



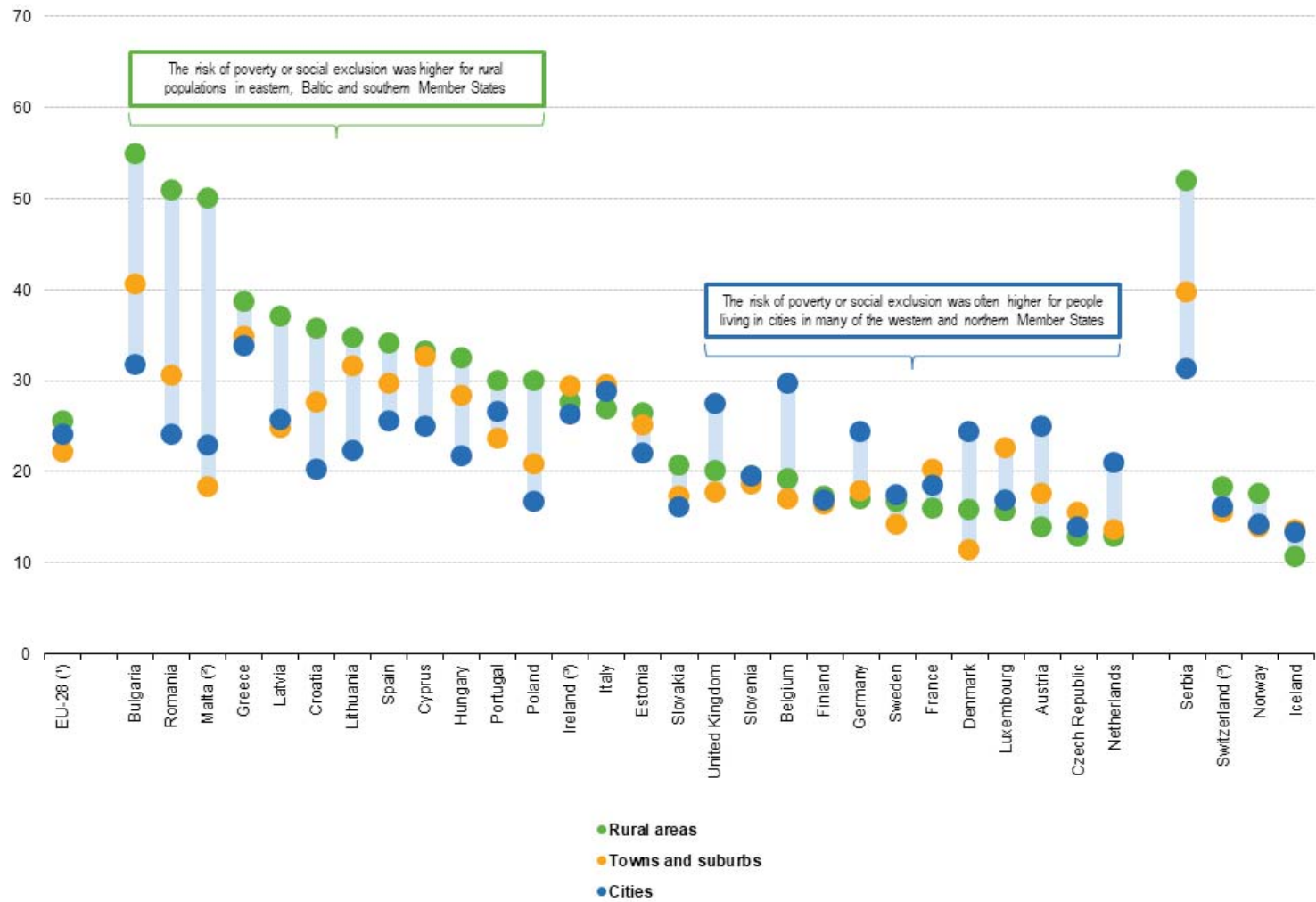
Leibniz Institute of Agricultural Development
in Transition Economies

***Challenges for rural development in the EU: Does
the Common Agricultural Policy fit the task?***

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Commonalities and differences: Risk of poverty



Note: ranked on rural areas.
 (*) Rural areas: estimate.
 (†) Rural areas: low reliability.
 (‡) 2014.

Source: Eurostat (online data code: ilc_peps13)

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Political framework of rural development

