

RURAL PACT

Declaration on the future of rural areas and rural development policy in the European Union

December 2024

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As far as possible, the group shall adopt its opinions, recommendations or reports by consensus. In the event of a vote, the outcome of the vote shall be decided by simple majority of the members. Members who have voted against or abstained shall have the right to have a document summarising the reasons for their position annexed to the opinions, recommendations or reports.

The opinions expressed are those of the Rural Pact Coordination Group only and should not be considered as representative of the European Commission's official position.



Preamble

The Rural Pact is an initiative foreseen in the Communication on the long-term vision for the EU's rural areas to build cooperation between the various levels of governance and with stakeholders. The Rural Pact initiative is a bottom-up and multi-level governance process in which the European Commission acts as a facilitator.

The Rural Pact Coordination Group (RPCG) was established as a Commission special group to further develop the Rural Pact and steer its process. As members¹ of the RPCG, we recognise the critical need for targeted intervention and policy innovation to address the numerous challenges arising from depopulation, green, digital and other transitions, and economic decline in rural regions. It should be recognised and reflected in the management of EU funds and policies, that the success of rural communities is critical not only to rural inhabitants, but to the broader economic, environmental, and social well-being of the European Union as a whole.

Our collective aim is to create vibrant, resilient rural communities capable of contributing to sustainable economic, environmental, and social transitions. Therefore, we the members of the RPCG have jointly developed this Declaration in response to the nine questions set out by the ['The long-term vision for the EU's rural areas: key achievements and ways forward'](#), and adopted² the Declaration on 12 December 2024.



1. The future of rural areas is a concern of our whole society

1.1. The economic and social well-being of the EU largely depends on rural areas

Rural communities play a pivotal role in the EU economy. Sectors such as agriculture and sustainable food production, forestry, fishing, and renewable energy thrive in these areas, supporting food security, resource management, and energy strategies (in particular green energy).

Additionally, rural areas are transforming into hubs for economic activities, including agri-tourism, eco-tourism, and digital businesses. These communities enrich the EU's social fabric by offering a unique lifestyle characterised by more space and closer interpersonal connections within local communities.

Moreover, rural areas preserve local traditions and cultural heritage, fostering cultural diversity, integrating newcomers and migrants, and reinforcing security in border regions.

1.2. The rural areas of the European Union are crucial to addressing climate change

Rural regions are central to both mitigating climate change and adapting to its impacts. They are home to sustainable food production, farmland and forest management, renewable energy production, natural habitat conservation and the delivery of ecosystem services (particularly in fragile ecosystems like mountains and islands).

The success of climate strategies depends significantly on how rural communities are effectively empowered to adopt sustainable practices, strengthen resilience, and contribute to the global fight against climate change.

1.3. Rural resources should not be exploited and must be managed sustainably

While rural areas hold valuable natural, cultural, and economic assets, these should not be exploited and overused, but should be treated with considerations to long-term sustainability. For example renewable energy projects, such

as wind turbines in mountain areas, should be integrated thoughtfully to balance environmental impacts and local community interests, ensuring that benefits extend to the people who live there.

Similarly, tourism should be carefully managed to protect rural landscapes and preserve the cultural heritage without straining local ecosystems. Additionally, soil and water resources require responsible management practices to prevent degradation and ensure their viability for future generations.

1.4. EU policies should promote sustainable rural development in a more targeted manner

EU policies should promote inclusivity and sustainable rural development, including investments in infrastructure, sustainable practices, and new local economic sectors (such as closed loop economy, distributed energy based on renewable energy communities, social and community-focused economy and digitalisation).

EU policies should ensure that rural communities and their inhabitants, including local governments, civil society organisations, and private entities (including rural businesses), can contribute positively to the union's future in a balanced and sustainable way.

2. Rural challenges need urgent responses

2.1. Rural areas are confronted with demographic challenges and economic decline

Rural areas are experiencing a cycle of depopulation and ageing of population. Economic decline and service reduction, as well as lack of access to services (including accessibility in rural areas and sufficient and affordable mobility options, education and healthcare services), lack of housing and of access to land further accelerates outmigration, particularly of young people.

