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Interfaces

A VISION FOR RURAL AREAS

MAP Discussion Paper

LONG-TERM VISION FOR RURAL AREAS: CONTRIBUTION FROM 20 SCIENCE- SOCIETY-POLICY PLATFORMS

MAP DISCUSSION PAPER

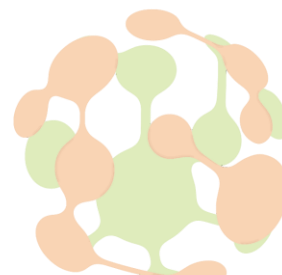
RURAL TRANSYLVANIA

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1. Introduction

As the very name of the platform suggests, the territorial coverage of the Romanian MAP corresponds, from a geographical point of view, to the historical province Transylvania located on Romania's territory. From the administrative-territorial point of view, MAP coverage area includes three NUTS II development regions (Nord-Vest, Centru and Vest), which bring together 10 NUTS 3 regions classified as Predominantly rural and other 6 NUTS 3 regions from the category of Intermediate regions.

Fig. 1. Rural Transylvania MAP - territorial coverage and geographical characteristics



Source: <http://enciclopediaromaniei.ro/wiki/Transilvania>;
https://calatorindprintrecuvinte.files.wordpress.com/2012/03/provinciile_romaniei_in_prezent_cu_judetete_aferente_celendo.jpg

Rural Transylvania Platform has been established to bring together 11 representative stakeholders from three spheres of interest involved in the rural development of the geographical area covered by MAP. MAP includes 5 representatives of the society group: NGOs, small and large farmers, integrators on agri-food chains, LAG); 3 policy arena representatives: regional public administration and ministry; 3 representatives of research arena: researchers from regional universities. Most MAP members operate not only in one area of interest: academics are active members of innovative NGOs or clusters, some representatives of the policy arena are also involved in research activities, the NGOs members are at the same time small entrepreneurs, etc.

In order to better capture the diversity of the rural space under its coverage, the Rural Transylvania Platform aims to formulate a vision with regional coverage. Subsequently, focusing on certain thematics with regional relevance is inevitable, given the regional trends with a major impact on the future of the Transylvanian rural area.

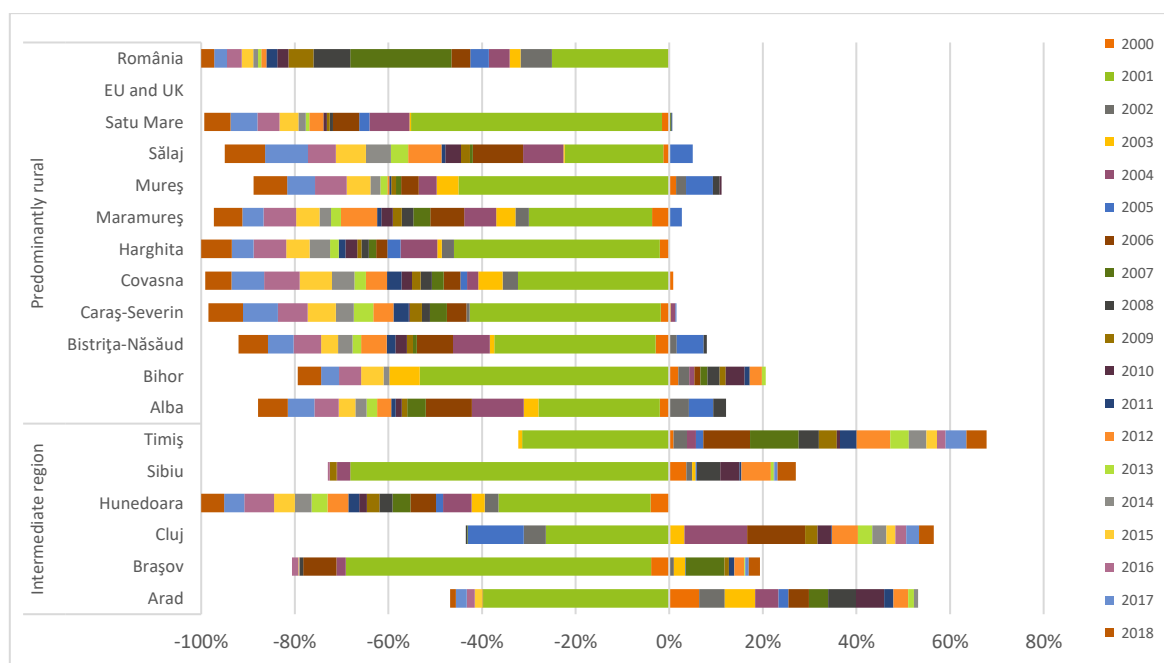
Keywords: Transylvania, demographic shift, inequalities, land use competition.

2. Results from desk research

2.1. Review of key trends

Contrasting to EU level general trend, population density in Transylvania is decreasing, due to the **depopulation of the area** caused both by: **a)** population decline due to natural phenomena and **b)** migration, which have a higher intensity in the predominantly rural NUTS 3 regions. As a result, in all NUTS 3 regions from the investigated area, population density is lower than the average of EU rural regions, the downward trends tending to maintain their trajectory on the long run. Exceptions are 4 intermediate regions: Cluj and Timiș, characterized by sustained economic growth that began in the early 2000s and generated attractive employment opportunities for the younger generation. The other two exceptions are Sibiu and Brașov, which have experienced positive migration flows in recent years. For all these territories, the driving engine of demographic attractiveness is the upward economic dynamics of large cities as economic growth poles.

Fig. 2. Crude rate of net migration at NUTS 3 level & urban-rural classification



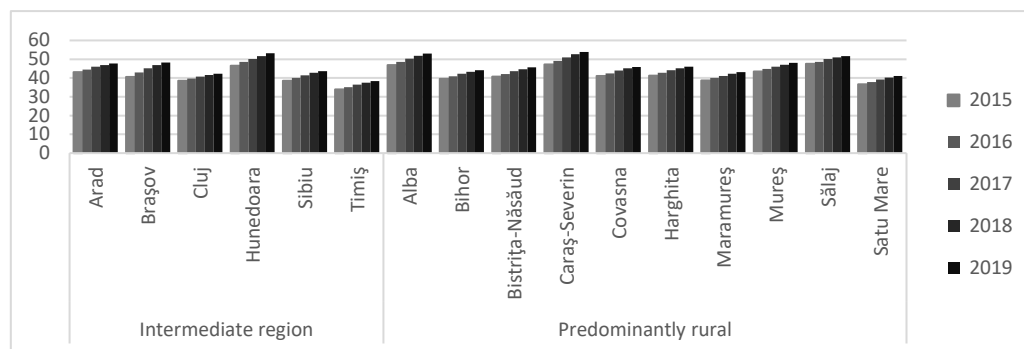
Source: EUROSTAT

We can notice a **relative concentration of rural population in the rural areas in close proximity to large cities** – economic growth poles (Cluj, Timișoara, Sibiu, Brașov). Yet the number and territorial irradiation of these urban centers is relatively small compared to the size of the region, and a large part of the population looking for better living continue to choose the option of migrating abroad for work. Migration generates depopulation. **The depopulation of rural areas has a higher intensity (and can result in demographic desertification) in the isolated rural areas**, where access is difficult due to the lack of (transport and social) infrastructure, and their remote status as regard the dynamic urban centers. The question arises as to whether it is appropriate to revitalize these rural areas or whether the cost-benefit ratio would be too high to support such initiatives.

