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Inspire Policy Making with Territorial Evidence

POLICY PAPER

Territorial evidence and policy advice for the prosperous future of rural areas

Contribution to the Long-Term Vision
for Rural Areas

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POLICY PAPER

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A new path is shaping up for the future of rural areas

In September 2019, the European Commission initiated the process of developing a **Long-Term Vision for Rural Areas (2040)**¹. Listed under the European Commission's sixth priority, 'A new push for European democracy', **the new vision for rural areas aims to reassess the role that these can play in the current society and to define a new life for rural areas**. The process intends to form the backbone on which the long-term vision will be built by gathering results from public consultations (involving people living in rural areas, and local and regional authorities), by analysing data and evidence, and by attaining a deeper understanding of future trends as a result of the foresight exercise.

Each step of the process is important. The public consultation will contribute to creating a bottom-up base, identifying citizens' needs and aspirations, and embedding and gathering stakeholders' views in the process, while exploring the challenges and opportunities in a complex context (of climate change, of digital transformation, of the coronavirus disease 2019 (COVID-19) pandemic, etc.). Simultaneously, this needs assessment will be complemented by existing evidence and data collected throughout different pan-European projects or reports. Finally, to compose a more comprehensive picture and to identify the directions for future actions, several exploratory development scenarios will be studied.

Next, the vision will be assembled under a new light, as new emerging documents dedicated to rural policies (such as the Organisation for Economic Co-operation and Development **Rural 3.0 policy**) are shifting the focus towards **people-centric policies and ensuring a future for all places**, while still looking at the important issues that these areas are facing: demographic change, digital gap, low income levels, limited economic diversification, limited access to services, specific climate change impacts, and so on.

Developed in a timely context, this policy paper aims to support the discussions surrounding the future of rural areas, as this is one of the priorities of the **Portuguese Presidency of the Council of the European Union** (for the first semester of 2021). In this respect, this brief should be read in the wider context, as it will connect ESPON – European Territorial Observation Network territorial evidence with Territorial Agenda 2030 priorities through policy recommendations and policy responses for the long-term development of rural areas. This will facilitate the strong intersectoral debate and achieve a territorial implementation of the priorities by reclaiming opportunities and enabling a smart approach to the use of rural areas' assets'.

So, while the **Long-Term Vision for Rural Areas (LTVRA)**² will pursue an integrated approach that looks at several critical thematic fields (such as agriculture, climate action, employment, connectivity and digital transformation, cohesion, education, and research and innovation), its development and implementation will be supported by linking it to the framework set out under the **Territorial Agenda 2030**, and by ensuring the **distinct territorial dimension on the path for harmonious policy intervention**.

¹ The process will extend from 2019 to 2024, under the coordination of the Commissioner for Democracy and Demography, Dubravka Šuica, the Commissioner for Agriculture and Rural Development, Janusz Wojciechowski, and the Commissioner for Cohesion and Reforms, Elisa Ferreira.

² https://enrd.ec.europa.eu/enrd-thematic-work/long-term-rural-vision/long-term-rural-vision-portal_en

The Territorial Agenda 2030 on rural areas under the Portuguese Presidency of the Council of the European union

Rural areas are representative of European territorial diversity; they bring together different types of places, shaped through numerous paths, to untap their potential and overcome challenges in their development.

The **territorial dimension** is the ground on which all those involved play their role, as they are desirably united **across the governance layers, administrative borders and policies** by a joint **long-term vision**. The **Territorial Agenda 2030** sends a clear message that **now is the time to act together on building a future for rural areas**.

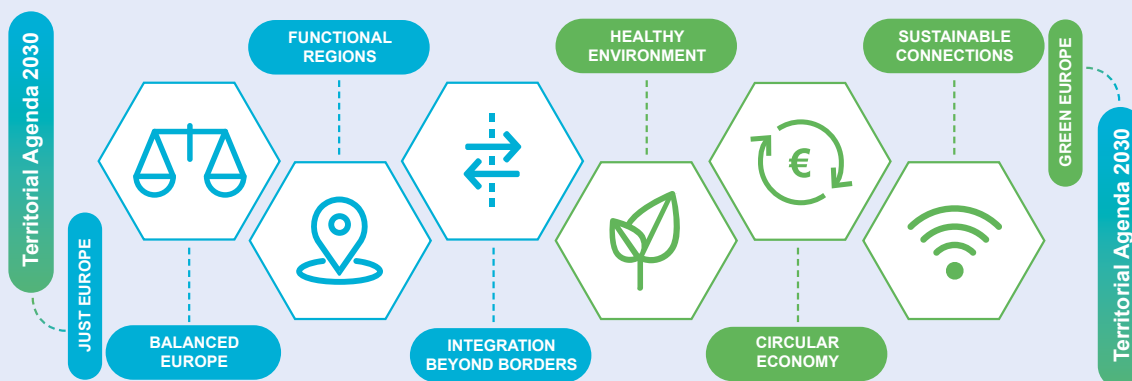
Although a first steppingstone towards the territorial dimension of a **long-term** vision has been set by the Territorial Agenda 2030 document itself, the further steps will consist of a collaborative **process that will help to design a new intersectoral dynamic, in which key players are called to cooperate**.

Long-term local, regional, national and European development requires a sustainable enhancement of living standards, investments and social trust. Similarly, it calls for **long-term cooperation and coordination** between places, levels of governments, policy sectors and societal groups, in addressing the complex issues and utilising diverse development potentials.

The long-term cooperation and coordination actions to accomplish a long-term vision for rural areas should strive for an integrated approach among the committed stakeholders, with the use of multilevel governance mechanisms, place-based approaches, policy impact analyses and other relevant policy tools. Their common denominator should be more balanced and sustainable development of the rural areas embedded in the outlook of territorial cohesion.

The Territorial Agenda 2030 seeks to promote an **inclusive and sustainable future for all people and places** and help to achieve the **Sustainable Development Goals in Europe**. Developing the **European territory as a whole, along with all its places**, is an intent sustained by the two overarching objectives of the Territorial Agenda 2030 – a **just Europe** and a **green Europe** (Figure 1). These two objectives are set to provide orientation to strategic spatial planning and call for strengthening the **territorial dimension of sectoral policies at all governance levels**.

Figure 1
Territorial Agenda 2030 framework



The **European Green Deal** links the Green and Just Transition objectives, as it aims to mitigate the impacts of **climate change** and other environmental challenges, and promotes **natural capital**, which is an important asset of rural areas.

A **long-term vision** for the future of rural areas offers a unique opportunity to promote **synergies between the Territorial Agenda and overarching thematic or sectoral EU strategies, agendas, programmes and policies**. Such synergies are clear between the **Territorial Agenda and the Urban Agenda, the New Leipzig Charter, EU cohesion and rural development policies**, the implementation of the **EU recovery plan** and the **EU macroregional and sea basin strategies**.

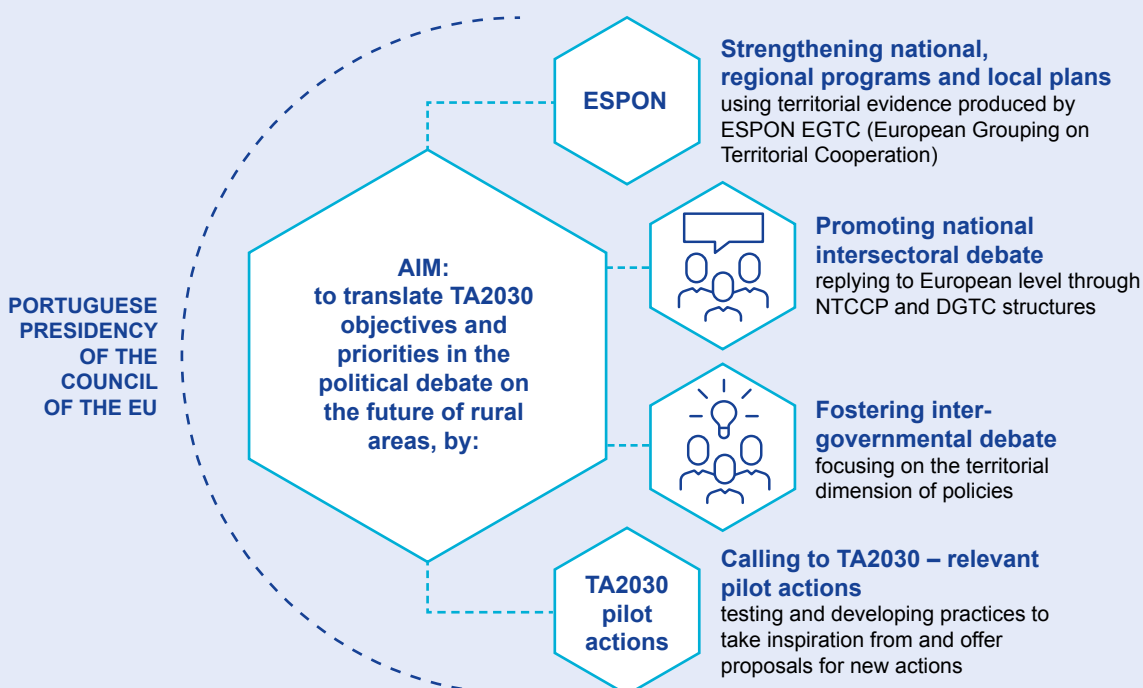
At all levels, from sub-local to pan-European, the increasing economic and social disparities between places and people, along with climate-change-related impacts, risks and pressures, call for an **informal multilevel cooperation** between Member States, subnational authorities, the European Commission, the European Parliament, the European Committee of the Regions, the European Economic and Social Committee, the European Investment Bank and other relevant players in realising this opportunity.

The Territorial Agenda 2030, with its focus on territorial dimension, offers an essential space for the collaborative process to achieve the Long-term Vision for Rural Areas through better synergies between cohesion, environmental and agricultural development policies.

Only with all stakeholders on board, and by focusing on the debate and action on intersectoral articulation of policies, can the European rural areas achieve the long-term vision that is being built.

Figure 2

Translation of the Territorial Agenda 2030 (TA2030) objectives and priorities in the political debate on the future of rural areas



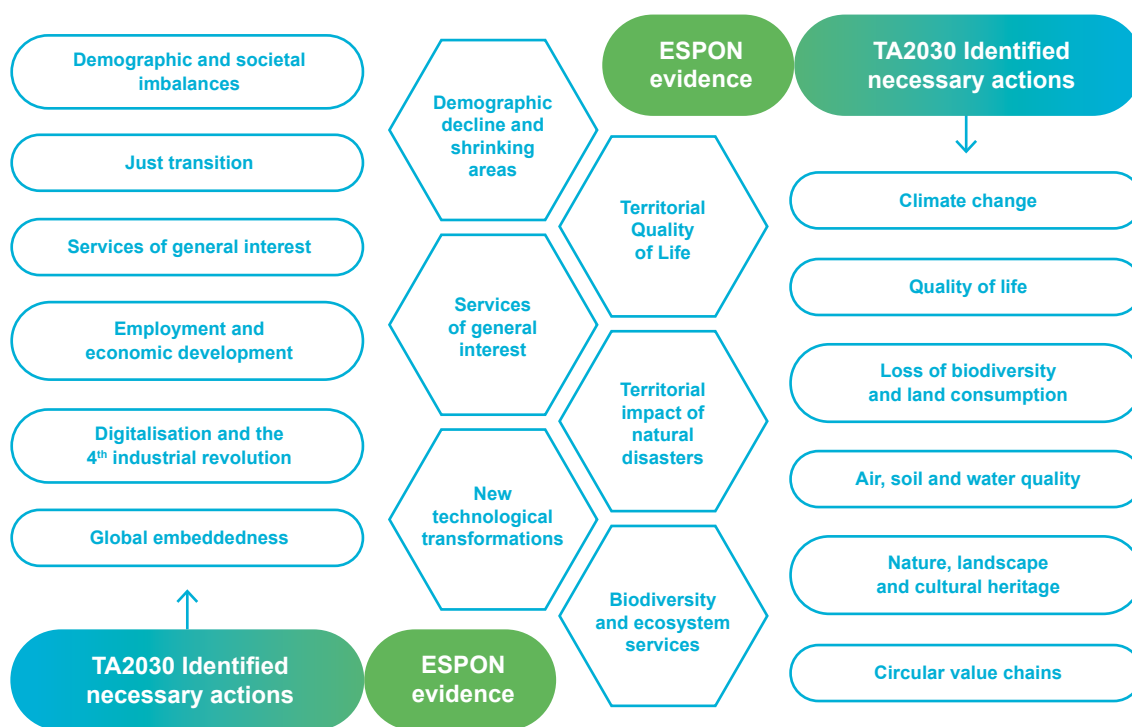
DGTC, Directors-General for Territorial Cohesion; EGTC, European Grouping on Territorial Cooperation; NTCCP, Network of Territorial Cohesion Contact Points.

