Cohesion Policy in Rural Areas and the role of CLLD

LDnet

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Brussels, www.elard.eu

SWEDISH PRESIDENCY 2020-2021

LUS LOKAL UTVECKLING SVERIGE

Structure of the Presentation

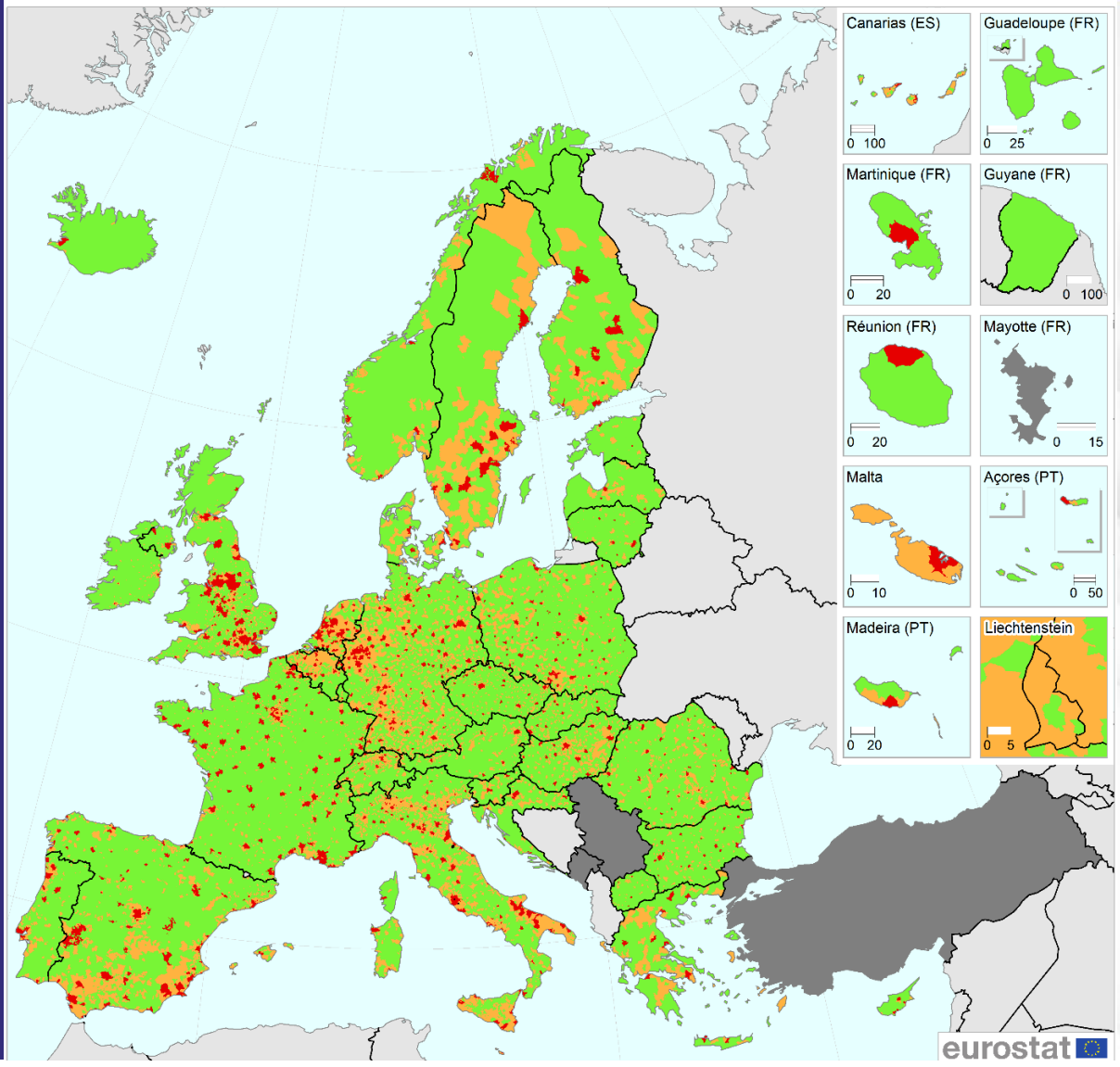
Part 1: Cohesion Policy in rural areas

– 2020 study EP REGI Committee: “EU Cohesion Policy in non-urban areas”
– https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2020)652210

Part 2: Use of multi-Fund CLLD

– Ongoing research in the context of LDnet
– https://ldnet.eu/category/resources/clld-in-europe/

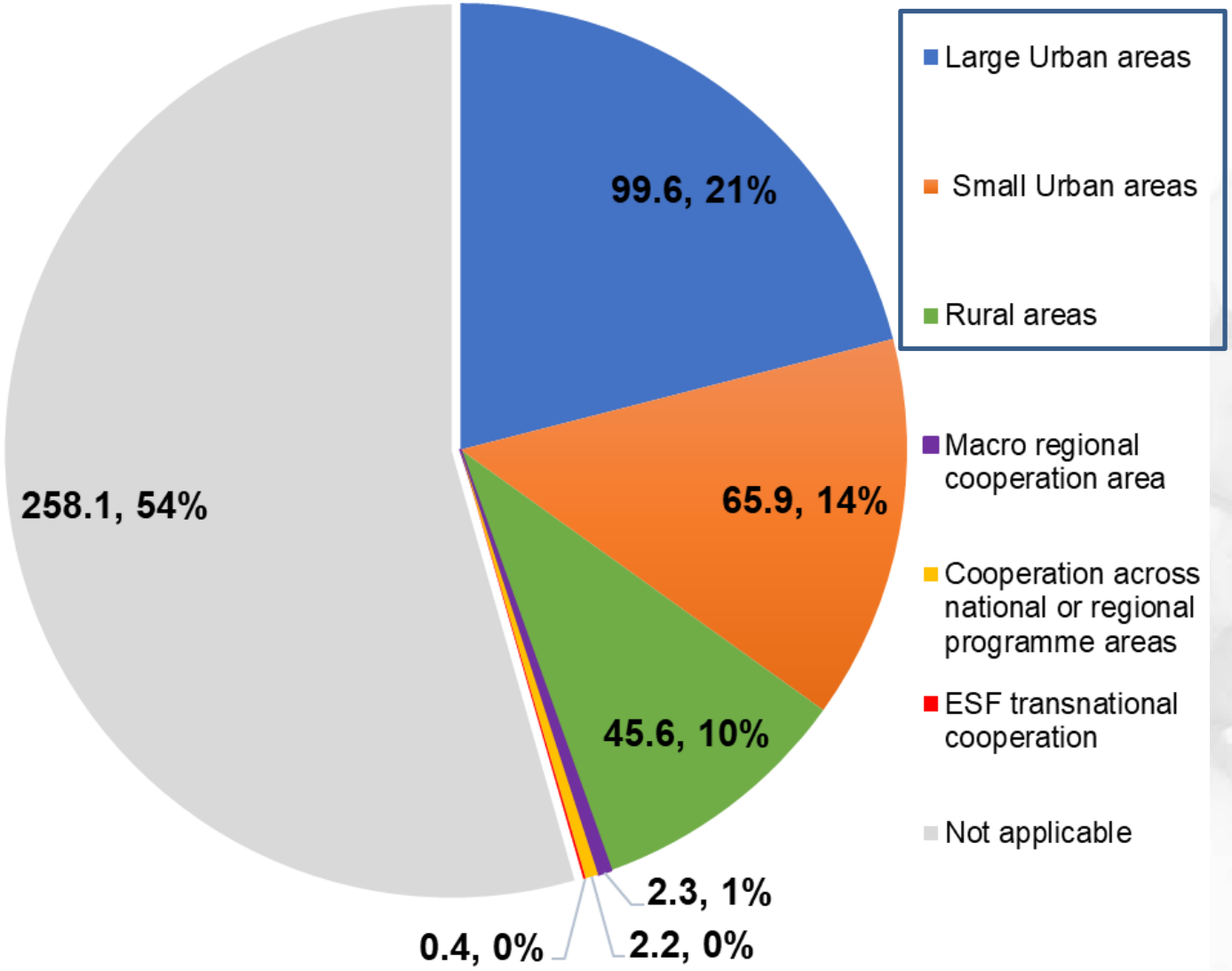
Degree of urbanisation for local administrative units level 2 (LAU2)