Negative natural increase of population and migration of younger population cohorts contribute to the **acceleration of natural population ageing** phenomenon, generated by life expectancy increase. The predominantly rural regions are the most affected by ageing of the population, and this phenomenon is expected to accelerate on the long-run.

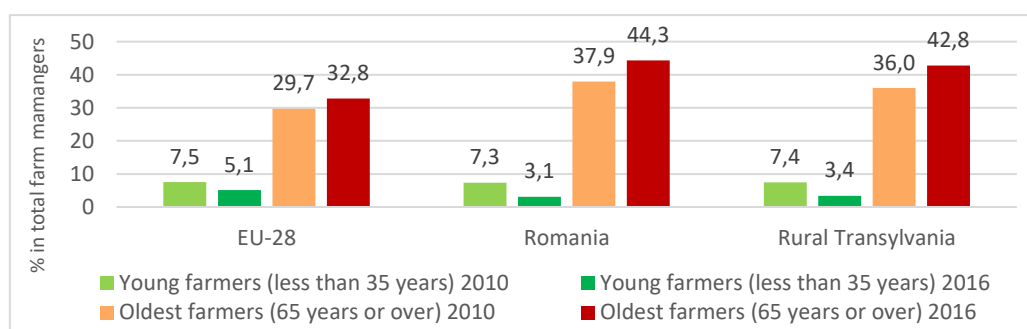
Fig. 3. Old age dependency ratio (2nd variant) at NUTS 3 level & urban-rural classification

(population 60 and over to population 20 to 59 years -%)



Source: EUROSTAT

We can also notice an **accelerated ageing of agricultural managerial body** both nationwide and in the study area. This phenomenon has a higher intensity in rural Transylvania compared to the EU-28 average (Figure 4).

Fig. 4. Ageing of agricultural managerial body

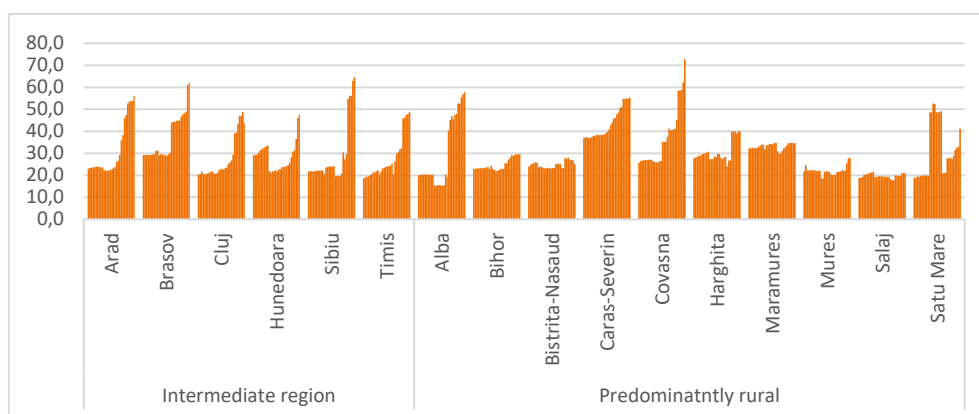
Source: EUROSTAT

Young farmers are getting scarcer. While in the year 2010, 7.4% of farm managers from Transylvania were very young (to enable comparisons, under 35 years old), this share declined by half (at 3.4%) in 2016.

There are five university centers in Transylvania established in bigger cities (Cluj Napoca, Timişoara, Braşov, Sibiu and Oradea) having various specializations addressed to rural area: agriculture, horticulture, livestock farming, food industry, nutrition, veterinary medicine, environmental protection, cadastre, tourism, forestry, economic sciences and business administration.

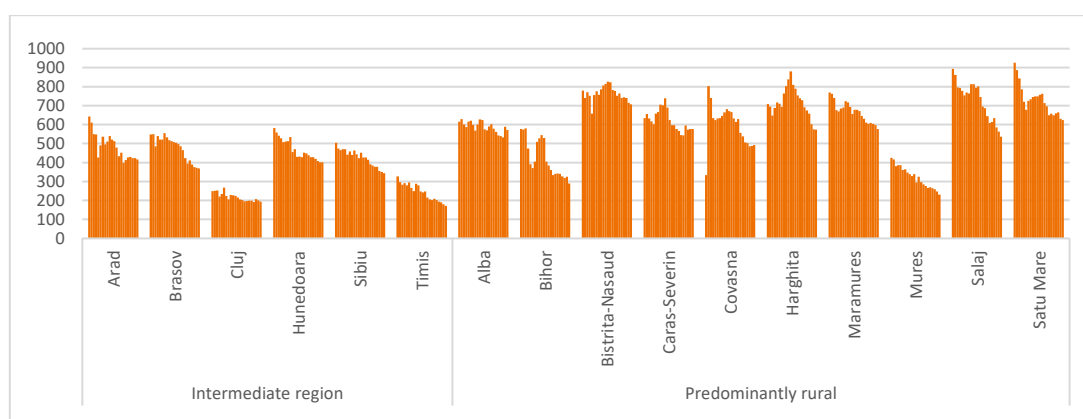
The Academy of Agricultural and Forestry Sciences has an important network of National Research & Development Institutes and Agricultural Research Stations across Transylvania's area, specialized in field crops, potatoes, sugar beet, vegetables, pastures, fruit farming, wine farming, sheep and cattle farming.

The lack of attractiveness of rural (peripheral) areas for investors is mainly determined by their **low accessibility** (and we refer here to the connection of peripheral rural areas to transport corridors) and **the low development of technical infrastructure** (water supply networks, sewerage systems, natural gas supply networks). Through the pre- and post-accession programmes (both regional and rural development programmes) public money for investments in transport infrastructure modernization were put in place, but the capacity to access funds for these destinations was different across Transylvania's territory. While in the 1990s about 20% of the road network had been modernised, by the year 2019, the public authorities from all the intermediate regions developed projects, so that at present more than half of the road network length has been modernised. On the other hand, in only 3 of the 10 predominantly rural counties from Transylvania, the modernization rate of the transport infrastructure was quite similar, while the other counties lagged behind (Figure 5).

Fig. 5. Share of modernised public roads at NUTS 3 level & urban-rural classification (1990-2019)

Source: INSSE, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>, [TEMPO_TRN139A]

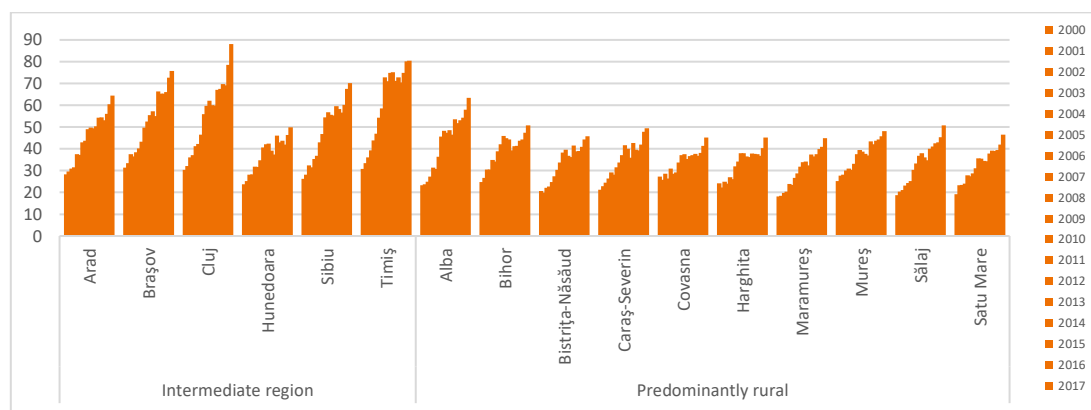
The rural-urban disparities in terms of access to basic services (education, quality healthcare) have been maintained and grown stronger. There is a biunivocal relation between demographics and the provision of social services: on one hand, migration of rural population to metropolitan areas or abroad is also motivated by the lack of access to social infrastructures; on the other hand, the depopulation of rural areas makes investments in such services be inappropriate in the peripheral rural areas severely affected by the demographic decline.