ESPON's contribution to addressing the challenges and identifying evidence-based policy recommendations

The Territorial Agenda 2030 recognises that policy responses **need to have a strong territorial dimension and coordinated approaches, while acknowledging and using both the diversity and the specificities of places**. In this respect, the Territorial Agenda 2030 identifies a list of necessary actions, clustered in cross-cutting domains, which are all relevant to rural areas.

In this policy paper, ESPON provides the territorial evidence (data collected) and knowledge (long-term trends identified) to further support and contribute to designing a prosperous future for rural areas. It does so by approaching the complex territorial interactions from a strategic perspective. On that basis, ESPON further advises on adequate policy measures structured in six **cross-cutting domains** of the Territorial Agenda 2030 (Figure 3). These are particularly valid in rural areas, where economic and social disparities between places and between people, along with environmental risks and pressures, are increasing.

Figure 3
Linkages between Territorial Agenda 2030 (TA2030) actions identified and ESPON evidence on rural areas



To illustrate the territorial impacts and the connections established between and within rural areas, findings from several relevant ESPON projects have been extracted to scale the complexity of challenges and offer recommendations on policy responses. On this basis, the policy paper seeks to ensure a more integrated uptake and understanding of both the status quo and the future trends, by looking at the domains that compose the rural landscape and specific features that determine the sustainable development of rural areas³:

- shrinkage and demographic decline in rural regions ([ESCAPE](#));
- quality of life in rural regions ([QoL](#));
- marginalisation and limited access to services of general interest (SGIs) ([PROFECY](#));

³ More information on the projects can be found at <https://www.espon.eu/applied-research>.

- economies affected directly and indirectly by natural hazards (floods and landslides, water scarcity and droughts, storms and earthquakes ([TITAN](#)));
- biodiversity and ecosystem services in mitigating climate change effects ([GRETA](#));
- transitioning economies and new technological transformations ([T4](#)).

CHAPTERS OUTLINE

Against the complex background, the policy paper is developed under two main chapters, which provide evidence to support the prosperous long-term future development of rural areas.

1. The first chapter outlines the baseline scenario for development, looking at future demographic trends and acknowledging the important role of demographic diversity. Using the territorial evidence produced, it goes a step further by exploring and identifying the demographic issues that the territories are facing (like shrinkage) and trying to unravel the different drivers behind the complex socio-economic processes.
2. The second chapter explores additional complex challenges that are affecting the rural areas, offering evidence-based policy answers and policy recommendations and following a rational policy response dynamic. All these are to be set under the Territorial Agenda 2030 framework, ensuring stronger harmonisation between all EU strategic documents, on all levels.

This policy paper is the result of the collaboration between the Portuguese Presidency of the Council of the European Union and ESPON and was developed as a document supporting the development and implementation of the European Commission's long-term vision for rural areas. All relevant contributions and feedback from the intersectoral and interinstitutional dialogue on this policy paper have been included in its final version. We, therefore, once more, acknowledge the efforts of all committed stakeholders and highlight the importance of their contributions to the process of drafting this document.

1. Baseline scenario for rural areas development – ESPON evidence on rural demographic diversity

The history of EU rural development policies is as complex as it is diversified. Yet policy development is always centred around one objective: how to best use EU policies to reduce socio-economic disparities in rural areas (Lisbon Treaty, Article 164). The territorial diversity that exists in the European space was created by the variety of pathways taken towards its development and by the responses to different stimuli. But history has proven that the more challenging the problems are (in peripheral, rural or vulnerable areas), the more potential there is for innovation and for seizing opportunities, which demands integrated, smart, structured visions and approaches. The COVID-19 crisis is likely to accelerate the change and stimulate further the debate on the importance of rural areas, redirecting the attention to what less densely populated places could offer.

EU rural areas as a puzzle – understanding and identifying the geography of demographic trends or how to classify the heterogeneity of rural areas across Europe

As a relevant territorial indicator and a societal trend that could indicate a blockage on the path towards lively rural areas, **demography** remains essential in building a potential baseline scenario for the sustainable development of all rural areas. When looking at the demographic potential of **rural regions** (viewed in a EU-wider context and composed predominantly of rural and intermediate regions⁴, a clear distinction can be made: some regions are/will be ‘accumulating/growing’ and some are/will be ‘depleting/shrinking’.

The division, which is based on recent past and projected future demographic trends (over a 20-year period between 1993 and 2033), is highlighted in Map 1, in which **shrinking and growing tendencies** are also presented for predominantly rural and intermediate regions.

- Growing regions are distributed in an arch-like shape, which spreads from the west coasts of Norway, southern Finland and southern Sweden via Denmark to the United Kingdom, southern parts of Ireland, central France, northern Italy, Switzerland and western Austria.
- Shrinking regions, in terms of intensity, are concentrated in areas along the eastern edge of the EU, stretching from eastern Finland, through the Baltic states, the majority of Poland’s territory, Slovakia and the Balkan countries, to Greece. The ‘belt’ of rural shrinkage continues along the Mediterranean through Italy and Sardinia to Spain and Portugal, with some residual shrinking to be found in the Atlantic fringe (Ireland and Scotland).

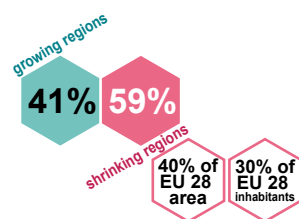
Following this classification, the next section outlines how to understand the shrinkage phenomenon in rural regions, as, although depopulation is an issue in itself, comprehending the deeper, basic socio-economic and spatial processes that contribute to this could lead to a series of better-adjusted policies designed for specific territories.

⁴ ‘Predominantly rural’ – the share of the population living in rural areas is higher than 50 %; ‘Intermediate’ – the share of the population living in rural areas is between 20 % and 50 % (European Commission classification). The reason for this is that for a large number of intermediate regions, a relatively important part of their territory is covered by rural municipalities and areas with rural characteristics, even though their demographic structure is dominated by one or two urban areas.

Map 1**Shrinking and growing Nomenclature of Territorial Units for Statistics 3 regions over a 20-year period (or in the overall period 1993–2033)**

Population development in 1993–2033
by type of region (NUTS 3 regions)

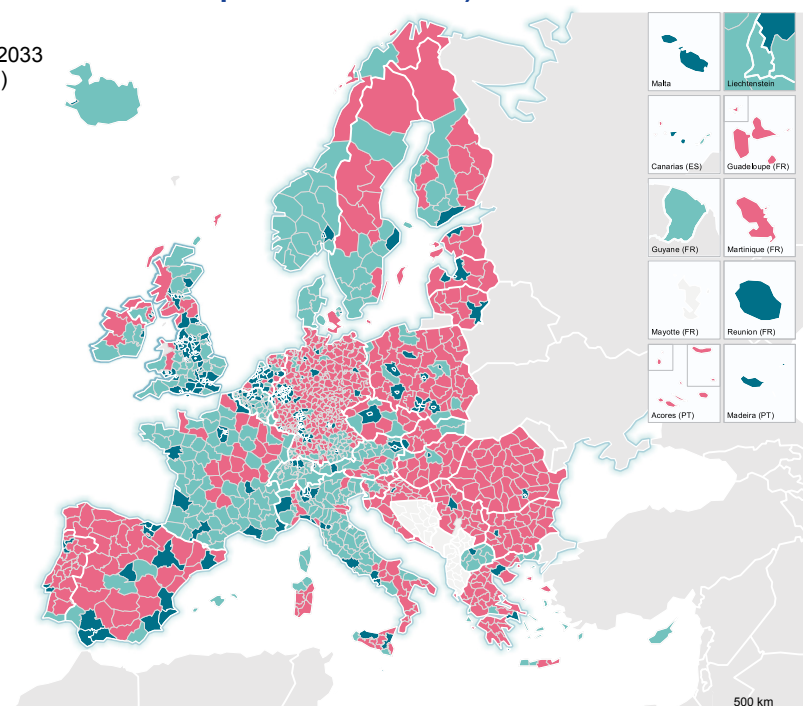
- Shrinking regions (predominantly rural and intermediate regions)
- Growing regions (predominantly rural and intermediate regions)
- Other regions (predominantly urban regions)
- No data



Regional level: NUTS 3 (2010)
Source: ESPON ESCAPE, 2020
Origin of data: Eurostat, 2020
© UMS RIATE for administrative boundaries



© ESPON, 2020



*Rural regions in the ESPON ESCAPE project correspond to predominantly rural regions and intermediate regions (NUTS 3). Shrinking correspond to a population decrease and growing correspond to a population increase over a 20-year-period in the overall period 1993-2033.

Understanding rural shrinkage and identifying the territorial coverage

The ‘shrinking’ phenomenon: ‘a region that is “shrinking” is a region that is losing a significant proportion of its population over a period greater than or equal to one generation’. Then it goes in deeper and quantifies ‘significant proportion’ and ‘one generation’, to make it clear that shrinking rural areas are characterised by substantial and sustained depopulation processes.

Shrinking in rural areas has become a very visible phenomenon, as it is widely distributed across the EU. EU policies (through many documents, such as the cohesion policy and common agricultural policy – for example European Union Territorial Agenda, 2005, 2007) have been addressing shrinkage in various ways with different degrees of effectiveness, directly or indirectly, since the early years of the Union. However, in the recent past, the need to reassess the implementation process and effectiveness of policies, on all government levels, has only been emphasised.

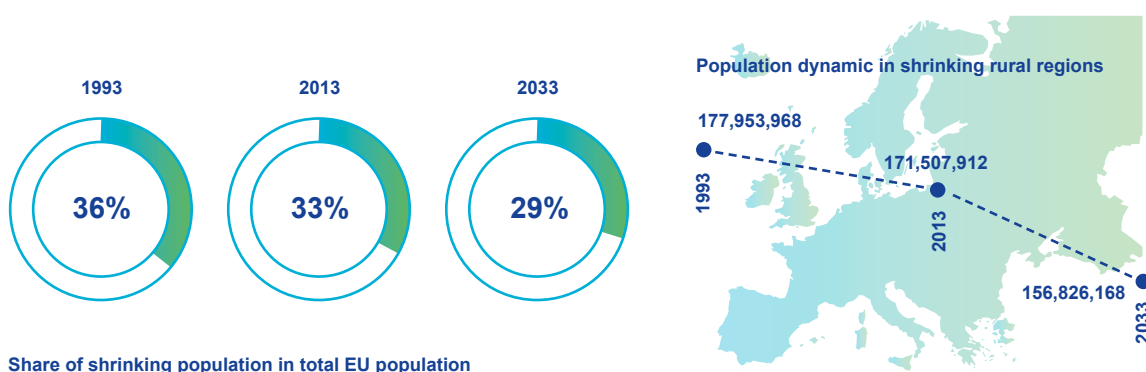
Rural shrinkage is driven by various processes, and the demographic changes that come along with them are just common outcomes of these processes that underly more complex socio-economic and spatial transformations. In this context, there is an increased need to shift away from purely economic development visions and enhance the emphasis on well-being. Thus, looking only at conventional economic indicators (such as unemployment rate) is not the most efficient method for capturing the more subtle changes (notably, prolonged selective outmigration), which have serious implications for the long-term development of territories.

