

Bund/Länder Task Force for Rural Development

Guidelines for

Rural Development

Shaping the future in rural areas together

These guidelines are a follow-up to the 1987 programmatic thesis of the ArgeFlurb, a working group set up by the Agriculture Ministers Conference, with the title "land consolidation in the context of changing agricultural and environmental framework conditions".

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I. A new reference framework for rural development

The overall societal framework conditions for rural areas are changing rapidly at national and international levels. Among the highlights are the reunification of Germany, the EU enlargement to include Eastern European countries, the globalisation of world markets, the continuing development of the EU's structural policy, a continuing change in agricultural structures as well as the establishment of the sustainability principle for regional development. Against this backdrop, rural development must face up to great challenges.

These challenges include:

- supporting agriculture and forestry,
- promoting regional and community development and
- securing durable conservation of natural life-support systems

As there are inextricable mutual effects, the integrated development of rural areas with the local agricultural and forestry sectors is necessary. This rural development strategy secures the amenity of rural areas as autonomous places for living and economic activity and as natural, cultural and recreational areas. Therefore it must capitalize on the close interconnection between towns and the countryside, which is one of the assets of Germany as an industrial location.

These guidelines determine the new mandate for rural development. On this basis important rural development instruments, like

- development planning for agricultural structures (AEP),
- procedures pursuant to the Land Consolidation Act,
- procedures to determine and reorganise the location of property areas pursuant to the Agricultural Adjustment Act and
- village renewal

must be made available as a contribution to the joint shaping of the future in rural areas. These agri-structural instruments are an integral part of the package of measures of the "Joint Task for the Improvement of Agricultural Structures and Coastal Protection".

The "**Guidelines on Rural Development - Shaping the Future in Rural Areas Together**" are meant to provide a reference framework to citizens and all politicians, administrations and institutions that are responsible for sustainable development in rural areas. Their purpose is to make clear how development strategies for rural areas can be effectively promoted on the initiative of the regions and including all stakeholders.

II.

An up-to date definition of the responsibilities and mandate of rural development

Giving a boost to the economy and employment

Buttressing the economic strength of rural areas and securing and creating jobs are the decisive factors for the development of rural areas. This requires:

- efficient and competitive, market-oriented and environmentally sound agriculture and forestry sectors,
- job alternatives outside the agriculture and forestry sectors,
- an efficient and demand-driven infrastructure (transport, supply and disposal, telecommunications, education, cultural and social affairs),
- an attractive living environment,
- a healthy environment, leisure activities and a high cultural standard.

It is becoming increasingly clear that those regions can best face up to transformed framework conditions which develop self-sustaining economic and financial cycles. They are particularly important for agriculture and forestry, as they play a vital role in coping with changing agricultural structures.

Supporting agriculture and forestry

In view of important agri-structural deficits resulting from modified framework conditions considerable efforts must be made in the future to improve production and working conditions of agricultural and forestry holdings. This task cannot be considered done, nor is it disposable.

Agriculture and forestry still are important sectors of the economy in rural areas. As they fulfil manifold area-related tasks they are of fundamental importance for the whole of society. Agriculture and forestry are the only economic sectors securing the management, preservation and development of the cultural landscape as a whole. Aiming at promoting competitiveness of agricultural and forestry enterprises and advancing their active and smooth integration into a sustainable regional and community development, rural development instruments are to be used as follows:

- A foresighted land and soil management must prevent conflicts in land use, which increasingly interfere with the use of land for agricultural and forestry purposes. Existing land use conflicts must be settled.
- The development of holdings in the new Laender must be effectively accompanied by the determination and reorganisation of the location of property areas.
- cultivated areas must be adapted to the economic requirements resulting from the continuing structural change in agriculture according to their location, form and size and must be developed by a suitable network of roads and water bodies. The participation of farmers and foresters in area-related promotion programmes must be supported in the restructuring process.
- Gains in productivity and time can free resources for non-agricultural activities and income alternatives. In addition to direct marketing, tourism and management measures in the framework of nature and landscape conservation, the provision of new services in the framework of village renewals must be facilitated. This can be

done by converting the use of agricultural buildings, in particular for the purposes of living, commerce, trade, cultural activities or public and community life.