Labour shortages and a scarcity of quality job opportunities, and business closures (including local shops) are further weakening rural communities and aggravating demographic challenges.

2.2. Rural communities need to innovate to adapt to digital, green and economic transitions

Rural communities face unique challenges in adapting to digital, green, and economic transitions. The need for significant investments in future-proof infrastructure and innovation (including technological, social, business and governance innovations) is urgent to ensure that rural areas are not left behind in these transformations.

2.3. Different types of areas face different types of challenges and need targeted responses

It must be recognised that various types of rural areas (e.g. mountainous, islands, remote and outermost regions, and border regions) offer different opportunities, as well as face different kinds of challenges that require nuanced policy responses and interventions, as stressed under Article 174 of the Treaty on the Functioning of the European Union.

For instance: the distance from urban centres and urban-rural linkages are a key consideration; mountainous areas have specific needs due to challenges related to accessibility and access to services; outermost regions also confront significant constraints tied to their limited territorial scope, insularity and isolation,

and costs stemming from considerable distances to major markets; whereas border regions are often particularly exposed to security issues, economic decline and geopolitical tensions.

2.4. Capacity constraints limit the ability of rural communities to act and access funding

Rural communities often face significant capacity constraints, further aggravated by demographic shift, especially as young and educated individuals are leaving. Furthermore, rural communities heavily rely on voluntary work and civil society organisations, both of which require stronger support and greater recognition.

Capacity constraints hinder rural communities' ability to secure funding and plan effectively for the future. Rural areas often lack targeted funding, and when funding is available, bureaucratic obstacles – such as overly complicated procedures – limit its effective use. Community-led Local Development (CLLD), despite its strengths and proven track-record, is currently significantly underfunded and underutilised.

3. The future rural development policy must take the needs of rural areas more seriously

3.1. Reinforce multi-policy and multi-funding support for rural areas, including rural proofing

Rural development policy should follow a holistic and integrated policy approach, underscoring the importance of rural proofing of various policies. The concept of rural proofing, which entails “*reviewing policies through a rural lens, to make these policies fit for purpose for those who live and work in rural areas*”³ must go beyond being an abstract principle, and be reinforced through relevant regulations, procedures, and comprehensive methodological guidance.

Funding for rural development policies, should also come from a combination of European, national, and regional sources. A coordinated effort across various EU policies and funds and other funding streams is essential for ensuring that rural communities receive the resources they need. Rural stakeholders should be closely involved in designing relevant policies.

3.2. Reinforce community-led, place-based approaches such as LEADER/CLLD and Smart Villages

Community-led Local Development (CLLD) should be more widely used as a core method to identify needs, develop local plans and strategies, plan and implement local projects, and distribute funds. CLLD is a bottom-up approach to regional and local development, where local communities take the lead in identifying and addressing their development needs, including local decision-making (such as Local Action Groups, LAGs), grassroots involvement and multi-funding approach.

This also allows to address area-based needs in a more targeted way. LEADER has been the main CLLD method successfully used in rural areas for decades, whereas multi-funded CLLD in rural and non-rural areas has been strongly promoted, but not widely taken up in Member States.

More recently other community-led local approaches, especially Smart Villages, have emerged. Smart Villages aim to strengthen the resilience of rural communities by fostering technological and social innovation at the local,

rural community level, following the CLLD principles (i.e. community-led, participatory, holistic local planning and implementation of innovative smart initiatives).

3.3. Strengthen the linkages between EU support and rural movements

Beside the formal CLLD instruments of the EU, a strong web of connectivity exists within civil society at local, regional, national, and European levels, including a wide range of local groups, village and regional associations, development trusts, social enterprises, community councils, local partnerships, and more.

Many of these ‘rural movements’ have a long tradition (going back over 50 years) and developed a system of national and European rural parliaments to give a voice to rural communities and improve local capacities. Funding for these networks – coming mostly from regional or national governments and member contributions – should be complemented by European funding to maintain the critical capacity of these networks.

