



THE OECD RURAL AGENDA FOR CLIMATE ACTION

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Outline of presentation

1. Rural development in the OECD
2. Relevance of the climate agenda
3. The Rural Agenda for Climate Action



40 years of work on Rural Development



REVIEWS

- Germany (2007)
- Mexico (2007)
- Finland (2007)
- Netherlands (2007)
- Scotland, UK (2007)
- China (2008)
- Italy (2009)
- Spain (200a9)
- Quebec, Canada (2010)
- England, UK (2011)
- Chile (2014)
- Poland (2018)
- Colombia (2022)



CONFERENCES

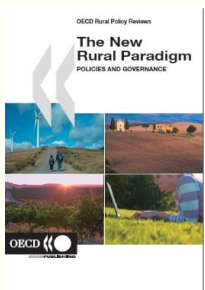
- Siena, Italy (2002)
- Warrenton, US (2004)
- Oaxaca, Mexico (2005)
- Edinburgh, UK (2006)
- Caceres, Spain (2007)
- Cologne, Germany (2008)
- Québec, Canada (2009)
- Krasnoyarsk, Russia (2012)
- Bologna, Italy (2013)
- Memphis, US (2015)
- Scotland (UK) (2018)
- Seoul, Korea (2019)
- Cavan, Ireland (2022)



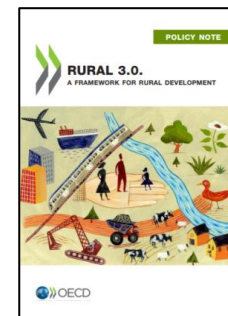
THEMATIC WORK

- Rural service delivery (2010)
- Promoting growth in all regions (2012)
- Renewable energy (2012)
- Rural-Urban Partnerships (2013)
- Food security and nutrition (2016)
- Land use (2017)
- Northern Sparsely Populated Regions (2017)
- Mining and regional development
- Indigenous communities and rural development

2006



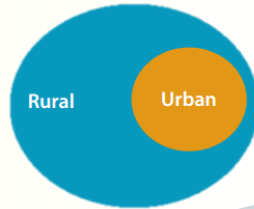
2019



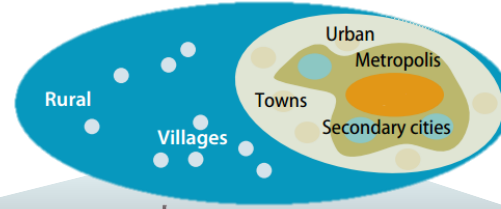


Rural places are diverse and they each require a distinct approach

The simplified area economy



...and a more realistic representation



Rural inside a functional urban area (FUA)

Rural outside, but in close proximity to a FUA

Rural remote

Challenges

- Loss of control over the future
- Activities concentrate in the urban core
- Managing land value pressures
- Matching of skills

- Conflicts between new residents and locals
- Avoiding sprawl
- Competition for land and landscape

- Highly specialised economies subject to booms and busts
- Limited connectivity and large distances between settlements
- High per capita costs of services

Opportunities

- A more stable future
- Potential to capture urban benefits while avoiding the negatives

- Potential to attract high-income households seeking a high quality of life
- Relatively easy access to advanced services and urban culture
- Good access to transport

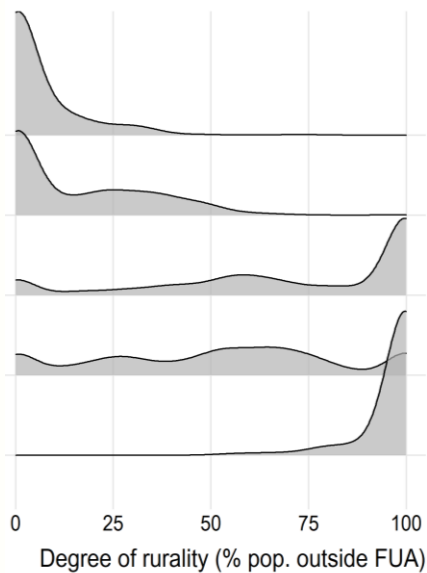
- Absolute advantage in production of natural resources-based outputs
- Attractive for firms that need access to an urban areas but not on a daily basis
- Can offer unique environments that can be attractive to firms and individuals



