of the National Strategic Plan (in particular for Member States with a regionalized programming) and the individual RDPs, using the questionnaire attached to this brief ;
- **second**, to fill in the questionnaire, which will then become a 'fiche' related to that country.

6. Introduction to the Questionnaire

- The questionnaire has a **stylised format** in order to permit comparison between the findings for different countries, and thus the production (in Task 1.3) of a consolidated summary of how Member States have defined or targeted 'rural' areas for the 2007-2013 programming period.
- The format (which has been revised and simplified after pilot application to two countries – Poland and Spain) is designed to **reveal how far each Member State has used the indicators or definitions advised by the Commission**; the reasons for deviation from these indicators or definitions; the indicators or definitions that have actually been used; the problems encountered, and the solutions found, in choosing the definitions.
- The **questionnaire form** will also (when completed) **be the 'fiche'** for that country. It therefore starts with a record of the country concerned, who did the research and what documents were consulted; and ends by asking you to say what problems you have had in

completing it and to offer any comments you wish to make on the research process or the findings.

- The **questions relate, in sequence,** to:

1. How rural areas are identified or targeted for the general focus of the RDP, with reference to Indicators 1 and 2⁵ which were advised by the Commission for this purpose, or to alternatives that were used by the Member State (Questions 1 to 5) ;

► Questions 1 to 5 relate to the indicators or definitions used to define rural areas for the broad application of the RDP.

2. How rural areas are identified for the application of specific measures within the programme, with reference to Indicators 3 to 23⁶, or to alternatives that were used by the Member State (Questions 6 and 7) ;

⁵ Attached to the questionnaire is a full version of Indicators 1 and 2, which are referred to in Questions 1 to 5 of the Questionnaire.

⁶ Attached to the questionnaire is a summary of Indicators 1 to 23.

Memo on Questions 6 & 7

The Group has had some questions from researchers about the amount of detail desired in the answers to Questions 6 and 7.

The answer is that **the Group wants to show which rural areas each measure is targeted at, and how these areas are defined**, but the Group does not (at this stage) want a list of the indicators that will be used to assess the impact of the measures.

For example, in the RDP for England, Measure 212 (Payments to farmers in areas with handicaps, other than mountain areas) is targeted at SDAs, which are "the most severely disadvantaged areas within the LFAs". SDAs are defined, at page 62 of chapter 3, as areas that "have land:

- which is suitable for extensive livestock production but not for the production of more crops necessary to feed such livestock, and
- whose agricultural production is severely restricted in its range by one or a combination of soil, relief, aspect or climate, or
- situated in the Isles of Scilly."

The Group asks for that amount of detail to be supplied in the "Definition or Indicator" box at Question 6, with a cross reference to Question 7 through a number in the left-hand column of Question 6.

But the Group **does not need a detailed list of the indicators that will be used to indicate the impact of the measure**, since this will be picked up during Step 2 of the research.

An example of this detail not needed at this stage is, again, for the same measure 212 in the RDP for England, the indicators stated at table 5.10 on page 40 of chapter 5, namely:

- EU common indicators
- Number of supported holdings in areas with handicaps, other than mountain areas
- Agricultural land area supported in areas with handicaps, other than mountain area (million hectares)
- Area under successful land management (million hectares)
- Reversal in biodiversity decline (farmland bird species population)
- Decline in farmland bird populations reversed by 2010
- Change in high nature value areas
- Additional Programme Specific Indicators
- Area of Natura 2000 designated sites supported
- Area of HNV farmland supported
- Area of agricultural land in supported area (million hectares).

► **Question 6 asks you to record all the indicators or definitions used in defining or targeting rural areas both for the general focus of the RDP and for the individual measures.** Since the same definition or indicator may be used for more than one measure, this enables you to list the definitions or indicators at Question 6 and then, when completing Question 7, simply to refer back to the relevant definition or indicator numbered at Question 6.

► **At Question 7, please answer the question in relation to each measure that is included in the RDP.**

3. The problems that were encountered and the solutions found in the process of definition or targeting (Question 8).

► **You may, from the RDP text, get some idea of the problems and solutions mentioned at Question 8.**

- The **focus is on the indicators or definitions used in the prescriptive part of the RDP**, i.e. the strategy or the proposed measures. You should refer back to the descriptive or analytical sections (e.g 'Situation of rural areas' or SWOT) only if this is needed to explain the basis on which the indicator or definition was chosen.
- When you have **completed the questionnaire as fully as you can from the RDP text** and the boxes at the end of it⁷, please submit it to the Contact Point or their nominee.