Over **90% of the EU's territory** is rural & home to **nearly 30% of the population**

- Cities
- Towns and suburbs
- Rural areas

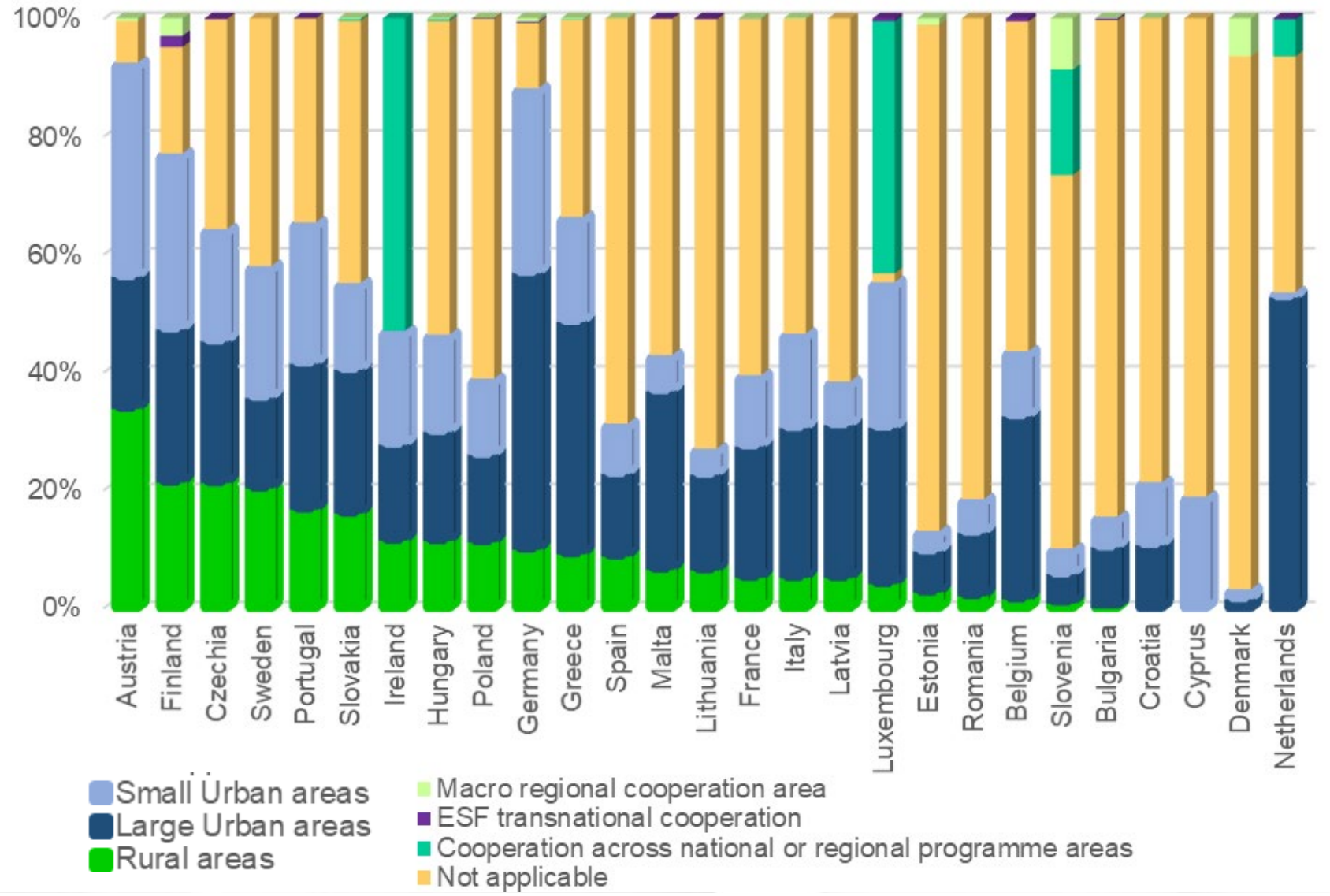
CP funding 2014-20, by type of territory (€bn)