Acknowledging and adapting to the demographic changes and trends are the next logical actions, as long-term trends for rural depopulation are already visible as a result of a combination of negative net migration and natural population decrease. Shrinking rates vary mainly due to outmigration, as they continue to be particularly high among the educated/skilled citizens and working-age population. This is generating an unbalanced gender ratio and a distorted age structure.

Consequently, the following question arises: **Is it possible to identify and group the (shrinking) territories based on specific characteristics?** As indicated in the *latest Population and Policy Brief: A Long-term Vision for the Development of Rural Areas in Europe – Insights from Demography* (Čipin et al., 2020), there is a strong need to understand the different layers that influence and define the **rural demographic typology. To respond to this need, the following evidence may be of use.**

Looking at past and future demographic developments⁵, it is expected that the total population living in shrinking rural regions will decrease by 21 million inhabitants (or from 178 million to approximately 157 million inhabitants) between 1993 and 2033 (Figure 4).

Figure 4
Development of total population in shrinking rural regions from 1993 to 2033



Share of shrinking population in total EU population

Note: Data from EU-27 and Liechtenstein, Norway, Serbia, Switzerland and the United Kingdom.

More specifically, 128 shrinking rural regions are expected to lose more than 12 % of their population between 2017 and 2032. These regions are in the Baltic States, Bulgaria, Eastern Germany and Portugal. Only 8 out of the 399 Nomenclature of Territorial Units for Statistics (NUTS) 3 rural regions that were shrinking in the period 2001–2016 are expected to increase their total population in the following period (2017–2032). These are located in three countries (Austria, Finland and Italy). This leads to the conclusion that **demographic change is not a driver of shrinkage, and unfavourable demographic processes can stand as both a cause and a consequence of wider socio-economic challenges in an area.**

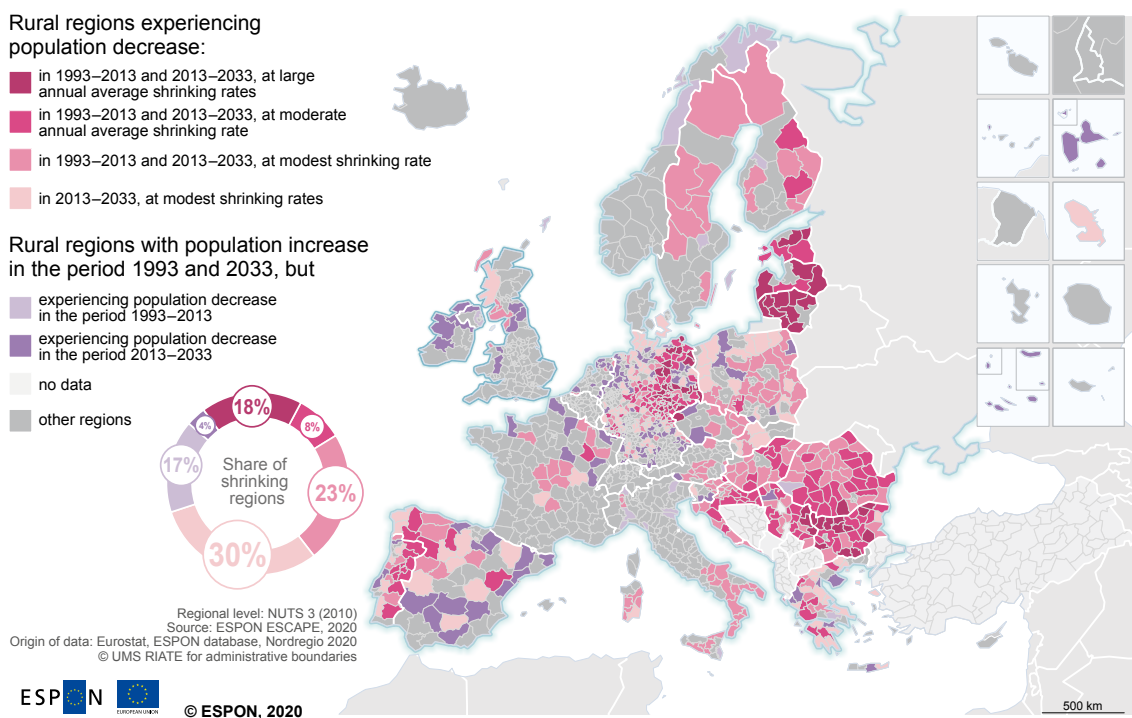
Past population development analysis and future demographic trends could group the 687 shrinking rural regions in six classes (see Map 2)⁶ :

- regions with severe shrinking – 58 regions (e.g. in Bulgaria, Latvia and Lithuania);
- regions with moderate shrinking – 160 regions (e.g. in Croatia, Estonia, Portugal and Romania);
- regions with modest shrinking – 209 regions (e.g. in Austria, Czech Republic, Finland, France, Hungary, Italy, Poland, Slovakia, Slovenia and Sweden);
- regions with slow shrinking – 113 regions (e.g. in Germany, Poland and Spain);
- regions growing in general but decreasing between 1993 and 2013 – 24 regions (e.g. in Italy, northern Norway and parts of Northern Ireland);
- regions growing in general but decreasing between 2013 and 2033 – 123 regions (e.g. in France, Germany, Greece and Spain).

⁵ For more information, please see <https://www.espon.eu/escape>

⁶ There is first a distinction between regions that lose population over the entire period of two generations (regions coloured in red) and the regions that gain population over the entire period 1993–2033, but experience decline in either 1993–2013 or 2013–2033 (regions coloured in blue). For more information, please see <https://www.espon.eu/escape>.

Map 2 Chronology of demographic shrinkage and growth from 1993 to 2033

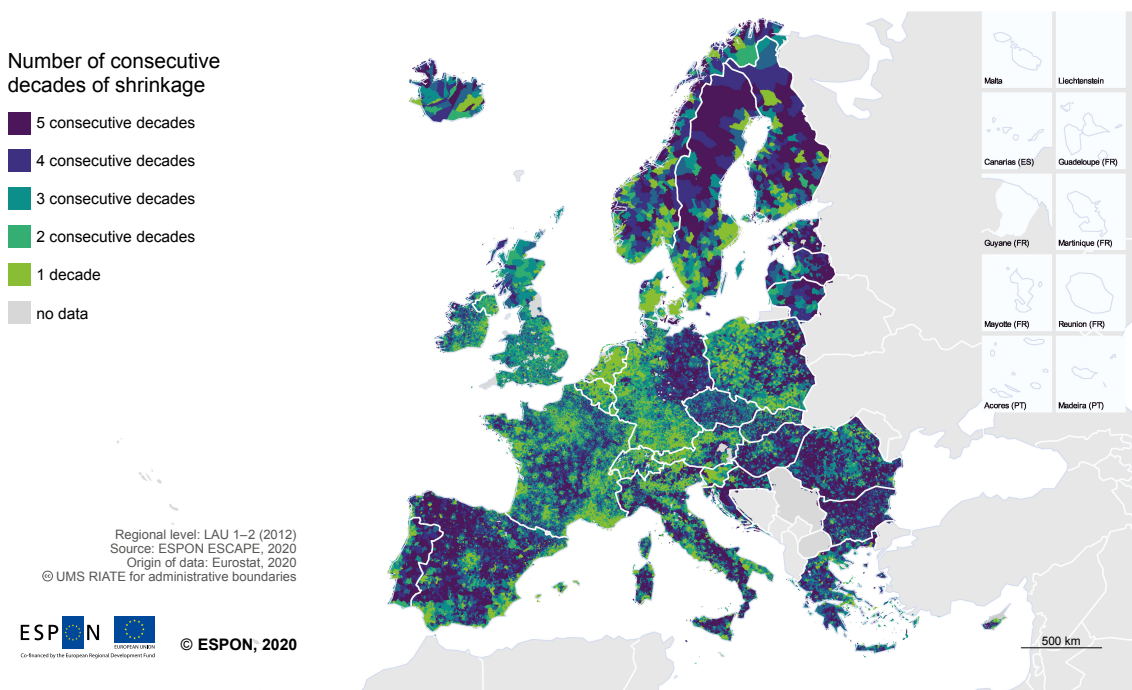


It is expected that the majority of rural regions that were identified as shrinking in the period 2001–2016 will continue the shrinking process for the period 2017–2032 (including rural areas of the three Baltic States). Rural regions that gained population in the period 2001–2016 but are expected to lose population in 2017–2032, are identified as rural regions **‘at risk of shrinking’**, and are mostly found in eastern Germany, and in western parts of Greece, Ireland, Poland and Spain.

Distinguishing the demographic trends also depends on the scale, and a better explanation for population shrinkage prospects could be derived by looking at lower spatial levels. More specifically, exploring the complex population dynamic trends at local administrative unit (LAU) level could reveal much more about the degree of homogeneity across regions than the average data from NUTS 3. Statistical analysis of demographic data that covered a larger timeframe, from 1961 to 2011, allowed the exploration of whether population decrease in an area is due to a temporary process (e.g. a historical event) or is part of a prolonged period of shrinking (see Map 3). By transposing this assumption, the analysis of the population decrease from a historical perspective – which is the number of consecutive decades of population shrinkage – has revealed two types of areas.

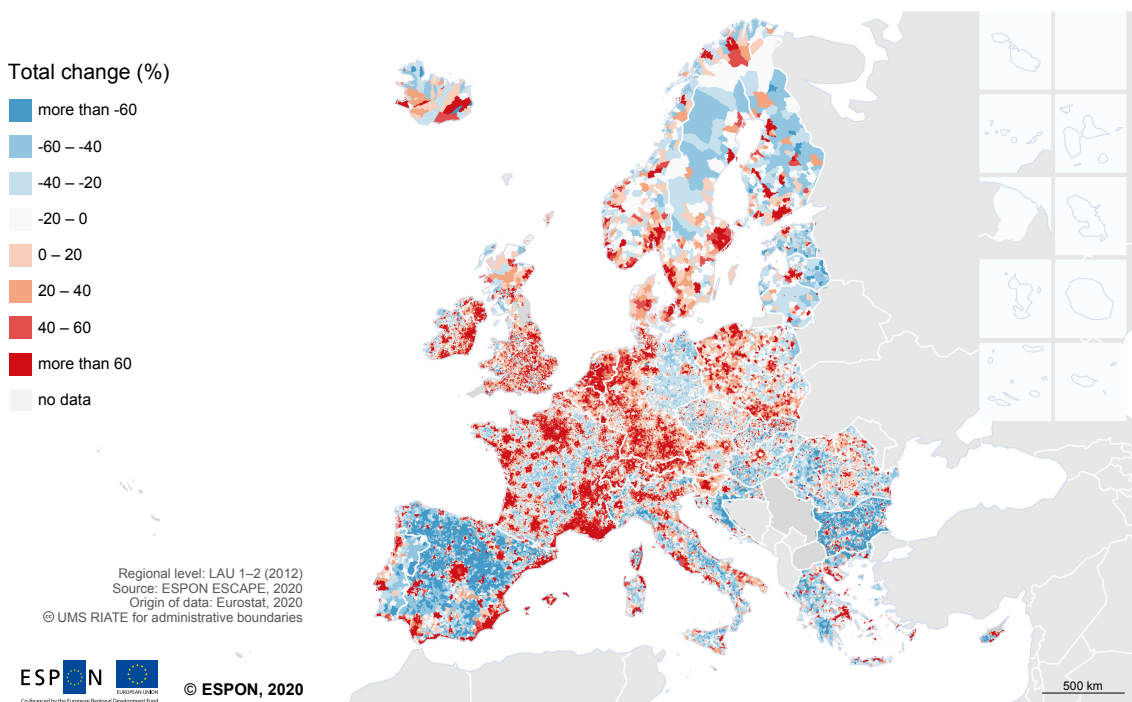
- Some areas have been experiencing continuous shrinking – for even three- to five-decade-long periods (e.g. in several east-central European countries; in many parts of Italy, Portugal and Spain; and in peripheral areas of Nordic countries).
- Other LAUs have been experiencing population declines in the recent past (of just one or two decades – as is the case for some western European countries), indicating temporary patterns or ‘natural’ population fluctuations.

