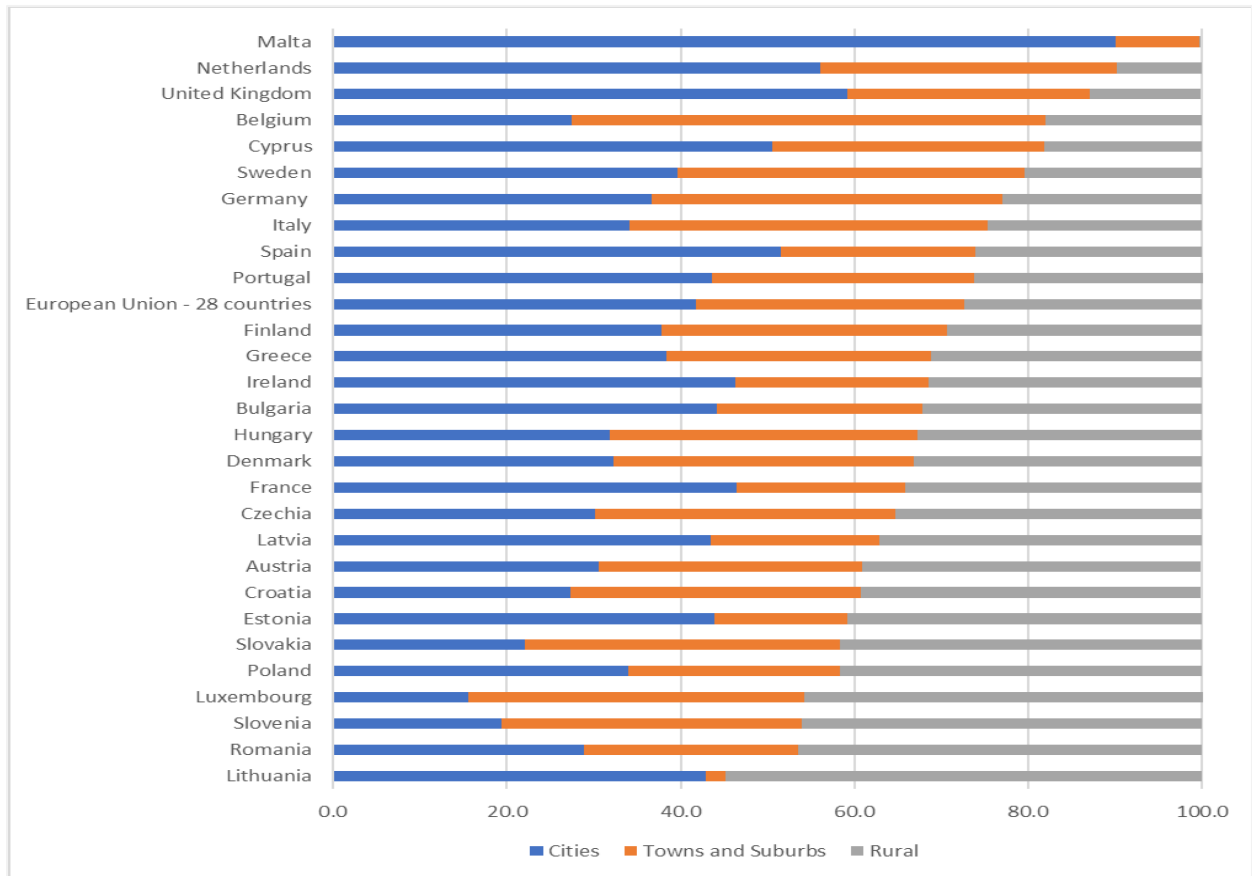


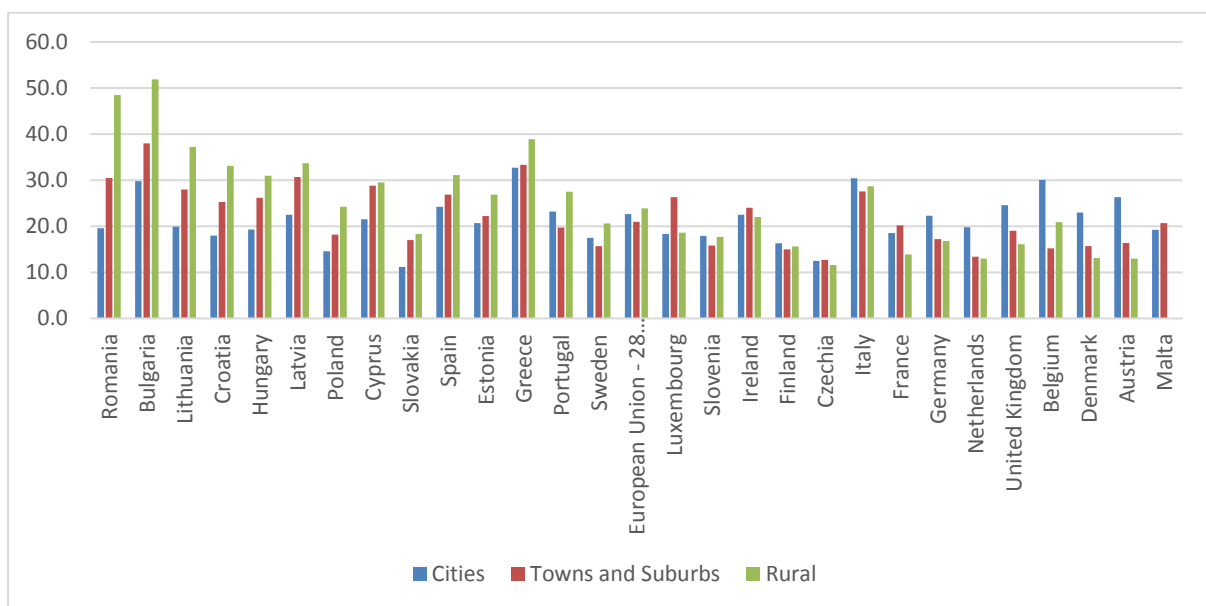
Rural Development

Chart 4.1: Distribution of Population by degree of urbanization, EU-28 2017



Source: Eurostat, [ilc_lvho01]

Chart 4.2: % Population at risk of poverty or social exclusion by degree of urbanization, EU-28 2017



Source: Eurostat, [ilc_peps13]

Rural Development



Rural populations are in decline. In 2017, just over a quarter of the population in the EU-28 were living in rural areas (Chart 4.1). However, there was marked disparities across Member States in terms of their rural populations, with only Lithuania having a majority of the population living in rural areas (with 54.9%). Romania (46.5%), Slovenia (46%) and Luxembourg (45.9%) also have a relatively large proportion of their populations living in rural areas. This compares with Malta (0.2%), the Netherlands (9.8%) and the United Kingdom (12.8%) at the other end of the spectrum. Ireland's share of the population living in rural areas in 2017 was 31.4%, having reduced from 39.5% in 2013.

In 2018, the OECD identified six main drivers influencing the future of rural areas. These are population ageing and migration, urbanisation, global shifts in production, the rise of emerging economies, climate change and environmental pressures and technological advancement. Rural development policy must be cognisant of these drivers of change and the opportunities and the challenges that they present

Risk of Poverty and Social Exclusion

The risk of poverty and social exclusion is one of five headline areas for the Europe 2020 Strategy. This indicator is based on a combination of three individual indicators – an income measure which is related to the median income of each country, a measure of a lack of resources and a work-exclusion measure. Thus, the combined 'poverty or social exclusion' indicator corresponds to the sum of persons who are at risk of poverty or severely materially deprived or living in households with very low work intensity. In general terms, the groups most vulnerable to poverty or social exclusion tend to be young people, unemployed and inactive persons, single parents, households consisting of only

