



OPINION

European Economic and Social Committee

Towards a holistic strategy on sustainable rural/urban development

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[own-initiative opinion]

NAT/820

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1. **Conclusions and recommendations**

- 1.1 The EESC is convinced that the **future of Europe** will depend on how we deal with rural areas and that more cooperation with **urban** areas is needed to ensure that no area or citizen is "left behind" in the just transition to a climate-neutral, sustainable and prosperous European Union. This would be in line with the objectives of the European Green and Social Deal, the Next Generation EU recovery package, the Territorial Agenda 2030 and the 17 Sustainable Development Goals.
- 1.2 The EESC believes that the EU should **reduce disparities between regions** by promoting policies that ensure a just and sustainable transition in all spheres and guarantee a good quality of life in rural areas.
- 1.3 Due to the challenges relating to climate change and pandemics, the EESC emphasises the **urgent need** to act now and to implement a **paradigm shift** to demonstrate the added value of working together and of promoting mutual respect and understanding, for the benefit of all citizens.
- 1.4 The EESC therefore calls on policymakers to develop and implement a **comprehensive and holistic EU strategy** for balanced, cohesive, equitable and sustainable rural and urban development, by leveraging the role of local communities, boosting traditional industries and creating new economic activities and job opportunities in rural areas, while fostering synergies with urban areas.
- 1.5 In order to level the playing field between **rural communities and the urban environment**, the EESC makes the following recommendations:
 1. rural policies need to be adequately resourced, and technological communication, transport infrastructure (especially public transport, which is absolutely necessary for everyday life and employment), and quality and efficient education and healthcare delivery systems must be provided. These should be fully aligned with the relevant urban services ("equal health");
 2. the supply of jobs, training and housing should reflect and harness rural natural resources, while also creating innovative business opportunities;
 3. rural parliaments and Community-led Local Development (CLLD), as models of **participatory democracy**, should be supported by political leaders and should involve all rural citizens, including the social partners, women, older people, people with disabilities, minorities and, especially, young people;
 4. cultural heritage assets should be protected and promoted¹.
- 1.6 The EESC makes the following recommendations for **rural/urban development**:
 1. governments must be transparent and fair when providing services to citizens in all areas;

¹ EESC opinion on the Contribution of Europe's Rural Areas to the 2018 Year of Cultural Heritage ensuring sustainability and urban/rural cohesion, [OJ C 440, 6.12.2018, p. 22](#).

2. civil society organisations, including LEADER and local action groups, should develop **local rural and urban partnerships** to create economic, social and environmental opportunities and foster a better understanding of interdependencies;
3. the **governance model** of Food Policy Councils could serve as an inspiration for effective cooperation between all stakeholders at the local level. Opportunities for home working, the need for rural housing and access to land use have all been disrupted by new environmental impacts and challenges and by the pandemic;
4. encouraging and supporting the exchange of good practices and risk cases between regions is to be welcomed;
5. access to high-quality education in rural areas can be one of the contributing factors to local economic development and can help rural communities adapt to a fast-changing environment.

1.7 In particular, the EESC makes the following **recommendations to the European Commission and national and regional governments:**

1. the Commission's recently adopted long-term vision for rural areas² needs to be further developed to ensure a rural and urban commitment to a fair approach. It is important to show the added value of rural and urban organisations working together, as in the Farm to Fork Initiative and a socially inclusive Green Deal;
2. the European Commission should commit itself to creating a **group of rural and urban stakeholders**, building on the Smart Villages Initiative, to develop good practices in partnership models;
3. to support engagement, there should be investment for local pilot projects and pan-European **incentives/conditionalities and prizes** for progressive examples that demonstrate inclusive agreements.

1.8 The EESC further commits to collaborate with the European Parliament and the Committee of the Regions through commissioning research, consulting organised civil society and promoting a Europe-wide Charter of **rural/urban rights and responsibilities**.

1.9 The EESC will incorporate a holistic vision into its future opinions on territorial, urban and rural policies. By way of example, this opinion was discussed among different EESC sections before its adoption.

2. Introduction

2.1 Following the recommendations of the EESC opinion on An integrated approach to vulnerable areas in the EU, adopted in September 2020³, and of the hearing held on 18 June 2021⁴, the EESC is now seeking a holistic EU strategy on sustainable rural and urban development, analysing the overall framework that links rural policy with all other relevant policies, identifying existing challenges and obstacles, and highlighting the role of civil society,

² [COM\(2021\) 345 final](#).