⁷ Section D of the questionnaire;

European Network for Rural Development Thematic Working Group 1

Questionnaire to be used by *Task 1.1* researchers

Country	
Name of the Researcher, with address, telephone number and e-mail address	
People consulted e.g. Coordination Committee member, Ministry official(s), DG-AGRI Desk Officer	
Documents consulted	

Section A. Defining or targeting rural areas for the broad purpose of the RDP

Please answer Questions 1 to 5 to show how rural areas were defined or targeted for the purpose of the broad application of the Rural Development Programme. Before starting work, please study Annex 2 describing Baseline Indicators I and 2.

1. Was the OECD definition used? *Please choose one answer*

A Yes, without modification	<input type="checkbox"/>	Go to question 2
B Yes, in modified form	<input type="checkbox"/>	Go to question 3
C No	<input type="checkbox"/>	Go to question 4

2. If the OECD definition was used without modifications

A. Was a distinction drawn, for purposes of the RDP, between Predominantly Rural Regions, Intermediate Regions, and Predominantly Urban Regions?

Yes No

B. If 'Yes', what is the nature of that distinction, for purposes of the RDP

.....

.....

.....

C. Were other indicators or definitions also used?

Yes	<input type="checkbox"/>	Go to question 5
No	<input type="checkbox"/>	Go to question 6

3. If the OECD definition was used in modified form

3.1. What modifications were made?

.....

3.2. What reason was given for these modifications?

.....

3.3. Was a distinction drawn, for purposes of the RDP, between different types of region as defined through the modified OECD definition ?

Yes No

3.4. If 'Yes', what is the nature of that distinction, for purposes of the RDP

.....

3.5. Were other indicators or definitions also used?

Yes	<input type="checkbox"/>	Go to question 5
No	<input type="checkbox"/>	Go to question 6

4. If the OECD definition was not used

4.1. What reason was given for not using it ?

.....

4.2. Were other indicators or definitions also used ?

Yes	<input type="checkbox"/>	Go to question 5
No	<input type="checkbox"/>	Go to question 6

5. If other indicators or definitions were used

5.1 ? Did they include any of the factors in Baseline Indicator 2, namely :

% territory in rural areas	Yes <input type="checkbox"/>	No <input type="checkbox"/>
% population in rural areas	Yes <input type="checkbox"/>	No <input type="checkbox"/>
% Gross Value Added in rural areas	Yes <input type="checkbox"/>	No <input type="checkbox"/>
% employment in rural areas	Yes <input type="checkbox"/>	No <input type="checkbox"/>

5.2. If any of these four factors were used, how were they expressed in defining or targeting rural areas for the RDP?

.....

5.3. What other factors were included?

.....

5.4. What reasons were given for this choice of factors?

.....

Section B. Defining or targeting rural areas for the individual measures within the RDP

Please answer Questions 6 and 7 to show how rural areas were defined or targeted for the application of the individual measures within the RDP. Before starting work, please study Annex 1 summarizing Indicators 3 to 23.

6. Definitions or indicators of rural areas used in the RDP

Note: the numbering shown below is **not** that of the list of indicators at the Appendix, but is a numbering developed by you to show all the definitions or indicators that are used in the RDP in defining or targeting rural areas for **either** the general purposes of the RDPO **or** the application of specific measures. That numbering can then be used in your answers to Question 7.

Definition or Indicator No.	Definition or Indicator (add more boxes as necessary)
1	
2	
3	

7. What if any definition or indicator of rural area is used in the targeting of each specific measure included in the RDP ?

Note: Geographic criteria specified only in the specific documents for each measure do not have to be included.

Axis	Measure (by number)	Definition or indicator of rural area used (use number from Question 6 above or state 'none')	Comments

Section C. Problems and solutions

8. In preparing the definitions or targeting of rural areas for the general purpose of the RDP, or for the individual measures within the RDP

8.1. What significant problems were encountered by those who prepared the RDP?

.....
.....
.....

8.2. How were these problems solved?

.....
.....
.....