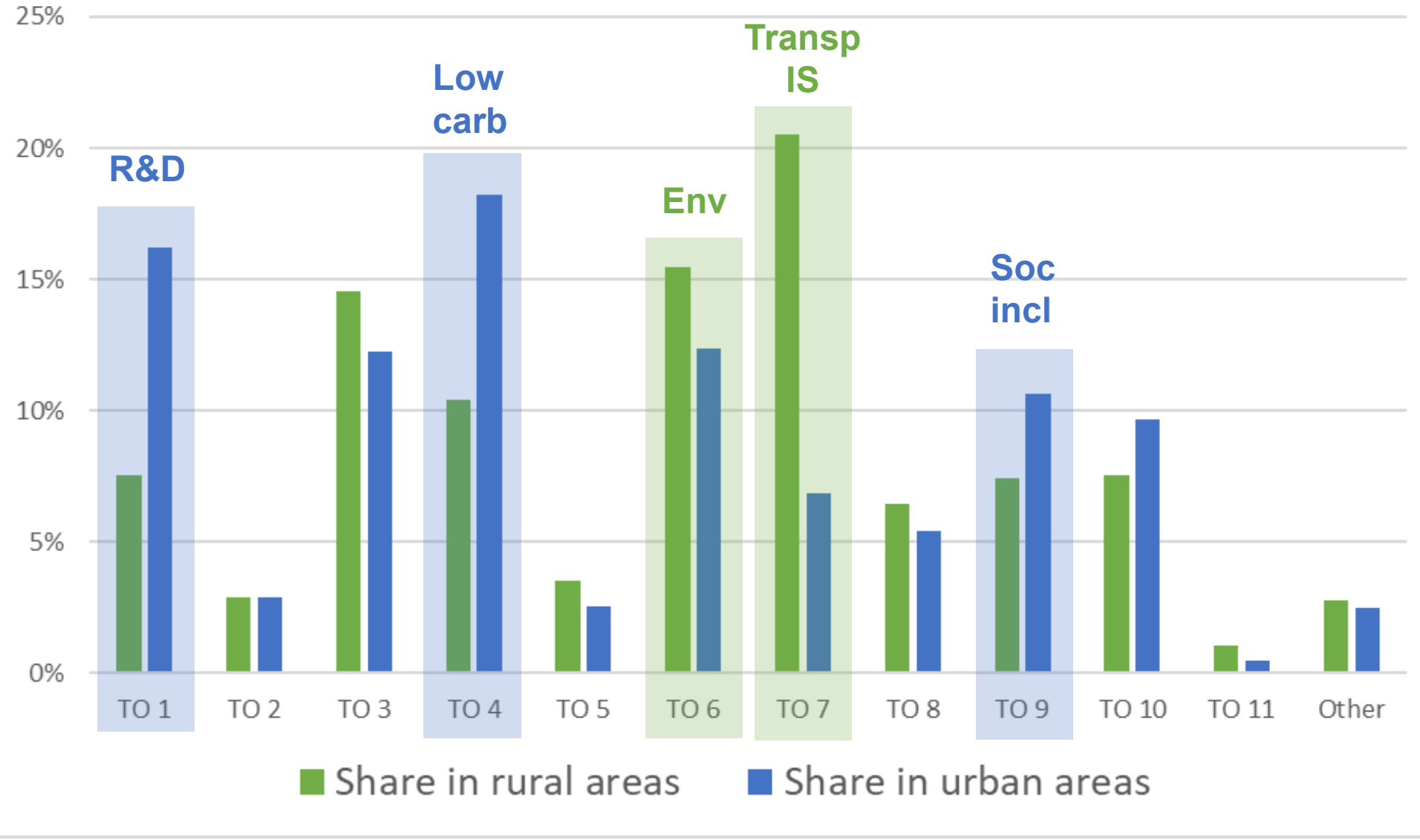
Rural allocation €45.6 billion vs. Urban allocation €165.5 billion

BUT: Over half (54%) is not assigned to any territory type

CP funding for rural areas 2014-20, by country



Allocation of CP funding to Thematic Objectives



Intervention field	Commitments in rural areas (in € million)	Share of committed rural investments as % of the aggregate commitments in urban and rural areas
001 Generic productive investment in SMEs	4,349	33
034 Other reconstructed or improved road	2,788	57
022 Waste water treatment	2,458	30
013 Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures	1,612	20
024 Railways (TEN-T Core)	1,600	76
087 Adapt to climate change & prevent & manage climate risks	1,577	31
029 TEN-T motorways & roads - comprehensive network	1,566	89
115 Support to early-childhood, primary & secondary education	1,356	28
067 SME business development, entrepreneurship & incubation	1,210	24
026 Other Railways	1,081	53
109 Active inclusion	1,022	18
085 Biodiversity, nature protection & green infrastructure	989	45
118 Strengthening vocational education & training	957	23
094 Protect, develop & promote public cultural assets	951	23

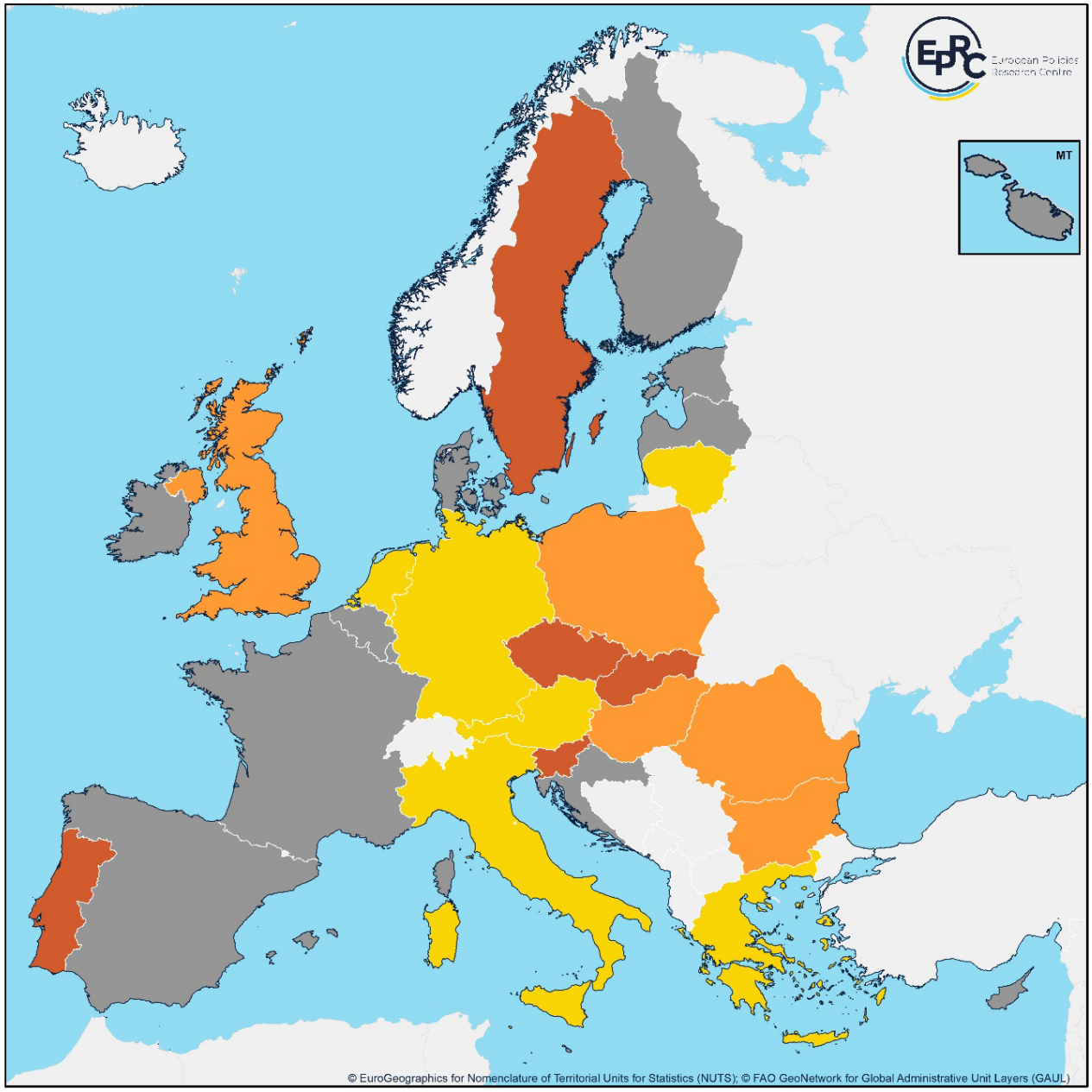
Source: Based on European Commission data, July 2020

Note 1: **Significantly more**, more, equal, **less**, **significantly less** in comparison to corresponding share in urban areas.