Promoting regional and community development

The preservation and improvement of the site qualities of rural regions and their villages as autonomous places for living and economic activity must be at the heart of the support for these regions and their villages. As a prerequisite, communities which were previously competing with each other must identify areas of conflict, jointly plan possible solutions, co-ordinate their activities and implement cross-community measures. This applies to the jobs offered by trade, craft, industry and tourism as well as to the provision of plots stretching over more than one municipality to investors, and to jointly utilise promotion programmes. It also applies to social institutions, cultural activities and to joint projects for the promotion of landscape and environmental quality. The speedy and efficient implementation of projects is part of a successful rural development strategy.

In order to improve site qualities and living conditions in rural areas the implementation of the following goals is a priority:

- High priority must be given to the protection of land ownership. Settling competing claims for utilisation and determining the location of property areas means creating legal certainty, activating private capital and thus promoting public and private investment.
- Providing land for infrastructure projects and building sites at attractive locations facilitates the establishment of service, craft and trade industries.
- Support must be given to the design of a rural infrastructure which is tailored to needs.
- A sustainable housing development with scarce land consumption must be promoted, for instance by preserving characteristic village buildings through converting their use and renovating them.
- Community spirit, community life and village culture can be revitalised, for instance, by preserving or establishing community centres, village inns and village stores as well as by supporting social and cultural initiatives.

Securing sustainable protection of natural life-support systems

A rural development committed to future generations must be geared to the implementation of measures aiming to protect the natural life-support systems and resources. "AEP", i.e. land consolidation, land organisation in the new Laender and village renewal are all highly suitable instruments for implementing the principle of sustainability as stipulated in Agenda 21. They give equal consideration to economic, ecological, social and cultural aspects. Part of their task to promote regional culture is the preservation of the functioning of the natural balance and the restoration of semi-natural habitats and landscape structures. In the interest of a durable stabilisation of ecosystems we must make sure that projects in the fields of environmental protection, nature conservation and landscape management are carried out area-wide, taking into account the interests of owners and users and the need to secure their existence on a permanent basis. In the interest of a sustainable protection of natural life-support systems instruments must primarily be used in order to

- preserve cultural landscapes, for instance through the continuation of an area-wide cultivation of the land,
- implement landscape planning projects, for instance by making land available and reorganising it,
- establish biotope networks, for instance by preserving and interlinking semi-natural areas,
- provide areas for water retention and reduce the risk of erosion,
- support the protection of land and water and preserve drinking water reserves,
- carry out compensation and substitution measures at suitable locations in accordance with nature conservation legislation,
- support special environmental protection programmes, for instance programmes concerning wetland meadows, riverbanks, statutory nature conservation and extensification,
- adding ecological assets to the village, for instance by designating green belts, planting greenery, unsealing surfaces and restoring water bodies.

Making better use of the assets of integrated sustainable rural development

Integrated sustainable rural development means:

- pooling measures and funds for implementation,
- flexible and transparent planning projects geared to the local and regional needs and possibilities
- speedy and efficient implementation of measures.

We will only succeed in creating favourable development conditions for the multifaceted rural areas if individual projects are pooled to form a development approach combining all disciplines. This is why structural policy measures in the field of agriculture shall, for instance, be closely linked to regional industrial and transport policies and to environmental and employment policies to form a regional strategic concept. It is only with the help of such an independent, integrated and sound policy that success in rural development can be achieved.

Rural regions and communities which – on the basis of this integrated development approach – make use of rural development instruments have an edge in development and thus also an economic edge over other communities, as comparative surveys show. Therefore rural development instruments should be used in connection with other possible

solutions as a service for the development of rural areas and their villages, in order to be more successful in competing for investment, new businesses and jobs.

