Rural Development
the Irish context

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Organisation in Ireland

Department of Agriculture, Food and the Marine (DAFM) is the Managing Authority for both Pillar 1 and Pillar 2

The Department of Environment, Community and Local Government (DECLG) is the delegated body responsible for the implementation of the LEADER elements of Pillar 2

My responsibilities include the implementation of the LEADER elements of Pillar 2 and also other National Rural Development initiatives and policy development
Presentation

• EU Policy

• Pillar 2 in Ireland
  • LEADER

• Rural Ireland and how it is changing

• Is the CAP the right place for Rural Development as distinct from Agricultural Development???
Policy overview 2014 - 2020

Europe 2020 Strategy

Future economic growth should be Smart, Sustainable, Inclusive
EU 2020 Policy overview

Focus on 5 ambitious goals setting headline targets for

1. **Employment**
   - 75% of the 20-64 year-olds to be employed
   - 69% – 71% for Ireland

2. **R&D / innovation**
   - 3% of the EU's GDP (public and private combined) to be invested in R&D/innovation
   - 2% for Ireland

3. **Education**
   - Reducing school drop-out rates below 10%
   - 8% for Ireland
   - at least 40% of 30-34-year-olds completing third level education
   - 60% for Ireland
EU 2020 Policy overview

4. Climate change / energy
   greenhouse gas emissions reduced by 20% (or even 30%, 20% of energy from renewables and a 20% increase in energy efficiency
   16% from renewables and 13.9% increase in energy efficiency for Ireland

5. Poverty / social exclusion
   at least 20 million fewer people in or at risk of poverty and social exclusion
   a reduction of at least 200,000 for Ireland
Common Agriculture Policy

In line with Europe 2020 The EU Common Agricultural Policy (CAP) which is supported by the European Agricultural Fund for Rural Development (EAFRD) has set 3 long-term strategic objectives

- Improving the competitiveness of agriculture;
- The sustainable management of natural resources and climate action;
- A balanced territorial development of rural areas.
2014-2020 EAFRD Regulatory Framework

Based on 6 priority areas

Each with a number of specific focus areas

3 Cross Cutting Themes:

• Innovation, Climate Change and Environment

Implemented through a suite of Measures
Rural Development Priorities

Six Priorities for Rural Development:

1. Fostering knowledge transfer in agriculture, forestry and rural areas;
2. Enhancing the competitiveness of all types of agriculture and enhancing farm viability;
3. Promoting food chain organisation and risk management in agriculture;
4. Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry;
5. Promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in agriculture, food and forestry sectors; and
6. Promoting social inclusion, poverty reduction and economic development in rural areas.
LEADER

LEADER is specifically programmed under priority 6: promoting social inclusion, poverty reduction and economic development in rural areas.

Focus Areas for LEADER under Priority 6:

- Facilitating diversification, creation of new small enterprises and job creation;
- Promoting local development in rural areas;
- Enhancing access to, use and quality of ICT in rural areas
LEADER 2014-2020

A Community Led Local Development (CLLD) approach – mandatory for each MS.

Local Action Groups made up of a mix of state and non-state actors develop the local strategies and make the funding decisions.

Local Development Strategies designed to address the strategic goals of Europe 2020, CAP and national development priorities.

Ireland has designated 28 separate sub-regional or local areas for LEADER mostly coinciding with Local Authority areas.
The Local Action Group

- Local action group
- External networks and research
- Professional organisations and unions (representing farmers, non-farming professionals and micro-enterprises)
- Citizens, residents and their local organisations
- Environmental associations
- Cultural and community service providers
- Local institutions and administrations
The seven key features explained

- Area-based local development strategies
- Bottom-up elaboration and implementation of strategies
- Networking
- Local public-private partnerships: local action groups
- Cooperation
- Integrated and multisectoral actions
- Innovation

The Leader approach
Operational Programme

3 Indicative themes for LEADER identified through the SWOT analysis and consultation processes are outlined in the Operational Programme.

1. Enterprise Development and Job Creation
   Rural Tourism  - rural recreation, adventure and food tourism, culture, heritage
   Enterprise Development – Artisan Foods, Renewable Energies, Social Enterprise
   Broadband – increased access, training and capacity building
   Rural Towns – integrated initiatives to support towns and their hinterlands
Operational Programme

2. Social inclusion through building community capacity, training and animation
   Basic services targeted at hard to reach communities
   Rural Youth

3. Rural Environment
   Protection and sustainable use of water resources
   Protection and improvement of local biodiversity
   Development of renewable energy sector
Pillar 2 funding 2014 - 2020

Total Europe €99,586 million
Total Ireland €2,191 million

Total Ireland including national financing
€3,839 million

Portion for agricultural elements - 93%
Portion for non agricultural elements implemented via LEADER - 7%
## Pillar 2 funding by measure