CP funding for rural areas – main messages

1. Allocation **to urban areas is higher** than for rural areas
2. Difference in thematic orientation: main **rural themes are transport infrastructure, environmental measures, (SMEs)**
3. Tendency to address **accessibility and connectivity**, less support for R&D and building on unique assets
4. Financial implementation is **more advanced in rural** than in urban areas (at EU level and many MS)
5. Lack of **evidence of effectiveness** of Cohesion Policy in rural areas – effects most visible in infrastructure and wider 'good governance'

Use of multi-Fund CLLD



4 types of countries in terms of use of CP Funds (ERDF, ESF):

- None
- Limited
- Extensive
- Comprehensive

Very regionalised in some cases: AT, DE, IT, NL, PL, UK

Use of ESI Funds by CLLD LAGs 2014-20

Country	Mono EAFRD	Mono EMFF	EAFRD-EMFF	Mono ERDF	Mono ESF	Mono ETC	EAFRD-ERDF	EAFRD-ESF	EMFF-ERDF	EMFF-ESF	ERDF-ESF	EAFRD-EMFF-ERDF	EAFRD-EMFF-ESF	EAFRD-ERDF-ESF	EMFF-ERDF-ESF	All 4	
Austria	69						8										77
Belgium	32																32
Bulgaria	25	9					4	6						29			73
Croatia	54	14															68
Cyprus	4																4
Czechia							27							151			178
Denmark	19	3	7														29
Estonia	26	8															34
Finland	55	10															65
France	330	23															353
Germany	298	29												23			350
Greece	14	1	22		1			4			1		10				53
Hungary	103										99						202
Ireland	29	7															36
Italy	168	46	9				23										246
Latvia	29		6														35
Lithuania	46	10	3		23												82
Luxembourg	5																5
Malta	3																3
Netherlands	20			1													21
Poland	251	24	11		7						1			29		1	324
Portugal		7									57			24	5		93
Romania	239	16									37						292
Slovakia							110										110
Slovenia							33					4					37
Spain	251	41															292
Sweden	2	4					3	2					1	28		8	48
UK	129	11	8								24						172
CBC AT-IT						4											4
TOTAL	2201	263	66	1	31	4	208	12	0	0	219	4	11	284	5	9	**3318**

Use of ESI Funds by CLLD LAGs 2014-20

Country	Mono EAFRD	Mono EMFF	EAFRD-EMFF	Mono ERDF	Mono ESF	Mono ETC	EAFRD-ERDF	EAFRD-ESF	EMFF-ERDF	EMFF-ESF	ERDF-ESF	EAFRD-EMFF-ERDF	EAFRD-EMFF-ESF	EAFRD-ERDF-ESF	EMFF-ERDF-ESF	All 4	
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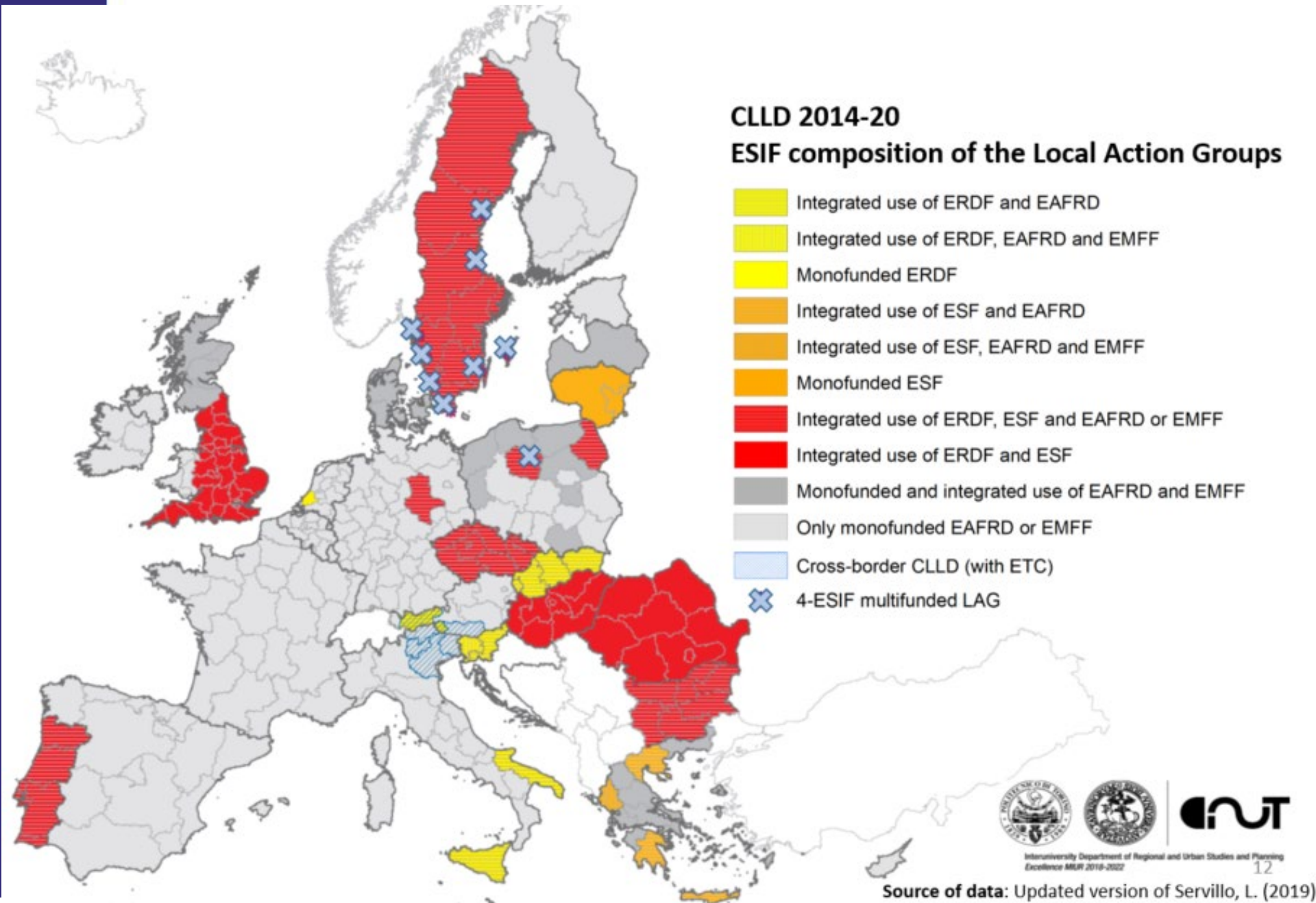
Out of 3318 LAGs:

- 2201 (66%) are traditional LEADER LAGs (EAFRD only)
- 2530 only use rural and/or fisheries funding (EAFRD and/or EMFF)
- **788 (24%) use Cohesion Policy funding (ERDF and/or ESF).** Of these:
  - a majority (528 or 67%) combines CP funding with EAFRD
  - only 36 LAGs (<5%) just use 1 Fund
  - 9 LAGs (8 in Sweden, 1 in Poland) use all 4 eligible Funds