³ [OJ C 429 11.12.2020, p.60](#).

⁴ [Towards a holistic strategy on sustainable and equitable rural and urban development | European Economic and Social Committee](#).

businesses and local communities in developing bottom-up approaches. The EESC will actively contribute to ensuring that this strategy is taken into account when EU policies are designed.

- 2.2 It is essential to manage the **diversity that exists in rural areas more effectively, on the basis of the opportunities available in each one**. There are some rural areas which, due to their proximity to urban areas, can benefit from the "agglomeration effect" through rural-urban interaction, while others that are more remote depend much more on one sector, often agriculture, forestry, fishing or mining, where interaction with cities is less visible.
- 2.3 Although rural and urban areas are different types of area, with their own specific characteristics and uneven levels of development, reality shows that they are **closely interlinked**. These interdependencies are at the same time increasingly complex and dynamic, and involve structural and functional flows of people and capital goods, information, technology and lifestyles. It is therefore crucial to strike a balance between rural and urban areas, two types of area that need each other and which cannot exist without one another.
- 2.4 The ideal of the rural way of life as a situation of **well-being and quality of life** for citizens must be an objective to be achieved, even in remote or disadvantaged areas. The strategy must find the formula to strike the necessary balance between these two aspects and a way of complementing them both, in order to achieve sustainability in the future.
- 2.5 The challenges faced by rural areas (such as demographic change, depopulation, the digital divide, low incomes, limited access to certain services, the need for better employment prospects or specific impacts of climate change) can only be addressed from a holistic and renewed place-based perspective that seeks out a reciprocal relationship for development.
- 2.6 This new context, which **goes beyond the traditional link between rural areas**, which have been focused on the agricultural sector and cut off from the urban environment, requires rural development measures to be based on a multi-sectoral and integrated approach across all regions, exploiting synergies and complementing rural, urban and intermediate areas.

3. **Challenges and proposals for action**

- 3.1 The traditional view, which makes a clear distinction between rural and urban areas, requires **new concepts, new interpretations and new approaches**, and the local reality has to be taken into account to define the region in question.
- 3.2 The future development of Europe's regions should be based on **complementarity between rural and urban areas and on the coordination of policies targeting them**, with the ultimate aim of achieving social and economic cohesion and environmental sustainability in those areas.
- 3.3 The EESC considers that more consistency is needed in rural and urban development strategic approaches to avoid overlaps and discrepancies between strategies (e.g. LAG strategy, Integrated Territorial Investment strategy, local development strategy, regional development strategy) and to facilitate their implementation by local actors in development processes and investments.

- 3.4 Rural and urban development must be governed in accordance with the principles set out in the EU's Territorial Agenda 2030, the Leipzig Charter, the UN Urban Agenda, the EU urban agenda, the Pact of Amsterdam, the Cork 2.0 Declaration on a Better Life in Rural Areas and the OECD's Principles on Urban and Rural Policy, in which thematic partnerships and shared management between urban and rural areas are considered.
- 3.5 **Medium-sized cities play a key role in connecting urban metropolitan areas with rural ones** and therefore warrant special attention, when it comes to both land-use planning and the allocation of resources and services. Many European cities (including Toulouse in France, Manresa in Spain, Turin in Italy and Aalborg in Denmark) have already implemented very successful approaches. Networks of cities such as ICLEI⁵, Eurotowns⁶ and Eurocities⁷ are key players in exchanging experiences and promoting best practices.
- 3.6 The interaction between the countryside and the city must feature on the **political agenda**, and we need to make it easier for political leaders and **policymakers** to understand this and to promote ways of organising matters locally.
- 3.7 EU-funded **research** should also continue to explore ways of promoting equitable, sustainable rural/urban development and of revitalising the economic development of rural areas. Projects such as ROBUST⁸, RUBIZMO⁹ and LIVERUR¹⁰ should be further developed and should lead to tangible changes.
- 3.8 Achieving sustainability (economic, social and environmental) in these areas, both rural and urban, requires a **comprehensive policy** linked to each area's socioeconomic, cultural and ethnographic situation, promoting cooperation between rural and urban areas and engagement between the different social and economic stakeholders, as well as appropriate governance mechanisms together with local authorities.
- 3.9 **Remote rural areas** are even more exposed to the challenges faced by rural areas and therefore require specific policies and treatment. In addition to resolving problems concerning the difficulty of accessing public services, including health and education, the EESC proposes the creation of programmes that regenerate the local economic ecosystem in cooperation with neighbouring settlements.
- 3.10 Many of the challenges faced by rural areas fall outside the scope and funds of the common agricultural policy (CAP), as highlighted in our recent information report on the impact of the

5 <https://www.iclei.org>.

