



## SCARELD Symposiums

### Managing Agricultural & Rural Transition in an Enlarged EU: Lessons of Best Practice

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# Outline



## ➤ SCARLED

- What is SCARLED?
- Aims

## ➤ CRE led: WP8 & WP9

- Objectives
- Methods & Theoretical background
- Case studies
- Lessons of Best Practice
- Applying Policy Delphi Method



# SCARLED



**SCARLED:** Structural Change in Agriculture and Rural Livelihoods - EU 6<sup>th</sup> Framework Project (2007-2009)

## Aims:

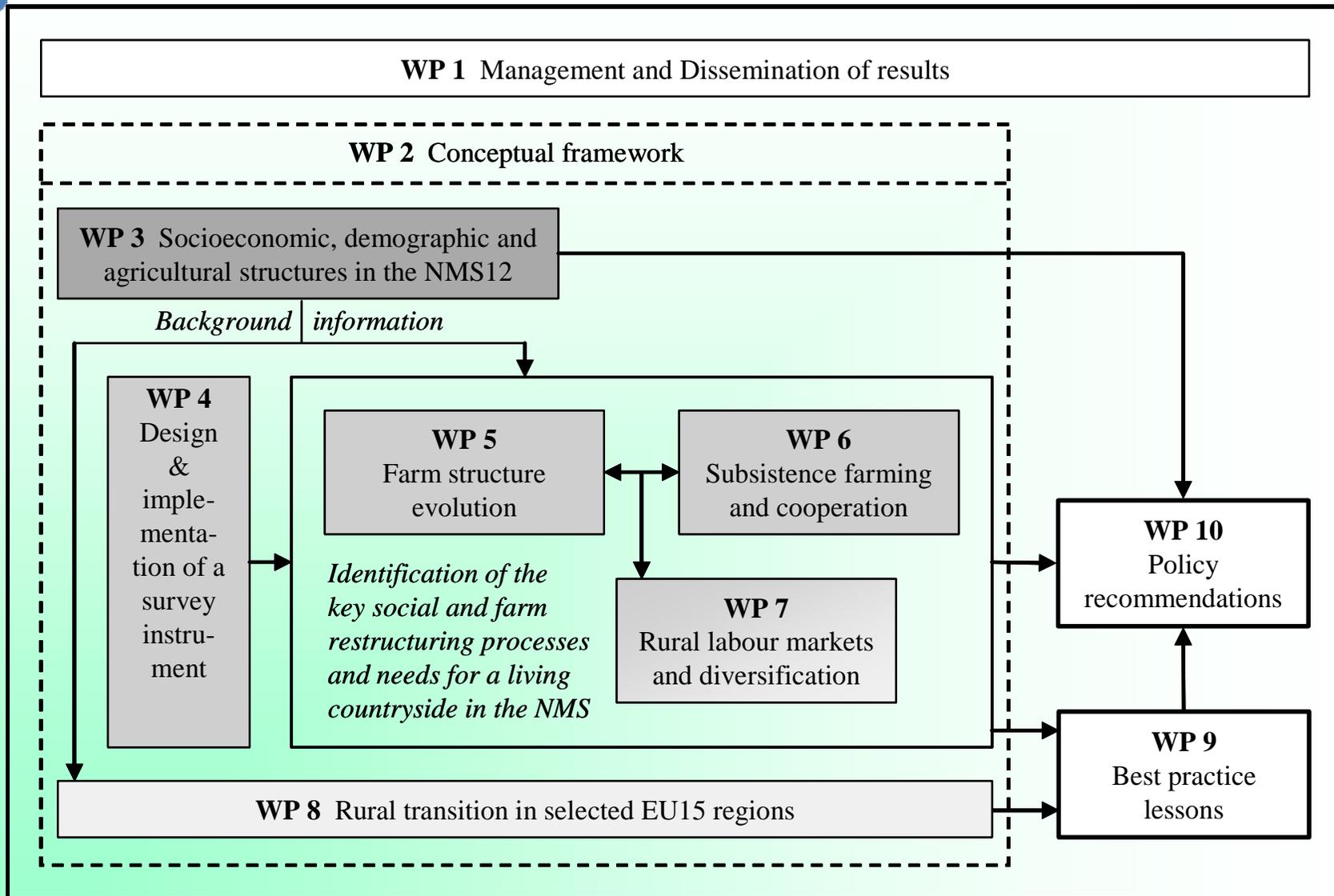
- to analyse the restructuring process of agricultural sector & rural socio-economic transformation of the New Member States (NMS)
- looks closely at the patterns behind rural success stories in selected EU15 member states trying to identify best practices