3.4. Make the voices heard and improve interest-representation of rural areas in policymaking

Whether the EU will follow a single fund or a multi-fund approach for future policy(ies) and programme(s) under shared management, it is no longer sufficient to leave it entirely at the discretion of Member States what share of EU funding they allocate for rural development purposes.

While rural areas are crucial for sustainable European development and are at the heart of climate actions, interest representation of rural areas and communities – beyond agriculture – is relatively weak, compared to other sectoral and territorial (e.g. urban) interests. Consequently, rural areas and rural communities have not received sufficient attention in policies and funding.

3.5. Mandate Member States to allocate a minimum share of funds for rural development

In line with the principles of 'rural proofing', the RPCG advocates for a firm commitment and clear requirements from the EU level towards Member States. According to these, a compulsory percentage of *all EU funds under the multi-annual financial framework, especially Cohesion Policy and CAP funds* (e.g. at least 30%), must be allocated to rural areas and rural communities, for rural development goals beyond agriculture.

3.6. Make a higher minimum allocation of funds through the CLLD approach compulsory

The current 5% allocation through CLLD is no longer sufficient. A mandatory share of funds targeted at rural development (e.g. at least 10%) should be distributed through locally led and place-based CLLD mechanisms (such as LEADER and Smart Villages) to ensure that local communities have the financial resources necessary to drive their own development.

3.7. Consider a dedicated rural development programme and fund as an alternative solution

We believe that a compulsory minimum allocation of EU funds for rural development (regardless of the final policy and funding scenario) is needed, as set out in Point 3.5. However, if this proves unfeasible, a dedicated European Rural Development Fund (ERUDF) and programme should be established and adequately resourced (e.g. at least 30% of all EU funds – see Point 3.5).

This approach would give rural issues greater prominence among EU policies and ensure enhanced funding available to rural communities. Furthermore, CLLD initiatives should receive increased financial support also within the ERUDF, should this option be chosen.

3.8. Give flexibility to Member States in defining rural development priorities and strategies

While the rural development allocation should be mandatory, flexibility is crucial to enable Member States to finance specific objectives tailored to their rural development strategies aligned with the broader framework and priorities set by the EU. A needs-based and result-oriented funding model that reflects the diverse requirements of rural and urban areas is essential.

4. Turning the long-term rural vision into a concrete strategy and realising the Rural Pact model

4.1. Turn the long-term rural vision into Rural Development Strategies at all levels

The EU's long-term vision for rural areas (LTVRA) must be turned into concrete strategies at EU, national, and regional levels. Member States should be required to develop national (and regional) rural development strategies aligned with common EU priorities set out in strategic documents, such as the LTVRA, the European Green Deal, and the Digital Decade.

Strategies must be designed in partnership with rural stakeholders, including at the local level, to ensure they adequately reflect local priorities and needs.

4.2. Create the Rural Pact model through strong inter-institutional structures and coordination

At regional, national, and EU levels, rural development efforts should be coordinated through dedicated institutional frameworks that ensure both horizontal and vertical coordination. The principles and mechanisms set out in the Rural Pact publication on ['Making the Rural Pact happen in Member States'](#) should be followed.

Designated national and regional government members and compulsory inter-ministerial coordination groups can ensure policy coherence and contribute to effective rural proofing. Such mechanisms would be a condition for accessing the rural development share of funds.

At the EU level, a dedicated Directorate-General for Rural Development (DG RURAL) could streamline and coordinate rural development ambitions and efforts. Furthermore, the cooperation and coordination among relevant Directorates-General (DG AGRI, DG REGIO – potentially – a future DG RURAL, and other relevant DGs) should be reinforced.

4.3. Build capacity for Managing Authorities in rural development and rural proofing

Rural proofing should be integrated at national and EU levels, particularly in the pre- and post-legislative phases. Managing Authorities and other key policy organisations must be trained in rural development and rural proofing to ensure effective policy implementation. Technical expertise and capacity building are essential to support these authorities in managing rural strategies.