Providing support for enacting planning decisions

A variety of planning procedures at different levels and carried out by different sectors are concerned with rural areas. Due to their integrated and cross-community approach rural development instruments are particularly suited for being used in a co-operative process with authorities, other institutions and citizens aiming to harmonise planning procedures and, above all, to implement them in a way to achieve consensus. Rural development instruments can best be used in the following situations:

- Rural development instruments shall be applied when large-scale projects are implemented, the aim being to integrate these infrastructure measures into the cause-effect fabric of rural areas which is compatible with ownership, social and environmental concerns. Thus negative effects of large transport projects on the areas concerned can be reduced and the potential of positive impeti can be best fulfilled.
- With the help of rural development instruments, competing sectoral plans, for instance by the transport, water management, agriculture and forestry sectors or by nature protection authorities, can be pooled in a combined planning authority and measures can be implemented in a way to achieve consensus.
- Rural development must be offered in communities as an aid when establishing and implementing development planning. Municipal projects such as the drawing up of a "local Agenda 21", the improvement of the infrastructure or the designation of building sites can be effectively accompanied by land management.

By way of introduction into regional and community activities, preparatory structural development planning in agriculture is particularly suitable, as it identifies the interconnection of plans and measures. In addition to this, these plans can also be drawn up in connection with regional development schemes, regional conferences and town networks. If they are handled freely and flexibly synergy effects can be used, loss by friction can be avoided and thus investment can be placed at the right time and in the right place.

III.

Land management : A critically important task

As the implementation of the goals of an integrated sustainable rural development for

- supporting agriculture and forestry,
- promoting regional and community development and
- sustainably protecting natural life-support systems

generally requires land, a future-oriented land management is of vital importance. In many cases it creates the preconditions which facilitate the implementation of plans. It is relevant as long as the limited land resources in a free society are subject to dynamic utilisation, planning and organisation.

With demands for land utilisation around conurbations continuing to be on the rise the need for rural development meaning foresighted land management will become more important. In structurally weak and peripheral areas mainly marked by agriculture, maintaining an area-wide agriculture and reconciling economic and ecological concerns requires the support of land reorganisation. Land management aims at planning and organising land use, avoiding conflicts wherever possible. It guarantees the maintenance and restoration of the ability to dispose freely of private-owned land, which is a precondition for entrepreneurial decisions of farmers and other investors. In addition to that, an important consequence of land reorganisation is the up-to-date proof of property in public books, in particular in the land register, which means there is a documentation of ownership creating legal certainty.

Land management is one of the core competences of rural development instruments. In the interest of a future-oriented rural development strategy it can be helpful in the following situations:

- in difficult, problematic cases of land reorganisation, planning and implementation are to be offered "as one", for instance in the case of big infrastructure projects, recultivation of landscapes characterised by open-cast mining, conversion projects and cross-community projects,
- land use conflicts must be solved through an accommodation of interests, for instance involving development, agriculture, infrastructure or landscape management,
- area-related rights and obligations must be sorted out, for instance if use restrictions, compensation and substitution obligations or reforestation are involved,
- plots must be effectively redesigned as to their location, form, size, service infrastructure and in relation to neighbouring plots,
- the ability to dispose freely of private-owned land must be restored, for instance through reuniting separate ownership of land and buildings,
- the privatisation of formerly state-owned agricultural and forestry property must be supported,
- farmed land must be designed in an effective agri-structural manner in view of the increasing percentage of leased land in agricultural enterprises,
- land must be made available to the different needs respecting owner interests and refraining from coercive action,
- land can be reserved by a timely reservation of land for investive measures

- the maintenance and management of community and public facilities must be permanently secured.

IV. Readjusting rural development instruments

In order to fulfil the new mandate of rural development, the instruments portrayed hereinafter shall be utilised individually, reasonably linked or as an overall package, showing high flexibility and depending on regional potentials and deficits.