Map 3 Number of consecutive decades with population shrinkage in European LAU 2 units from 1961 to 2011



The analysis of total population change over a 50-year period reflects the amount of population loss all over Europe and supports the idea of further investigating the tendencies and spatial patterns of population dynamics (see Map 4). Looking at the spatial patterns has revealed that the most affected territories in Europe (losing over 10 % of their population over a decade) are those that are most vulnerable to demographic challenges, such as the Baltic states, Bulgaria, the former German Democratic Republic, and many parts of Croatia, Greece, Italy, Portugal and Spain.

Map 4 Total population change in European LAU 2 units from 1961 to 2011



Understanding different drivers of shrinkage may help to identify the correct policy answers



Active shrinking: caused by outmigration.

Legacy shrinking: caused by 'natural decrease' (due to age structure and often despite in-migration).

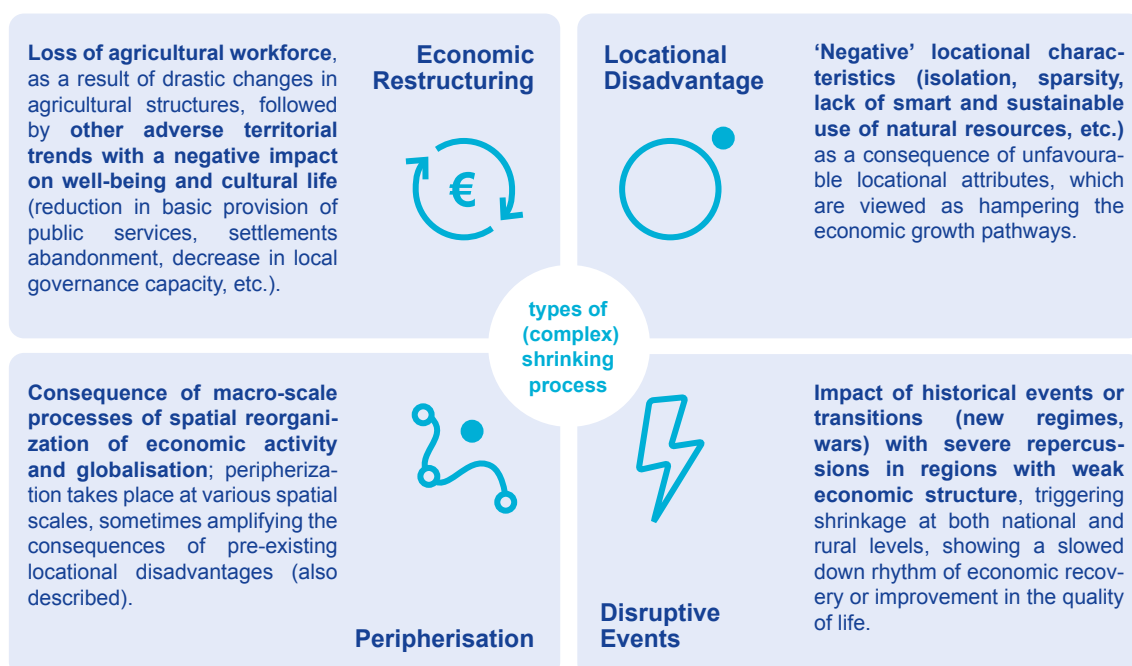
Simple shrinking: focuses on demographic change characterised by long-term, slow-running cycles.

Complex shrinking: places demographic decline in a broader context of socio-economic change that relates to levels of economic activity and employment, sectoral structure, productivity, innovation, social capital, 'institutional thickness' and governance capacity.

To identify the necessary actions for effectively addressing the causes of shrinkage, an additional step is needed that looks past the common outcomes of demographic decline. This step is based on the distinction made between 'simple' (demographic) shrinking and 'complex' shrinking and examines the processes that influence the wider rural economy and society, and often lead to 'vicious cycles' of decline.

The situation could be approached in a differentiated way, by distinguishing between rural populations, which are currently being depleted by outmigration (**active shrinking**), and those that face shrinkage because the age structure causes a natural decrease (**legacy shrinking**). The **four major processes** that lead to complex shrinking often coexist (Figure 5).

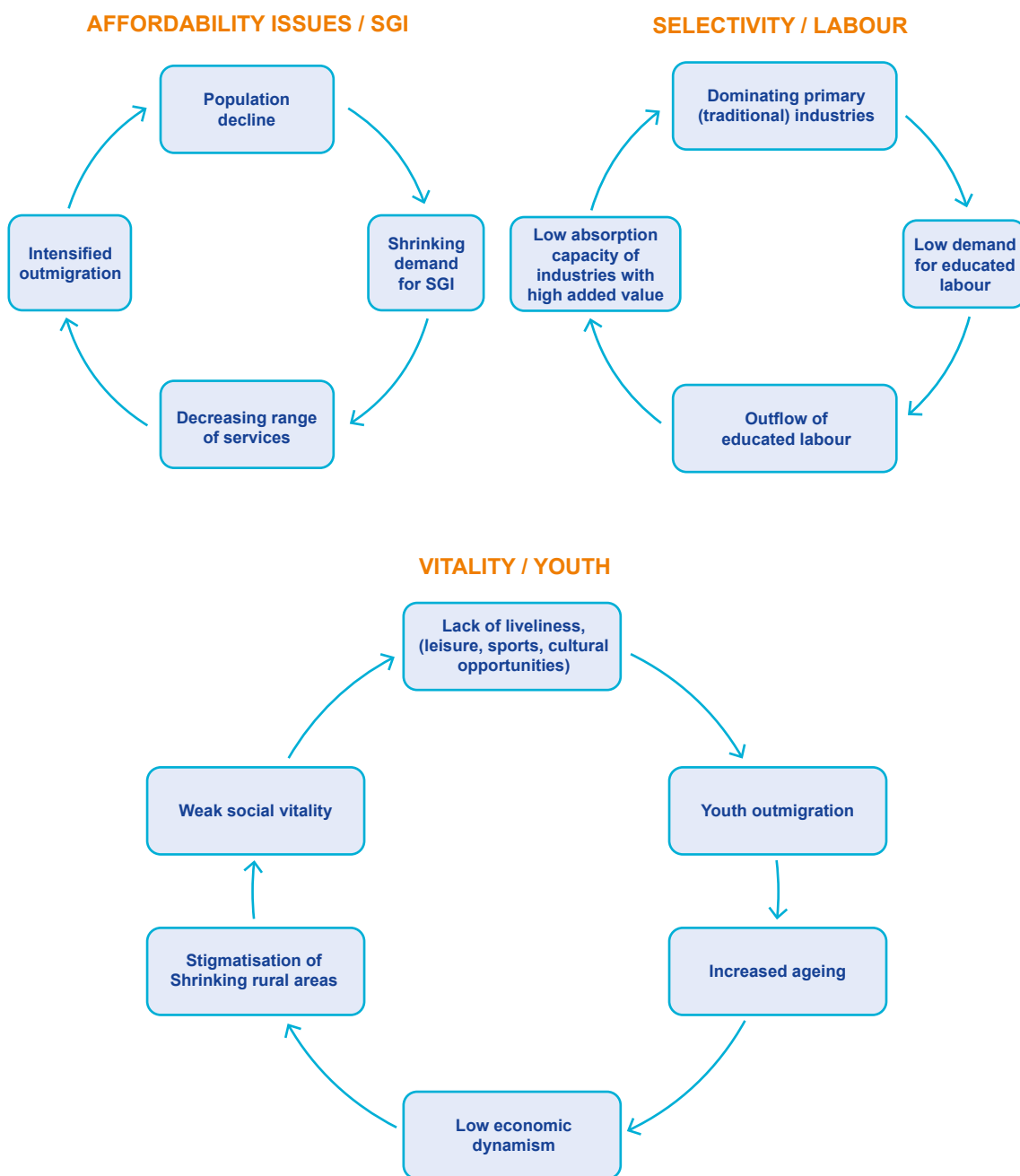
Figure 5
Processes that lead to complex shrinking



It is important to note that all of these are **medium- to long-term processes** and that all four processes may be ameliorated by tailored regional or national rural policies or exacerbated by the effects of ‘place-blind’ policies.

Furthermore, the different drivers attached to the shrinkage phenomenon are often associated with ‘vicious cycles’ that tend to self-perpetuate (Figure 6), and are linked to accessing SGIs, the composition of the local labour market or general vitality (the lack of young people).

Figure 6
Prevailing vicious cycles



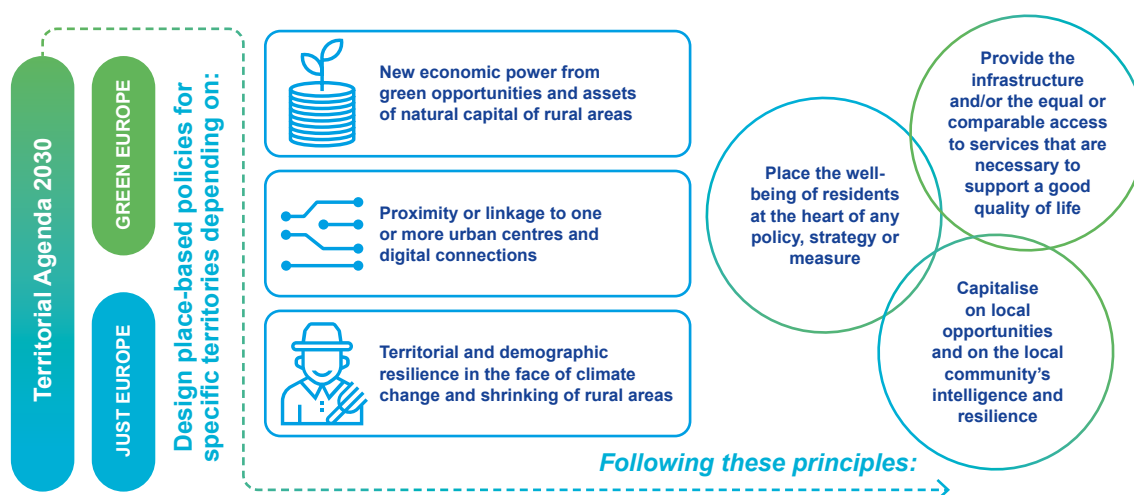
2. Envisaging the prosperous future of rural areas under the Territorial Agenda 2030 framework – ESPON recommendations for place-sensitive policy actions

The demography trends of moving from rural to urban areas, from less developed to developed national regions, from East to West and from Southern Europe to the North have a visible mark on EU society, impacting directly the lives of EU citizens and the local communities with significant effect at national, regional and local level. (REGI, 2020)

As the COVID-19 pandemic continues to create numerous challenges for global society, there is an obvious need to **step up and change the perspective on rural areas**. Thus, it may be useful to recognise that the positive experiences of those who are able to telework while living in the countryside are linked to the quality of life and safety offered by those places. This starting point, with the right incentives – especially assuring appropriate digital connectivity – can bring a new dynamic to rural areas and, most importantly, could reduce the shrinking phenomenon.

In this context, territorial cohesion must play an important role in the recovery process. To **ensure a prosperous future for rural areas, it should provide an action-oriented framework** that promotes equal opportunities and includes access to public services for people and businesses, wherever they are located. Consequently, the policy recommendations could be built by following the basic principles that create a foundation when looking at territorial specificities (Figure 7).