Section D. Comments by researcher on completion of the Questionnaire

Difficulties experienced in completing the questionnaire	
Comments by the researcher on the research process and on the findings contained in this fiche	

Annex 1: Summary of context-related baseline indicators

b. Context related baseline indicators

AXIS		Indicator	Measurement
Horizontal	1	Designation of rural areas	Designation of rural areas with OECD methodology
	2	Importance of rural areas	% territory in rural areas % population in rural areas % Gross Value Added in rural areas % employment in rural areas
AXIS 1, Competitiveness	3	Agricultural land use	% arable area / permanent grass / permanent crops
	4	Farm structure	Number of farms Utilized Agricultural Area Average area farm size and distribution Average economic farm size and distribution Labour Force
	5	Forestry structure	Area of forest available for wood supply (FAWS) Ownership (% area of FAWS under "eligible" ownership) Average size of private holding (FOWL)
	6	Forest productivity	Average net annual volume increment (FAWS)
AXIS 2, Environment	7	Land cover	% area in agricultural / forest / natural / artificial classes
	8	Less Favoured Areas	% UAA in non LFA / LFA mountain / other LFA / LFA with specific handicaps
	9	Areas of extensive agriculture	% UAA for extensive arable crops % UAA for extensive grazing
	10	Natura 2000 area	% territory under Natura 2000 % UAA under Natura 2000 % forest area under Natura 2000
	11	Biodiversity: Protected forest	% FOWL protected to conserve biodiversity, landscapes and specific natural elements (MCPFE 4.9, classes 1.1, 1.2, 1.3 & 2)
	12	Development of forest area	Average annual increase of forest and other wooded land areas
	13	Forest ecosystem health	% trees / conifers / broadleaved in defoliation classes 2-4
	14	Water quality	% territory designated as Nitrate Vulnerable Zone
	15	Water use	% irrigated UAA
	16	Protective forests concerning primarily soil and water	FOWL area managed primarily for soil & water protection (MCPFE 5.1 class 3.1)
AXIS 3, Wider rural development	17	Population density	Population density
	18	Age structure	% people aged (0-14) y.o. / (15-84) y.o. / >=85 y.o. in total population
	19	Structure of the Economy	% GVA by branch (Primary / Secondary / Tertiary sector)
	20	Structure of Employment	% employment by branch (Primary / Secondary / Tertiary sector)
	21	Long-term unemployment	% long-term unemployment (as a share of active population)
	22	Educational attainment	% adults (25_84) with Medium & High educational attainment
	23	Internet infrastructure	DSL coverage

Annex 2: Full text of horizontal indicators 1 and 2

HORIZONTAL	
Baseline indicator for context	1 - Designation of rural areas
Measurement of the indicator	Designation of rural areas according to the OECD methodology.
Definition of the indicator	<p>The OECD methodology is based on population density (OECD, Creating rural indicators for shaping territorial policy, Paris, 1994). It is based on a two-step approach :</p> <p>First, the OECD identifies local areas (municipalities) as rural if the population density is below 150 inhabitants per square kilometre.</p> <p>Then, at regional level (NUTS 3 or NUTS 2), the OECD distinguishes:</p> <ul style="list-style-type: none"> • <u>Predominantly Rural regions (PR)</u> : more than 50% of the population is living in rural communes (with less than 150 inhabitants / km²) • <u>Intermediate Regions (IR)</u> : 15% to 50% of the population of the region is living in rural local units • <u>Predominantly Urban regions (PU)</u> : less than 15% of the population of the region is living in rural local units. <p>As a result, the regions (NUTS 3 or NUTS 2) can be 'flagged' with their category: Predominantly Rural, Intermediate, Predominantly Urban. Characterisation of the rural character at regional level, where most of the statistics are available, allows drawing easily a picture of the different types of areas at national level.</p> <p>As for the first step, the method requires information on population and areas at local level, the characterisation can only made with a long periodicity (in general every 10 years when a population census is made).</p> <p>The OECD methodology is the only definition of rural areas internationally recognised. However, the results of this methodology are sometimes considered as imperfectly reflecting the rural character of areas, particularly in densely populated regions. The methodology is therefore sometimes adapted or replaced by another approach.</p> <p>When MS consider that the OECD methodology is not appropriate to delimitate rural areas, they must propose and use an alternative delimitation. This definition should be used consistently for all related indicators.</p>
Sub-indicators	-
Unit of measurement	-
Level of collection	National priority level / national programme level
Responsible actor for collection	Each member state should also indicate for each indicator the responsible person within the programme management body. He or she needs to ensure the collection of his or her indicator (Member State will complete).
Collection method / good practice	Calculation based on statistical data
Source	<p>Source 1: Eurostat GISCO - SIRE DATABASE SABE database for the administrative boundaries (Copyright EuroGeographics) Calculation : AGRI-G2</p> <p>Source 2: National source: Consult the Member State</p>
Availability	<p><u>Eurostat:</u></p> <p>According to definition : yes Most recent year: 2000 (2001 for UK) Provisional data for all MS except: BE, DK, ES, FR metropolitan, AT, PT, FI, SE. Nuts level: 3 (local level is LAU 2 except LAU1 for BG) Completeness: EU-27</p>