Fig. 6. No. of inhabitants / physician at NUTS 3 level & urban-rural classification (1997-2018)

Source: INSSE, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>, [TEMPO_SAN104A & TEMPO_POP108B]

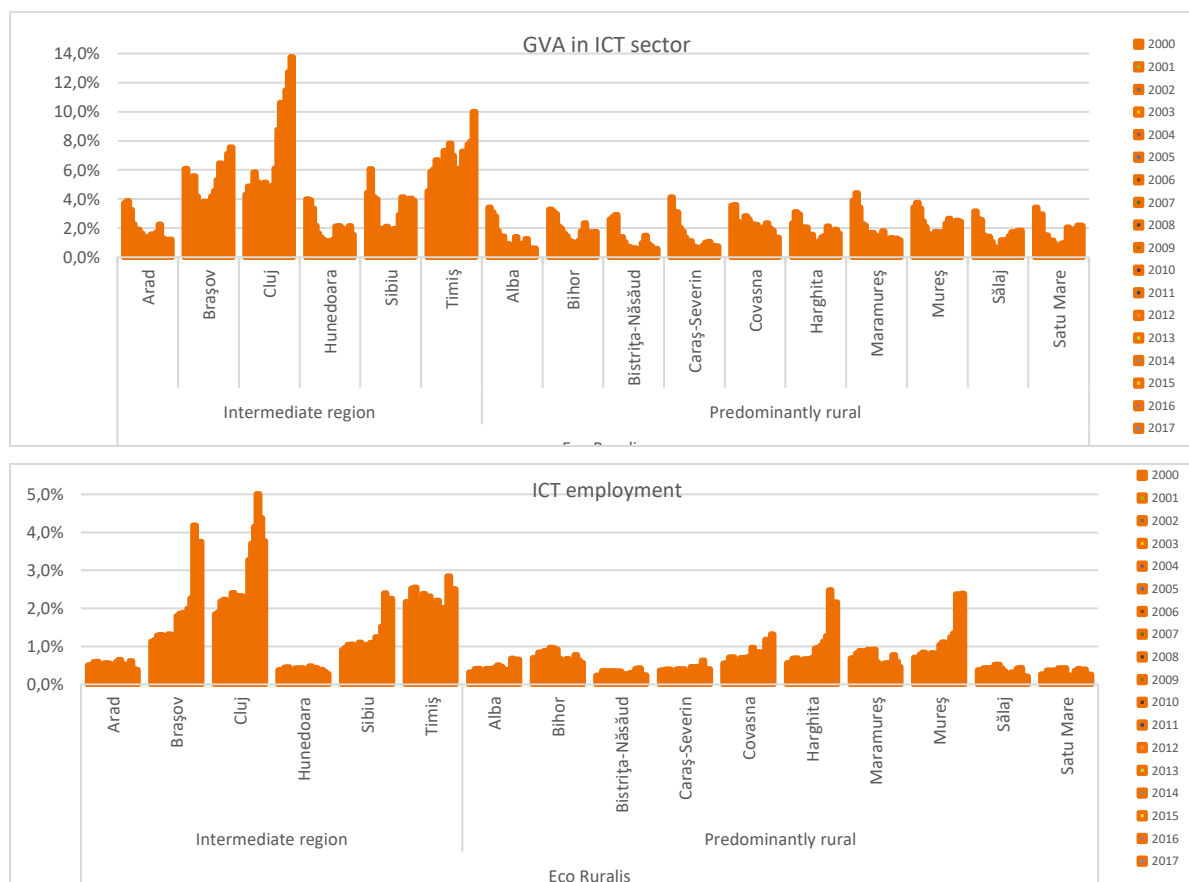
Thus, in the intermediate regions, more attractive in economic terms, the number of physicians that serve the healthcare system increased, so that the number of inhabitants per physician decreased by almost half in 20 years (1997-2018). In the same period, in the predominantly rural regions, the number of physicians remained relatively constant, while the number of inhabitants served by one physician remained relatively high, despite the demographic decline (Figure 6).

While in the early 2000s, GDP/capita amounted to 20-30% of the EU-28 average at the level of NUTS 3 regions from Transylvania, with the share of employment in the primary sector ranging from 23 to 52%, the development models adopted across the region led to the diminution of this gap, however by different rates across counties. Generally speaking, the intermediate regions experienced faster economic growth than the predominantly rural regions (Figure 7).

Fig. 7. GDP/capita in PPS as share of EU-28 average (2000-2017)

Source: EUROSTAT

The development models adopted have made the difference. In **the intermediate regions re-industrialization and/or smart specialization processes have developed and accelerated** (ICT sector development – counties Cluj and Braşov, Timiş and Sibiu), mainly concentrated in the urban area. Statistical data reveal that the main **driving engine of economic growth has been the IT sector**, which has developed by attracting foreign direct investments in this sector through the **lower labour costs** and the higher specialization of labour force in this field in Romania. Generally, in the area covered by Rural Transylvania Platform, 1% of the labour force employed in ICT sector creates 3% of GVA (Figure 8).

Fig. 8. Share of ICT sector in GVA and employment at NUTS 3 level & urban-rural classification (2000-2017)

Source: EUROSTAT

On the other hand, in the predominantly rural regions, the pace of economic structure diversification has been slower, the transfer of labour from primary sector to secondary (constructions) and tertiary sectors being quite limited. As a result, in the year 2017, **in half of the predominantly rural regions from Transylvania, more than 20% of the labour force continued to be (under)employed in agriculture.**

Regardless of the category of region, investments in the economic non-agricultural enterprises are concentrated in the big cities that polarise the regional labour force, while the peripheral rural areas continue to lag behind, without providing diversified occupational opportunities for their inhabitants. Thus, **more than 64% of farms from Transylvania still continue to be subsistence farms and other 28% are very small farms** (Table 1), with low opportunities to provide consistent incomes for the people living in the peripheral rural areas. **The farm system from Transylvania is still characterised by fragmentation and bipolarity.** Thus, the average farm size in 2016 was only 4.7 ha (by only 0.7 ha larger than in the year 2005). Bipolarity (92% of farms are very small in size and operate a similar land area like the 0.3% large-sized farms – 35-40%) makes that only **a small part of the agricultural land of Transylvania to be farmed by the commercial family farms.**

Abandonment of agricultural activities show up at the level of subsistence and very small farms, motivated by the inability of the farming activity to ensure a decent living income for farmers and their families. At the same time, there is a **concentration (consolidation) trend of land operation on the large farms,** the number of which has almost doubled over one decade. Usually, the large-sized farms have development models based on economies of scale, with an intensive farming system and production structures oriented towards the cultivation of grains and industrial crops and are very low work intensive. The land resources are vital for the performance of these farms, and higher performance is conditioned by increasing the operated land area.