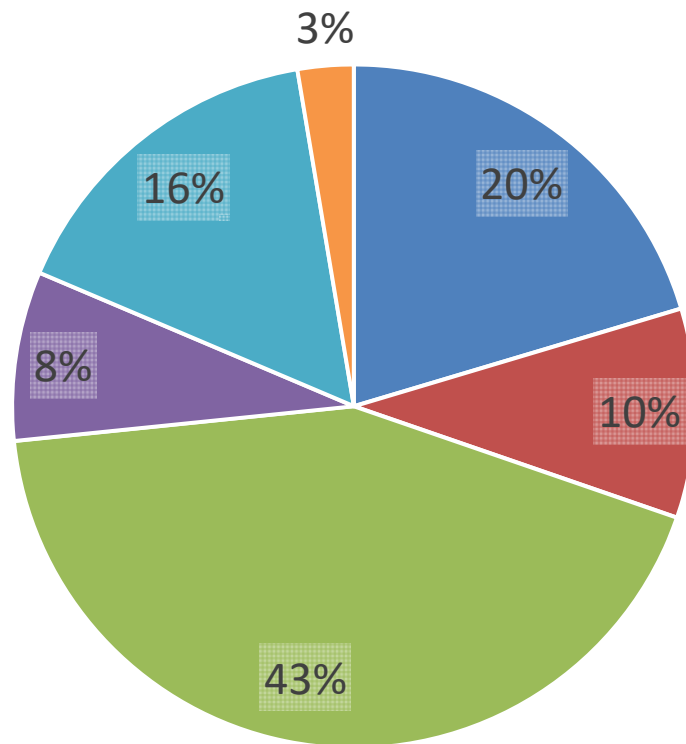
- Objectives of EU's recent rural development policy 2014 – 2020 (Rural Development Regulation, Reg. 1305/2013):
 - Fostering competitiveness of agriculture
 - Sustainable management of natural resources and climate action
 - Balanced territorial development of rural economies incl. creation and maintenance of employment
- Germany: Central guiding principle in spatial regulations: „Establishment of equivalent living conditions" (§ 1, 2 German Law on Spatial Regulations - Raumordnungsgesetz (ROG))
- Policy response:
 - EU: Part of Common Agricultural Policy
 - National policy: Gemeinschaftsaufgabe „Agrarstruktur und Küstenschutz“ (GAK)

Implementation of EU's rural development policy in Germany

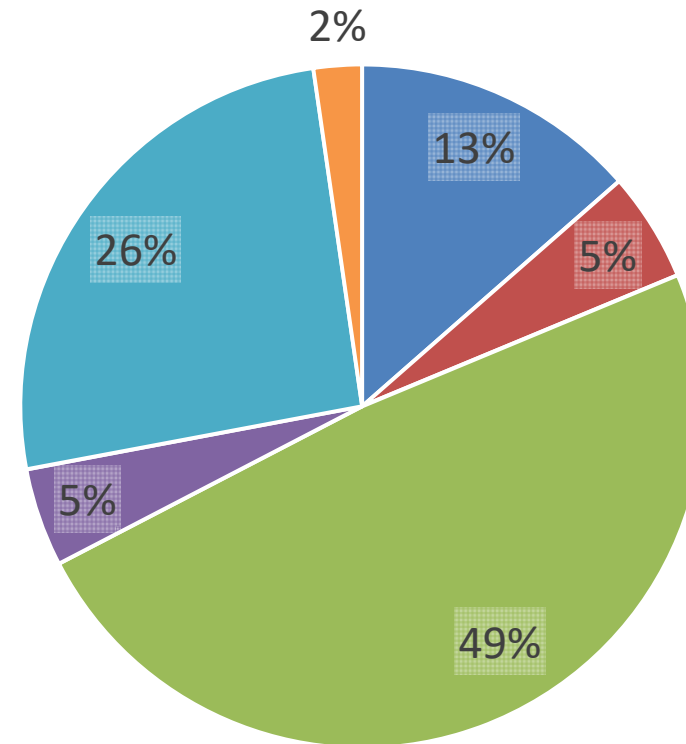
- Major responsibility with federal states: 13 Rural Development programmes (RDP)
- Financial resources:
 - 2nd pillar (2014-20): 9.4 bn € from European Agricultural Fund for Rural Development (EAFRD) + national co-funding of 4.7 bn €
 - GAK: ca. 1 bn € per year
- Major recipients: Farmers

Allocation of EAFRD by priorities

EU-28



Germany



■ Viable farming

■ Food chain

■ Ecosystems

■ Resource efficiency

■ Social inclusion

■ Technical assistance

- Urban-urban gaps larger than rural-rural differences
- Major development challenges outside of agricultural sector
- Vicious cycle of shrinking population and declining public services (e.g. schools, public transport, hospitals) & private sector activity
- Rural areas with highest labour shortage most hostile towards immigrants
- Contested role of farmer/ land owner in rural social life

- Multitude of policy instruments
- Narrow sectoral perspective
- Critique of implementation
 - Objectives not clearly defined
 - Overfunding
 - Administration of EU structural funds by different ministries
- „Multi-level governance trap“: Competences distributed across various governmental levels

- Need of debate of alternative policy interventions
 - Simplification of regulations and higher flexibility
 - Role of infrastructure and other framework conditions

- Contested effectiveness and efficiency of EU's rural development policy

Summary and conclusion

- Large heterogeneity of rural areas
- Large sectoral focus of policy instead of territorial perspective
- Complexity due to multi-level governance
- Limited effectiveness and efficiency

- EU's rural development policy not fit for challenges
- Role of public policies underweighted
- Need for innovative policy approaches and instruments