one person, people with low educational attainment, foreign citizens born outside the EU, and those residing in rural areas.

In 15 of the EU-28 countries the risk of poverty and social exclusion is greater for those living in rural areas than those in cities (see Chart 4.2). Romania (with a difference of almost 29 percentage points) has the greatest differential between the two, followed by Bulgaria (22.1 pps), Lithuania (17.3 pps) and Croatia (15.1 pps). In Ireland, the risk of poverty and social exclusion is almost the same, at 22.5% in cities, 24% in towns and suburbs and 22% in rural areas. The economic recession and restructuring of agriculture, has led to a narrowing of the economic base in rural areas. Low-paid, part-time and seasonal work and long-term underemployment are significant factors in rural poverty and exclusion¹. This also points to the need to integrate income and labour market supports in regional economic policy.

It is vital that investment in infrastructure in the regions and rural areas is expedited to ensure rural economies diversify and adapt to support thriving rural communities.

A step-change in policy is required, focussed on building sustainable and viable rural communities, including farming and other activities. In implementing this policy there needs to be significant investment in sustainable agriculture, as well as rural anti-poverty and social inclusion programmes, in order to protect vulnerable farm households in the transition to a rural development agenda.

Policy Priorities

- Ensure that investment is balanced between the regions, with due regard to sub-regional areas.
- Ensure rural development policy is underpinned by social, economic and environmental wellbeing.

¹ Walsh, K. & Harvey, B., (2013) Employment and Social inclusion in Rural Areas. Dublin: Pobal.