6 <http://www.eurotowns.org/>.

7 <https://eurocities.eu>.

8 <https://rural-urban.eu>.

9 <https://rubizmo.eu>.

10 <https://liverur.eu/>.

CAP on the territorial development of rural areas¹¹, and it is therefore essential to move towards an integrated approach to **action** and funding in the different policies that have an impact on rural areas. Funds from national policies should supplement the CAP funds for rural development.

- 3.11 Agricultural, food and rural policies must therefore tie in with climate and biodiversity policies, policies aimed at reducing poverty, infrastructure and transport policies, education and training policies, policies for the provision of basic services of general interest (healthcare, housing, etc.), policies promoting the development of new activities based on the circular economy and the bioeconomy, digitalisation policies, and policies combating depopulation, among others.
- 3.12 These policies must also be consistent and complementary with European strategies such as the **Green Deal**¹² and the **Farm to Fork Strategy**¹³ and, particularly, with the New Industrial Strategy¹⁴, which defines the agri-food sector as one of the key EU strategic ecosystems, as well as with policies ensuring food security. Experimenting with new forms of urban-rural cooperation in the context of the European Green Deal is not only a prerequisite but also an opportunity for a just transition and territorially balanced sustainable development.
- 3.13 The **governance** and harmonisation of European, national and subnational **funds** should be improved in order to address sustainable development better by addressing cross-cutting issues better and always meeting each territory's needs.
- 3.14 The EESC draws attention to the need to ensure access to sustainable finance and the development of customised financial instruments for rural and urban development, taking account of the risk structure and the characteristics of the economic mix. Moreover, the taxonomy and fiscal approach for rural areas should take into account development and investment needs.
- 3.15 This integrated approach requires **coordination between the various administrations** and management bodies, including the many European Commission directorates dealing with cross-cutting policies. This cross-cutting coordination requires an approach in which political leaders **mainstream rural issues into all policies** to ensure that rural needs are taken into account.
- 3.16 **Successful coordination between administrations** should take into account the following aspects:
- i) identifying the **correct scale of intervention**;
 - ii) establishing a clear **leadership role in policy coordination**;
 - iii) strengthening **cooperation agreements** between regions or municipalities;

11 <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/information-reports/evaluation-caps-impact-territorial-development-rural-areas-information-report>.

12 [A European Green Deal | European Commission](#).

13 [Farm to Fork Strategy](#).

14 [Communication-industrial-strategy-update-2020_en.pdf \(europa.eu\)](#)

- iv) promoting **partnerships between rural and urban areas** to make use of functional links;
 - v) improving **vertical coordination** between levels of government.
- 3.17 A direct link needs to be maintained with rural areas through the active role of the EU's regions, which play a crucial part in drawing up and implementing rural development policies at local level. **Multi-stakeholder involvement** and a "**bottom-up**" **approach** are key ingredients for ensuring sustainability and local ownership of rural policies. The EESC calls for account to be taken of the role that local action groups can play and of the Community-led local development model.
- 3.18 The EESC also suggests using the **governance model** of the Food Policy Councils as an inspiration for effective cooperation between all stakeholders at local level.
- 3.19 Progress should be made on **area-based contracts** supported by policies of engagement, which entail defining objectives, joining forces, providing incentives for public and private commitments with an area-based focus, developing mechanisms for interinstitutional and cross-sectoral cooperation, creating a new institutional structure to promote sustainable development, recognising the diversity of rural areas and promoting urban-rural links. In this regard, companies and organisations in the agri-food sector now have the opportunity to sign the code of conduct on responsible business and marketing practices¹⁵ launched by the Commission as part of the F2F strategy.
- 3.20 Area-based contracts should be based on fairness and respect. **Rural codes of conduct** are in place in England, Wales and Scotland to help people understand how to respect rural areas. This could become a **European Charter of Rights and**¹⁶ **Responsibilities for equitable, sustainable rural-urban relations**. This Charter should be incorporated into citizenship education for all.
- 3.21 The EESC recognises that there are no standard formulas applicable to the different regions and that each **subnational unit** should focus and specialise, respecting its uniqueness, diversity and multifunctionality of uses, finding solutions based on its own potential, needs, capabilities and aspirations. The use of existing infrastructure and the reflection on the development of new ones must be considered globally, while looking at the trends to invest in the right places.
- 3.22 The need to **improve job opportunities**:
- i) the COVID-19 pandemic has speeded up digitalisation and greening processes that require efforts to sustain them over time;
 - ii) new employment opportunities must be created and maintained in rural areas, including those related to the provision of rural services, home working, new technologies or renewable energies;