Development planning for agricultural structures (AEP) – Paving the way for an integrated rural development

A new concept of the development planning for agricultural structures (AEP) as a preliminary planning in accordance with the law on the "Joint Task for the Improvement of Agricultural Structures and Coastal Protection" has already been drawn up in order to promote an integrated rural development and to implement measures speedily. With their help, it is now possible to

- identify areas of conflict, development opportunities and the need to take decisions on land management in rural areas,
- develop models for each area and land use schemes for the area subject to planning
- draw up action schemes and implementation strategies and
- suggest the use of appropriate rural development instruments for practical measures, setting priorities as to time and place and including the corresponding funding models.

Thus AEP is a planning basis for the consideration of agricultural and forestry concerns as well as for the co-ordination of projects aiming to maintain the functioning of rural areas and their villages. In addition to this, AEP can identify requirements and measures having regional effects, which can be secured by applying the goals or principles of regional planning. This is why AEP must be used at an early point in time in order to highlight the aspects which are important for the future of the area concerned, to identify key projects and to stop things from going off course.

Land consolidation – rural land reorganisation and active rural development

Procedures pursuant to the Land Consolidation Act must increasingly embrace the cause of an integrated development of rural areas. In addition to production and working conditions in agriculture and forestry this increasingly involves the resolution of land use conflicts, the cross-community development of villages, the implementation of Agenda 21 and an integration of large-scale infrastructure projects into the cause-effect fabric of rural areas which is compatible with ownership, social and environmental concerns.

From the range of the different types of procedures those must be chosen which are best suited to achieve the goals of rural development as efficiently, speedily and cost-effectively as possible.

Solutions which actively include all rural area stakeholders, closely involve citizens and are achieved by consensus are always preferable. Non-partisan behaviour and empathy are amongst the principles of co-operation with land owners, tenants and lessors, communities and other planning authorities, public institutions or associations. Rural development procedures offer a variety of compensatory options, which according to our experience succeed in achieving a high approval rating. Decision-making and enforcement powers, which are stipulated in the Land Consolidation Act for the final resolution of conflicts, are available when individual interests become rife to the detriment of the community.

With the help of the flexible procedures laid down in the Land Consolidation Act, which is the legal basis for effectively implementing integrated rural development, competing sectoral plans can be pooled in a combined planning authority and measures can be implemented in a way to achieve consensus. Land management is one of the main tasks in fulfilling the comprehensive mandate for regulating land use.

High priority is given to establishing property rights in the new *Laender*

Procedures for the establishment and reorganisation of the location of property areas in accordance with the Agricultural Adjustment Act are a mandatory task of rural development due to the legal claims of those concerned. They will be needed for quite some time still in order to overcome one of the most important obstacles to investment in the new *Laender*, i.e. the dividing up of property into land and buildings/installations. Considerable efforts continue to be needed in order to regulate the location of agricultural and forestry property areas.

This creates the preconditions for a sustainable and site-specific management of the new holdings, based on a secure ownership and lease basis and equipped with an adjusted infrastructure respecting ecological requirements.

If sensible links with the procedures laid down in the Land Consolidation Act, which is applied by analogy in the case of this special ownership rule, are established, a future-oriented new design of rural areas can be achieved, which goes beyond regulating the distribution of property areas.

Village renewal – making life and living in the countryside more attractive

Village renewal has developed into an effective planning and implementation procedure for rural settlements. It is particularly effective when it is carried out jointly by several communities. It must be used in order to identify local problems, draw up development strategies and preserve and develop the villages and communities as independent places for living, working, social and cultural activities in a decentralised settlement structure. With its holistic planning approach, village renewal is a particularly suitable means of closely involving citizens into the process of shaping their environment, which encompasses all areas of life. It also effectively fosters the elaboration and implementation of a "local Agenda 21", which pursues the sustainability goal.