### RDP 2014 – 2020 Programme Funding

<table>
<thead>
<tr>
<th>Measure</th>
<th>€ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure 1: Knowledge Transfer and information actions</td>
<td>126</td>
</tr>
<tr>
<td>Measure 2: Advisory services, farm management and farm relief services</td>
<td>8</td>
</tr>
<tr>
<td>Measure 3: Investment in physical assets</td>
<td>425</td>
</tr>
<tr>
<td>Measure 7: Basic services and village renewal in rural areas</td>
<td>6</td>
</tr>
<tr>
<td>Measure 10: Agri-environment-climate</td>
<td>1,585</td>
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<tr>
<td>Measure 11: Organic farming</td>
<td>56</td>
</tr>
<tr>
<td>Measure 13: Payments to areas facing natural or other specific constraints</td>
<td>1,370</td>
</tr>
<tr>
<td>Measure 16: Co-operation</td>
<td>7</td>
</tr>
<tr>
<td><strong>Measure 19: Support for LEADER local development</strong></td>
<td>250</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,839</strong></td>
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</tbody>
</table>

*The RDP is co-funded by the EU and national exchequer with EU support amounting to €2.19 billion over the duration of the Programme.*
The changing face of Rural Ireland 2006 – 2011

2 particular aspects

• Population
• Employment
Rate of Population Change

Rural
Rural Population Change

- A very complex process associated with long-run socio-economic developments that influence demographic processes.

- SOME rural areas are loosing population and SOME are gaining population.

- Population change is an indicator or symptom of other social and economic processes.

<table>
<thead>
<tr>
<th></th>
<th>Losing</th>
<th>Gaining</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>-35,999</td>
<td>425,329</td>
<td>389,330</td>
</tr>
<tr>
<td>Urban</td>
<td>-233,802</td>
<td>892,027</td>
<td>658,225</td>
</tr>
<tr>
<td>Total</td>
<td>-269,801</td>
<td>1,317,356</td>
<td>1,047,555</td>
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</tbody>
</table>
Industrial Structure of Male Employment 1986 - 2011

- Other
- Professional Services
- Public Administration and Defence
- Transport and Communications
- Commerce
- Manufacturing and related industries
- Construction
- Agriculture, Forestry and Fishing

Number of Men Employed

- 1986
- 1991
- 1996
- 2002
- 2006
- 2011
Ag declines from 33 to 24% of employment. Manufacturing increases slightly. ProfServices grows.
Ag continues to decline (10%), Manufacturing declines to 14%. Commerce grows from 16 to 20%, Construction (from 8 to 14%).
Ag increases slightly, Manufacturing declines slightly. Commerce stable, Professional services grows to 23% of rural employment.
Rural Change: Agriculture

The most significant change affecting all rural areas in Ireland is the decline in the importance of agriculture to the rural economy.

**Consolidation** - The decline in the number of farms and related increase in farm size.

**Specialisation** - Focusing the activities of the farm enterprise around one production system.

**Intensification** - Applying knowledge and technologies to reduce labour costs and increase output.
Rural Change: Growth of the ‘New Rural Economy’

The development of secondary and, particularly, tertiary sector employment / economic activities in rural areas, e.g. education and health, tourism, commercial activities, financial services etc.

The growth of these sectors reflect structural shifts in the rural economy.

Not all rural areas benefit equally from the growth of these sectors. Some remote or inaccessible areas struggle to develop these activities.

Areas close or accessible to towns or cities tend to do better than those areas that are inaccessible to these places.

Areas with high natural amenities and supporting infrastructure can develop dynamic and diversified local economies.
Rural Change: Rural – Urban Linkages

Improvements in infrastructure, combined with increased car ownership has re-shaped the relationship between rural and urban areas.

- Increased commuting to urban areas by rural populations for work.
  
  Commuting reflects a transfer of income (wages) from urban to rural areas
  
  Also reflects social changes, greater female participation in the workforce.

- Increasing number of people from urban areas moving to rural areas to access either affordable housing or a rural lifestyle

  Growing populations increase local consumption and can support increased local employment.
Rural Development Policy

Strategic Objectives

• Improving the competitiveness of agriculture;
• The sustainable management of natural resources and climate action;
• A balanced territorial development of rural areas.

93% of Pillar 2 in Ireland going directly into Agriculture

7% to balanced territorial development via LEADER??
Summary

Rural areas in Ireland have undergone a process of highly uneven change over the past 25 years.

Significant levels of population change — increases, decreases, movements.

Significant change in the types of employment.

While Agriculture is still a very important sector it has become much less so.

The traditional frameworks see rural areas largely through an agricultural lens.

The vast majority of the CAP funding available for ‘Rural Development’ is going directly into Agriculture.
Need for strategic focus on rural development

Rural is a distinctive territorial concept – not just agricultural. Defined by settlement density, predominance of the natural environment, place sentiment and attachment, different livelihood pathways, etc – put at risk if policy frameworks are blind to specifics of the rural context.

Rural is not disconnected from or in opposition to urban areas the dynamic nature of the diversity of rural areas and the complexity of rural-urban relations require a specific policy focus.

Do we need a separate Rural policy alongside the CAP? Critical need for a clear vision and appropriate strategy for different types of rural areas.
Thank you for your attention