**Team:** 10 partners from 8 EU countries  
Leibniz Institute of Agricultural Development in CEE (IAMO) - coordinator





# SCARLED Structure



**Regional level of analysis:**

- All NMS
- Selected NMS regions
- Selected EU15 regions
- Selected NMS regions and all EU27 countries



## WP8 & WP9

<b>WP8: Rural transition experiences in selected EU15 regions</b>	<b>WP9: Best practice lessons</b>
<b>Aim:</b> to analyse patterns behind “success stories” in AT, IE, ES, SE & the new German Bundesländer	<b>Aim:</b> based on WP8 conclusions will identify lessons for best practice & codify these into a user-friendly form
<b>Specific objectives:</b> <ul style="list-style-type: none"><li>▪ identify key features of agricultural &amp; rural transition experience in 5 selected case study regions</li><li>▪ examine the dynamics of rural changes focusing on the socio-economic &amp; agricultural structural conditions before/after accession</li><li>▪ draw conclusions on the successful measures for managing agricultural &amp; rural transition</li></ul>	<b>Specific objectives:</b> <ul style="list-style-type: none"><li>▪ identify &amp; codify best practice lessons</li><li>▪ “market-testing” the codified-lessons for users in NMS &amp; assess transferability</li><li>▪ refine these lessons in the light of feedback/market testing</li></ul>



## WP8: Case Study Partners

- Ireland and Border, Midlands & Western Region (BMW):
  - Carmen Hubbard & Neil Ward@ CRE
  
- Spain and Navarra:
  - Belen Iraizoz@ Universidad Publica de Navarra
  
- Germany's Eastern Länder and Altmark region:
  - Axel Wolz & Klaus Reinsberg@ IAMO
  
- Sweden and Skåne:
  - Andrew Copus & Erika Knobblock @ Nordic Centre for Spatial Development (NORDREGIO)
  
- Austria and Tyrol:
  - Carmen Hubbard@ CRE + Peter Kaufman@ Sussex University



## WP8 & WP9: Methods



- 5 case studies: national + one region/country using a common framework addressing the same focused questions to allow cross-countries comparisons
  - desk-based research
  - qualitative analysis: documents & interviews with key actors
    - 39 (semi-structured) interviews
    - themes:
      - main factors/driving forces for changes in rural areas
      - major national & regional policies
      - EU membership & appropriate EU policies
      - which of these policies were the most important?
      - other factors?
      - missed opportunities?
      - lessons to be considered for the NMS
  - assess the performance of these regions in the light of competing 'theories'/'models' of Rural Development
- Policy Delphi exercise (WP9)



# Rural Development Models

	<b>Agrarian</b>	<b>Rural Development (RD)</b>		
		<i>Exogenous development</i>	<i>Endogenous development</i>	<i>Neo-endogenous development</i>
Premise	Viable rural areas dependent on farming activity, both economically & culturally	A competitive farming sector is not a prerequisite for viable rural areas		
Key determinants	Agricultural productivity and policy	Economies of scale and concentration	Employing local resources (natural, human and capital)	Interaction between local and global forces
Drivers of growth	Agricultural Research & Development	Urban growth poles (external driver)	Local initiative and enterprise	Globalisation, knowledge economy
Function of rural areas	Food production or multi-functionality	Aid urban economies (e.g. food, land and labour)	Diverse 'enclosed' economies	Participation of local actors in local & external networks & development processes
Major RD issues	Agricultural policy	Peripherality, relative costs of land, labour & capital	Limited capacity of areas/groups to participate within the economy	Resource allocations & competitiveness in a global environment
Focus for rural policy	Agricultural policy & increasing productivity	Agricultural productivity, encourage labour and capital mobility	Local capacity building (skills, institutions etc.)	Enhances local capacity and actors participation to direct local and external forces to their benefit