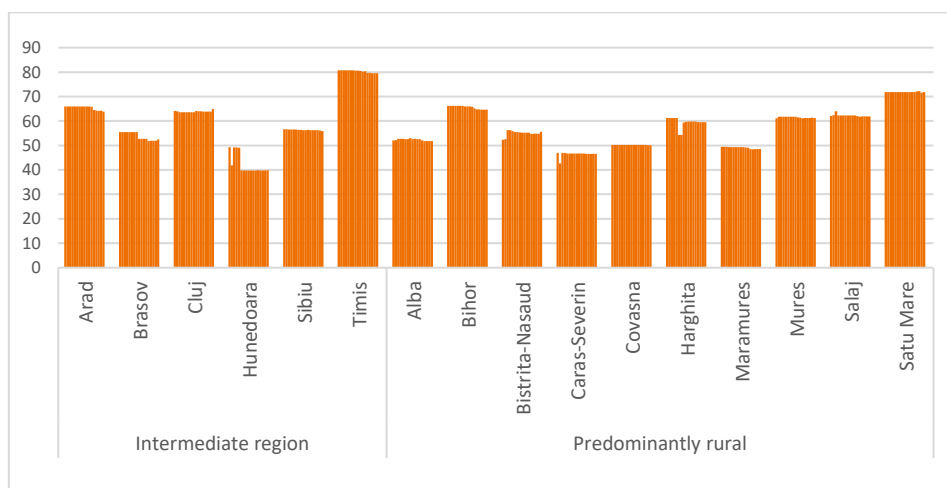
Table 1. Number of farms and utilised agricultural area by economic size of farm in Rural Transylvania

| | | Subsistence farms (<2000€) | Very small farms (2000-8 000€) | Small farms (8000-25000€) | Medium-sized farms (25000-100000€) | Large farms (≥100000€) | Total farms |
|-----------------|-----------------|-------------------------------|-----------------------------------|------------------------------|---------------------------------------|---------------------------|-------------|
| Number of farms | 2005 | 870230 | 426470 | 45230 | 6030 | 1600 | 1349560 |
| | 2016 | 662940 | 289760 | 68250 | 12530 | 2900 | 1036340 |
| | 2016 / 2005 (%) | 76.2 | 67.9 | 150.9 | 207.8 | 181.3 | 76.8 |
| UAA | 2005 | 1046930 | 1790570 | 533350 | 542200 | 1523300 | 5436350 |
| | 2016 | 829770 | 1142850 | 646240 | 582440 | 1668250 | 4869550 |
| | 2016 / 2005 (%) | 79.3 | 63.8 | 121.2 | 107.4 | 109.5 | 89.6 |

Source: EUROSTAT

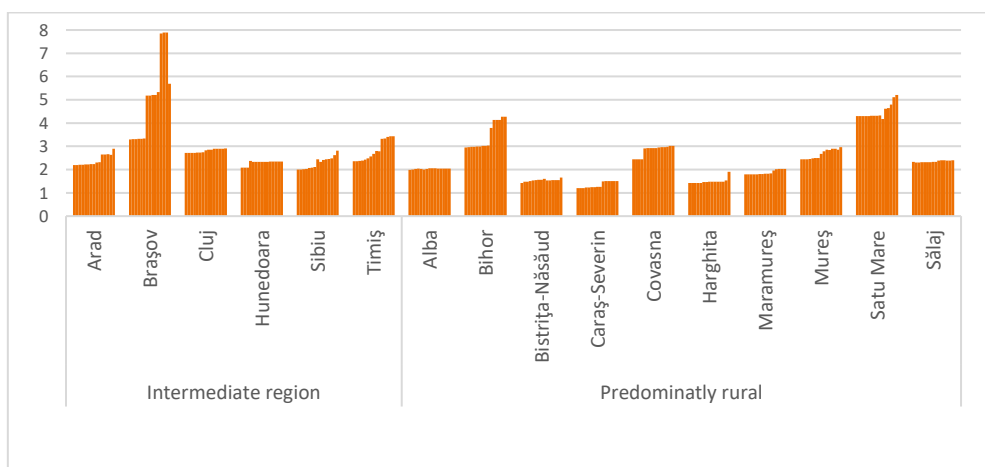
Process of small and medium-sized farm (with SO from 8000 to 100000 €) consolidation has begun to gain momentum in recent years. This process is driven by **the integration of small and medium-sized farms in the short supply chains (that serve the urban centers from proximity)** and/or by activities that provide agro-eco-systemic services. **The functionality of the urban-rural relationship on short supply chains** has been also proven by the fact that, although Transylvania accounts for only 1/3 of national territory and population, 70% of projects funded in the current programming period to support horizontal and vertical cooperation between actors in the agri-food supply chain have been initiated in Transylvania. These initiatives are concentrated in areas whose economy is polarized by large urban centers with upward dynamics (41% of projects have been initiated in Cluj, the county with the highest economic growth).

Agriculture is practiced on about 58% of Transylvania's area (with variations across counties from minimum 40% in Hunedoara to 79.5% in Timiș) and also produces a great amount of secondary organic matter that is exploited only to a small extent in the region.

Fig. 9. Share of agricultural area at NUTS 3 level & urban-rural classification (1997-2014)

Source: INSSE, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>, [TEMPO_ AGR101A]

The upward economic dynamics of the big urban centers leads to their territorial enlargement and demographic growth. The metropolitan areas attract rural population cohorts (young population in particular) leading to an increasing demand of land for constructions (Fig. 10) for the enlargement of urban economic platforms and for the dwellings of newcomers (inside the towns or, mainly, in the proximity of biggest cities).

Fig. 10. Share of built-up areas at NUTS 3 level & urban-rural classification (2000-2014)

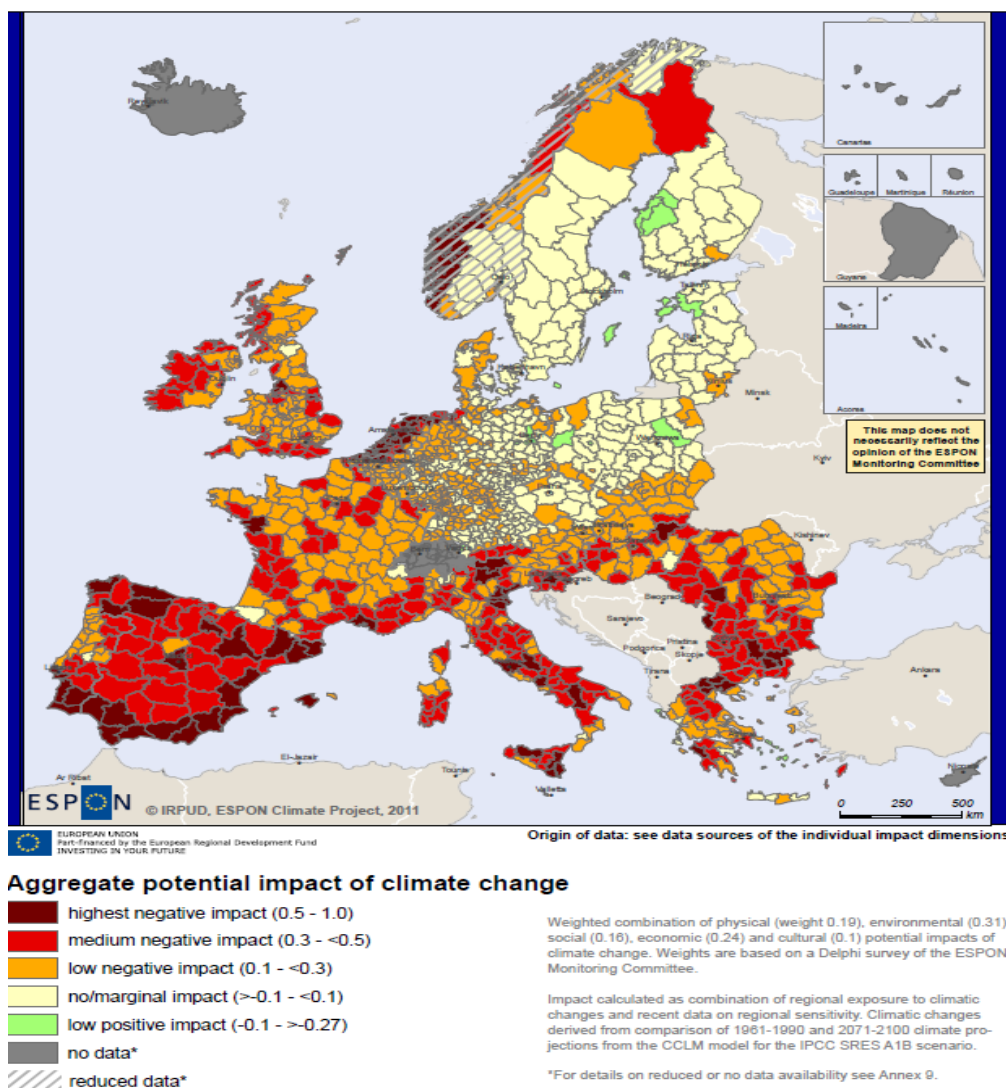
Source: INSSE, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>, [TEMPO_ AGR101A]