¹⁵ [Code of Conduct \(europa.eu\)](https://ec.europa.eu/code-of-conduct/).

¹⁶ [The Countryside Code: advice for countryside visitors gov.uk](https://www.gov.uk/government/publications/the-countryside-code).

- iii) strengthening the multifunctional aspects of agriculture, promoting non-agricultural activities and establishing businesses in the clean energy services and industries sector in rural areas can create many job opportunities;
- iv) promoting entrepreneurship, ensuring fair competition rules for **SMEs** and paying attention to the needs of younger generations (e.g. remote working);
- v) keeping jobs and shops close to people. The rural-urban vision offers opportunities to develop a circular economy;
- vi) promoting decent work and improving working conditions in rural areas, while ensuring that everyone involved has a say in this improvement process;
- vii) linking consumer demand with regional and rural markets through the marketing of local products and quality labels;
- viii) the creation of cultural opportunities in rural areas should be widely promoted, including the promotion of cultural events and the protection of rural historical and religious buildings (churches, castles, etc.);
- ix) digitalisation processes open up new opportunities that could create expectations and appeal for citizens - especially young people - and bring about a change in depopulation trends and the quality of life in rural areas. To this end, the rural environment must have adequate infrastructure to ensure connectivity. Connectivity strategies and **digital platforms** offer solutions here while a **rural digital act** would facilitate the development of digital technologies in agriculture and rural areas;
- x) sustainable agriculture and aquaculture¹⁷ in rural and peri-urban areas should be supported, along with eco-tourism, leisure and educational activities on sustainability, and these activities should be compatible with the protection of biodiversity in order to ensure people's quality of life;
- xi) Quality and accessible rural education, starting from children's early years, can help improve outcomes in education, while access to public services, such as childcare and schools, is a location-based factor shaping the attractiveness of rural areas, including for highly skilled workers.

3.23 Economic growth and job creation are important, but must be complemented by a sufficient supply of good-quality **services**, housing, energy, leisure, education and training, lifelong learning and healthcare systems to ensure that rural areas are not only sustainable but also attractive places to live. The EU urgently needs to develop the foundations for a sustainable and inclusive **wellbeing economy** that works for everyone¹⁸.

3.24 In particular, the continued development of affordable public transport should be a priority for the development of rural areas and thus for connectivity with urban areas. The provision of affordable public transport is absolutely necessary for everyday life and employment, related to the accessibility of essential public services such as schools, childcare facilities, doctors or pharmacies and commuting to and from the workplace.

¹⁷ See opinion on [Strategic Guidelines for the sustainable development of EU aquaculture](#) and on a [New approach for a sustainable blue economy in the EU \(not yet published in the OJ\)](#).

¹⁸ EESC opinion on [The Sustainable economy we need, OJ C 106, 31.3.2020, p. 1.](#)

3.25 This requires **new forms of rural service provision**:

- i) integrated service provision (co-working by several services in one space; collaboration between service providers; cooperation between teams of professionals; co-production between public, private and community organisations);
- ii) an approach based on the provision of alternative and more flexible services (such as mobile services delivering the service to people; radial system models, where services are provided regularly from a central hub; services better adapted to local needs);
- iii) technological and digital solutions, including in the education and health sectors.

3.26 A holistic strategy to reach **service thresholds** in different areas and the exchange of services between different locations within areas are key elements for the design of sustainable urban and rural areas.

3.27 A strategy needs to be designed which, through improved rural services and new employment opportunities, enables the population to settle and, above all, the necessary **generational renewal to be guaranteed**.

Brussels, 21 October 2021

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The president of the European Economic and Social Committee
