Ladies and Gentlemen,

I am pleased to be with you today and to have the opportunity to discuss the question of urban-rural linkages from the perspective of rural development policy. The question of the nature of the links between urban and rural areas is one that has gained in visibility, particularly as inhabitants of cities and city regions perceive growing environmental and social pressures on their quality of life: pollution, congestion and social tensions. At the same time, many rural areas also feel pressures: sometimes environmental, as housing development and traffic encroach on the countryside, sometimes economic, as cities attract new investments and thus jobs, leaving rural areas either depopulated or populated only for weekends and holidays. These perceptions reflect wider concerns in European society such as the state of our natural environment, climate change, pressure on living standards and social cohesion.

DG Agriculture and Rural Development therefore welcomes the increase in attention to urban-rural linkages. First, it helps to raise the
visibility of rural areas, which were for a while viewed in some quarters as representing Europe's past, rather than as being part of its future. Second, it is a more holistic view, corresponding to our conception of rural and urban areas as mutually dependent. Third, a more holistic view of territorial development also fits well with our belief in the need for integrated policies.

Sometimes there is a tendency to oppose rural and urban, as if the two existed in pure forms entirely separate from one another. Intensive urbanization over past decades may have reinforced this view, at least for the inhabitants of large cities. But it is worth reflecting on this. The most widely accepted classification of territories into urban, rural etc is that of the OECD. By their definition (which is based on population density), rural areas make up a major share of the EU's territory. But regions classified as "intermediate", meaning that they consist of significant rural areas interspersed with small cities, predominate in many Member States. Even in those Member States (or regions) which are classified as predominantly rural you will find urban settlements. You are probably all familiar with the statistic that 56% of the EU's population lives in rural areas. But clearly, they do not all live on farms, directly engaged in farming or forestry. Towns and villages – and I am thinking here especially of the many small and medium-sized towns which make up the majority of Europe's urban settlements – are an integral part of the rural landscape.
When reflecting on the nature of urban-rural linkages, I think we also need to reflect on the variety within these two categories. A metropolis with millions of inhabitants differs significantly from a market town with thousands, yet both can be classified as 'urban'.

Similarly, the EU's rural areas are characterized by significant diversity in terms of their socio-economic and environmental situations. Some rural areas are amongst the EU's wealthiest regions in terms of GDP per capita. Others, in remote areas and in more recently acceded Member States, are among the poorest. Some rural regions, particularly in peri-urban areas, have experienced high rates of employment growth; other, remoter rural regions may face high levels of unemployment.

Rural areas are also affected by different demographic trends: a long established “urbanization” trend drawing population and economic activity out of more remote rural areas into urban areas, and a more recent “counter-urbanization” flow out of urban areas into accessible rural areas. Accessible parts of significantly rural areas increasingly serve as residential areas for large towns: they may thus become commuter belts subject to increased environmental pressures without benefiting from the economic activity of their residents. Conversely, predominantly rural areas out of commuting distance of cities are losing population – particularly young women - due to a lack of economic and social opportunities. Overall depopulation of rural areas is a critical issue in recently acceded Member States, where emigration rates are
highest. However, the problem also affects rural areas in the EU's western periphery and parts of Germany and Italy.

I think it is inevitable that, given the variety in types of urban and rural areas, the nature of the linkages between them will also vary significantly.

From the rural development policy perspective, I would like to stress that, urban and rural areas are partners, not competitors. A large city is very different from both a small town and a remote rural area composed of farming communities. But all of them exist in a state of mutual dependence: economic, environmental, social and political. We cannot gloss over the differences between predominantly urban and predominantly rural regions, but we should try to make the most of the potential of a specific territory and develop its specific strengths in an integrated way.

A better understanding of urban rural linkages or the urban rural space and its problems and needs will also help to answer the more fundamental policy questions:

- Is public intervention needed
- In what form and at which level, is there a role for the EU
- And if yes how do you target your territorial policy for it to be effective and efficient
I hope that at the end of these series of seminars our colleagues in Regio are organizing, we will see clear if and to what extent the urban rural linkages are the missing link in EU policies with a territorial dimension.

Thank you for your attention and I look forward to the discussion.