Urban and rural places are strongly interdependent

A typology of regions to emphasise linkages

- 29% of population live in rural regions (347 million)
- 21% in rural regions near cities (250 million)
- 8% in remote regions (97 million)



Many shades of rural

Large metropolitan regions are clearly more urban

Rural is a bit everywhere

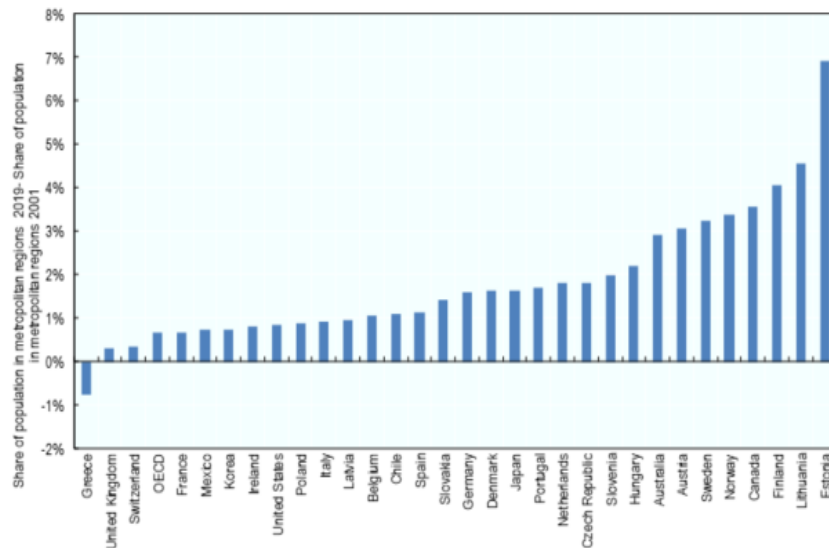
Regions in-between are rural to varying degrees

Remote regions clearly more rural



Rural places face stronger demographic pressures

The share of population in metropolitan regions increased in the last two decades

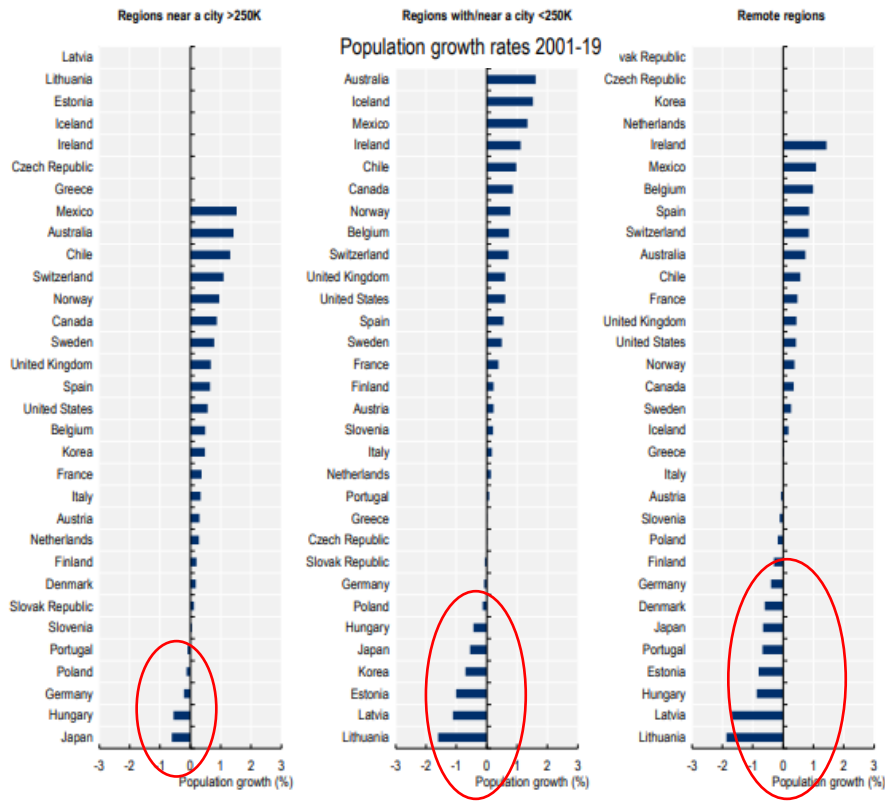


Note: Metropolitan regions includes regions with a city of at least 250 thousand inhabitants. Based on available data for 2 147 TL3 regions.