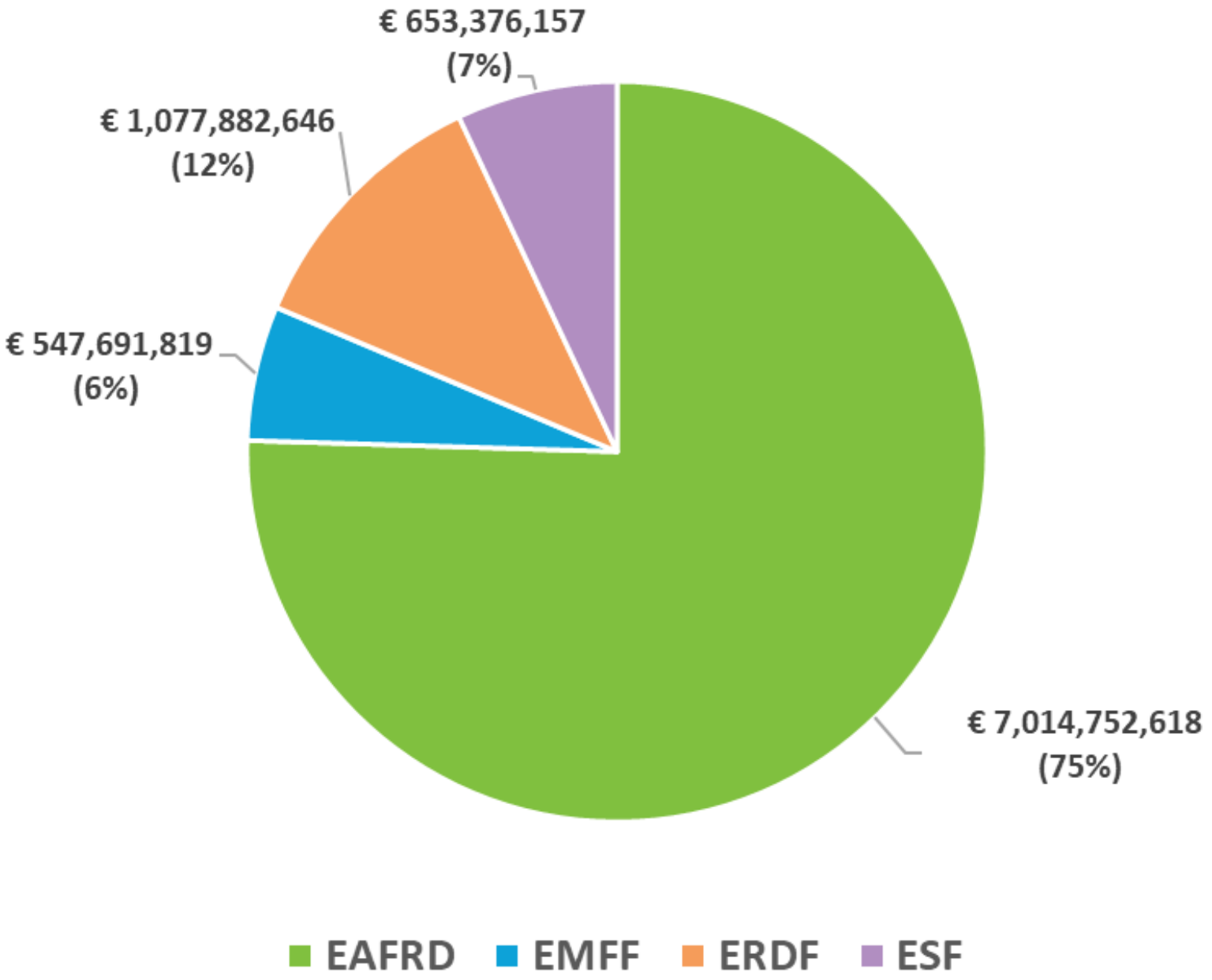
What type of CLLD and where?



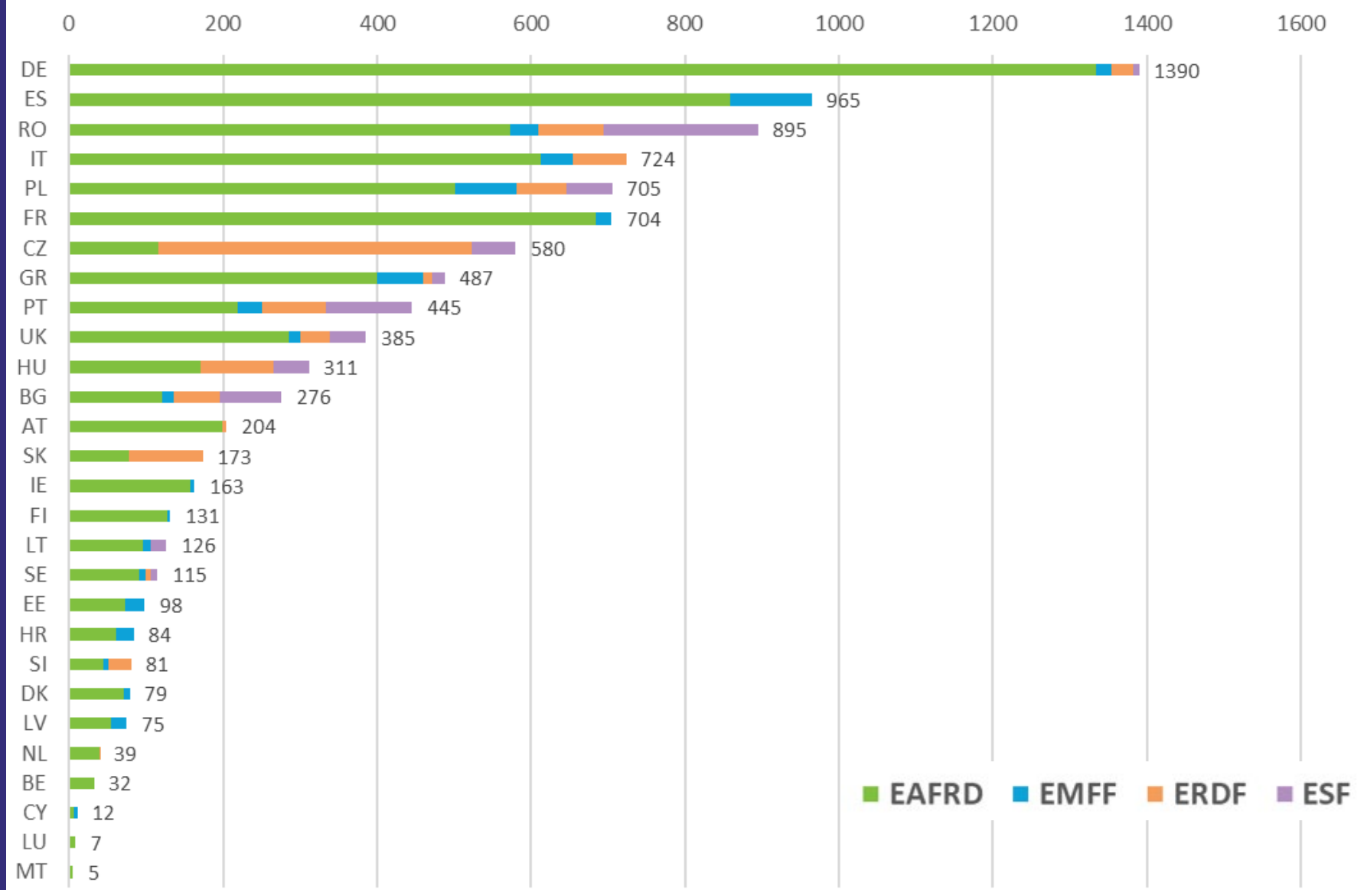
Interuniversity Department of Regional and Urban Studies and Planning
Excellence MIUR 2018-2022