Source: adapted from Ward *et al.* (2005) and Hubbard & Gorton (2008)



## Understanding “success” in local RD in selected EU15 regions

- “success” - a relative term ... measured against the norms for urban areas, regional, national or EU averages
- a series of socio-economic & demographic indicators: e.g. contribution to the economy, regional GDP/person, employment/unemployment rates, demographic changes
- with one exception (Skåne) all classified as predominately or intermediate rural regions (using OECD and national definitions)
- “success” in local rural development ... be understood in the particular context of the economic performance of the MS ... joining the EU @ different points in time (IE 1973; ES 1985, DE 1990; SE & AT -1995)



# Case Studies: Profile (2005)



	Area % of total	Population % of total	GDP % of country	GDP/head % of country	GDP/head % of EU25	Unemployment rate
<b>BMW (IE)</b>	47	26.8	19.4	72.6	126.1	4.4
<b>Navarra (ES)</b>	2.2	1.3	1.7	125.5	117.3	5.6
<b>Skåne (SE)</b>	2.7	15	11.4	88.4	128.8	8.4
<b>Tyrol (AT)</b>	15	8.5	8.7	103.3	137.5	3.5
<b>Altmark (DE)</b>	1.3	< 0.3	2.2*	71.5*	86.9*	16.5*

Note: it refers to \* Saxony-Anhalt Region



# Agriculture's Contribution (2005)



	% of GVA	% of labour force	% of total farms	% of total UAA	Average farm size (ha/farm)
<b>BMW (IE)</b>	5	12	52.6	45	27.6
<b>Navarra (ES)</b>	5	5	3	3	33.0
<b>Skåne (SE)</b>	1.3	2	13	16	53
<b>Tyrol* (AT)</b>	1.2	1.2	9	16	72.6
<b>Altmark (DE)</b>	...	5.2	0.4	1.6	211

\* it refers to the agricultural and forestry sector



# Comparative Issues



- **Context at the time of accession:**
  - Spain & Ireland vs. Sweden & Austria, Germany a special case
  - economic and political reasons triggered EU accession
  
- **National economic change:**
  - remarkably economic progress (particularly Ireland & Spain)
  
- **Agricultural/rural structural changes:**
  - decline of agriculture importance within the national/rural economy
  - smaller number but larger farms on the rise (except Germany)
  - changes in output - specialisation, concentration and intensification of production
  - increase of part-time farming + off-farm employment
  - farm diversification particularly from 2000 onwards (rural tourism)
  - ageing of rural population
  
- **Agricultural & Rural Policy Approach:**
  - adopted and implementing EU policies: CAP (Pillar 1&2) & Structural and Cohesion Funds, however
    - ... differences in governance structures & approach to agricultural and rural policies subject to own interest



## Ireland: Lessons



- setting up appropriate EU structures & institutions, capable to attract EU funds
- design & deliver appropriate National Development Plans "*deliver what you say you will do*"
- a strong, sustainable & responsible capacity building
- a clear regional strategy to which government to be committed but which to ensure a *balanced* development @ regional level
- decentralisation of responsibilities & a broader involvement of local communities need to be fostered & encouraged

*"The representation of rural regions and rural people and its mechanism within the parliament ... is a centripetal force for the development of rural area. Listen to the voice of people in these areas and their needs. In Ireland, politicians are very rooted in their constituencies and rural areas are represented in the parliament"* (interview, autumn 2007)