Step 1 Report - Year 2009

	Collection frequency: every 10 years
Registration frequency	On the basis of availability

HORIZONTAL	
Baseline indicator for context	2 - Importance of rural areas
Measurement of the indicator	<p>This indicator consists in 4 sub-indicators :</p> <ul style="list-style-type: none"> • % territory in rural areas • % population in rural areas • % Gross Value Added in rural areas • % employment in rural areas
Definition of the indicator	<p>This context indicator consists in several sub-indicators giving the relative importance of rural areas. The following aspects are taken into account:</p> <ul style="list-style-type: none"> • Rural area as a percentage of the total area • People living in rural areas as a percentage of the total population • GVA in rural areas as a percentage of the total GVA in a region/country • Employment in rural areas as a percentage of the total employment in a region/country <p>MS should provide the data in relation to the delimitation of rural areas used for context related baseline indicator n°1 "Designation of rural areas". Where this is not possible, a qualitative estimate should be provided.</p>
Sub-indicators	<ul style="list-style-type: none"> % Territory in rural areas % Population in rural areas % GVA in rural areas % Employment in rural areas
Subdivision	<p>For each sub-indicator the breakdown according to the rural/urban character used for context related baseline indicator n°1 "Designation of rural areas" should be provided.</p> <p>With OECD methodology, the breakdown is :</p> <ul style="list-style-type: none"> • % in the 'predominantly rural' areas • % in the 'intermediate region' areas • % in the 'predominantly urban' areas <p>Sub-indicators on population and on employment can be further broken down according to:</p> <ul style="list-style-type: none"> • Gender • Age: (0-14) y.o. / (15-64) y.o. / >=65 y.o.
Unit of measurement	%
Level of collection	National priority level / national programme level
Responsible actor for collection	Each member state should also indicate for each indicator the responsible person within the programme management body. He or she needs to ensure the collection of his or her indicator (Member State will complete).
Collection method / good practice	Calculation based on statistical data
Source	<p><u>Rurality according to the OECD definition :</u> Source 1: DG AGRI</p> <p><u>Other variables:</u> Source 1: Eurostat Area General and regional statistics - Regions – Demographic Statistics - Population and area – Area of the regions</p> <p>Population: General and regional statistics - Regions - Population and area - Annual average population by sex</p> <p>GVA: General and regional statistics – Regions - Economic accounts-ESA95 – Branch accounts-ESA95 – Gross value added at basic prices at NUTS level 3</p>

	<p>Employment:</p> <p>Eurostat - General and regional statistics – Regions – Economic accounts-ESA95 – Branch accounts-ESA95 – Employment at NUTS level 3 & Eurostat - General and regional statistics – Regions – Regional labour market-Employment by economic activity at NUTS level 1 and 2</p> <p>Source 2: National source: Consult the Member State</p>
Availability	<p><u>Eurostat:</u></p> <p>According to definition: to be calculated (see definitions and subdivision)</p> <p>Most recent year: 2003 for Population & Area 2002 for GVA & Employment (2001 for HU, UK)</p> <p>Nuts level: aggregates at NUTS 2 level (summaries of NUTS 3)</p> <p>Completeness: EU-27 (except for employment in NL and RO, not available at NUTS 3 level).</p> <p>Collection frequency: yearly</p>
Registration frequency	<p>On the basis of availability</p>