Figure 7
Principles that underly the design of place-based policies



The place-based approach, linked to the cross-cutting domains and fitted under the common principles laid out in the Territorial Agenda 2030, can significantly increase the **coherence and effectiveness of policy responses**. It is clear that some of these responses will need to be tailored to some specific territorial needs. In addition, the implementation of the Territorial Agenda 2030, through the designated pilot actions, is a promising experience, focused on the territorial and governance models and perspectives. The bidirectional profits from and to ESPON may complement the Europe-wide projects and the evidence that they produce.

Against this background, ESPON policy recommendations could help to achieve:

A just Europe that offers future perspectives for all places and people



Under A BALANCED EUROPE objective:

Better balanced territorial development using Europe's diversity

Design long-term territorially sensitive policies for the diverse rural shrinking areas

RATIONALE/CHALLENGES

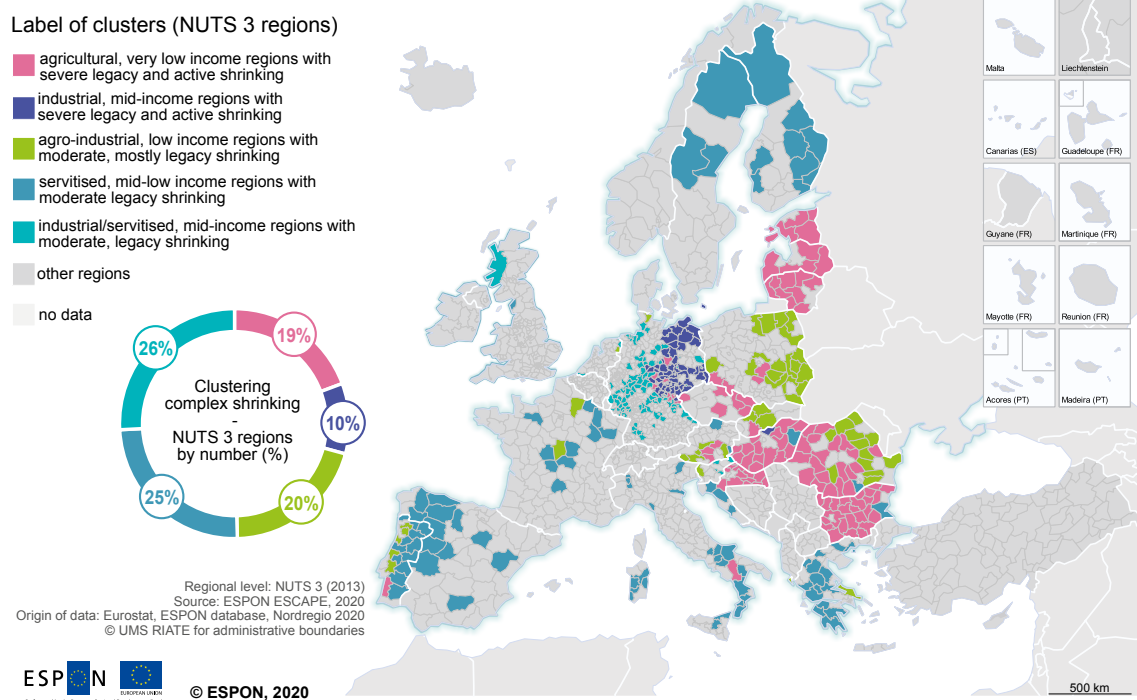
As an operational tool for policymakers, a territorial typology of **complex shrinking**⁷ is illustrated below. It clusters similar rural regions based on specific features, and further supports the idea that demographic trends can be the consequence of specific, complex socio-economic processes.

Three limitations need to be taken into account when interpreting the results. First, as it is a NUTS 3 typology, subregional differences are not reflected in it (apart from those captured by population distribution indices). Second, as it is a macro EU-level typology, differences within the same country, or between countries from the same macro-area, may become less visible. Third, in view of the complexity, the following analysis is based on average values, leaving significant residual diversity within the clusters.

Map 5, which shows the geographical distribution of shrinking, highlights once again that the most persistent territorial cleavages, in terms of complex **shrinking processes**, are between the west and the east of Europe, and between a **core**, stretching from Austria to the Netherlands, and the eastern, northern and southern periphery. Similarly, although the average natural change is negative in all clusters, migration plays a diverse role, as it is severely negative in eastern Europe.

⁷ The clusters should be clearly differentiated in terms of key variables.

Map 5 Typology of complex shrinking in rural and intermediate regions



The 419 EU-28 rural and intermediate NUTS 3 regions that were shrinking in the period 2001–2016 (of which two outermost regions are excluded because of a lack of data) are classified on the map according to a five-group typology of complex shrinking.

- **A total of 113 regions (27 %) are labelled ‘agricultural, very low-income regions, with severe legacy and active shrinking’;** in these regions, the population is declining as a result of their disadvantaged position relative to national centres, which fuels outmigration. In general, they do not have a strong economic sector to rely on to reverse this trend. Such regions are sparse in southern Italy and Austria, although they can be spotted more often in the Baltic states, along the Polish–Czech border, in Hungary and Bulgaria, and in south-western and western Romania.
- **52 regions (13 %) are labelled ‘industrial, mid-income regions, with severe legacy and active shrinking’;** these regions are catching up through economic restructuring and a reduction in low-productivity jobs, but in turn suffer from a weak population structure. Such regions are predominantly located in north-eastern and eastern parts of Germany.
- **51 regions (12 %) are labelled ‘agro-industrial, low-income regions, with moderate, mostly legacy shrinking’;** these regions are losing population because of outmigration and natural decrease; however, they have a relatively stronger economy than the first group. This category is populated by many rural regions in Poland, Slovakia and north-eastern Romania, and some individual areas in Austria, Greece and Portugal.
- **92 regions (22 %) are labelled ‘servitised, low- to medium-income regions, with moderate legacy shrinking’;** these regions have been growing in the past, despite a weak secondary sector. Although their economy is healthy enough to prevent massive outmigration, their aged population structures have resulted in ‘legacy shrinking’. Such regions are spread across Europe, with groupings in Portugal, north-western Spain, central and north-eastern France, southern Italy, the coastal areas in Croatia, almost the entirety of Greece, and even northern Sweden and the northern and eastern parts of Finland.
- **Another 107 regions (26 %) are labelled ‘servitised, medium-income, with moderate, mostly legacy shrinking’;** these regions have robust economies, but are still weaker than the national average. They are shrinking because of aged population structures and low fertility rates. Such regions are concentrated in western German federal states, western Scotland and Slovenia.

POLICY RESPONSE

As shrinking regions face more complex development challenges than depopulation, involving a range of interrelated issues (from economic activity and employment, sectoral restructuring, low productivity, investments, social capital, territorial management and institutions to governance capacity), a more **territorially sensitive approach** is to be desired, identifying which policy options work best for specific rural regions (by extracting the relevant tools from the EU toolbox). In designing territorially sensitive approaches, attention must be paid to what natural capital values have to offer, which are often included in different protected areas and networks.

A **'one size fits all' policy** approach does not account for rural heterogeneity, but a **'multirural' policy concept** might, so it would be a more suited and efficient solution. Building on the previous clustering, the following **possible policy responses can be highlighted**.

Enhance national cohesion to better address increasing territorial disparities.

Discover and develop a comparative advantage by encouraging investments in local assets, to help lower migration rates and **boost attractiveness**.

Capitalise on opportunities that arise as a result of proximity of cities or urban agglomerations or areas by strengthening and improving urban–rural relations and interactions, to overcome geographical differences in an efficient way.

Strengthen weak secondary and tertiary sectors using **sizeable financial support from the EU**, to **create a diversified labour market and help to lower long-term shrinkage in less-favoured areas**.

Couple the sizeable investments to improve accessibility with efficient measures for ensuring access to SGIs in peripheral regions.

Construct a more positive narrative and move away from labelling rural areas as shrinking or disadvantaged

RATIONALE/CHALLENGES

The key message of ESPON's previous policy brief on Shrinking Rural Regions in Europe was that 'shrinkage is not just a practical problem but, critically, a matter of representation and presentation' (ESPON, 2017a). The term 'shrinking' has become closely attached to negative connotations of depopulation and demographic decline. Therefore, there is a danger that rural policies addressing demographic issues could become synonymous with negative attitudes directed towards 'lagging', 'challenged' or 'declining' regions.

POLICY RESPONSE

The concept of rural shrinking needs to be clearly defined and accepted in policy circles, from national to local level, and disconnected from perceptions of failure.

- Build the storyline around positive notions of rural 'transition', **'transformation'**, **'restructuring'**, **'innovation'** or even **'smart adaptation'** – terminology that promotes positive images of rural life, and around which a combination of sustainable and resilient pathways towards economic performance and expansion of ecological systems can be offered.
- Unpack the conceptual definitions for all local stakeholder associations, ensuring that the communities can embrace, own and use these new types of classifications without feeling the negative fallout.

Change the focus from mitigating the rural shrinkage to smart adaptation, including better digital connectivity to boost the economy



Mitigation policies seek to break the cycle of demographic decline. Adaptation policies focus on the goal of smart adaptation and better individual well-being.

RATIONALE/CHALLENGES

So far, rural shrinkage has mainly been tackled from the perspective of mitigation, and many policies seem to approach rural depletion only from the (economic) growth-oriented development perspective. The lack of guidance on how exactly to address the more intricate challenges of rural shrinkage did not allow local stakeholders to apply measures other than those that facilitated economic development. On the contrary, **accepting and adapting to emerging trends of an ageing and declining population, rather than seeking to fight against them is the prerequisite for developing multi-dimensional and innovative solutions to address shrinkage** (ESPON, 2017a).

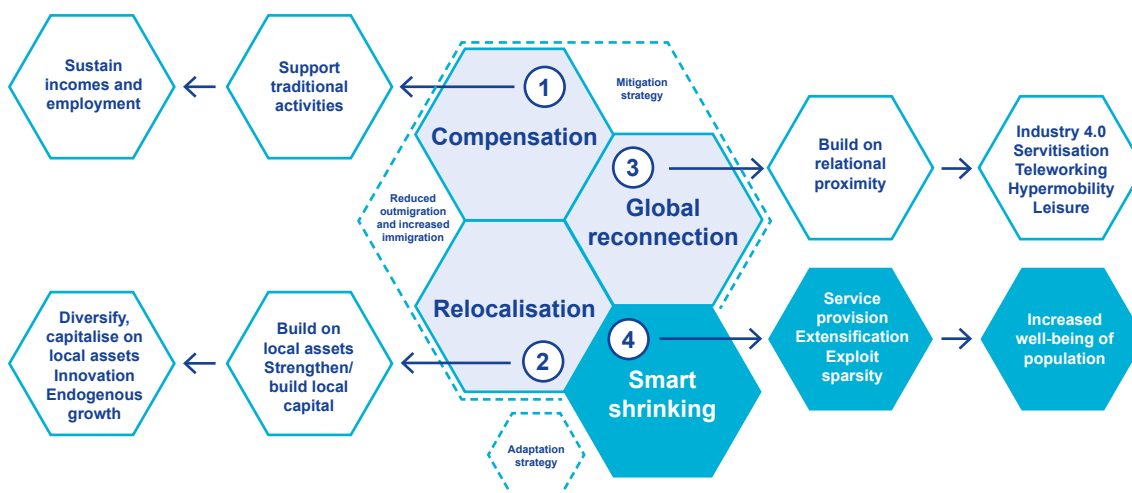
POLICY RESPONSE

Looking at the four common processes that lead to shrinkage in rural areas (**economic restructuring, locational disadvantage, peripherisation, and events and transitions**), the following **possible policy responses can be highlighted**.

- Develop a combined policy response that includes **both mitigative and adaptive measures** and reflects an explicit and coherent understanding of the drivers, to effectively support the transition of rural regions.
- Develop functional policies with a distinct rural development perspective at the EU, national, regional or local level, involving a large number of players and enhancing the collaborative approach.
- Design interventions using local knowledge on the shrinking process and develop integrated and coordinated policy responses across ministries and key sectors, while looking closely to digital connectivity as a tool to enable or enhance the well-being of residents or boost the economy.

