



Briefing for Mr Enda Stenson
**Debate on Smart villages: Integrated strategic approaches to
innovation in rural areas**
29 January 2019

Dear colleagues,

As rapporteur for the opinion on the Revitalisation of rural areas through Smart Villages, I am delighted to be closing this conference. Our discussions have shown that much remains to be done to promote and develop the Smart Villages initiatives on the European political agenda over the coming months.

The outcome of the discussions on the multiannual financial framework will be crucial for the development of smart villages. There is indeed a real danger that support for rural areas in the next programming period will be significantly reduced. The Commission's proposal for the multiannual financial framework (MFF) includes a 28% reduction for the second pillar, which would make it the main victim of the budgetary cuts. These drastic cuts in the budget and the increase in co-financing for rural development policy will both put obstacles in the path of developing smart villages.

Quite apart from the CAP, funding for rural development policy will also be restricted if the EAFRD is removed from the Common Strategic Framework, as

proposed by the Commission. This could effectively make setting up integrated, multi-fund development funds a more complex affair. It runs counter to our call for a rural agenda and counter to the Cork Declaration which urged better synergies between European policies and for the rural dimension to be better integrated into all European policies.

Moreover, the Commission's stated aim of strengthening the urban dimension within the ERDF and for thematic concentration of cohesion policy - now to be handled at national, no longer at regional level - could also stand in the way of rural issues being addressed in cohesion policy.

It is crucial to take rural areas into consideration in all European policies: their needs extend far beyond what the rural development pillar of the CAP can deliver. Consequently, the Commission must strike a better territorial balance by taking account of the specific needs of rural and peri-urban areas, especially under cohesion policy.

There is an urgent need to simplify, coordinate and harmonise access to European funding for rural development. Programmes and sources of finance for rural services often operate in separate silos and their use is highly complex. The rules and access to funds must be made more straightforward for beneficiaries.

For several years, we have been pushing for a European rural agenda that facilitates the roll-out by local and regional authorities of integrated development projects in rural areas. On 3 October, the European Parliament adopted the same approach. In its resolution on addressing the specific needs of rural, mountainous and remote areas, it calls for a European rural agenda for such areas to promote socio-economic development, economic growth and diversification, social well-being, protection of nature, and cooperation and

interconnection with urban areas in order to foster cohesion and prevent the risk of territorial fragmentation. It also urges the establishment of a Smart Villages Pact, with a view to ensuring a more effective, integrated and coordinated approach to EU policies with an impact on rural areas, involving all levels of government, in accordance with the principle of subsidiarity and the Urban Agenda for Europe set out in the Pact of Amsterdam.

Ladies and gentlemen, it is now up to us to press our individual governments to ensure that the Council agrees with us on this objective. Some Member States, such as France or Belgium, have already backed the idea of a European rural agenda: we must now convince the rest.

A European rural agenda that set out an ambitious case for integrated, sustainable development of rural areas in all their diversity would highlight their potential to meet the challenges facing Europe both today and in the future, with the aim of achieving territorial cohesion and fostering initiatives on the part of local and regional actors. I undertake to convey this proposal to all the European institutions and to the European Parliament, and I would like to warmly thank Mr Bogovic for his support and readiness to help in spite of his very crowded agenda.

Thank you for your attention.