The increasing demand for land, either for farming purposes or for real estate investments, has tripled the price of land in the last eight years. However, the farmland price in Transylvania (like in the whole Romania) remains among the lowest prices in Europe.

Together, the abandonment of farming activities and the change of land use (the built-up areas of localities taking over the agricultural land) has led to the diminution by 10.4% of the utilised agricultural area in ten years only (Table 1).

In nine out of the 16 NUTS 3 regions in the coverage area of Rural Transylvania Platform, the **aggregate potential impact to climate change is medium negative** according to the ESPON evaluation. For the remaining regions, the impact is low negative.

Fig. 11. Aggregate potential impact to climate change

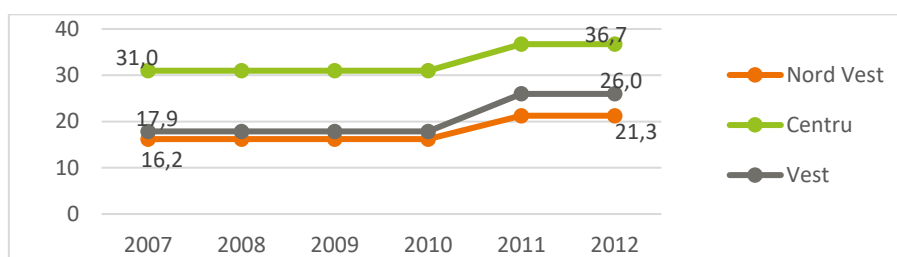


Source: ESPON Climate (2011). *Climate Change and Territorial Effects on Regions and Local Economies*, <https://www.espon.eu/climate>

The main determinants for this assessment (according to ESPON experts) are: i) potential environmental impact and ii) economic impact. The two aspects are strictly connected as the regional rural economy is largely based on the exploitation of natural resources (agricultural land, forests) that suffer as a result of climate changes and the extreme weather events associated to these: prolonged drought, flooding and landslides following massive rainfall in a short period of time. Although drought frequency and intensity is on the rise, the share of agricultural area equipped for irrigation in total agricultural area was and continues to be very low (1.5%). Furthermore, in the period 1997 – 2018, the agricultural area equipped for irrigation at regional level even decreased by about 9%.

The territorial coverage area of Rural Transylvania Platform includes various relief units: plains with favourable conditions for growing cereal crops, followed by a large plateau area suitable for fruit and vine farming as well as large areas under forests in the mountains. The diversity of natural resources is complemented by pastoral landscapes where traditional rural communities are still alive. The share of land area covered by different forms of natural protection has an upward trend in the investigated territory (Fig. 12), which creates premises for the preservation of natural landscapes and habitats, contributing to biodiversity preservation. **About 1/3 of the study area is covered by forests**, which has a significant contribution to the mitigation of, and adaptation to climate change and as support for rural job diversification.

Fig. 12. Share of land area covered by Natura2000 (NUTS II regions)



Source: INSSE, https://insse.ro/cms/files/IDDT2012/index_IDDT_en.htm

In Transylvania region, **54% of localities** are located in **areas classified as high natural value areas (HNV)**¹. In these areas, there are still rural communities where the inhabitants preserve the traditional way of life, which can be put into value for tourism purposes in the conditions of an increasing interest of the urban population to have access to nature (wild nature in particular) and to authentic culinary experiences in Romania.

2.2. Review of main challenges and opportunities

The ageing of the population translates into increasing pressure on pension systems. The ratio of the number of persons considered economically inactive (over 60 years old) to those considered active persons (20-59 years) is steadily increasing, which brings to discussion the need for an **active ageing of population**. Furthermore, the ageing of rural population requires the **development of core services adapted to this demographic evolution: healthcare, long-term care and welfare systems as well as increased mobility of healthcare professionals**.

In the conditions of the **ageing of the population** due to life expectancy increase (in rural areas inclusively) and to the migration of younger generations, the access to healthcare services becomes a vital need. **The weak desire of healthcare staff to serve the population of isolated rural communities** represents a major challenge for the rural areas. The **lack of appropriate infrastructure** can represent a key barrier to growth and accessibility of rural areas, contributing to a lack of attractiveness of these regions and **creating a barrier for many businesses and corresponding job creation** (European Commission, 2017). At the same time, there are examples of rural areas where **civic initiatives** (foundations, NGOs) have succeeded in finding mechanisms to revitalize the peripheral rural areas by re-shaping certain points of interest and promoting rural identity using modern tools. These civic initiatives promote isolation in nature, fresh air, pastoral culture and landscapes as strengths, attraction points of the countryside.

The concentration of non-agricultural investments in the biggest cities leads to the concentration of the population in and around them, which represents a challenge for the peripheral rural areas that cannot provide equally well-paid jobs. The **concentration of the population in the proximity of great urban centers** - economic growth poles - is a normal phenomenon and creates **opportunities for both agricultural and non-agricultural business development** for adjacent rural communities; but this also requires the construction of **appropriate infrastructures** for this purpose (transport, social infrastructures) in the countryside. Urban concentrations create opportunities for the development of **regional and local-based food systems** (short food chains) and of recreation (weekend) tourism in the limitrophe rural areas.

Business establishment and development in the ICT sector in the region and the concentration of labour force that uses electronic communication tools led to the need for broadband networks expanding and create the premises to expand the rural-urban connections based on digital technologies. A well-developed ICT sector can support the online commercial platforms and innovations in the agri-food sector. **The local-based food chains initiatives are growing in the vicinity of large urban centers** serving directly the final consumers or HORECA units. Access to IT infrastructure is crucial for the operation of these networks, most of them functioning online. During COVID-19 pandemic, the short food chains have proved their utility and have greatly expanded using IT connections.

