Complementarities and coordination of cohesion policy with rural development measures

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The Committee on Regional Development adopted the own-initiative report drawn up by Wojciech ROSZKOWSKI (UEN, PL) on complementarities and coordination of cohesion policy with rural development measures. The committee notes that the reform of structural policy for the period 2007-2013 brought with it changes to the structure of the Funds and the basis for the allocation of assistance under this policy, and the establishment of a new European Agricultural Fund for Rural Development (EAFRD) linked to the common agricultural policy (CAP) and disconnected from cohesion policy. It is of key importance to the EAFRD's success to ensure mutual complementarity between activities co-financed under the EAFRD and those co-financed under the structural funds.

The committee takes the view that the criteria traditionally used to distinguish rural areas from urban areas (lower population density and level of urbanisation), may not always be sufficient to provide the "full picture", and considers, therefore, that the possibility of adding additional criteria should be explored and calls on the Commission to produce an analysis and concrete proposals in this field.

In view of the major differences between rural areas in the various Member States and because such areas account for up to 80% of EU territory, it is necessary to implement a suitably integrated approach for the sustainable development of such areas, aiming at levelling existing inequalities and promoting economic dynamism of urban and rural areas. Members underline the need to allocate adequate funding to the corresponding actions.

The committee calls on the Commission, Member States and regional authorities, as appropriate:

- to formulate, a transparent, long-term, sustainable rural development strategy , in order to be able to identify rural development priorities and objectives and ensure the adaptation, coordination and complementarity of the aid originating in the various sources of funding available;
- to ensure the direct participation of the organisations representing SMEs, microbusinesses and craft undertakings, in order to identify those priorities with a view to responding in the best way possible to those enterprises' needs and expectations.

Members consider that the efficiency of rural development policy can only be achieved if the measures implemented under EARDF and regional development policy are coordinated and complementary, so as to **avoid double financing and gaps**. They note with concern the insufficient coordination between those actions during the current programming period in Member States. The Commission is asked to propose reforms aimed at ensuring **better coordination in the planning and implementation of measures** co-financed under the cohesion policy and CAP. The post-2013 reform of the CAP and the EU Structural Funds will provide an opportunity to re-assess the relationship between rural development on one hand and agricultural policy and cohesion policy on the other.

The approach of separating rural development from cohesion policy with the creation of EAFRD needs to be monitored very closely in order to evaluate its true impact on the development of rural areas. Since the new system was put in place in 2007, it is too early for any conclusions to be reached with regard to the future of this Community policy.

Members stress that one of the priorities of rural development policy is to propose measures which do not result in the rural population having to abandon agriculture and help to promote competitive holdings.

They also stress the importance of support for young farmers to keep them on their land, even if they are not engaged solely in agricultural production.

The report calls on the Commission:

- to supply detailed figures for the take-up of EAFRD and structural funding in rural areas and to look into the synergies that can be created by the EAFRD and the Structural Funds in terms of the funding available in rural areas;
- to assess whether regional policy programmes can contribute to offering farmers a reliable income, for example through carrying out environmental protection, nature conservation and landscape management activities;
- to take systematic account of the countryside in EU policies and to provide appropriate support for projects to develop human capital, in particular through the provision of training opportunities, with a particular focus on young women, with the aim of promoting employment and job creation;
- to lay the emphasis on strengthening competitiveness by also assisting other productive sectors and to foster entrepreneurship in rural areas;
- to create a high-level working group by 2011 as part of the CAP Health Check which would bring forward proposals to secure the future of the rural economy after 2013.

It notes that the difficulties in implementing rural development policy stem from the fact that **sectoral policies and territorial cohesion policy cut across each other**, as do the economic and social aspects of both types of policy, and from the wide variety of responsibility allocation and policy coordination systems used in the Member States. It stress the necessity to create synergies between the EAFRD and the Structural and Cohesion Funds and calls on the Commission to assist national and regional authorities in properly understanding the possibilities offered by these financial instruments. Member States must ensure dialogue between managing authorities so as to create synergies between the interventions of the different funds and enhance their effectiveness.

Lastly, prior to rural funding reform, the Commission should conduct a detailed assessment of all sectoral policies having an impact on rural areas, and notably CAP and regional policy, in the context of cohesion policy and a set of best practices should be drawn up for rural development policy as a whole.