Source: (OECD, 2019^[7]) OECD Regional Statistics (database), <http://dx.doi.org/10.1787/region-data-en>.

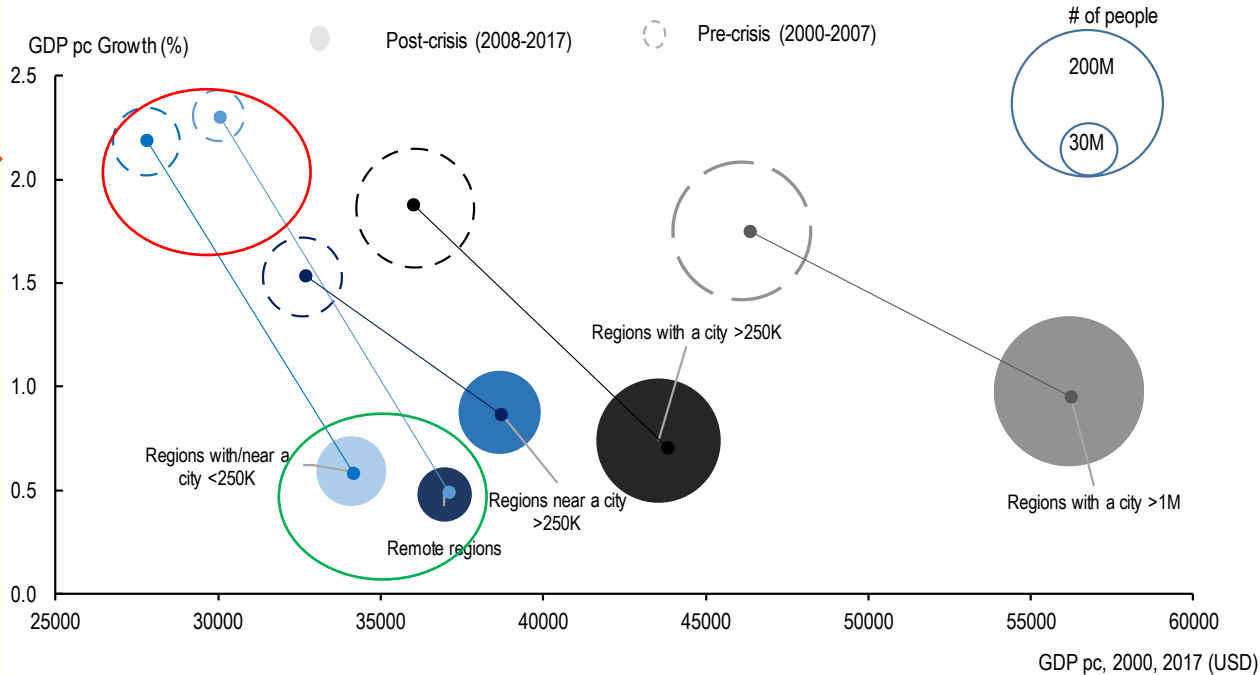


Demographic pressures in remote and rural close the medium/small cities





Rural-urban divides have grown since the global financial crisis



- **Prior to the 2008 crisis**, remote rural regions and those near a smaller city were **growing fastest** and catching up
- **Since the crisis**, their **growth, has fallen sharply**, contributing to growing **regional inequities**
- The crisis revealed the **higher vulnerability** of remote rural regions and those near a smaller city to economic shocks

Note: 2017 extrapolated values for France and Japan based on 2001-16 regional growth rates. Based on available data for 1 530 TL3 regions in 28 countries. GDP is in USD PPP with base year 2015.