¹ Annex 5- List of HNV municipalities, documentation Submeasure 16.4 and Submeasure 16.4a – Support provided for horizontal and vertical cooperation between the actors in the supply chain in the agricultural and fruit farming sectors, <https://www.afir.info/>

The attractiveness of metropolitan areas for the rural workforce (mainly for young people) as well as the development of urban economic platforms put pressure **on the price of land** and houses from the adjacent rural areas. **The large farms** (mainly cereal farms that operate hundreds of hectares of land) and **the medium and small-sized farms** (that supply the local market, the short supply chains inclusively) also compete for the limited land resources. In an (unequal) competition, the medium and small-sized farms invoke the **"land grabbing"** phenomenon restricting their access to land. The fact that the agricultural land price remains one of the lowest in Europe attracts the interest of the (better capitalized) Western investors, but their entry in the land market is a barrier to access to land of the (less capitalized) Romanian farmers. Higher land prices represent an opportunity for the welfare of rural people, bringing them an additional income source, but also a constraint by restricting the ability to consolidate small local farms because Romanian farmers do not have the necessary capital to pay the price of land.

In the country with the largest number of (small-sized) family farms in Europe, the above-mentioned demographic phenomena have generated major challenges for the farm system. Thus, **labour shortage** caused by the migration of the rural population raises the issue of changing the agricultural production structure and the need for commercial orientation of farms, so that agriculture to become **an attractive economic activity for the new generation; ageing of the managerial body in agriculture** raises the issue of **generational renewal and farm transfer** focusing on the reconsideration of the type of **future agricultural system** in the region.

The ageing of the managerial body in agriculture, together with the low interest of heirs to continue the farming activities on small farms, create premises for **agricultural land consolidation and the change of farm system** from a system where subsistence farming prevails to a commercial farming system.

Climate changes, which mainly materialise into higher average yearly temperatures and lower rainfall represent a challenge for the farming system in the area, which has to adapt its production structure to the new climate conditions, **by growing crop varieties adapted to these new conditions**. The need to develop the irrigation system in the region, mainly in its western part, where the large plains prevail, is not followed by concrete actions for this purpose, and the prospects show that there will be no great investments in these infrastructures in the future, the large farmers preferring to maximise their profit with minimum investment. At the same time, an opportunity is created **to introduce new crops** specific to warmer areas.

The upward trend of land cover with Natura2000 sites can create **favourable premises to facilitate the development of tourism driven ecosystem services and of organic farming**, which can provide jobs and high incomes for the rural population. Unfortunately, on the Romanian market, there is still a low demand for eco, bio products, due to their prohibitive prices for many consumers. Also, connectivity (or lack of) with urban areas is a key to exploit some of these opportunities. At the same time, the enlargement of protected natural sites **creates obstacles to the intensification of agriculture** and the increase of farm incomes, due to the restriction of intensive farming practices, both in situ and in its vicinity.

The diversity of natural and anthropic resources in the region can represent an **opportunity for the diversification of economic activities in the rural area and the multiplication of income sources**. The implementation of certain measures to **encourage the development of circular economy** (based on the exploitation of agricultural by-products, e.g. by including them in green energy production circuits) can be also helpful.

2.3. Summary of existing foresight(s)

There are plenty of strategies regarding the long-term development prospects in Romania, in general, and in the rural area, in particular, developed by different reflection groups set up at national level. In addition, there are also sectoral strategies targeting specific sectors or areas (eco-tourism, the Danube area, etc.) as well as foresights of civic initiatives that address certain thematics and/or particular areas from Transylvania.

The existing foresights place agriculture at the core of rural development. Thus, immediately after 2010, three strategies on the medium and long term, horizon 2030, were launched: Romania's Government, the Ministry of Agriculture and Rural Development (MARD) and the Romanian Presidency were the three initiators.

In terms of general orientation, *"Romania's National Sustainable Development Strategy 2030"* adopted by Romania's Government in the year 2008 and revised in 2018, Horizon 2030 aims to get *"significantly close to the average performance of the EU Member States by that year in terms of sustainable development"*

indicators" (RG, 2018). In the same document, the targets set for the programming horizon directly addressing the rural area are, in most cases, formulated in general terms. The emphasis is laid on unlocking the agricultural potential and secondly, on the orientation towards a circular economy and sustainable exploitation of the other resources (landscape, local traditions). The public efforts to improve the rural living conditions are prioritarily directed to compact communities, included in the area of influence of the economic growth poles.

Among the targets of the governmental strategy 2030, those addressing directly the rural area would be the following:

- Doubling the share of agriculture in Romania's GDP, compared to 2018
- Increasing the share of organic farming in total agricultural production
- Maintaining and increasing the profitability of certain traditional occupations and methods for the valorisation of medicinal herbs and berries in the mountain area. Maintaining the local traditions by increasing the number of products with specific characteristics in terms of geographical origin
- Connecting at least 90% of the population's households from towns, communes and compact villages to the drinking water and sewerage network
- Development of a long-term competitive tourism, of agro-tourism, eco-tourism, rural, balneary and cultural tourism and improving Romania's image as a tourist destination
- Development and implementation of a general spatial planning and land use programme in correlation with the sectoral strategies at national level, by applying the concept of polycentric and balanced spatial development, to support territorial cohesion
- Strengthening efforts to protect and safeguard the cultural and natural heritage, the landscape elements in the urban and rural areas
- Gradual shift to a new development model based on the rational and responsible use of resources, introducing elements of circular economy, elaboration of a roadmap (RG, 2018).

MARD, responsible for the management of agriculture and rural area in Romania, launched its own strategy under the slogan *"Smart capitalization on Romania's agri-food potential. Horizon 2020-2030"* (MARD, 2015). MARD strategy focuses on the agri-food sector, with an adjacent approach to rural development from the perspective of improving the living conditions for the rural population.

MARD strategy vision for horizon 2020-2030 stipulate: *"Romania will have a sustainable and competitive agri-food sector, focused on the export of high value-added products, resilient to global challenges, which ensures well-being and living conditions for the population quite similar to those in the urban area"* (MARD, 2015).

Strategic objectives:

- Acceleration of structural transition to economically viable agriculture, in parallel with the implementation of environmentally friendly practices and gradual diminution of agricultural workforce
- Increasing the coverage of food consumption needs from domestic production and regaining the status of net agri-food exporter, in line with the sectoral production potential and in response to the growing food demand worldwide
- Limiting the carbon footprint of agriculture, promoting organic and climate change-resistant agriculture, adequate water management and encouraging renewable energy production
- Improving living standards in rural areas, providing infrastructure and basic services comparable to those in urban areas, narrowing the rural income gaps between Romania and the EU average
- Development of partnerships for education/consultancy, ICT, RDI and improvement of agricultural administration performance as a foundation for a competitive, knowledge-based agriculture (MARD, 2015).

The Presidential Commission for Public Policies for Agriculture Development launched the *"National strategic framework for sustainable development of the agri-food sector and rural area in the period 2014-2020-2030"* in the summer of 2013 (PCPPAD, 2013).

According to this position paper, the priority of agriculture and rural economy modernization should be based on the vital economic and social functions of the agri-food system, through:

- Ensuring a balanced diet (hence food security implicitly) for the population, the necessary raw materials for non-agricultural activities and an active and profitable export of agri-food products
- Ensuring a decent living standard for the farmer families
- Environmental protection

- Rural economy, in general, and agriculture in particular, represent a huge market for the upstream and downstream sectors, directly contributing to the development of non-agricultural branches, as well as of the sectors related to agriculture (and forestry)
- Enhancing the landscape capital of rural areas (PCPPAD, 2013).

Similar to approaches of previous strategic visions, agriculture remains the pivot around which the development prospects of rural areas are outlined, yet the members of the Presidential Commission emphasise the need *"to change the center of gravity from the productivist aspect to the multifunctional aspect of agriculture"* (PCPPAD, 2013).