Source of data: Updated version of Servillo, L. (2019)

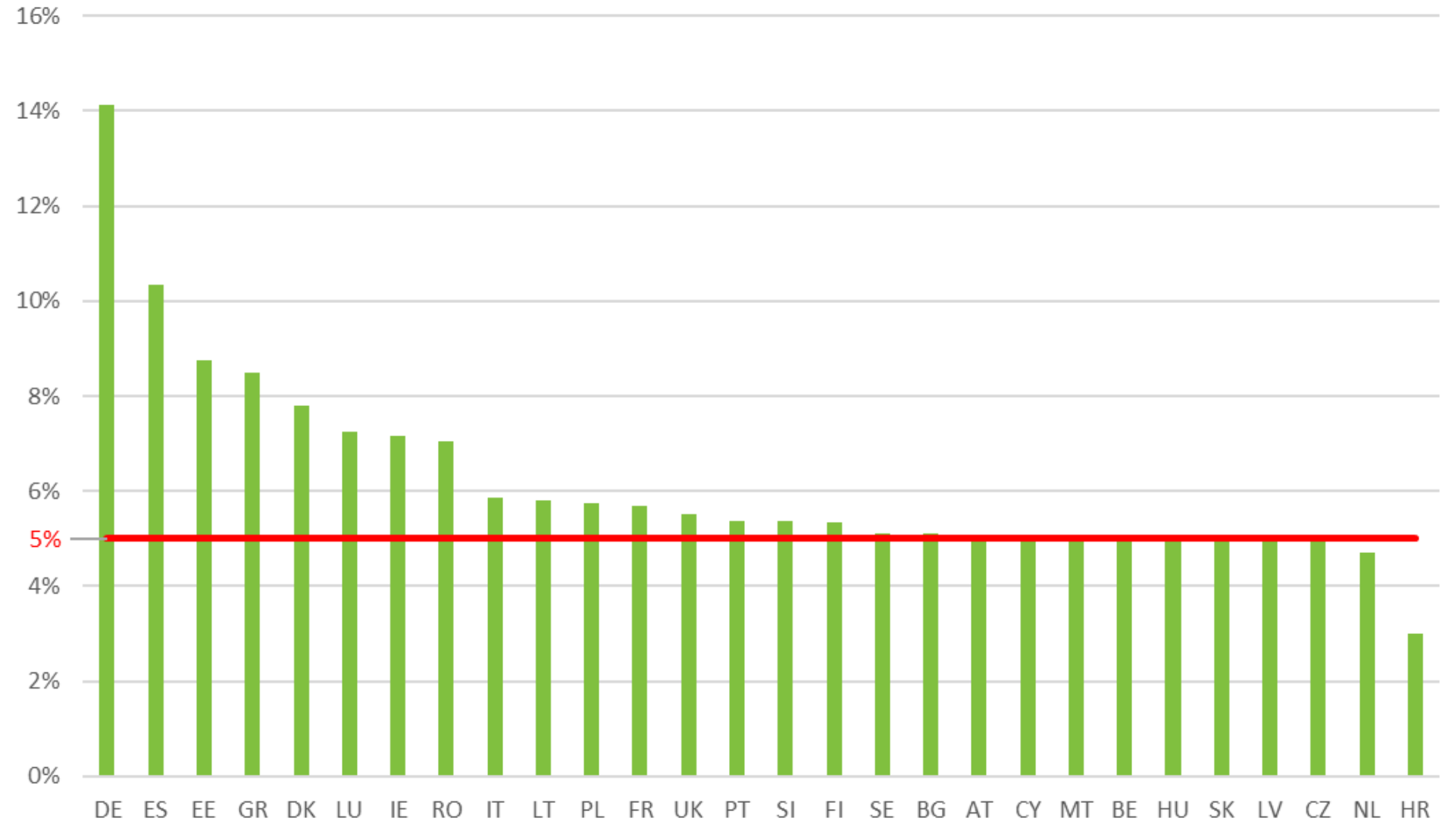
EU sources of CLLD (LAG budgets)



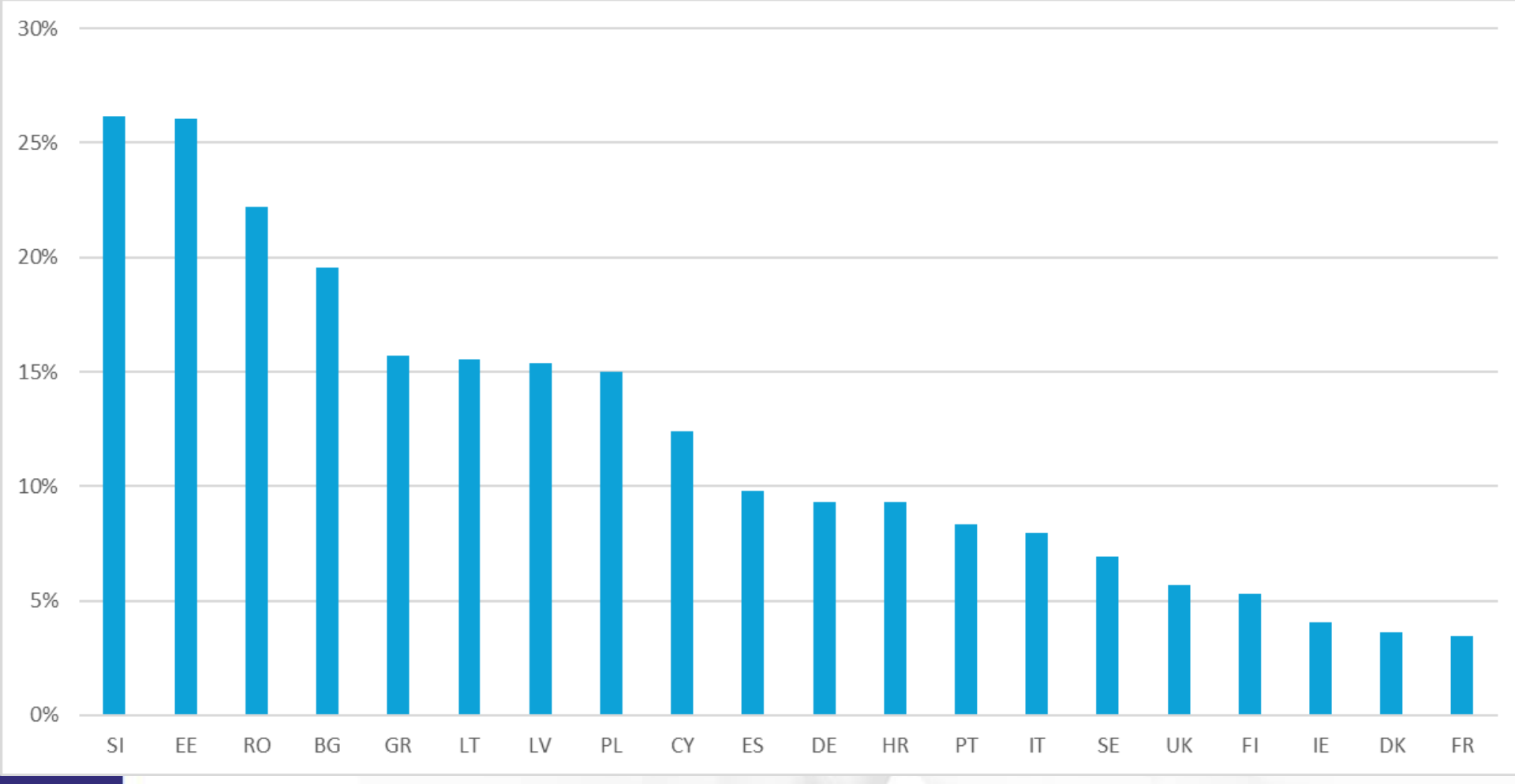
CLLD allocation by ESI Fund in each country (€ millions)