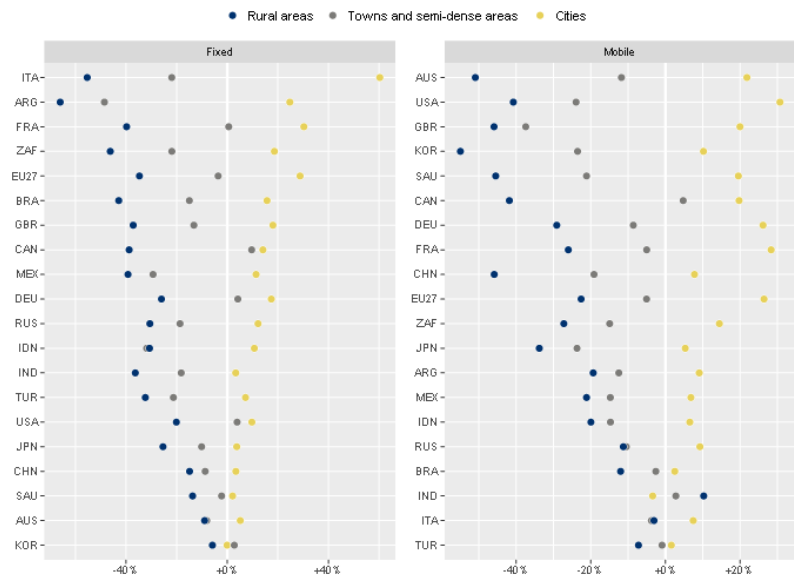
Source: (OECD, 2019) OECD Regional Statistics (database), <http://dx.doi.org/10.1787/region-data-en>



The digital agenda a critical pillar for the future of rural

Gaps in download speeds experienced by users, by degree of urbanisation

Gaps estimated as percentage deviation from national averages (2020Q4)



Note: Speedtest data corresponds to 2020Q4. The data for average fixed and mobile broadband download Speedtests, reported by Ookla measures the sustained peak throughput achieved by users of the network. Measurements are based on self-administered tests by users, carried over iOS and mobile devices. Aggregation according to the degree of urbanisation was based on GHS Settlement Model (GHS-SMOD) layer grids. The figure presents average peak speed tests, weighted by the number of tests. For further information on the degree of urbanisation, the definition and treatment of the Speedtest data.

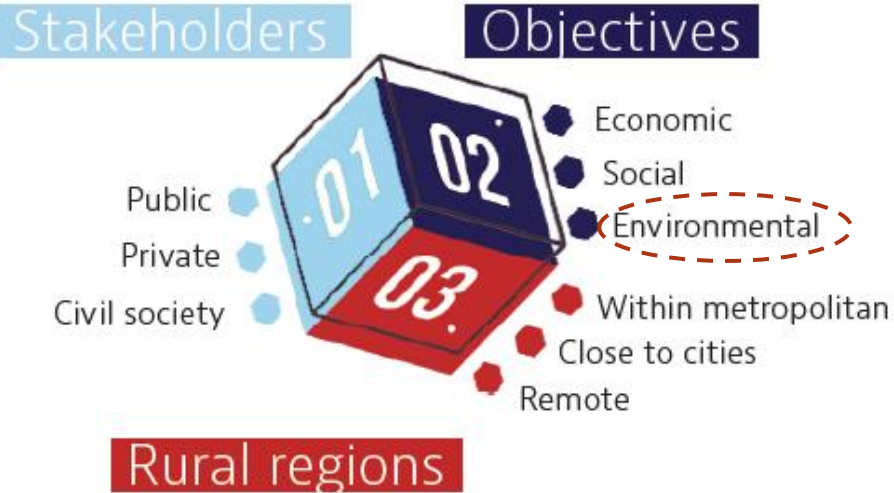
Source: OECD calculations based on Speedtest® by Ookla® Global Fixed and Mobile Network Performance Maps. Based on analysis by Ookla of Speedtest Intelligence® data for 2020Q4. Provided by Ookla and accessed 2021-01-27. Ookla trademarks used under license and reprinted with permission.

- Based on DEGURBA: On average, there is a **50-percentage point difference** between cities and rural areas in fixed broadband speeds across 38 OECD countries.

- By types of TL3 regions, on average, there is a **36-percentage point difference** between metro and non-metro regions in fixed broadband speeds across 32 OECD countries.