The same broad principles may be adapted from European and national levels to regional level when designing the policy framework; Figure 8 shows a **possible approach**.

Figure 8
(Possible) framework for policy reboot





Under the FUNCTIONAL REGIONS objective:

*Convergent local and regional development,
less inequality between places*

Develop and implement the concept of Functional Rural Areas

RATIONALE/CHALLENGES

Data collection based only on gross domestic product creates false impressions that often mask considerable economic differences within regions, which brings about two types of situations in which rural areas are concerned. First, when focusing solely on this indicator, some rural regions may access more funds because they are regarded underdeveloped; in practice, the regions where agriculture is the dominating sector very often invest in agriculture-related activities because of the availability of dedicated funding (to catch up with more developed regions), although the existing regional potential is overlooked and not capitalised on. Second, in intermediate or urban regions, for which the indicator does not fully capture the situation of economically struggling rural areas, access to EU funds may be hampered, mainly because the overall gross domestic product of the region is higher thanks to the economic success of the urban hubs.

POLICY RESPONSE

The consolidation and development of the ‘**functional rural areas**’ concept⁸, which is commonly accepted at the European level, could be an effective tool for tackling challenges at a more appropriate territorial scale. By using different and fit-for-purpose criteria it could:

- Greatly improve the territorial classification system and target funding in a more effective manner, by helping to create more efficient sectoral policies deployed at the right scale. For this purpose, the rural–urban typology should be revised as well.
- Construct a more nuanced collection of opportunities and possibilities for rural areas, diverging from purely economic growth objectives.
- Create the right frameworks for multilevel governance approaches and enhance territorial cooperation, as these remain the most powerful tools for long-term, sustainable development.

⁸ See the project conducted by the European Commission Directorate-General for Agriculture and Rural Development (https://enrd.ec.europa.eu/sites/default/files/gpw-13_10_functional_rural_areas_migas_dg_agri.pdf).

A green Europe that protects common livelihoods and shapes societal transition



Under the **HEALTHY ENVIRONMENT** objective:

Better ecological livelihoods, climate-neutral and resilient towns, cities and regions

Breathe new life into rural areas by attracting new residents and enabling them to achieve their professional, social and personal goals

RATIONALE/CHALLENGES

Addressing the issue of quality of life goes beyond good service provision or accessibility, and encompasses three spheres: personal, socio-economic and ecological. These spheres could be measured through three dimensions: good-life enablers, life survival (**maintenance**) and life flourishing⁹.

Map 6 displays the territorial dimension of the quality of life (TQoL index¹⁰) in Europe, and the results reflect to some extent both a centre–periphery (driven in many cases by the economic power of European regions) and a core–periphery pattern. In rural regions, the same delineations are preserved; northern and western regions show higher performance and southern and eastern regions tend to lag behind. This higher performance seems to originate from scoring highly for indicators in the **life enablers** domains, whereas more balanced patterns are observed in the **life maintenance** (health levels, educational attainment and employment) and **life flourishing** domains.

POLICY RESPONSE

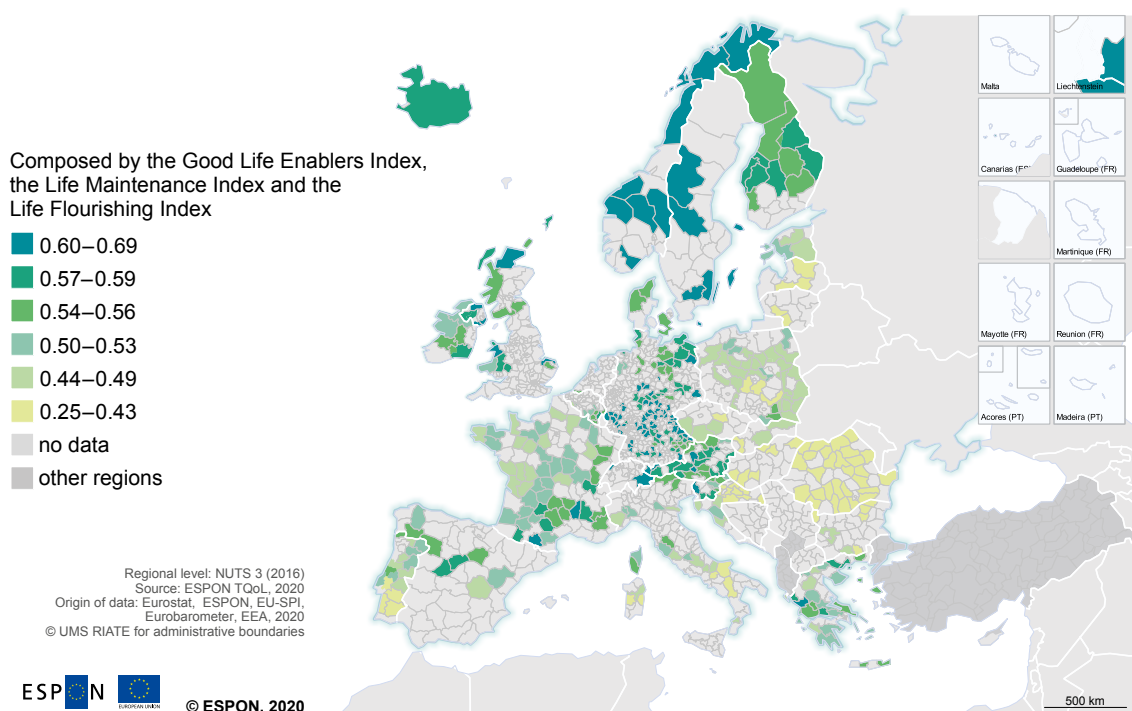
Understanding the quality of life perceptions on the local scale could help the authorities to more straightforwardly address needs of the residents, as rural communities are smaller and usually better socially connected. From this perspective, the following **possible policy responses can be highlighted**.

- Shift local strategies to a citizen-centric approach by promoting a **new wave of representativeness and deliberative processes** that focus on enhancing quality of life.
- Improve quality of life by **enhancing both socio-economic and environmental conditions** for the local communities. This can be achieved by ensuring attractive living environments (in existing settlements) and creating opportunities that the residents can benefit from through accessing the knowledge sources that the connected world has to offer.
- Enhance the attractiveness of rural areas for new businesses or innovators (who act as potential influencers/ambassadors) by providing them with **enough resources and appropriate connections** and ensuring that these areas have the capability to activate them.

⁹ The dashboard tool – TQoL index – allows the computation of single quality of life indicators and composite indices, using weighting options for the latter to combine the indicators that are sensitive to different territorial needs, that is for different typologies. For more information, please see: <https://www.espon.eu/programme/projects/espon-2020/applied-research/quality-of-life>.

¹⁰ This was developed as part of the ESPON QoL project by considering the life enablers, life maintenance and life flourishing domains.

Map 6 TQoL index of rural regions



* ESPON TQoL 50 indicators proposed at the European level are selected to inform the different domains and subdomains. Weighting currently occurs through the hierarchical organisation of indicators in three dimensions. 9 domains and 22 sub-domains. Dimensions are aggregated with a generalised weighted mean of power of 0.5; variables in domains and sub-domains all weight equal.

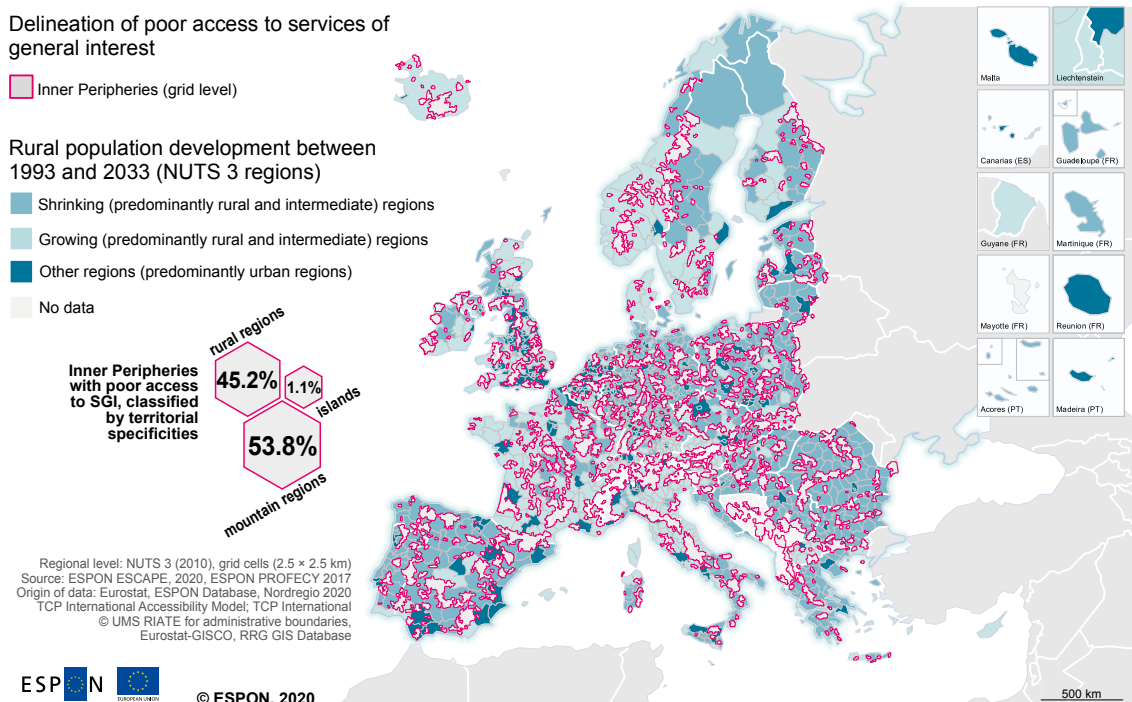
Enable provision of and comparable access to SGIs (demographic change is about people and their lives)

RATIONALE/CHALLENGES

Adequate provision of and access to the main SGIs is not only an indicator of the degree of territorial connectedness, but also an indicator of quality of life (by assessing the accessibility and affordability of different types of services). Throughout Europe, there are still areas that have relatively poor conditions and appear as inner peripheries (ESPON, 2017b) in regard to accessing several SGIs (e.g. they are far away from several services).

The analysis at grid level (see Map 7) illustrates that, in general, inner peripheral regions most frequently coincide with rural regions, and with territories that display specific geographical features – such as mountain areas (e.g. parts of the Alps, Apennines and Pyrenees) and islands (e.g. Crete, Sardinia and Sicily). In many countries (Austria, Bulgaria, France, Poland, Portugal, Slovakia and Spain), inner peripheries represent a significant share of the overall territory, which illustrates large regional development differences between rural areas and the urban agglomerations. These types of inner peripheral areas are at the conjunction of lower accessibility (areas that are more distant from regional centres have, in general, poorer access to SGIs) and unfavourable conditions in various socio-economic dimensions.

Map 7 Inner Peripheries in Europe (grid level)



*IP regions include all areas who have poor access to five or more services-of-general-interest, and that have poor access to hospitals or to primary schools or to train stations (2017). Outermost regions excluded from analysis.

**Shrinking correspond to a population decrease and growing correspond to a population increase over a 20-year-period in the overall period 1993-2033.

POLICY RESPONSE

A policy response should aim to improve access to efficient public service provision in the region (including lowering costs of living), despite demographic changes. It is, however, important to remember that for sparsely populated rural regions this process may be initiated or exacerbated by restructuring the administrative areas in search of economies of scale. Possible forms of intervention to match the inner periphery territorial characteristics would need to focus on innovations in service delivery and could feature one or more of the following policy responses.