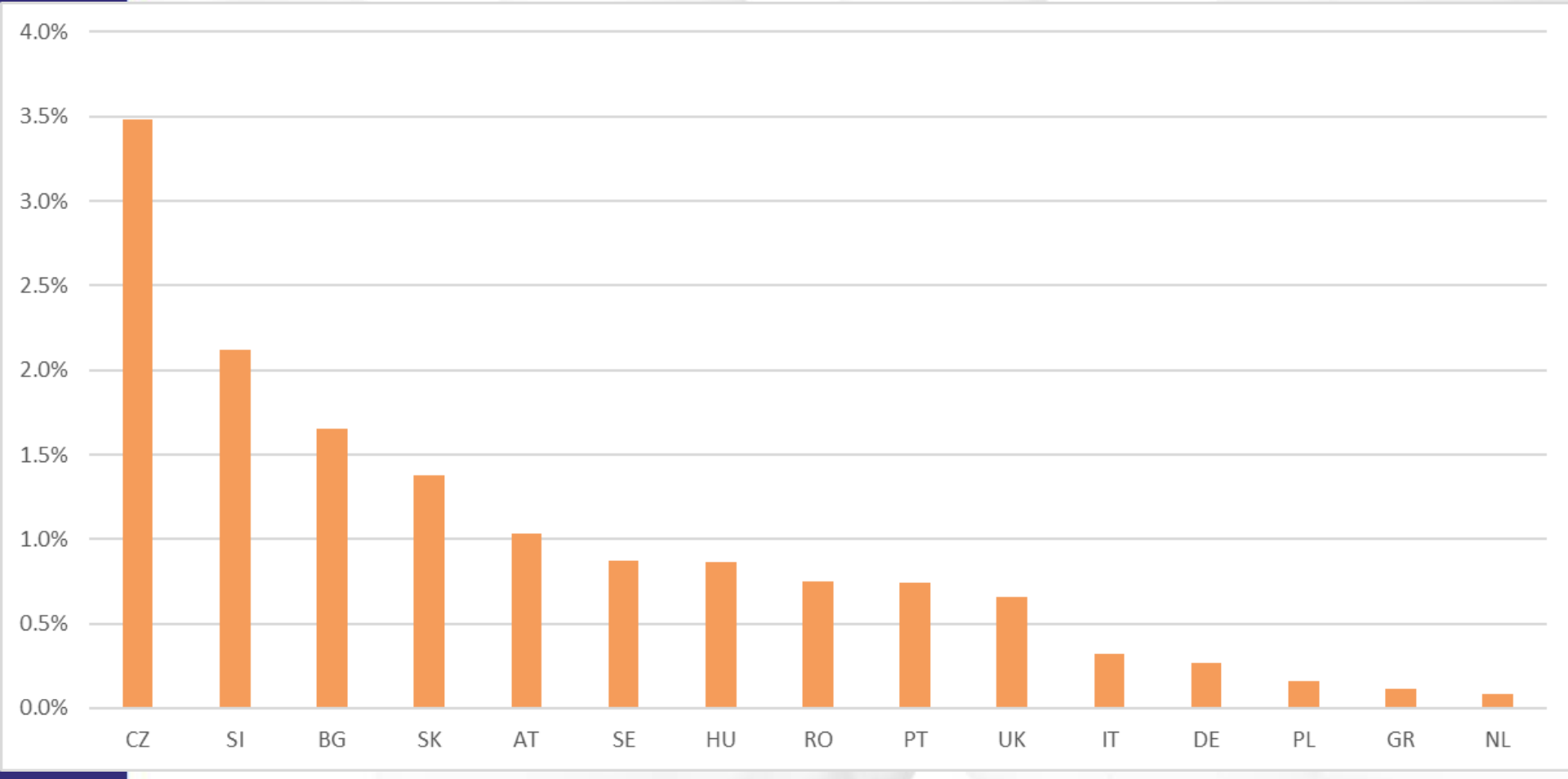
Share of CLLD (LEADER) allocation in EAFRD by country, 2014-20



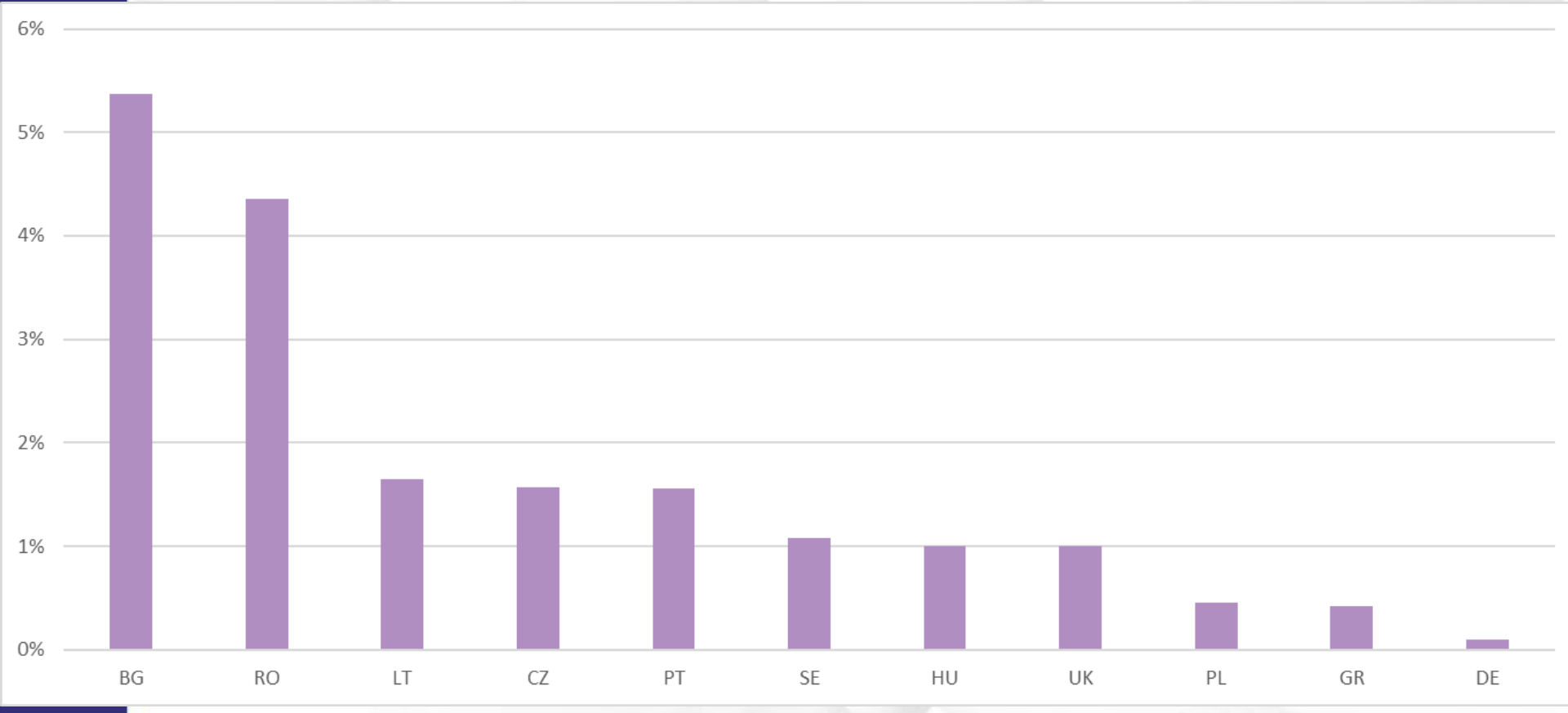
Share of CLLD allocation in EMFF by country, 2014-20