## Spain: Lessons



- design and implementation of rural development measures should be based on a *territorial & integrated* approach with funds' allocation based on *needs* of rural areas
  - ... as most measures oriented towards agricultural sector & diversification mostly reduced to the promotion of rural tourism
- larger implication of regional & local authorities & other local actors in the design & implementation of RDP
- development of innovative initiatives & the intensification of participation of local entrepreneurs in the rural development process
- the need to invest in social capital - networking
- improvement of infrastructure, particularly transport and telecommunications ... hence the importance of promoting ICT (access knowledge) in rural areas
- the need to invest in human capital through education and training



## Sweden: Lessons



- devolved (RD) programming & implementation - a more flexible, regionalised framework allows more creative inputs from local actors
- integration of RD in the broader national policy context - “policy culture and traditions”
  - “The growth of the public service sector within the welfare model seems to be a main explanation for the regional stabilisation. Public service employment increased, especially in rural areas, and state transfers to individuals and firms in those regions was in stable growth. Altogether, the general welfare policy (with no explicit spatial intentions), has given some of the poorest rural regions more public resources per capita than the urbanised areas.” (Persson & Westholm, 1994)*
- the (urban) societal view of the role of agriculture, countryside/farm function - the provider of (environmental) public goods ... however a balance between RD measures in order to ensure a more integrated rural development
- the need to build into social capacity through a “bottom -up” involvement of local actors so to respond to regional variations



# Austria: Lessons



- the implementation of an integrated territorial approach ... pluriactivity & the preservation of traditions, environment & cultural landscape are central for rural-agricultural development
- the need for a successfully facilitating administration ... which should start with a professional collaboration between the national ministries & regional authorities to elaborate integrated, focused, and pragmatic national development plans, which can then be adapted to regional circumstances
- the creation of an “institutional memory” based on trust, openness and professional attitude to facilitate a successful integrated regional and rural development
- at the regional level, a clear-cut and engaging involvement of both local stakeholders (bottom-up) and regional authorities (top-down) to develop & implement projects within programmes like LEADER and deliver programmes laid down in national and regional development plans
- a dual education system (agriculture & one additional profession) & continuing training of farmers ... “ a distinct and flexible farmer training scheme”?



# New German Bundesländer: Lessons



- social capital (networking) - the most important asset of Altmark region, seen as a beneficial tool in the development of rural policy

... there is a high local commitment & a partnership between authorities (government, social partners, NGOs) of different administrative levels for joint policy development

- there is a strong “regional identity” feeling
- how to attract (public) funds & understand/fulfill the (administrative) requirements of funders



## Cross-national lessons of best practice



- there is no unique model for managing rural transition success stories
- no single determinant factor but a combination of internal & external driving forces which acted in a favourable environment & their interplay
- rural transition cannot be considered outside of the national economic context - the development of domestic economy is essential for changes in rural areas
- factors correspond to alternative models of rural development ... however no region's trajectory has been solely to endogenous or exogenous development theories
- the combination of endogenous & exogenous forces is consistent with the neo-endogenous development theory ... much of the economic progress of these rural regions is not necessarily in line with the spirit of the theory



## Policy Delphi Method

- **Definition:** 'systematic solicitation and collation of informed judgments on a particular topic'. Market testing of policies
- **Key features:** respondents are experts in a particular field, responses are anonymous, data collection proceeds as a series of rounds (iterative process), & feedback on the views of others is provided to participants
- **Uses:**
  - a) to explore a range of possible alternatives;
  - b) to explore or expose underlying assumptions or information leading to differing judgments;
  - c) to correlate informed judgments on a topic spanning multiple disciplines



## Delphi Method (continued)

- Policy Delphi: the objective is not to reach consensus but identify significant policy relevant variables & contextual parameters & explore the impact, consequences & acceptability of particular options
- Useful where model-based statistical methods are impractical or impossible due to an absence of appropriate historical/socio-economic data



# Applying Policy Delphi



WP8 Literature Review +  
In-depth Interviews (Established Member States)



Delphi Instrument (lessons, factors, challenges)



Administer Delphi in Established MS Case Study Regions



Administer Delphi in NMS (convergence/divergence in  
perspectives, lessons, challenges, factors)



Lessons for an Enlarged EU