- Use new technology to **overcome geographical distance** (telemedicine, online administration, etc.) by intensifying schemes that establish social, economic and digital service delivery alternatives; accompany the development by critical local decision-making processes; and build and expand the 'smart villages' concept, which seeks to support small-scale communities.
- **Redesign the delivery responsibility** of certain services, from the public sector to the third sector, towards social enterprise or towards the community by incorporating socially innovative models, responsibly allowing market-driven solutions to take over and transferring responsibility to private parties.
- **Elaborate place-specific strategies that will highlight priority actions according to their specific needs**, accentuating spatial restructuring so that services can be accessed by or brought to places where they are already unavailable or are on the verge of becoming unavailable.
- Encourage population retention by enhancing existing built and residential environments and local facilities, and making general improvements designed to increase well-being.

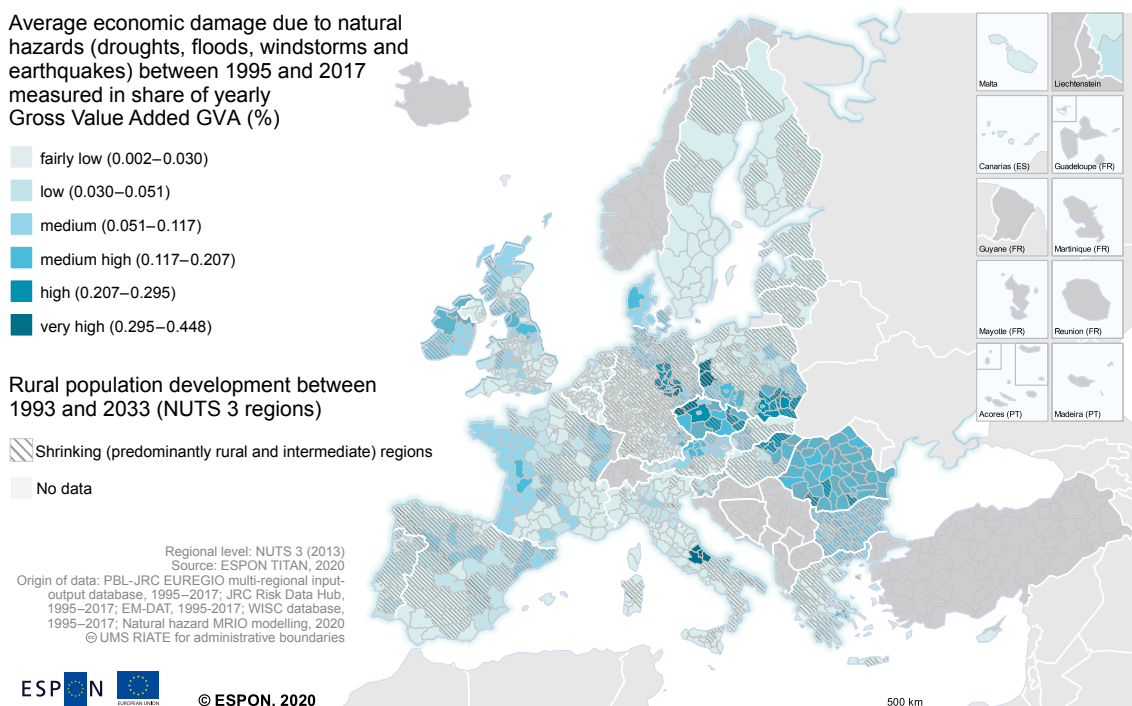
Deploy the potential of green infrastructure in strategies, policies and legislation in a geostrategic climate change approach

RATIONALE/CHALLENGES

Climate change and its effects are already felt by populations, affecting them both socially and economically. The spatial distribution, which indicates that central, eastern and southern European countries tend to be relatively more affected by natural hazards¹¹ (see Map 8), also underlines that there is a correlation between economic impacts and territorial vulnerability. The share of the population living in territories with high or very high vulnerability is about 22 % of the EU (the highest numbers are in Romania, Italy, Bulgaria and Greece, followed by Spain, Portugal, Hungary, Poland and France).

Across the European territory, the economic impact¹² of the four main natural hazards is divided as follows: floods and storms have contributed to nearly 76 % of the damage and losses, and droughts and earthquakes have contributed to 24 %. More than 170 shrinking rural regions are registering a higher average economic impact of these hazards (over 0.051 % gross value added), which could further increase disparities between regions.

Map 8
Relationship between economic impacts and territorial vulnerability



*The economic damages for droughts, floods, windstorms, earthquakes were calculated based on the recorded capital stock damages and GVA at NUTS 3 level (direct impacts) and based on the industrial linkages modeled in the multi-regional input-output model (indirect damages). Average economic damages due to natural hazards as a percentage of yearly NUTS3 GVA.

**Shrinking correspond to a population decrease and growing correspond to a population increase over a 20-year-period in the overall period 1993-2033.

¹¹ Clustering was carried out according to the ESPON TITAN methodology: the dependent variable is the economic impact and the independent variables are the hazards (floods, windstorms, earthquakes and droughts), the exposure (gross value added) and the territorial vulnerability. The model was calibrated against past economic impacts and its explanatory capacity was analysed.

¹² For more information, please see: <https://www.espon.eu/natural-disasters>.

POLICY RESPONSE

Using green infrastructure (GI) as a response to climate change and to reduce the effects of natural hazards¹³ could be a practical solution for creating place-based policies; the GI approach looks for connections between different elements of nature in geophysical areas, between nature and people's quality of life, across ecological and political boundaries, and across policy sectors. From this perspective, the following **possible policy responses can be highlighted**.

- Capitalise on the potential that rural areas have by enabling them to **become successful laboratories for improving and utilising the full potential of GI**; further consideration should be given to whether or not shrinking rural regions may be incentivised in their role as carbon sinks and renewable energy sources.
- Assimilate GI into strategies, policies and legislation, following the EU guidelines, and secure political commitment at all scales (EU, national, regional and local), as it is crucial to leading a coherent transition towards more sustainable territorial development¹⁴.
- Embrace the GI approach in integrated and strategic planning, so that decisions about conservation, protection and restoration of ecosystems incorporate relevant information on their potential benefits across different thematic domains.
- Make GI a sustainable investment opportunity as part of the EU's sustainable financial policy framework, accounting for social, environmental and governance considerations.

¹³ In 2013, the European Commission adopted the EU strategy on green infrastructure, in which it defined GI as 'a strategically planned network of natural and semi-natural areas with other environmental features designed and managed to deliver a wide range of ecosystem services. It incorporates green spaces (or blue if aquatic ecosystems are concerned) and other physical features in terrestrial (including coastal) and marine areas. On land, GI is present in rural and urban settings' (European Commission, 2013). GI provides a range of benefits – environmental, social and economic – and can contribute to mitigating long-term environmental challenges such as climate change and biodiversity loss. Ecosystem services cover the benefits that can be derived from ecosystems, including the provision of food, materials, clean water, clean air, climate regulation, flood prevention, pollination and recreation.

¹⁴ Mapping the GI potential across the EU reveals the three main policy domains relevant at EU level that it could directly support: biodiversity, climate change and disaster risk reduction, and water management. For more information, please see: <https://www.espon.eu/green-infrastructure>.



Under the CIRCULAR ECONOMY objective:

Strong and sustainable local economies in a globalised world

Reboot the agricultural sector through sustainable and optimised supply chains to enhance green infrastructure connectivity and ecosystem services

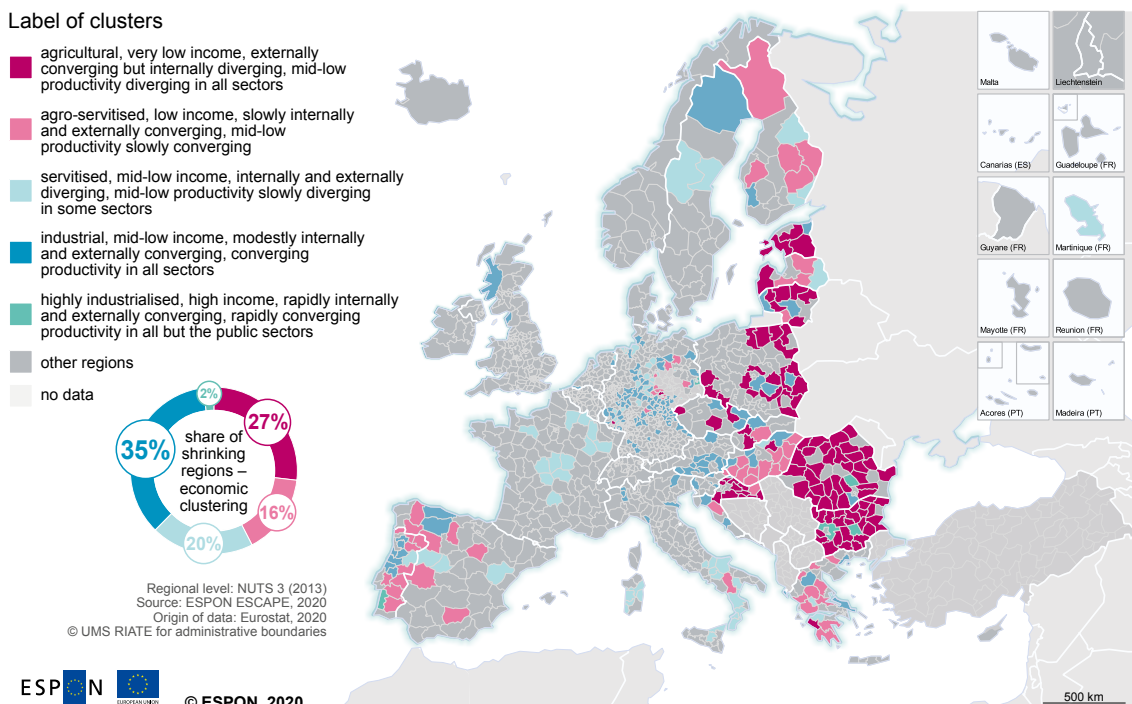
RATIONALE/CHALLENGES

In rural areas, economy was linked directly to agriculture and development was measured mainly through related economic indicators. Past EU policies have focused on promoting regional economic development, while offering many tools for supporting the growth-oriented, agriculturally focused initiatives.

The high share of agriculture in the economy was usually associated with lower salaries and more demanding working conditions, and consequently became one of the underlying causes of shrinkage. In such a context, future prospects for the young population cohorts are hindered by the increasing unprofitability of agriculture, sometimes coupled with industrial decline and limited economic alternatives. The low level of entrepreneurship, narrow business networks and limited variety of jobs are common to peripheral rural areas. These characteristics are shown in the economic clustering of shrinking areas (see Map 9) (grey areas are outside the scope of the study), which is data-driven. The results reveal that the rural areas along the eastern external border of the EU are still very agricultural, whereas the rural areas in northern and western parts of Europe are agro-servitised.

Map 9

Clusters of shrinking areas obtained using economic variables only



*Rural regions in the ESPON ESCAPE project correspond to predominantly rural regions and intermediate regions (NUTS 3). Shrinking correspond to a population decrease and growing correspond to a population increase over a 20-year-period in the overall period 1993–2033.

POLICY RESPONSE

Recent strategies, such as the **European Green Deal**, the **Farm to Fork Strategy and Bio-diversity Strategy (2020)**, involve rethinking the role of rural areas, looking from a climate change and biodiversity point of view; from this viewpoint, the following **possible policy responses can be highlighted**.

- Reassess the supply chains, from production to distribution, focusing on the sustainable and optimised delivery system for **locally sourced produce**.
- Invest in creating **sustainable and efficient agricultural processes**; this will contribute to improving productivity indicators, but will also create new high-paid jobs and bring about economic diversification (linked to post-production, maintenance, etc.).