The use of funds to promote village renewal is – in many cases – an important prerequisite for the integration of agricultural and forestry holdings into regional development, for the preservation and laying out of buildings characteristic of the village and for an efficient infrastructure in the village. With the help of the funds for shifting

utilisation forms in the framework of village renewal, agriculture and forestry holdings are to find new possibilities of income generation. This can contribute to a durable improvement of the overall job situation in rural areas.

V. Modern administrative action for successful rural development

In order to shape the future in rural areas together, administrative action for the application of rural development instruments must be brought up to date according to the following action guidelines.

Preparation is the key to efficient rural development

The precondition for a focussed choice of instruments is a comprehensive preparation of the procedure. For this purpose all stakeholders must gather around a table in order to facilitate discussion on all concerns relevant to the application of the procedure in good time and simultaneously. As there is a strong focus on the goals even in the preliminary period, the procedure can be implemented in a clear thematic and time framework. Each stakeholder must understand that adding more goals at a later point in time necessarily prolongs the procedure.

Drafting and co-ordinating rural development schemes jointly

We must promote development opportunities for rural areas. In order to achieve an effective implementation of integrated development schemes, the combined efforts of all relevant stakeholders based on partnership and dialogue are necessary. It is only if we succeed in pooling financial and human resources, in co-ordinating different plans, in launching and taking up initiatives of communities and citizens and in acting rapidly, efficiently and to the benefit of the citizens that we will advance rural development in the future.

Citizen participation secures acceptance

Pure expert planning is to be replaced by open planning methods which actively involve citizens. The knowledge, experience and ideas of citizens with regard to the development of their immediate home environment must be utilised. Working groups, village and land workshops and discussions on models for regional and village development are designed to enable citizens to draw up development goals jointly with the planning authorities. Intelligible "top-down" decision-making processes lead to a high degree of acceptance and strengthen accountability. Along the lines of help for self-help this can mobilise regional resources and set off diverse initiatives.

Controlling rural development through moderation

A moderator is appointed to control the land development process. It is his/her task to moderate the concerns of all stakeholders and to facilitate a planning result which can achieve consensus, is geared towards implementation and has financial backing. The decision who will assume the function of moderator during which period must be taken on the basis of the given conditions. By mutual agreement, this function can be assumed by politicians, representatives of the Laender, regional or municipal administrations or by assigning this task. We have seen that it can be particularly effective to confer this task on the office responsible for rural development.

Making better use of scarce financial resources, encouraging investment

Through their synergic effects, rural development measures entail financial benefits for all stakeholders, in particular in times of limited resources. The institutions responsible for these measures often do not have the funds to realize their projects. By pooling funding opportunities from different sources in a combined project execution deficits can be overcome. This secures and creates jobs in rural areas. At the same time private follow-up investment is boosted.

One important basis for funding rural development is the joint task of the federal and state level to "improve agricultural structures and coastal protection". The measures for improving agricultural structures which can be funded by this task will be an indispensable element of integrated rural development, also in the future. They must be combined with other public aids, in particular EU, federal, state and municipal funds. Alternative funding sources must be tapped and the regional, municipal and private forces mobilised for rural development.

Measures which render a service to third parties, for instance when technical plans concerning nature reserves or water management are implemented, must consequently be financed by the contract placing authority or the polluter. If there are specific interests involved, financing with outside capital or the increase of investment from one's own resources must be taken into consideration.

Benefits for everybody:**Shaping the future in rural areas together - with the help of rural development!**

- The motto for integrated rural development goes: plan jointly, co-ordinate your actions, secure a speedy implementation, pool financial resources.
- Giving lasting support to the development of municipalities, agriculture, forestry and the natural balance means to actively promote employment for people in rural areas.
- Up-to-date administrative action in rural development solves problems without putting too much strain on time and funds, involving the general public and concepts which facilitate consensus.
- Agri-structural development planning, land consolidation, special property rules in the new *Laender* and village renewal provide partnership in land management.