The Rural Well-being Policy Framework



Emphasis on:

- ✓ **Partnerships** between government, the private and civil society
- ✓ **Building linkages** between rural areas and cities

A **people-centred approach** will help ensure rural areas can embrace change and build positive futures



The Framework identifies a number of policy recommendations



ECONOMY

Enhancing productivity and competitiveness

- Deepening **smart specialisation** strategies and **promoting innovation**.
- Supporting **SME growth**
- Facilitating access to **sources of financing** for rural firms.
- Retaining **more value** in rural communities

- Enhancing the quality and availability of **digital tools** and skills
- Designing **resilient services** and providing **targeted mentoring initiatives**
- **Developing 'silver'** services to support the elderly population
- **Supporting social innovations** that target societal challenges
- Developing **targeted programmes for youth and newcomers**

SOCIAL

Planning to demographic change and social innovation



ENVIRONMENTAL

Shifting to a zero-carbon economy

- Facilitating the **development of renewable energies**
- Identifying ways to account for and **create value from eco-system** services
- Promoting **sustainable land-use** a part of the circular and bio-economy.
- **Rethinking transportation** for rural dwellers



11 Principles on Rural Policy: Scale, Strategy, Stakeholders





Role of rural policies in reaching climate change goals



Rural places are a fundamental part of this transition

- **Increased frequency and intensity of extreme weather events** threaten their resource depended **livelihoods** (forestry, agriculture, fisheries, energy and tourism).
- Rural characteristics like **population ageing, limited economic diversity, dependence on external markets** and missing (digital) infrastructure exacerbate **barriers to adapt and prepare**.
- They urgently need to **reduce emission from GHG intensive land use, industries and transport**. GHG emissions per capita in rural regions are particularly high, also because rural firms and households lack green alternatives.



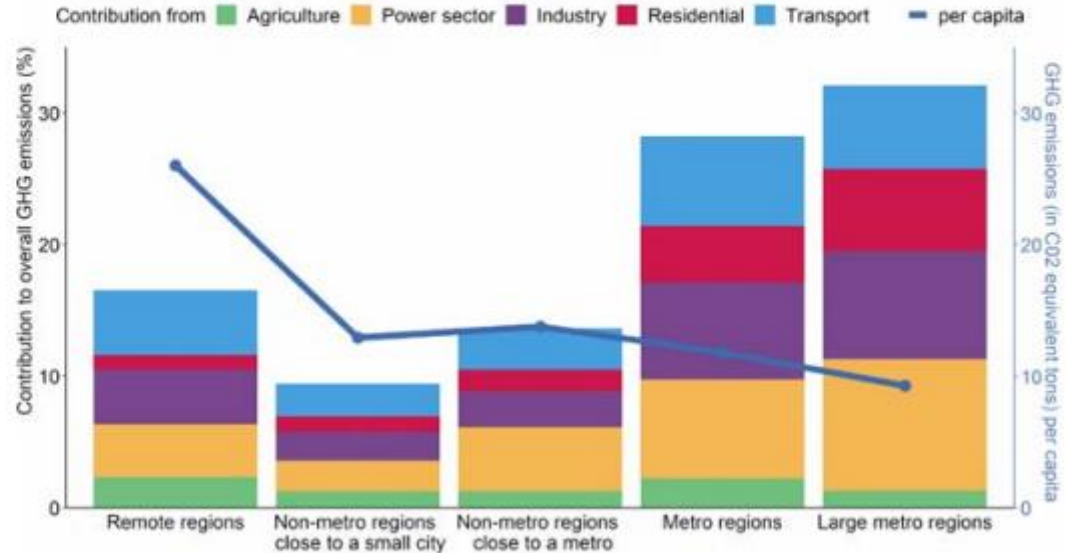
Rural places are a fundamental part of this transition



Production-based emissions per capita are highest in remote rural regions

Contribution to GHG emissions (bars) and GHG emissions per capita (line) by type of region, 2018

- They cover roughly **80% of territory in OECD countries** and contain **natural resources, biodiversity and eco-system services** needed to sustain our lives.
- Average emissions **per capita** in OECD countries are **three times higher in remote rural regions** (26.3 tons of CO₂) compared to large metropolitan regions (9.3 tons of CO₂).