Under the **SUSTAINABLE CONNECTIONS** objective:

Sustainable digital and physical connectivity of places

Enhance economic specialisation, diversification and innovation based on local potential and initiatives, but also on knowledge transfer and uptake of sustainable practices

RATIONALE/CHALLENGES

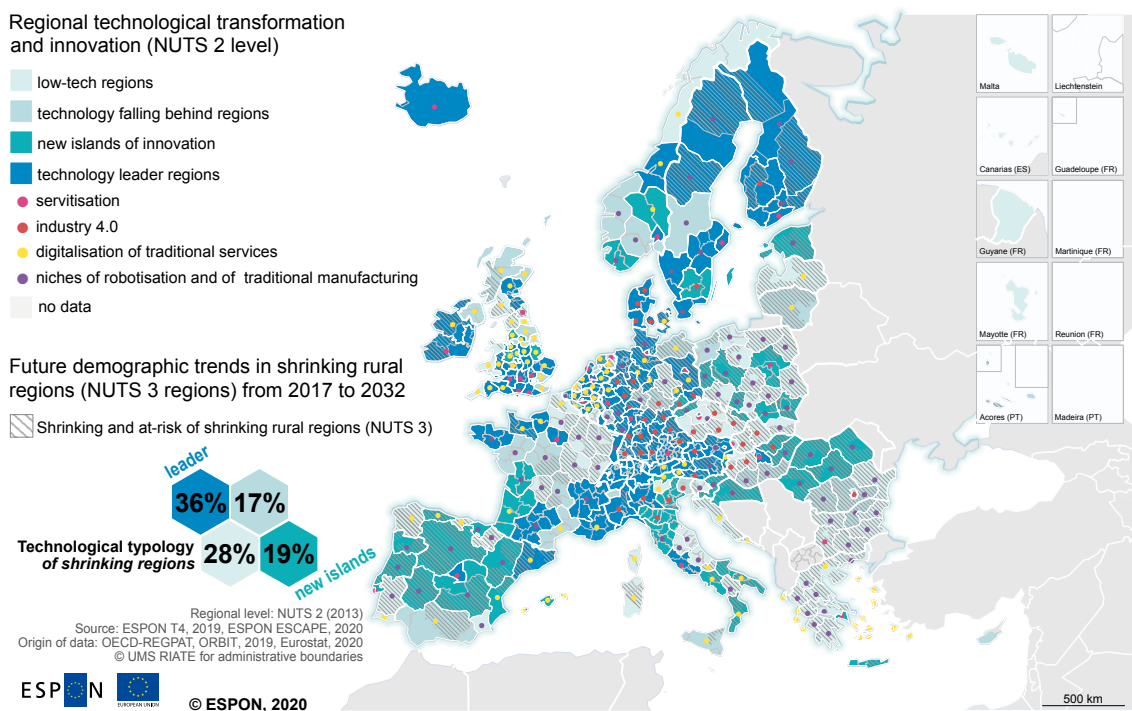
The technological Industry 4.0 transformation¹⁵ has already begun and, in the face of such a technological push, regions have to cope with additional socio-economic transformations. Policies at all levels will have to support this adaptation, sooner rather than later, as it takes time for their implementation to generate the expected positive impacts.

Across the EU, the levels of embedding or development of 4.0 technologies are highly varied within and between countries and regions (see Map 10). This holds for both technologically advanced and less advanced countries, and highlights that regional sectoral specialisation, backed up by regional suppliers, is driven by market demand in the attempt to respond to increasing competitiveness.

Regions that have an existing edge in 3.0 technologies tend to be more advanced along the path of 4.0 transformation, trend confirmed by the territorial distribution of accumulating knowledge. These regions are mostly located in France, Germany, Italy, the Netherlands, Spain, Switzerland, the United Kingdom and Scandinavian countries. More interestingly, some regions that are able to advance are becoming new islands of innovation; these can be found in Czech Republic, France, Germany, Italy, the Netherlands, Poland, Portugal, Romania, Slovenia, Spain, Sweden and the United Kingdom. Under this classification, the rural regions that are shrinking or at risk of shrinking are distributed as follows: 235 regions (36 %) are in technology leader NUTS 2 regions; 107 regions (17 %) are in technologically falling behind NUTS 2 regions; 184 regions (28 %) are in low-tech NUTS 2 regions and 124 regions (19 %) are located in new islands of innovation.

¹⁵ The term '4.0 transformation' refers to the use of a set of wide-ranging technological fields, including: artificial intelligence, robotics, the internet of things, autonomous vehicles, additive manufacturing, virtual reality, 3D printing, nano-technology, biotechnology and energy storage with applications such as smart home, smart transport, smart energy grids, intelligent robotics and smart factories. For more information, please see: <https://www.espon.eu/transregecon>.

Map 10 Classification of 4.0 inventing regions from 2010 to 2015



POLICY RESPONSE

Using new technologies is an important tool for securing a prosperous future for rural areas; from this perspective, the following **possible policy responses can be highlighted**.

- **Capitalise on local knowledge, growing skills and innovating**, as territorial assets can take diverse forms, and rural areas are repositories of local innovation; detect specific strengths; and develop productive activities using local resources.
- Design tailored policies to especially support lagging and shrinking regions in becoming new **islands of innovation**, for both traditional sectors (such as agriculture) and smart specialisation sectors, as a derivative from using their natural capital potential.
- **Support the efficient uptake of new technologies** and ensure a rapid technological transfer towards lagging and shrinking rural areas, connecting, through a top-down approach, public/private institutions (research institutions or innovation leaders), regions, cities or other rural areas.
- Adopt and implement 4.0 technologies as solutions for **increasing efficiency, quality and revenues in general**, creating new jobs and keeping a balance between the technological innovations and training/upskilling the workforce.
- Adopt and implement 4.0 technologies as solutions to **overcome the ongoing labour shortages**, maintaining a balance between technological innovations and attracting a new workforce.
- Ensure future supply of Industry 4.0 professionals, by supporting the continuous development of education/training programmes, enabling cooperation between universities and private sectors (favouring those located in the rural areas) and speeding up the intake of digital skills for both young people and adults.

Call on all actors – putting priorities into action



Call for multilevel governance approach to involve all key players

Simplify EU funding processes and develop long-term EU projects

RATIONALE/CHALLENGES

Municipalities rely heavily on EU funding. There are many EU tools that local stakeholders can access, but most of the time these have a limited range and life span, which do not exceed the programming period. Moreover, the changing rules that come with every programming period are putting increased pressure on the beneficiaries, which sometimes burdens them and limits their access to funding.

POLICY RESPONSE

The following possible policy responses can be highlighted.

- **Develop long-term interventions** dedicated to rural development (in general) and shrinkage (in particular), and designed to address long-term processes, at both European and national levels, to ensure continuity and long-term sustainability.
- **Simplify EU funding processes** to make them more appealing and accessible to a wider range of regional and local players.
- Enhance the role of regional and local players in developing rural policies (including for shrinking) and develop integrated and targeted policies at EU and national levels to reflect the essential nature of EU support.

Close the gap between EU policy and local strategies

RATIONALE/CHALLENGES

The heterogeneous character of rural areas and the diversity of local needs should be better embedded in the extended list of policy options, displaying greater flexibility in how EU funding sources are distributed in relation to rural development issues. Enhancing the EU place-based policy approaches will, in addition, call for a more targeted and integrated policy approach.

POLICY RESPONSE

Coherent, long-term national rural development strategies will provide value by closing the gap between EU policy and local intervention; from this perspective, the following **possible policy responses can be highlighted**.

- Ensure effective communication and cooperation between national and regional/local levels as an important preparatory step for the efficient deployment of EU funding.
- **Offer substantial and differentiated financing** for the strategically targeted national programmes to meet rural development challenges; give rural areas (and the issue of rural shrinkage) explicit recognition; and limit the competition for funding between rural and urban areas.
- Provide guidance and support national level when developing European Structural and Investment Funds programmes.
- Transfer the appropriate strategy-making and implementation capacity to local and regional levels.

Harvest the opportunities through territorial governance and empowering civil society

RATIONALE/CHALLENGES

Equipped with different levels of autonomy and available resources, the local administrative level is generally seen as an important provider of welfare services, an initiator of local development projects, and the interface between the local population and policymakers. Yet, as the local level of governance commonly has the most tasks, it has the least financial resources. There are strong contrasts in policy competences at the regional and local levels that vary from considerable independence of action to many limitations. Innovative structures have therefore been developed: some of these collaborative structures are based on ad hoc and relatively informal cooperation aimed at specific problems and topics, whereas others are more institutionalised and are in the form of subregional intermunicipal partnerships.

POLICY RESPONSE

From this perspective, the following possible policy responses can be highlighted.

- **Ensure strong vertical coordination** between different levels of governance (national, regional and local), and strong horizontal linkages that are crucial to the success of developing rural integrated strategies.
- **Use territorial governance** as an effective tool to empower the local level in policymaking and give it a stronger voice in multilevel governance processes.
- Support the **multilevel governance approach** by allocating powers to the appropriate level of governance and develop innovative partnerships to overcome development obstacles.
- **Pursue alternative forms of cooperation**, such as intermunicipal cooperation and special economic zones (commonly associated with a public–private–civic partnerships), to provide new responses for tackling the challenges and find new sources of funding.
- **Enhance collaboration between stakeholders from public sectors and civil society**, involving relevant non-governmental organisations in local initiatives and projects to scale up and ensure greater efficiency of their long-term implementation.

ESPON policy recommendations for rural areas and their linkage to the territorial agenda priorities – from strategic to instrumental

Policy recommendations / Territorial Agenda priorities and aims	Balanced Europe	Functional regions	Integration beyond borders	Healthy environment	Circular economy	Sustainable connections	Call on all players
Design long-term territorially sensitive policies for the diverse rural shrinking areas	✓	✓	✓	✓	✓	✓	↻
Change the focus from mitigating the rural shrinkage to smart adaptation, including better digital connectivity to boost the economy	✓	✓					↻
Reboot the agricultural sector through sustainable and optimised supply chains to enhance green infrastructure connectivity and ecosystem services				✓	✓		↻
Deploy the potential of green infrastructure in strategies, policies and legislation in a geostrategic climate change approach		✓	✓	✓	✓	✓	↻
Develop and implement the concept of Functional Rural Areas	✓	✓	✓	✓	✓	✓	↻
Breathe new life into rural areas by attracting new residents and enabling them to achieve their professional, social and personal goals	✓		✓	✓			↻
Enable provision and comparable access to services of general interest (demographic change is about people and their lives)	✓		✓	✓			↻
Close the gap between EU policy and local strategies	✓	✓	✓	✓	✓	✓	↻
Simplify EU funding processes and develop long-term EU projects	✓	✓	✓	✓	✓	✓	↻
Harvest the opportunities through territorial governance and empowering civil society	✓	✓	✓	✓	✓	✓	↻
Enhance economic specialisation, diversification and innovation based on local potential and initiatives, but also on knowledge transfer and uptake of sustainable practices	✓				✓	✓	↻



Policy addressing directly the TA priority



Policy addressing indirectly the TA priority

Afterword

In this policy paper, which focuses on the prosperous future of rural areas under the overarching objectives of a Just Europe and a Green Europe, demography and place-sensitive policy actions emerge as drivers for a long-term vision.

In addition to aligning with Territorial Agenda 2030 principles and priorities, 11 ESPON recommendations for place-sensitive policy actions and responses intend to support the shift in the focus of the rural areas onto people and places.

Because of the relevant complexity and slowness of the processes associated with the dynamics of rural areas, and as they are the resulting fabric of natural systems transformations and management, long-term development itself requires solid and mature enhancement of living standards and investments in building social trust.

In the same way, a common understanding is the basis for long-term cooperation and coordination between places and levels of governments.

Policy sectors and societal groups, while addressing these complex issues and utilising diverse rural areas potential, are called to take, perhaps as never before, the opportunity to promote synergies under cohesion, agricultural and rural development policies.

Yet, importantly, the long-term vision for rural areas requires recognising resilience and the lessons to be learned from the remaining existent functional rural networks and partnerships that indeed already implicitly contribute to territorial cohesion, combined with those from the successful experiences of urban networks.

As a new programming cycle is starting, this is the ideal moment for communicating, taking the opportunity to bring policies, citizens and territories closer through local politicians' dialogue and knowledge, and going beyond just predominantly theoretical exercises to match local needs with specific national strategies.

Now is the time to act on building a future for rural areas.

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