5. Building local capacity and creating local ownership

5.1. Strengthen capacity at the local level through dedicated funding and technical support

Rural communities, especially small and resource-constrained ones, should receive technical support to develop project ideas and navigate funding applications. This can be facilitated by Local Action Groups (LAGs), national rural networks, and dedicated European networks (including networks of rural municipalities).

Sufficient EU funds should be allocated for EU-level networking, technical assistance and preparatory actions, to build capacity and allow exchange of experience at the EU level (but also with rural territories in non-EU countries).

5.2. Allow flexibility in the application processes for local beneficiaries

Greater flexibility and openness to experimentation should be incorporated into the application process. Simplifying financial rules by introducing results-based payments and using Simplified Cost Options (SCOs, such as unit costs and lump sums) more widely, would help ease the burden on smaller projects. Performance-based funding and streamlined financial reporting systems are essential for supporting community-led initiatives.

5.3. Provide seed funding for project preparation and idea development

Seed funding – for example, for idea development, project writing, and preparation – and catalyst resources are critical at the early stages of initiatives and projects. New approaches, such as project pitches, could complement formal written proposals, allowing less experienced beneficiaries a better chance at accessing funding.

5.4. Support rural communities in innovation and international exchange

Supporting innovation from the idea phase is crucial for fostering creative solutions in rural communities. Special attention must be paid to enabling smaller actors to participate in innovation projects and cross-border collaborations. Small rural communities should receive technical support and have improved direct access to EU programmes under direct management, like Horizon Europe and Interreg.

6. Improving monitoring of EU spending on rural areas

6.1. Build on existing monitoring frameworks and data, and consider qualitative aspects

Data (such as those collected and presented through the Rural Observatory) should improve evidence-based policymaking. Existing data collection and monitoring frameworks should be leveraged, with a focus on key social and economic indicators that provide valuable insights into the well-being of rural communities.

In addition to quantitative data, qualitative indicators that capture intangible benefits, such as social capital and community cohesion, should be integrated into the monitoring system. Moreover, data collection should account for long-term sustainability (i.e. results and impact beyond the duration of supported projects).

6.2. Monitor EU spending according to sectors and types of territory

EU funds should be tagged by sector and territory, to contribute to a better understanding of the share of funds allocated to rural areas, ensuring these areas receive their fair share of resources. Territorial tagging should also consider the specificities of rural areas (see Point 2.3), especially areas that need special attention (e.g. mountains, islands, border and outermost regions).

This approach helps prevent situations where funding disproportionately benefits rural territories with higher capacity. Implementing such a tagging system will enable more effective monitoring of fund allocations and ensure that rural development goals are met.

6.3. Develop SMART indicators for local projects

A standardised set of SMART indicators (Specific, Measurable, Achievable, Relevant, and Time-bound) should be developed for local projects. Providing technical support for rural stakeholders in measuring these indicators would ensure consistency in project evaluation. However, this should be achieved without imposing a disproportionate administrative burden on local stakeholders/project beneficiaries for data collection.

1 Representatives of European non-governmental organisations, civil society organisations, business organisations and public authority organisations; representatives of academia and research organisations; elected representatives of three networks forming the steering group of the European rural parliament (ELARD, ERCA, PREPARE); the European Parliament (COMAGRI and COMREGI) represented by MEPs, the Committee of the Regions (NAT and COTER) represented by its members (local and regional authorities) and the European Economic and Social committee (NAT and ECO) represented by its members; three Member States – representatives of the trio of presidencies of the Council of the European Union - two representatives by Member State, one responsible for rural development and one for territorial cohesion.

2 The RPCG adopts its opinions, recommendations or reports by consensus (by simple majority). The current Declaration has been adopted by 29 out of 31 RPCG members.

3 https://rural-vision.europa.eu/action-plan/cross-cutting/rural-proofing_en



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