Source: OECD 2021 Regional Outlook

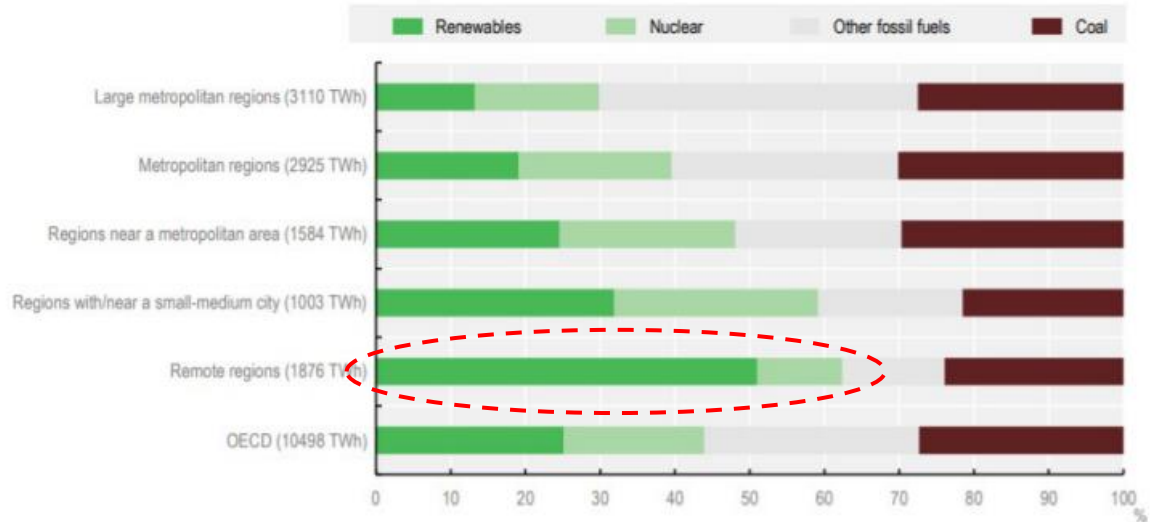


Rural places are a fundamental part of this transition



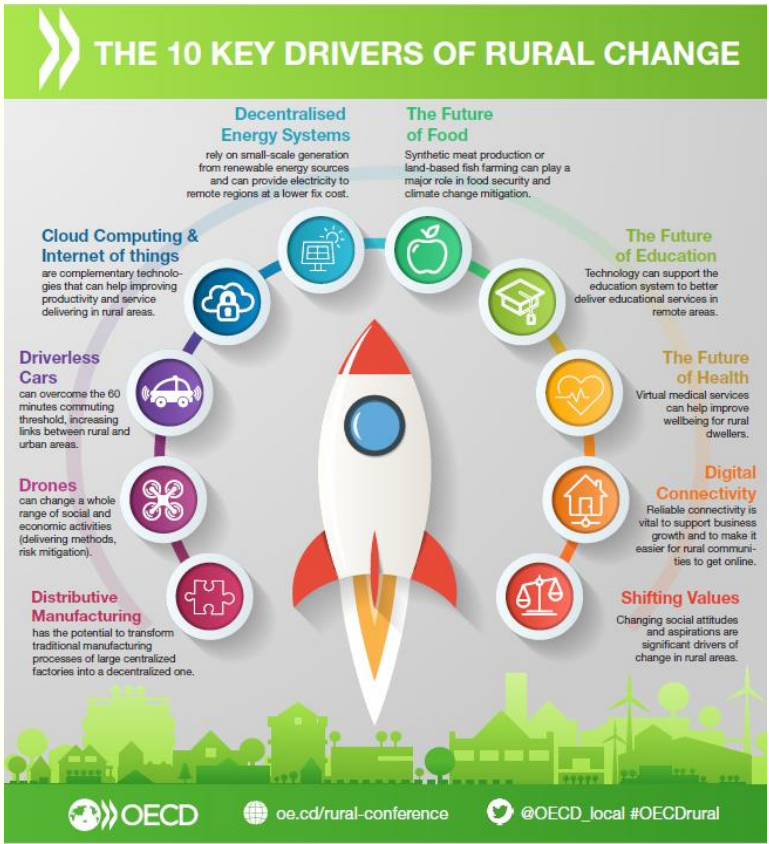
Rural regions, especially remote ones, are leading in renewable electricity production
Sources of electricity production, 2017

- Rural regions, especially remote ones, are **leading in renewable electricity** production because of their open spaces and low population density.
- To benefit of rural regions they need to enhance **innovation potential** and **ensure community involvement and benefits**, in tune with local contexts.