Among the sectoral strategies (nationwide), the most relevant for the rural area from Transylvania, given the abundance of protected areas, is the *"National strategy for ecotourism development in Romania – context, vision and objectives –2019-2029"*. Adopted by Romania's Government in the year 2019 (RG, 2019), this strategy sets out to promote eco-tourism, as a main form of tourism in the natural protected areas and adjacent areas with a relevant contribution to the economic development of these destinations and for the prosperity of the population in the communities at underdevelopment and social marginalization risk.

As it has been mentioned in the strategic approach, the vision of the Strategy for eco-tourism development is: *"affirmation of Romania's natural and cultural values, by creating and promoting a network of eco-tourism destinations with national and international notoriety, which will contribute to the improvement of the life of local communities and to the conservation of local natural and cultural resources"* (RG, 2019).

In the explanatory memorandum, the Government states that by adopting the vision and strategic objectives of ecotourism development in Romania, a first step has been made for the construction of green economy in the rural area, where natural protected areas also exist, which can become a catalyst for local development. Thus, the natural protected areas in particular, and nature conservation in general, can acquire an economic and social value at local and national level, by improving the degree of understanding and acceptance of this particular aspect of sustainable development.

Among the foresights of civic initiatives in Transylvania, we can mention as the most relevant: *"Castle in Transylvania"*, *"Balance Brings Beauty. Strategies for a Sustainable Southern Transylvania"* and *"Organic action plan for 2018-2023 – in Nord Vest development region"*.

The strategy *"Castle in Transylvania"* (CIT), has as time horizon the period 2016-2025 and focuses on putting into value more than 300 castles and manors from Transylvania (many of them being located in the rural area). As an initiative of the PONT group, the CIT strategy has received funding from EEA grants and was launched in 2016; its vision presupposes that, *"around the theme of Transylvanian castles, collaborations are established between institutions, organizations, entrepreneurs, castle owners and experts for the sustainable capitalization of the economic and social potential of castles"* (PONT, 2016). The strategic objectives of the document focus on three pillars: increasing the role of culture in economic development, revitalising the cultural heritage and increasing the role of castles in social development. The three strategic objectives focus on four priorities, namely development of castles as cultural, economic, local attractiveness and community cohesion units (<https://www.castelintransylvania.ro/strategie.html>).

"Balance brings beauty" vision for South Transylvania was developed by a research team from Leuphana University Lüneburg (Germany) that conducted a detailed visioning exercise in 2019 that involved many local actors representing economic, social and environmental interests. According to this vision, on the 30-year time horizon: *"policy focus on the environment, locals collaborate and are able to capitalize on high national and international demand for organic agricultural products. Sustainable use of resources co-exists with intensified land use via modern organic farming methods. Vibrant cultural tourism and eco-tourism stabilize people's incomes from the agricultural sector. Although few people are financially wealthy, economic and social inequalities are relatively low, and community spirit is high. Cultural and natural capital is valued and actively maintained"* (Fischer et al, 2019).

"Organic action plan for 2018-2023 – in Nord Vest development region" was developed by Nord Vest Regional Development Agency within the project Interreg: SME Organics (<http://www.interregeurope.eu/smeorganics/>) through the involvement of active organizations in the ecological/organic sector in the region. The plan targets the sustainable development of ecological agriculture on the value chain and includes concrete objectives and actions for the next 5 years that should lead to: increase primary production and processing capacity of eco agricultural products; create better synergies by strengthening stakeholders collaboration through organic value chain; increase the public awareness on the organic products and the demand for such products at regional level (NV RDA, 2018).

3. Results from interviews with MAP members

In step 2 of the Delphi method, for MAP Rural Transylvania, 2 focus group sessions were conducted in the first half of June 2020, each of them bringing together 5 participants (at least one from each category of stakeholders) as well as an individual interview.

3.1. Challenges and opportunities in the next 20 years

Based on the opinions expressed by the participants in the focus groups and interviews, the opportunities and challenges that the Transylvanian rural area has to face were summarized. These are presented in the table below, in the order in which they were reported by the members of MAP Rural Transylvania during the on-line discussions.

| Opportunities | Challenges |
|---|---|
| <p>High agricultural potential given by the high land quality and the ability of large farms to access modern technologies and digitisation</p> <p>The existence of regional identity and local identity specificities can be attraction points for (increasingly numerous) public that seeks diversity and wants to escape from the uniformity imposed by modern times</p> <p>Increasing awareness regarding the importance of biodiversity (Green Deal will play an important role) contributes to the preservation of natural heritage and of environmentally friendly traditional farming practices, as well as to rural landscape diversity preservation</p> <p>High bioeconomy development potential given by the need for sustainable use of rural natural resources (both primary and secondary)</p> <p>Local-based food systems and community-supported agriculture built on trust in local (small) producers and existing linkage between growing cities and nearby rural areas and a good penetration of ITC infrastructure</p> <p>The increasing demand for agri-food premium products creates the premises for accessing the European or national quality schemes (PDO, PGI, GI, eco, mountain product, traditional product) and leads to increased rural incomes</p> <p>The rich rural heritage (landscape, anthropic, culinary, etc.) alongside with the protected areas and the large area under forests provide opportunities for (rural, ecological) tourism development and its integration in local economy</p> <p>Favourable space for the development of social economy enterprises serving the needs of the elderly generation and children in the conditions of population ageing trends and increasing need to ensure a framework for intergenerational transfer of knowledge and experience</p> <p>Availability of non-reimbursable funding sources that support the increase of economic and social convergence of rural areas</p> | <p>Lack of a common and long-term strategic vision for agriculture and rural development at national and regional level creates difficulties for rural actors in establishing coherent action plans</p> <p>Significant urban-rural gaps in the development of basic infrastructure and social and cultural services make the rural areas (the peripheral areas in particular) less attractive to young people</p> <p>The demographic decline and the ageing of rural population will continue, which makes the most affected areas unsuitable for investments in local infrastructure development; these areas will not be attractive for the business sector that cannot find the necessary labour resources for their business development</p> <p>The migration of young people from rural areas to the economically dynamic urban areas or abroad leads to the continuous decrease of the rural human capital quality and to the decline of rural communities in the absence of innovative human resource insertions</p> <p>The deficit of labour force specialized in agriculture contributes to the disappearance of small and very small-sized farms and leads to the expansion of super intensive, mechanised and specialised agriculture, with low labour input. The associated risks are the following: expansion of monocropping or short crop rotation schemes; focusing on crops that need low labour input (cereals, industrial crops). All these lead to the diminution of the agrarian landscape diversity</p> <p>The low accessibility of peripheral rural areas prevents access of potential tourists and agro-tourism development implicitly, as well as the integration of local producers in agri-food chains</p> <p>Land fragmentation will remain a barrier to farm consolidation and to exploiting the regional agricultural potential as the costs (and related procedures) for clarifying and transferring the ownership right on land are difficult to sustain</p> |

