



# Thematic Working Group No 2: Agriculture & the wider rural economy

*Summary of approach, progress and next steps  
Pierre Bascou, Chairman, TWG2*



# Presentation objectives



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Agriculture and Rural Development

- To summarise the objectives and approach
- To summarise initial findings
- To outline next steps



## TWG 2 general objective



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*“ Through relevant analysis and the diffusion of the results the group shall contribute to the identification and description of the relationships and potential synergies/conflicts between agriculture and the wider rural economy”*



# Draft working plan of TWG 2



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- **Step 1** : Analysis of the link between the agricultural sector and the rest of the rural economy
- **Step 2**: Analysis of the factors and drivers that have and will influence this relationship over the medium-term for representative regions
- **Step 3** : What are the policy instruments and institutional framework set-up by Member States to create synergy between the two sectors
- **Step 4** : Development of guidelines for developing synergies



# Clustering of regions



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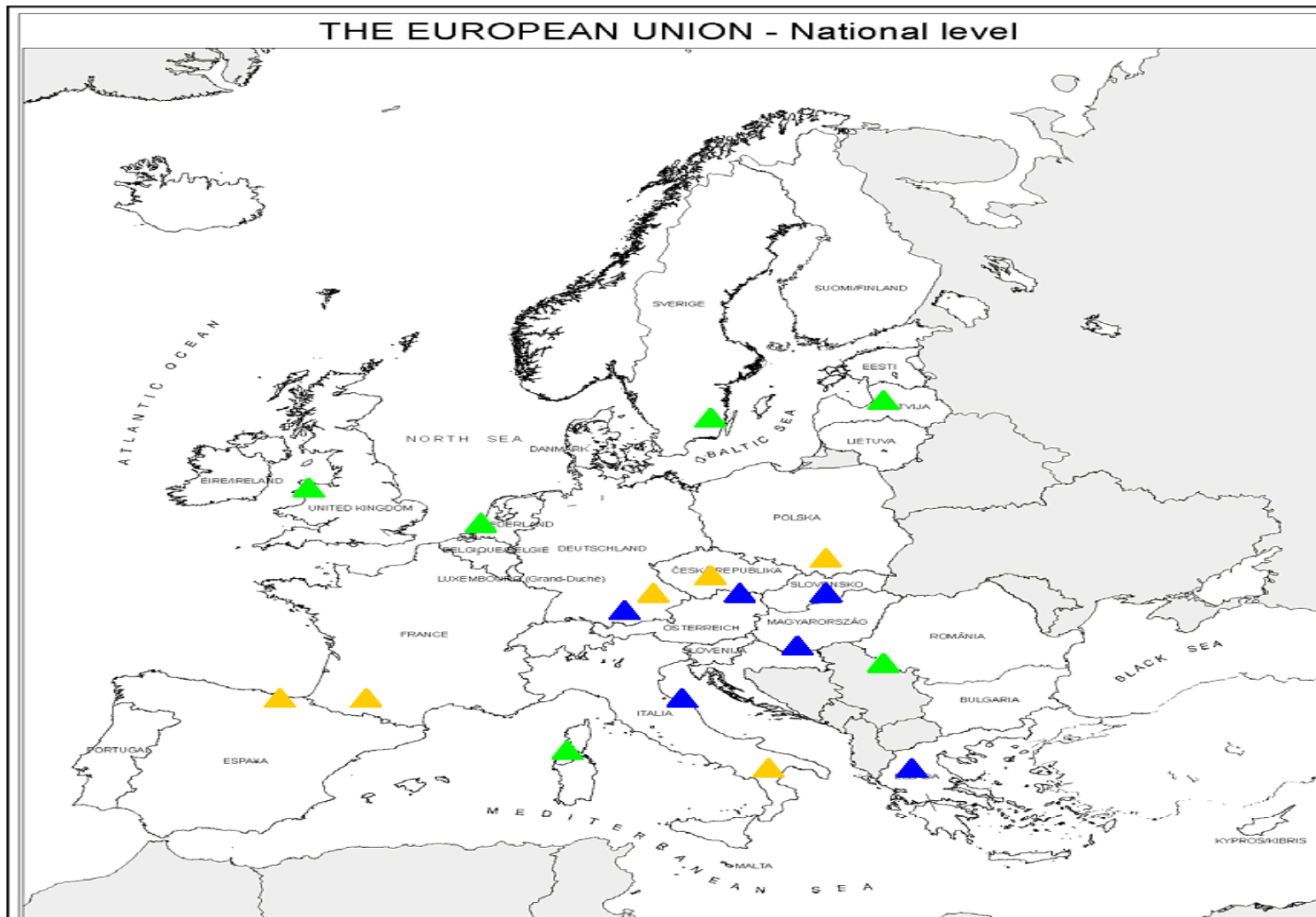
- Non-dynamic areas: ▲
- Agriculturally-dependent dynamic areas: ▲
- Diversified dynamic areas: ▲