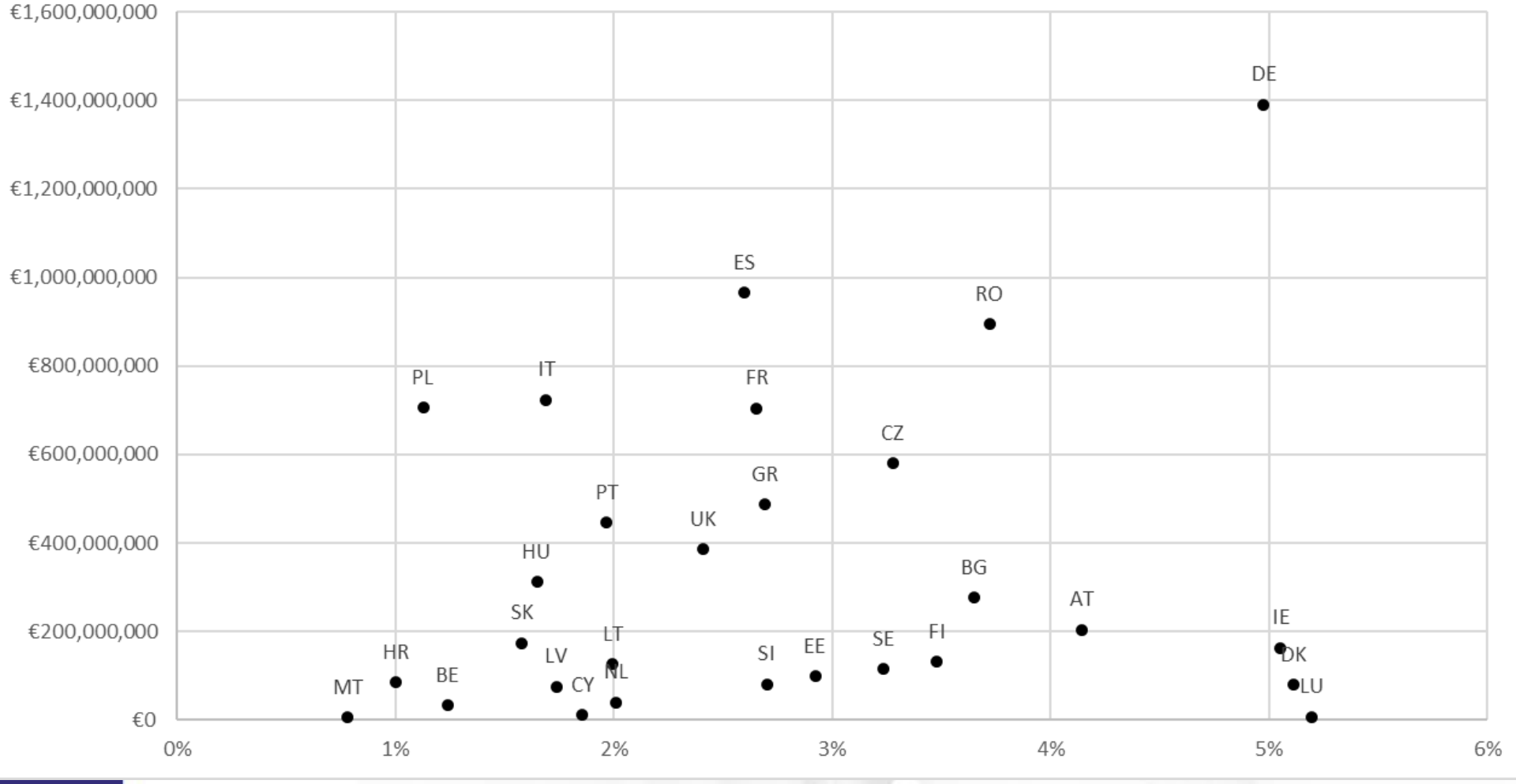
Share of CLLD allocation in ERDF by country, 2014-20



Share of CLLD allocation in ESF by country, 2014-20



Total CLLD funding vs. its share of eligible ESIF by country, 2014-20



Multi-Fund CLLD: some conclusions

- **Mixed experiences**: teething problems and delays – but now implementation in full flow
- Compared to LEADER, multi-Fund CLLD…

  …enables a **genuine bottom-up approach** (broader range of eligible themes)

  …allows targeting of **urban** territories

  …increases **synergies** between different policy areas

  …brings **simplification** (for beneficiaries!) by providing a one-stop-shop for project applicants

  …allows **capitalising on existing LEADER experience** and use expertise coming in from other ESI Funds

  …increases the **funding allocation** for LAGs (!)

Outlook into 2021-27: main challenges

- **Loss of integration** (CPR, Partnership Agreement)
- **Ensuring funding** – 5% allocation of EAFRD to CLLD/LEADER), but no equivalent for other ESI Funds
- **Avoid 2014-20 delays** – stricter timetable for strategy approval
- **Managing administrative effort** – for MAs and LAGs
- **Overcome policy silos** (rural/fisheries & Cohesion Policy)
  - CLLD is more than LEADER + €x
  - Avoid mentality of maintaining control over "own" funding/ESI Fund
- Move focus from the complexity of governance to the actual **content and opportunities**
- **Ensure continuity** between programme periods (limit change)
- Allow **exchange of experiences** – EAFRD (ENRD), EMFF (FARNET), but ERDF/ESF…?

Thank you for your attention!

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