| Opportunities | Challenges |
|--|--|
| <p>Changing the consumption patterns of the general public, by re-orienting the preferences of an increasing part of them to local products, will lead to the increase of demand for agri-food products with "traditional" taste and for handicrafts from local folk art</p> <p>The sustained growth of urban economies leads to the development of adjacent rural areas that acquire residential and agri-food supplier functions. The development of technical and transport infrastructure and of short food supply chains accompanies this change of status</p> <p>Existence of a significant potential for organic farming development in the piedmont areas in particular, where the small farms prevail, on which no excessive amounts of chemical inputs have been applied</p> <p>Green deal (EC proposal to reduce by 50% the use of chemical inputs – pesticides - and antimicrobials in the EU's agricultural sector by the year 2030 and to increase the area under organic farming system to 25% of total farmland) can contribute to a better capitalization of Transylvania's natural potential and to the consolidation of the medium-sized farm system</p> <p>Presence and increase in number of expats from Western Europe, who chose to live in rural Transylvania, represent a vector for sustainable development of adoptive rural communities that can capitalize on the know-how of expats</p> <p>Growing interest of young graduates from agrarian and rural development universities to work in rural areas and to develop rural businesses</p> <p>Positive experiences during the COVID pandemic (direct deliveries from the farm to urban consumers and the relocation of professional activity from urban offices to rural residences, in remote working regime) can be examples of good practice and future business models for rural areas.</p> | <p>Reluctance to cooperate (mainly among the actors in the agri-food chain) hinders the integration of small producers in the agri-food chains</p> <p>Limited experience in public-private partnerships does not favour the elaboration and implementation of coherent local development plans</p> <p>Increased rural – rural gaps, between the rural communities with good accessibility, connected to dynamic urban centers, on the one hand, and the isolated rural communities, on the other hand</p> <p>Risk of losing indigenous varieties and cultivars with the introduction and expansion of large-scale agriculture for which profit maximization is the only rationality</p> <p>Land price increase may attract speculative investments and will limit the consolidation of indigenous small-sized farms that do not have sufficient capital to buy land. The expansion of local-based food systems can be also negatively affected by the farmland price as the main suppliers are in general the small farmers</p> <p>The levelling aspect of globalization acts in the opposite direction to the preservation of biodiversity, leading to the uniformization of production and consumption behaviours patterns</p> <p>Climate changes accelerate, and this negative trend negatively affects the chances of practicing traditional farming – traditional varieties and cultivars, and the cropping techniques practiced by the previous generations of farmers do not respond to environmental changes</p> <p>The shortage of advisory services for agriculture and rural development hinders the access of small rural businesses to information and financing</p> <p>The poor education of Romanian consumers in organic products and the low purchasing power make the domestic market less attractive for business in this field. The organic farmers are at risk to export their products as raw products to be processed by industries from developed countries</p> |

3.2. Desirable future for 2040

During the discussions with MAP members, in outlining the long-term vision, the focus was mostly on the revitalisation of isolated rural areas lagging behind.

Economically and socially viable rural area, not only in peri-urban areas based on:

- ✓ **consolidation and expanding the rural development poles built on local specificities.** The local specificity can be economically exploited by establishing local brands around which the business sector gets consolidated;
- ✓ **agro-ecology and consolidation of medium-sized farms, integrated in agri-food chains** represent the central pillar of rural area revitalisation;

- ✓ **diversification of rural business activities and vertical integration of economic operators** (primary production with processing and tertiary sector – tourism, marketing, commercialization) offering diverse employment opportunities and attractive jobs for the young generation;
- ✓ **the orientation towards bio-economy and circular economy** will lead to a more efficient and complete use of local resources, contributing to sustainable rural development and to the increase of rural communities well-being;
- ✓ **closer links with urban areas** through short supply chains, rural residences that provide a favourable framework for organizing professional activity in telecommuting regime etc.;
- ✓ **modern technical and transport infrastructures** to serve most rural households and support local business development;
- ✓ **a better accessibility and connectivity with markets;**
- ✓ **modern social and cultural services adapted to local needs;**
- ✓ **greater openness to innovation and digitisation**, while maintaining local specificities;
- ✓ **transfer of knowledge, know-how, examples of good practices in rural development** through advisory services and other rural multipliers (including expats established in the rural area);
- ✓ **fully operational public-private partnerships and structured dialogue** to harmonise the interests of all rural actors.

During the discussions on the vision for the next 20 years, the participants opined that the continuation of current trends means that the evolution of Transylvania's rural area will not be convergent. Three future trajectories might define the rural areas evolution, namely:

- in rural plain areas, the intensification of agriculture will continue, through land consolidation and expanding single crop farming (maize);
- the areas with fragmented relief have potential for harmonious development, in which ecosystems are treated with respect and the balance of humans and nature is maintained;
- the peri-urban areas are evolving towards the status of "bedroom villages" for the rural young people who commute daily to urban areas for work.

Another participant argued that agro-ecology should be a priority for the sustainable development of the Transylvanian rural area. He added that human-scale agri-food production is the system able to support rural area viability on the long run.

Participants highlighted that the main factor potentiating the development of peripheral rural areas is the existence of "catalysts" (formal or informal leaders), people with vision, able to bring the whole community together and serve as catalysts for community development.

3.3. Challenges in reaching the vision

The discussions with MAP members revealed a multitude of challenges in reaching the vision, which are briefly presented below:

- ✓ **lack of expertise in building local brands and promoting them** makes it difficult to put into value the local rural identity and to capitalise on it;
- ✓ **lack of advisory and counselling services for (agricultural and non-agricultural) businesses and rural development** hinders access to information, funding sources and for the identification of potential investment opportunities;
- ✓ **poor entrepreneurship education and lack of (skilled) labour in the rural area** makes it difficult to identify business opportunities and implement them;
- ✓ **lack of young generation in the countryside hinders openness to innovation;**
- ✓ **negative perception of agriculture and rural area** (as inferior occupation and living space) makes living in the countryside and involvement in farming activities less attractive for the young generation;

- ✓ **reluctance to horizontal and vertical cooperation of small farmers** makes it difficult for them to get integrated in the value chains;
- ✓ **defining growth in terms of profitability and material well-being** puts pressure on rural resources (on farmland in particular) leading to intensive and non-sustainable land use;
- ✓ **lack of rural leadership** makes it difficult for communities to pool their efforts and to harmonise the interests of various rural actors;
- ✓ **lack of consumers' trust in the veracity and authenticity of rural economy products** determined by the absence of quality standards certifying product quality/origin;
- ✓ **poor information of consumers on the quality schemes** feeds their reluctance to choose certified agri-food products;
- ✓ **limited funding resources and instruments, established on centralised basis and inadequate** to the needs (local specificity) of Transylvania's rural area;
- ✓ **lack of coherence and synergy between the public policy instruments** makes it difficult to define and implement an integrated local strategy.

4. Conclusion and next steps

The territory covered by Rural Transylvania platform is subject to major challenges that require, in most cases, adaptive responses, re-evaluation or changing the functionalities of rural areas.

In general, in public mindset, the rural is still associated with agriculture and primary production, which makes life in rural communities (especially in those far from large cities) unattractive for younger generation. This way of thinking is also embraced in official strategic documents, which does not drive the change of the image nor does it open new directions of development for the rural area.

Therefore, land is considered being the main resource of the rural areas, human capital being placed in the background. Consequently, in terms of demographic change and living conditions, rural communities are left behind compared to urban (especially villages outside the area of influence of larger cities).

From the perspective of MAP members, the long-term vision for the Transylvanian area is oriented towards the revitalization of rural areas left behind (peripheral villages suffering from demographic decline, lack of infrastructure and connectivity with urban centers) and to strengthening the sustainability of urban-rural links for all rural communities

In the next stage, based on information from desk research and opinions collected from the MAP members a questionnaire will be formulated to collect the views of a wider mass of experts on the opportunities, challenges and desired future for rural Transylvania in the next 20 years.

The questionnaire will be circulated online, between July 25 and August 25 to stakeholders representing the three spheres of interest involved in rural development issues: research, society, policy. SHERPA team will receive support from MAP members in this activity. At the beginning of September, the questionnaire results will be summarized in a draft Position Paper. Subsequently, the draft will be discussed (online or face-to-face, depending on the conditions at that time) with Rural Transylvania MAP members.

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