# Choice of NUTS3 regions



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# Initial Input/Output Analysis results: Comparative analysis between clusters reveals:



- Backward linkages are generally quite low in all 3 clusters
- Forward linkages are generally strong in all 3 clusters
- Trade, Hotels & Catering appear to have high backward & forward links with the rest of the economy, in all 3 clusters
- Economy-wide effects of agricultural labour supply seem to be very high, in all 3 clusters
- Diversification appears to be higher in Diversified Dynamic areas than other clusters
- Accessibility + competitive agri-food chain critical factors underpinning agricultural links with the rural economy





# General findings



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- Agriculture is an influential economic contributor in all 3 clusters – even where its GVA is small
- Key down-stream links exist between agriculture and tourism, recreation/leisure & trade (processing)
- High degree of complexity and variance within and between rural regions
- Lack of homogeneity / high frequency of exceptions, suggesting development of a robust, defensible and useable typology is questionable

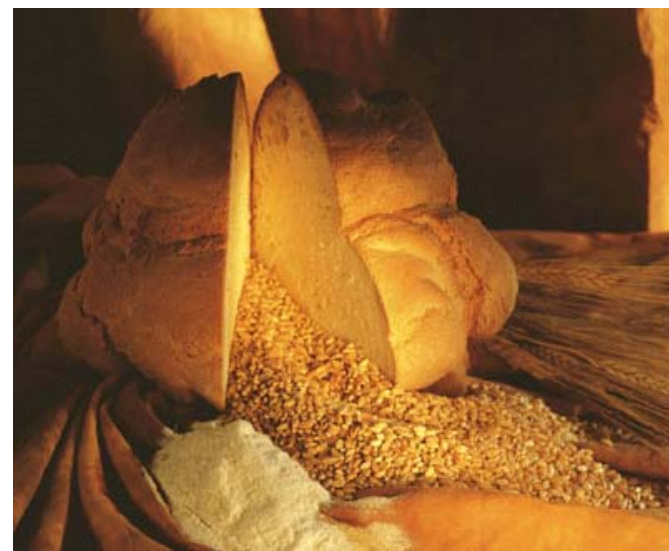




# Case studies



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# Possible implications



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- Agriculture should not be viewed in isolation
- Bottom up, locally based analysis & planning essential
- Combining quantitative & qualitative analysis.....rather than use of simplified indices, categories or groupings.....is likely to result in improved targeting and efficiency
- Documenting & utilising ‘good practice’ examples offers enormous potential to guide current & future projects / programs



# Next steps



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- Complete 17 case studies using additional data available at NUTS3 level (where possible), to assess the impact of:
  - Changes in migration patterns by region
  - Degree of peripherality of each region
  - Levels of cooperation in each region
  - Education levels in each region
  - Changes in GDP over time in each region
  - Structural information on agriculture in each region



# Next steps



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- Refine approach & methods proposed for Step 3
  - No further elaboration of typologies/clusters
  - Focus on more detailed analysis in smaller number of regions
  - Review past and current programmes and projects and their effects / identify relevant case studies
  - Focus on identifying key factors for success





# Next steps



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## Methods:

- Use of a qualitative questionnaire in targeted case study regions using closed and open questions:
  - 2 x ND areas, namely: Trikala, Greece & Somogy, Hungary
  - 2 x ADD areas, namely: Gers, France & Matera Italy
  - 2 x DDA areas, namely: Kaslmar lan, Sweden & Gwynedd, UK
- Combining quantitative data and qualitative findings for each region



# Anticipated timetable



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- 17 case studies completed (by end 01/10)
- 6 Case study regions analysis completed (by early 01/10)
- Findings summarised in overall draft report (by early 02/10)
- Next TWG2 meeting on February 9<sup>th</sup> 2010
- Revise and update report and disseminate initial recommendations (by 03/10)