Source: Adapted from OECD Regions and Cities at a Glance 2020

Embracing rural innovation is a necessary condition





There are new opportunities in the transition to net-zero economy:



Managing rural land-use change and creating value from eco-system services-ecosystem services have no or limited value in conventional statistical or economic terms, forcing rural communities to make trade-offs between economic development and environmental protection. Creating a market value and shifting conceptualisation of these services as free can offer opportunities for rural development.



Take an active role in the energy and industrial transition -rural geographies have a comparative advantage in producing renewable energy because of their open spaces and low population density. To benefit of rural regions they need to enhance innovation potential and ensure community involvement and benefits, in tune with local contexts.



Developing the circular and bio-economy -using resources more efficiently closing, slowing, narrowing resource loops across value chains minimises environmental pressures, can promotes more sustainable local production and offers opportunities for new business models, new markets.



Decarbonizing transport -rural regions are especially car dependent. Rural regions can benefit from the low operating cost of electric cars but must prepare the transition with infrastructure, smartly connected to the variable production of renewable electricity.



OECD Rural Agenda for Action - Objectives



Builds on the objectives set out in **Working Party for Rural Policy's mandate** related to climate change and environmental protection



Draws attention to the role rural areas play in **accelerating much needed reforms to reach net-zero emissions** and **calls for a stronger role of rural policies in reaching climate change goals.**

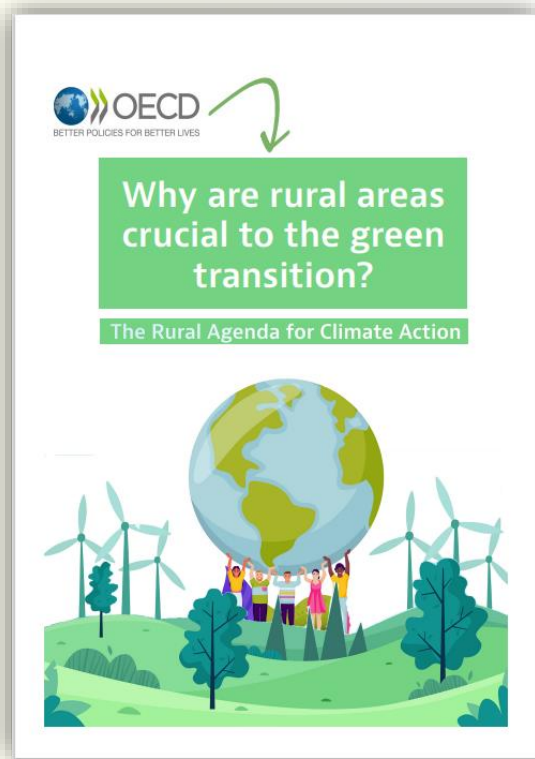


Supports the **implementation** of climate related work:

- collecting best practices,
- outline necessary actions for individual policy topics through case studies and reviews,
- building partnerships,
- dissemination of work.



OECD Rural Agenda for Climate Action



Six Areas of Climate Action for Rural Policies



The *Rural Agenda for Climate Action* identifies how policymakers can integrate the goals of climate resilience and the transition to net-zero emissions into a broader, place-based, rural development agenda.

1. Improving the evidence base at the regional and local level.



2. Empowering rural regions through local capacity building.



3. Fostering renewable energy.



4. Promoting sustainable land management.



5. Accelerating the circular and bio-economy.



6. Decarbonising transport while advancing physical and digital infrastructures.





Launch at COP26 event series



- Draw attention to the need tailored approaches for the green transition - rural places are diverse
- Highlighting leading policy practices for climate change and rural development
- Demonstrate rural communities as a resource - uncovering requires high-level commitments, enabling/ support for local action
- Highlight co-benefits of climate action (jobs, clean air)
- Stress private investment needed to complementing public investment

Thank you!

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Express your support to the Rural Agenda
for Climate Action:

