



**THE EUROPEAN UNION'S OBJECTIVE 5b
PROGRAMMES AND THE UK**

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Abstract

The European Union's Structural Funds have become an important component of those public funds available to promote rural development in the UK. Not only do they dwarf expenditure by the conventional national rural development agencies, but also they require that new institutional structures and decision-making arrangements be established in the UK. This paper describes the background to the use of EU Structural Funds for rural development and explains the administration of the Objective 5b programme in the UK. Eleven areas currently receive Objective 5b monies and the third part of the paper examines the specific programmes that are in operation.

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1. Introduction: The European Structural Funds and Rural Development

The History of the Structural Funds

The Structural Funds currently comprise about a third of the European Union's (EU) total budget. They grew, under a series of reforms, out of an initially modest EU regional policy first devised in the mid-1970s. Although the concept of a redistributive regional policy seems contrary to the basic free-trade philosophy of the EU, the project of European integration has always carried with it a concern for social and economic cohesion and associated efforts to combat persistent regional inequalities. These concerns became heightened in the mid-1980s following the accession of Greece, Spain and Portugal, and when the move towards economic integration and the Single European Market was gathering pace. Three funds were significantly expanded and reformed in 1988; the European Regional Development Fund (ERDF) which typically finances infrastructure projects; the European Social Fund (ESF) the main concern of which is training and job creation programmes; and the European Agricultural Guarantee and Guidance Fund (EAGGF), dominated by the Common Agricultural Policy (CAP), but also targeting 'modernisation', farm tourism and environmental protection. Despite their diverse range of targets, all three Structural Funds had one common objective - economic and social convergence through economic growth - and this remains their primary justification.

The 1988 reform package brought with it significant operational changes. The amount of money available was doubled - from 7.8 billion ECU at the time of the reforms, to 14.5 billion ECU by 1993. These funds were also to become much more directed in their distribution. To

this end five 'objectives' were established (see Figure 1)¹. Not only does this approach push money towards specific problems, it also begins to target funds on a selectively territorial basis. Thus parts of the EU territory came to be designated as Objective 1, Objective 2 and Objective 5b areas.

This increased targeting helps concentrate resources on areas of greatest need, one of a set of principles upon which the 1988 Structural Fund reforms placed a strong emphasis (Figure 2). Furthermore, the Funds are administered by means of a 'programming' approach, the aim of which is to provide a form of strategic planning, drawing together an assessment of the problems and potential of an area into one document. The programming approach complements the third principle - that of partnership - which aims to promote co-ordination between actors at different levels and across different sectors, from Brussels to local government to business and voluntary organisations. The importance of additionality is also stressed, meaning that Structural Fund finance must not be used as an *alternative* to national funding of regional policy, but as an *extra* input of money into selected areas. Finally, close monitoring and evaluation of the operation of the Funds are given a high priority.

¹ A further Objective, Objective 6, has since been added, but only applies to northern parts of Sweden and Finland.

Figure 1 - The Objectives of the EU Structural Funds.

Objectives

- Objective 1 Regions where development is lagging behind and where GDP is less than 75% of the EU average
- Objective 2 Regions seriously affected by industrial decline
- Objective 3 Combating long-term unemployment
- Objective 4 Facilitating the entry of young people into the labour market
- Objective 5 Concerned with (a) the adjustment of agricultural structures and (b) the development of rural areas

Figure 2 - The Principles of the EU Structural Funds

- Concentration of resources on areas of greatest need
- Programme approach rather than one-off projects
- Improved co-ordination between instruments and agencies
- Partnership between Commission, national and regional interests
- Additionality in the provision of resources
- Monitoring and evaluation given a high priority

Source: CEC, 1992; Roberts and Hart, 1996, p. 6.

Objective 5b and the Programming and Partnership Approach to Rural Development

Of the new Structural Fund objectives formulated to help guide the distribution of monies, Objective 5b was intended to target specific problems in rural areas. Areas would be designated as qualifying for Objective 5b funding if they had: a below average level of economic development; employment dominated by the agricultural sector; and poor levels of agricultural incomes. Secondary criteria could also be employed to support an application for Objective 5b designation and these included; problems of peripherality; depopulation; and a susceptibility to economic pressures in the face of further CAP reforms.

In its strategic review of rural policy, *The Future of Rural Society*, the European Commission had spelt out the main elements of its new approach to the use of the Structural Funds for facilitating rural development and argued that rural development policy:

must ... be geared to local requirements and initiatives, particularly at the level of small and medium-sized enterprises, and must place particular emphasis on making the most of local potential Local rural development does not mean merely working along existing lines. It means making the most of all the advantages that a particular local area has: space and landscape beauty, high-quality agricultural and forestry products specific to the area, gastronomic specialities, cultural and craft traditions, architectural and artistic heritage, innovatory ideas, availability of labour, industries and services already existing, all to be exploited with regional capital and human resources, with what is lacking in the way of capital and coordination, consultancy and planning services brought in from outside (Commission of the European Communities (CEC), 1988, p.48).

Informed by this philosophy of facilitating development 'from within', a first round of Objective 5b programmes ran for an initial 'programming period' from 1989 to 1993. A second period involved a further expansion of the funds available, commenced in 1994 and runs until 1999. The selection of eligible areas for the second Objective 5b programming period took place in a series of stages (see Lowe and Murdoch, 1995, p.122). First, between mid-September and mid-October 1993 the Member States submitted their proposals to the Commission which then drew up a draft list of eligible areas. This draft list was approved by the Committee on Agricultural Structures and Rural Development in January 1994 and, on 26 January, the Commission formally adopted the final list of eligible areas for the 1994-1999 programming period.

All the EU Member States proposed some areas for Objective 5b designation except Ireland, Greece and Portugal whose territories are entirely encompassed by Objective 1. Altogether the initial proposals from the Member States covered a population of 39.6 million (or 11.5% of the EU's total population). According to the Commission (CEC, 1994), two main aims guided the selection of areas: (1) maintaining the intensity of aid per inhabitant established during the first programming period; and (2) maintaining at the 1989-93 level each state's share of the people in Objective 5b areas.

The funds available for the programming period 1994-99 totalled ECU 6,667 billion (at 1994 prices) leaving the Commission with the scope to designate areas containing 26.95 million people at the same intensity of funding as the previous programming period. In fact, the final list of eligible areas slightly exceeds this figure and applies to areas containing over 28 million people (Lowe and Murdoch, 1995, p.123).

It was the Member State governments that were required to apply to the Commission for Objective 5b funding on behalf of various regions or territories. The Commission did not enter into discussions with individual regions over funding decisions, and so regional interests were left to lobby Member State governments to press their particular case for designation. Once designation had been agreed, Member State governments were required to submit a draft Single Programming Document (SPD) containing an analysis of the main economic and social problems faced in the designated Objective 5b area and a detailed breakdown of how EU funds would be divided to meet different development priorities (i.e. agricultural diversification, tourism development, environmental protection and so on).

The SPDs provide rich sources of data on the rural development problems and challenges within each designated Objective 5b area. Many SPDs apply a 'SWOT' style analysis (strengths, weaknesses, opportunities, threats) to their locality as part of a strategic and programmed approach to the use of funds. Each SPD contains a statement of the overall strategic objective for the area, a set of priorities for action and, within each priority, a set of specific measures, as well as quantitative targets and qualitative indicators to help guide subsequent monitoring and evaluation of the programme. The EU also requires that Member States employ a partnership approach, specifically in the implementation of the programme but also in the drafting of SPDs.

Objective 5b is envisaged by the European Commission as fostering a more flexible form of rural development (CEC, 1988, p.61). In the past, the priorities for action under EU regional policy were defined from 'above' at the European level. Now, however, only the broad

framework is defined, and local/regional input is solicited both in the identification of problems and the design and prioritising of solutions.

2. Objective 5b and British Regional and Rural Policy

Regional Policy in the UK

Regional policy in the UK has undergone a series of important changes since the early Thatcher period. The era of most active regional policy had been the 1960s when the government had powers to exercise controls on the location of firms, but such intervention had been in retreat from the early 1970s onwards. The Thatcherite neo-liberal political philosophy was generally hostile to state intervention to protect struggling or strategic industries and so the resources given over to the Department of Trade and Industry's industrial policy has steadily declined over time. However, at the same time, the amount of resources given over to the Department of the Environment for regeneration policy, including urban policy has gradually increased (House of Commons Trade and Industry Committee, 1995, p. ix). This in part reflected a change in priorities away from seeking to shift activity from one part of the country to another and towards a concern for developing the indigenous potential of localities. Eight standard regions had been designated in England in 1965, each with an Economic Planning Council under the Department of Economic Affairs. These Economic Planning Councils were abolished in 1979, but the regions were maintained for the purposes of gathering economic statistics. In November 1993, four government departments (Trade and Industry, Environment, Transport and Employment) established a common regional structure in England based on ten regions and the ten Government Regional Offices (GROs) took over responsibility for administering regional policies in April 1994.

This restructuring was in part a response to the increasing belief that EU Structural Funds should be administered through more integrated structures at the regional level. It was also associated with the rationalisation of 20 different regeneration programmes formerly administered through five different government departments but brought together in 1993 into the Single Regeneration Budget. However, it would be a mistake to see the GROs as representing a British version of the strong forms of regional government found elsewhere in the EU. The GROs were designed to be no more than an arm of central government, created to execute central government policies at the regional level. Regional policy and the administration of EU programmes in Scotland and Wales have continued to be the responsibility of the Scottish and Welsh Offices.

Administering the Current Objective 5b Programmes in the UK

Under the first round of spatial designations after the 1988 reforms of the Structural Funds, Dyfed-Gwynedd-Powys in Wales, the Scottish Highlands and Islands, Dumfries and Galloway and parts of Devon and Cornwall were designated as Objective 5b areas in the UK. Further designations were secured for the second programming period and 11 rural areas in the UK now qualify for Objective 5b funds for the period 1994 to 1999 (see Figure 3 and 4 and the descriptive paragraphs in the Appendix). In addition, the Scottish Highlands and Islands became redesignated as an Objective 1 region. The English Objective 5b areas are in East Anglia (covering parts of the Fens, central rural Norfolk, rural east Suffolk and Lowestoft), the South West (which covers all of Cornwall, much of north and west Devon, West Somerset and the Isles of Scilly), the Northern Uplands (centred on the Northern Pennines and

Figure 3 – A Map of the UK's objective 5b Areas

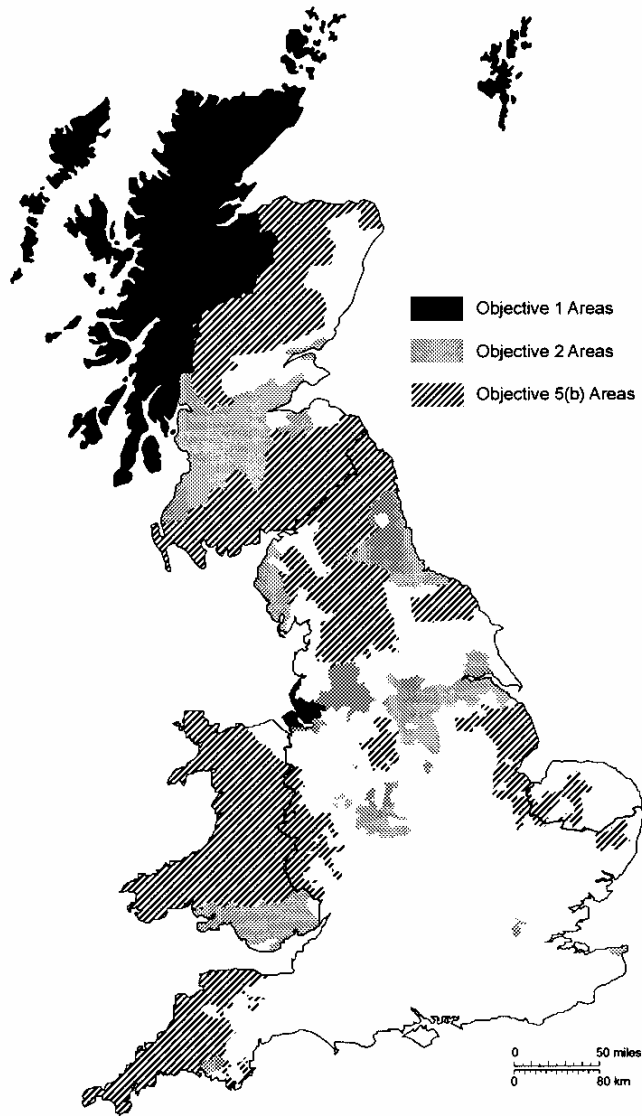


Figure 4 - The Objective 5b Regions of the UK

Region	Area (sq. km)	Population	EU Funds (£m)	£ per capita
Rural Stirling & Upland Tayside	6,900	71,000	20.8	292.95
North & West Grampian	4,193	149,000	32.5	218.12
Borders	4,714	103,881	25.0	240.66
Dumfries & Galloway	6,400	147,800	39.0	263.87
East Anglia	2,410	230,770	50.0	216.67
Lincolnshire	3,094	190,878	44.2	231.56
Marches	3,200	148,000	33.3	225.00
Midlands Uplands	1,000	41,305	10.0	242.10
Northern Uplands	14,286	374,000	90.0	240.64
South West	7,350	775,304	182.5	235.39
Rural Wales	14,271	623,828	153.3	245.74
Total UK 5b regions	67,818	2,855,765	680.8	238.39

Source: SPDs, Conversion £1=1.2 ECU.

covering parts of Northumberland, County Durham, Cumbria, Lancashire, North Yorkshire and Humberside), the Marches (in the West Midlands), Lincolnshire and, finally, the Midlands Uplands (comprising parts of western Derbyshire and north-eastern Staffordshire). The Welsh area is known simply as 'Rural Wales' and the new Scottish areas are Rural Stirling and Upland Tayside, North and West Grampian and the Borders.

Since the establishment of the Government Regional Offices in England, procedure in each area designated under the Structural Funds as Objective 1, 2 and 5b is as follows:

- a plan setting out the proposed use of funds is drawn up by the Government (usually by its relevant Government Regional Office or territorial department (Scottish or Welsh Office) in partnership with local organisations;
- the European Commission obtains independent advice on the document;
- there are negotiations between the Government and the Commission;
- the Commission responds with a Single Programming Document (SPD).

(House of Commons Trade and Industry Committee, 1995, pp.lviii-lix).

Once the Single Programming Document for an Objective 5b area has been agreed, implementation of the programme involves government departments and agencies, the European Commission and "a wide range of local organisations, including local authorities, TECs [Training and Enterprise Councils], higher and further education sectors, environmental bodies and the private and voluntary sectors" (DoE/MAFF, 1995, p.44). Grants paid from the Structural Funds under Objective 5b can only cover part of the costs of a project, normally up to half, with the

remainder having to be found by the applicant. Often this is achieved through securing 'matching funds' from other domestic sources including the Rural Development Commission programmes, local authorities and the private sector. To collectively agree the use of the funds at the local level, the Commission requires that a Programme Monitoring Committee (PMC) is established for each designated area. PMCs are composed of representatives of the local programme 'partnership', including the Government Office or territorial departments, local authorities, business and training interests and so on.

The Government was criticised by the House of Commons Trade and Industry Committee (1995, p.lx) in its report into regional policy for the way in which PMCs of EU programmes have been established. The Committee was concerned that PMCs were dominated by central government officials and that PMC decisions were being overridden by central government. It recommended that the Government "publish criteria for the selection of Monitoring Committee members setting out how it will reduce the domination of Monitoring Committees by government officials" (p.lx). The Government, in its response to the Committee's report, refused to accept this recommendation, but did provide information on the membership of all the various Monitoring Committees (Department of Trade and Industry, 1995). The information for Objective 5b PMCs is summarised in Figure 5, and shows how central government officials comprise 13% of total members of all PMCs compared with, for example, 24% from local authorities. It is, however, always a central government official that chairs each PMC.

Figure 5 - Membership of the 11 Objective 5b Programme Monitoring Committee in the UK

	East Anglia	Lincs	Marches	Midland Uplands	Northern Uplands	South West	Grampian	Upland Tayside	Dumfries and Galloway	Borders	Rural Wales	Total
Central Government	5	5	5	5	5	5	1	1	1	1	3	37 (13%)
TECs	1	1	2	4	3	2	0	0	0	0	1	14 (5%)
Lecs	1	1	2	4	3	2	2	2	1	1	0	19 (7%)
Local Authorities	1	5	6	6	6	19	5	5	5	5	6	69 (24%)
Environmental Agencies	2	9	2	5	4	3	1	1	2	1	0	30 (10%)
Development Agencies	0	3	0	3	3	0	1	1	1	1	1	14 (5%)
Private Sector	2	2	2	1	3	3	0	0	1	0	2	16 (6%)
Others	2	6	5	6	11	18	4	4	5	4	3	68 (24%)
Commission	3	3	3	3	3	3	3	3	3	3	3	33 (12%)
Total	16	34	25	33	38	53	17	17	19	16	19	287 (100%)

Source: Department of Trade and Industry, 1995, p.12.

3. The 11 Objective 5b Programmes: A Comparative Analysis

Introduction

The UK's 11 Objective 5b areas contain almost 3 million people and are eligible for approximately £680 million of Structural Fund monies over the six year programming period from 1994 to 1999. When domestic matching funds are included, the total expenditure Objective 5b could be expected to generate exceeds £1 billion and represents unprecedented resources for rural development. In what follows, the 11 rural development programmes are compared through an examination of the 11 Single Programming Documents.

The 11 designated areas are diverse in terms of their geography and their size. They range in size from the Midlands Uplands in the Peak District National Park, which covers just 1,000 km², to the Northern Uplands and Rural Wales, both of which are over 14,000 km² (see Figure 4). The amount of EU funds allocated to each area ranges from £10 million in the Midlands Uplands to over £180 million in the South West. As Figure 4 shows, there is less variance when funding is compared on a per capita basis, with EU Objective 5b funds ranging from £216 per person in East Anglia to £293 in Rural Stirling and Upland Tayside.

Not all the Objective 5b areas form single, geographically continuous units. East Anglia is made up of four distinct sub-areas, and the Northern Uplands has one large area centred on the Northern Pennines, as well as a sizeable area covering the North York Moors and a smaller outlying zone around Bridlington. Several other Objective 5b areas also have small 'outliers'. The treatment of the geography of the designated areas varies among the 11 SPDs. For example, the East Anglia SPD

describes its four sub-areas separately while the Northern Uplands SPD makes no reference to the geographical separation of its designated areas as if the 'Northern Uplands' is a single geographical space. Interestingly, even those Objective 5b areas which are not physically divided may also emphasise internal regional divisions. For example, the SPD for the South West includes as an annex detailed portraits of nine sub-regions to stress the varying geography of the region, and the Lincolnshire SPD divides the Objective 5b area into two distinct geographical regions - the Lincolnshire Fens and the Lincolnshire Wolds - in order to review the problems and challenges of the area.

Finally, it is worth noting here that some of the 11 Objective 5b areas border each other, but for administrative purposes are treated as distinct entities. The East Anglia and Lincolnshire Objective 5b areas join each other along the Lincolnshire-Cambridgeshire border; in Scotland, the Borders and Dumfries and Galloway Objective 5b areas join, and both meet with the Northern Uplands area along the English-Scottish border; and the Marches joins with Rural Wales along the English-Welsh border.

The sections that follow consider the main differences between the 11 SPDs, looking specifically at the different priorities and targets identified in the documents, the differences in their treatment of the principle of additionality and finally the ways the SPDs seek to characterise their areas. It is first useful, however, to address the standardising tendencies that can be identified from an examination of the 11 SPDs together.

The European Commission has overall responsibility for the final approval of the SPDs. This has a number of implications. While the Commission was anxious to avoid formulaic documents, those who drafted Objective 5b SPDs did try to tailor their documents to the

perceived preferences of the Commission (Roberts and Hart, 1996, pp.13-16). In this they were aided by the guidelines produced by the Commission, but also by the comments and feedback supplied by Commission officials on earlier drafts. Given the suggestion that most areas saw the drafting of their SPD simply in terms of fulfilling a requirement to attract funding (Greenwood *et al.*, 1995), this is hardly surprising. However, centralised guidance from the Commission is clearly in tension with the stated goals of flexibility and local responsiveness in the Objective 5b process.

Of the various criticisms that have been made of the operation of the EU Structural Funds in the UK, several centre upon the extent of central government control over the decision-making for the use of the funds. For example, the House of Commons Trade and Industry Committee began an inquiry into regional policy in Great Britain in December 1994. The then European Commissioner for Regional Policy, the former Labour Minister Bruce Millan, was critical of the British partnership and monitoring arrangements arguing that he would have preferred to have seen a greater input from various local and regional interests such as elected local authority representatives, trade unions and employers on Programme Monitoring Committees (House of Commons Trade and Industry Committee, 1995, p.lix). The Committee felt that the “most significant criticisms” (p.lx) at that stage related to the process of drawing up SPDs, with many witnesses complaining not only that they had been insufficiently involved in the preparation of SPDs but also that because of only limited local input, SPDs were similar for each region. One local authority witness complained to the Committee that “the Department of Environment ... has effectively in consultation with the Department of Trade and Industry written an economic strategy for each region” (p.lx).

These criticisms have since been considered further in a research project carried out on behalf of the Joseph Rowntree Foundation which examined the design and implementation of European programmes and the operation of partnership arrangements in four British regions (Roberts and Hart, 1996). The researchers found many participants involved in the drafting of and consultations around SPDs felt that a strong national UK policy perspective was injected into the documents at the expense of local distinctiveness, with one civil servant claiming, for example, that part of an SPD which related to local labour market flexibility was “dictated down the phone by the Employment Department” (p.13). However, it was also pointed out that similarities in SPDs could have emerged, in part, because of national concerns for consistency in terms of the non-Structural Fund financial implications of the programmes (i.e. central government sources for matching funds) and the fact that the shortage of time towards the end of the process of SPD preparation forced partnerships towards the adoption of a standard model.

We turn now to an analysis of the differences between the 11 British Objective 5b SPDs. Firstly, we consider the overall strategic objectives, priorities and measures laid out in the SPDs. We then compare the different allocations of funds between different priorities, and the targets and intended outputs for the 1994-1999 programming period. The various interpretations of the principle of additionality are also analysed as a means of examining the interaction between EU and local policy. Finally, the way in which the SPDs seek to ‘characterise’ the areas which they represent will be analysed with the aim of assessing the extent to which the Objective 5b areas are being represented as new and spatial entities for the purposes of rural development programmes.

Strategic Objectives, Priorities and Measures

Each of the 11 SPDs sets out an overall ‘strategic objective’ for the Objective 5b programme in its area. These strategic objectives are reproduced in Figure 6. The key theme running through them all is economic growth, with some mention of developing each area’s economy emphasised as the main priority for action in all 11 SPDs. However, within this overall economic concern, some differences in emphasis are apparent. The need for economic *diversification* is stressed in several of the SPDs’ strategic objectives (for example, East Anglia and the Marches), and diversification within the “business sector” is also referred to in the strategic objectives for East Anglia, the Marches and the South West. This emphasis reflects a broad policy concern to promote diversification of rural economies away from an over-dependence upon shrinking primary sector industries such as agriculture. In this context it is interesting to note that the agricultural sector is only explicitly referred to in two SPDs’ strategic objectives (the Marches and Lincolnshire).

A brief glance at Figure 6 reveals economic development to be the dominant concern expressed in the 11 SPDs’ strategic objectives. For several, economic growth seems to be the end in itself. Thus, for example, the overall aim of the North and West Grampian programme is “to assist in reducing the disparities between the region and the wider UK and European *economies*” (North and West Grampian SPD, p.39, emphasis added). Other strategic objectives seem to acknowledge that economic growth might be more a means to an end than simply an end in itself, and so, for example, the Northern Uplands SPD talks of the overall aim of creating a sustainable economy *and sustainable communities*.

Figure 6 - The Strategic Objectives of the UK's 11 Objective 5b Areas

Rural Stirling and Upland Tayside: To facilitate the strengthening of the area's economy through improved utilisation and management of its existing human, business and natural resources and to identify and capitalise upon new opportunities which will help overcome economic and community fragility and offer improved incomes and quality of life in Rural Stirling and Upland Tayside (SPD, p.24).

North and West Grampian: To assist in reducing the disparities between the region and the wider UK and European economies (SPD, p.39).

Borders: To increase the Region's wealth and range and quality of job opportunities, whilst maintaining a high quality sustainable environment (SPD, p.31).

Dumfries and Galloway: To achieve convergence of the Dumfries and Galloway economy with the Union average by increasing economic competitiveness through actions undertaken by Partners in co-operation (SPD, p.38, emphasis in original).

East Anglia: The strengthening of existing business and economic activity within the area by improving opportunities for expansion and development and improving efficiency, and by diversifying their products and markets; diversifying the local economy by encouraging new business and activities building on the resources and opportunities available; removing barriers to the development of business, to taking up job opportunities and the acquisition of skills; the achievement of sustainable economic development within the constraints of conservation and the management of the environment (SPD, pp.40-41).

Lincolnshire: To assist the development and adjustment of the Lincolnshire 5b economy by promoting gradual change in the rural economy, assisting farmers to remain in agriculture while becoming less dependent on the traditional sources of income and promoting sensitive and environmentally sustainable growth of the economy; to encourage existing firms to improve their competitiveness and increase the competitive advantage of the area in attracting new investment; to ensure that all inhabitants of the area have an opportunity to benefit from the additional wealth created (SPD, p.3.3).

Marches: To increase new business start up and improve the growth of existing businesses; to develop the rural communities as viable and self-sustaining places to live and work; to maximise the potential of the areas as a tourism destination in ways which respect both the environment and the needs of local communities; to assist agricultural and related businesses to adapt and diversify their activities (SPD, p.2).

Midlands Uplands: To assist the development and adjustment of the Midlands Uplands economy by protecting the environment and promoting gradual change in the rural economy. In doing so [the Programme] will complement existing Rural Development Programmes (SPD, p.33).

Northern Uplands: The creation of a sustainable economy and the creation of sustainable communities (SPD, p.24).

South West: Reduce disparities between the 5b area and the EU as a whole, by the achieving of above-average employment and income growth, through an economic development strategy focusing on the region's SMEs by promoting industrial competitiveness and assisting diversification within declining industries, while conserving the environmental quality of the region as a key resource (SPD, p.57).

Rural Wales: Achieve growth in employment and incomes through an economic development strategy focusing on the development of the SME sector that promotes business efficiency and productivity. The strategy will take into account the environmental quality of the programme area (SPD, p. 4.22).

The concept of competitiveness is referred to directly in three of the strategic objectives (Dumfries and Galloway, Lincolnshire and the South West), and can also be seen to underpin the economic development concerns in several more. Linked to the notion of competitiveness is the creation of "opportunities". This 'enabling' notion of giving people and businesses the *chance* to develop, rather than a 'government knows best' approach is part of a larger Objective 5b, and indeed EU, policy agenda which stresses the desirability of self-help approaches to economic and social development. It is interesting to note to whom these "opportunities" are being offered. Some strategic objectives refer directly to the small business sector in particular (e.g. East Anglia). Others express explicit concern for rural people, and refer to the opportunities for the new jobs (Borders) and the acquisition of skills (East Anglia). At the furthest end of this sliding scale is the SPD for Lincolnshire which expresses the desire for "all inhabitants of the area [to] have an opportunity to benefit from the additional wealth created" (Lincolnshire SPD, p. 3.3).

Perhaps surprisingly, only three of the 11 SPDs (Rural Stirling and Upland Tayside, Marches, and the Northern Uplands) refer explicitly to rural communities in their strategic objectives, although others refer less directly to the needs of rural people. In comparison, over twice as many

SPDs refer in their strategic objectives to the need to safeguard the environment while developing rural areas. The concept of sustainability is cited in relation to the environment in three strategic objectives (those for Borders, East Anglia and Lincolnshire), although interestingly sustainability is also used twice (in the Northern Uplands and Marches) in a more social context of ‘sustainable communities’.

According to European Commission requirements, each SPD breaks down its strategy into a number of ‘priorities for action’. These range in number from two in the Midlands Uplands SPD to five in both East Anglia and the South West although most areas have three or four. Each area is free to choose its own priorities within the broad principles and objectives of EU structural policy, and subject to the approval of the Commission.

The various priorities for each of the 11 British Objective 5b areas are listed in Figure 7. All 11 programmes have an economic growth, economic diversification or ‘business support’ priority and the words ‘tourism’ or ‘heritage’ appear in the priorities of 8 of the 11. Human resources or community development feature as a priority in 10 of the 11, although sometimes ‘community’ is combined with ‘environment’ (for example in the Marches, Dumfries and Galloway, Rural Stirling and Upland Tayside and Rural Wales areas). The Midlands Uplands also has a priority which is distinctive in referring to *community economic development*.

Figure 7 - The Programme Priorities in Each of the UK's 11 Objective 5b

Areas

East Anglia

1. Support and Assistance for the Development of Businesses
2. Diversification of Farm, Fishing and Related Businesses
3. Development of Tourism and Cultural Activities
4. Support and Assistance for the Development of Human Resources
5. Support for Research and Development and Technology Transfer

Lincolnshire

1. Agric. Diversification & Development
2. Tourism
3. Business Development
4. Human Resources and Communities

Marches

1. Business Development & Diversification
2. Local Communities and Countryside
3. Tourism and Related Activities
4. Farm Related Development

Midlands Uplands

1. Promoting Growth and Diversification of the Rural Economy
2. Supporting Community Economic Development

Northern Uplands

1. Economic Development & Diversification
2. Tourism
3. Community Development
4. Environmental Enhancement & Conservation

South West

1. SME and Business Development
2. Tourism
3. Agriculture
4. Community Regeneration
5. Environment

North and West Grampian

1. Business Support
2. Skills
3. Environment and Heritage

Borders

1. Investing in Business
2. Investing in Integrated Rural Initiative
3. Investing in People

Dumfries and Galloway

1. Business Development
2. People, Environment and Community Development
3. Communications

Rural Stirling and Upland Tayside

1. Business Support
2. Tourism Development
3. Environmental Stewardship and Community Development

Rural Wales

1. Business Development
2. Development of Tourism
3. Countryside Management and Community Development

Figure 8 - The Divisions of Funds in the UK's 11 Objective 5b Areas - mecu (%)*

Region	Primary Sector Diversification	Economic development	Tourism development	Environmental Conservation	Human Resources	Other	Total
Rural Stirling & Upland Tayside	-	11.7 (46.7%)	9.5 (38.1%)	3.5 (14.0%)	-	-	24.7
North & West Grampian	-	28.6 (72.2%)	-	3.5 (9.7%)	7.2 (18.1%)	-	39.3
Borders	-	17.5 (58.3%)	-	-	5.9 (19.3%)	6.2 (20.7%)	29.6
Dumfries & Galloway	-	25.7 (54.7%)	-	-	25.3 (10.7%)	8.7 (18.5%)	46.3
East Anglia	14.5 (24.2%)	21.7 (36.2%)	12.6 (21.0%)	-	10.7 (17.8%)	-	59.5
Lincolnshire	6.0 (11.3%)	31.2 (58.9%)	10.3 (19.5%)	-	4.4 (8.3%)	-	51.9
Marches	6.5 (16.3%)	20.1 (50.3%)	6.6 (16.5%)	-	6.2 (15.5%)	-	39.4
Midlands Uplands	-	10.9 (90.8%)	-	-	0.9 (7.3%)	-	11.76
Northern Uplands	-	47.3 (43.8%)	20.2 (18.7%)	20.1 (30.9%)	15.9 (14.7%)	-	105.1
South West	23.7 (10.8%)	86.0 (39.3%)	47.9 (21.9%)	30.9 (14.1%)	28.3 (12.9%)	-	216.8
Rural Wales	-	103.4 (56.2%)	53.7 (29.2%)	26.0 (14.1%)	-	-	183.1
Total UK 5b regions	50.7 (6.3%)	404 (50.0%)	160.9 (19.9%)	85.7 (10.6%)	91.3 (11.3%)	14.9 (1.9%)	807.4

* - The six categories are derived from the Commission (1992). The category we have labelled 'Economic development' is called 'Non-agricultural development' in the Commission's document. However, only four of the 11 British SPDs have specific priorities devoted to agriculture and fisheries. For the remaining 7 agricultural and non-agricultural development are treated together under a 'business' or 'economic development' priority. In the table, we have placed any priorities that cross more than one category (i.e. 'Environmental stewardship and community development' in Rural Stirling and Upland Tayside) according to which activity is mentioned first in the formal title of the priority.

The Division of Funds

Figure 8 categorises the various priorities from the SPDs according to 5 broad themes: diversification of the primary sector; economic development; development of tourism; conservation and the development of the natural environment; and development of human resources. These themes correspond to those identified by the Commission (1993) as the types of activities warranting Structural Fund assistance in rural areas. With the exception of two priorities (that for investing in integrated rural development initiatives in the Borders and that for communications in Dumfries and Galloway) all the approved priorities from the 11 areas fit relatively clearly into these categories.

Given that only two of the areas made reference to the agricultural sector in their strategic objectives, it is perhaps not surprising that only four priorities come under the primary sector diversification classification (in Lincolnshire and the Marches where agriculture was specifically mentioned in the strategic objectives and also in East Anglia and the South West). Of these, East Anglia allocated its 'Agricultural and Fishery Diversification' priority a significant amount more of its budget than any of the other SPDs (almost a quarter). This may well be because of the inclusion of Lowestoft in the designated area which suffers from a declining fishing industry. Interestingly, East Anglia is the only area to name any primary sector industry other than agriculture in its priorities, despite problems of declining fishing industries in the South West and the Northern Uplands, for example.

Given the strong emphasis on economic growth and diversification and business support in the SPDs' strategic objectives, it is only to be expected that all 11 areas have a priority that deals with business and

economic development. For those 7 areas without a specific primary sector priority, primary sector firms such as farm businesses remain eligible to apply for funds under these general ‘business’ or ‘economic development’ priorities. The importance given to this category is perhaps best demonstrated by the fact that its average allocation of funds is almost exactly 50% of the total EU funds available (see Figure 8). All areas allocate their own local version of this priority the largest proportion of their available funds, although North and West Grampian stands out as giving a notably large share (72.2%). (The Midland Uplands’ share is 90.8%, but it only has two priorities in all). East Anglia and the South West both allocate significantly less money to this priority (36.2% and 39.3% respectively), perhaps because of the larger share they give to agriculture and fishery diversification.

The tourism development priority is the second highest funded overall, with an average allocation of 20%. All the English Objective 5b areas have a tourism priority, with the exception of the Midland Uplands. However, it is Rural Wales and Rural Stirling and Upland Tayside that allocate this priority the largest proportions of Objective 5b funding (29% and 38% respectively).

Some SPDs combine the conservation and development of the natural environment priority with that for the development of human resources. The significance of this merging of human and natural concerns in a single priority is debatable. It may signal an idealised notion of rural communities as an essential part of the “natural environment of the countryside”, and rural people as the natural custodians of valued landscapes. The Marches SPD, for example, under its Local Communities and Countryside priority draws attention to the linkages between local community development and countryside management

through the jobs created as a result of the various agri-environmental and stewardship schemes in operation (Marches SPD, p.39). In contrast, the Countryside Management and Community Development priority in the Rural Wales SPD stresses how the poor quality of the built environment and infrastructure of villages has made parts of Rural Wales less attractive to visitors and, as a result, services for local communities have suffered (Rural Wales SPD, paras 4.3.4 - 4.3.17).

Targets and Intended Outputs

The conclusions of the Edinburgh Summit in December 1992 stressed the importance of the evaluation of the impact of EU Structural Fund programmes and thus the need for “a hierarchy of clear objectives, which are representative and quantified by the means of indicators” (CEC DGVI, 1993, p.2). In combination with the required ex-ante evaluation, these impact indicators should justify the amount of Objective 5b money obtained for each area. Consequently, these targets will be used at the end of the programming period to assess the ‘success’ of the programmes. It is not the aim of this section to attempt an assessment of whether the targets to be found in the 11 SPDs offer ‘value for money’ for the funds allocated. Instead, it is our aim to provide a broad overview of some of the issues surrounding the provision of targets, as well as some comparison between the 11 different SPDs and their different responses to the requirement for targets and indicators.

Despite the emphasis in the Objective 5b programme on the need for quantitative targets, there is an emerging concern that quantitative analysis of overall outputs remains difficult. For some types of projects this comes as no surprise - for example, much community development

work does not translate well into indicators of the ‘number of jobs generated’ and ‘amount of workspace created’ type.

The SPDs differ in their discussion of the use of qualitative targets to assess projects. It may be that this is influenced by the type of development work the Objective 5b partners have previously been involved in. Thus, in the Midland Uplands, with experience of the Peak District Integrated Rural Development Project, the SPD includes a section on ‘non-tangible benefits’ (p.30) and suggests that Objective 5b will serve as a continuation and evolution of this approach. Such non-tangible benefits arising from former rural development programmes in the Midlands Uplands included improved linkages between local communities and the public sector, the latter coming to be seen by the former as “an ally ... in helping them to achieve their ambitions rather than a bureaucratic impediment to be circumvented” (p.30). Another example was a “radical change in the perceptions of farmers from one which saw the presence of wild flowers in pasture as a sign of poor farming and therefore something to be ashamed of, to one which sees them as a positive (environmental) benefit and ‘something to be proud of’” (p.30). Such benefits as these, though often desirable, are notoriously difficult to measure in quantitative terms.

The level at which the SPDs provided quantitative targets for future evaluation also varied. With the exception of the Borders, which provided targets at the level of individual priorities, all the Scottish SPDs only offered quantitative targets at the level of the individual measures under each priority. East Anglia was the only English Objective 5b area to take the same approach. However, North and West Grampian managed a combination of priority targets for its business support and skills priorities, and measure targets for the environment and heritage

priority. The remaining areas (Lincolnshire, the Marches, Midland Uplands, Northern Uplands, the South West and Rural Wales) all gave targets at the priority level as well as indicators for each individual measure. The Northern Uplands, the South West and Rural Wales also provided overall quantitative targets for the Objective 5b programme, although the Northern Uplands broke these down into short and medium term aims.

These differences make aggregating the targets of the 11 Objective 5b programmes somewhat difficult. For those SPDs which provide targets at more than one level, we found that, put crudely, the sums sometimes simply do not add up. For example, in Rural Wales, 4,150 jobs to be created under the business development priority, plus 2,050 under development of tourism and 500 under countryside management and community development adds up, under their reckoning, to 5,200 in their overall target, rather than 6,700. This may not necessarily indicate any erroneous calculations. Indeed an overlap between the priorities is only to be expected. It does, however, mean that from an analysis of the SPDs alone we cannot state how many new jobs, on aggregate, the £680 million coming to the UK Objective 5b regions is anticipated to create.

Additionality

The principle of additionality in the use of Structural Funds has long been a source of some dispute between the UK Government and the European Commission (see, for example, McAleavey, 1995; Greenwood *et al.*, 1995). The European concern is that Structural Fund expenditure in the Member States should be additional to that which would otherwise have been spent in eligible regions. However, UK central government departments have tended to regard the Structural Funds as a partial

reimbursement on the UK's net contribution to the EU budget. Additionality requirements were strengthened under the 1988 reforms of the Funds, and after a fierce dispute with the Commission over the RECHAR Community Initiative to provide assistance for declining coal-mining areas, the UK Government appeared to accept the Commission's interpretation of the additionality principle.

A recent study by the Wildlife Trusts and the World Wide Fund for Nature (1996) has suggested that the interpretation of the concept of additionality differs widely in the UK's 11 Objective 5b SPDs. We found that all the SPDs quoted the same EC regulations (Article 9 of Regulation 2082/93) governing additionality and often used almost exactly the same wording in stating their adherence to this official form of the concept. However, we also found that elsewhere in the programming documents the descriptions of how the additionality principle would work in practice varied. These descriptions are revealing of how the Objective 5b areas view the nature and prospect of EU funding.

Several areas, Lincolnshire, Midland Uplands and the Marches included, do not go into great detail in the information they give relating to additionality. The closest they come is in their core project selection criteria, which require: "a demonstration of additional benefits for the Region as a result of Structural Fund support" and "a demonstration of the need for Structural Fund support" (see Lincolnshire SPD, p.3.4.2; Midlands Uplands SPD, p. 34) Marches SPD, p.118) which these 3 SPDs all worded in exactly the same way, suggesting that the authors of the different SPDs have been in receipt of the same advice.

Other SPDs vary in the wording of the statements concerning additionality although the principles they are describing are relatively

similar. Thus the East Anglia SPD refers to extending the intensity, depth and area covered by existing initiatives, and filling in gaps in programmes (p.47), with the Northern Uplands essentially describing the same process when it talks of enabling projects “to occur sooner, or on a larger scale or to be of better quality” (p.104), as is the South West in its emphasis on providing “additional finance for the delivery of many of the major local, regional and national programmes outlined” (p.55). However, the South West SPD also includes within its specification a subtly different concept. Instead of simply stressing the extension of existing development measures, the South West aims to make the Structural Funding “*complement*” initiatives already in place. East Anglia echoes this desire to create something new but appropriate to the current policy circumstances in its aim to apply “lessons learnt from pilot schemes and research in and outside the 5(b) area” (p.47).

Therefore, while there is some degree of variation in the interpretation of the concept of additionality between the SPDs, the intentions that they express are similar. What is more, these statements are remarkably undemanding of innovation in the ‘ways things are done’, and appear rather to interpret additionality in solely financial terms.

Characterising Objective 5b areas

The majority of the Objective 5b SPDs are part of a new process of strategic policy formulation for the localities within which they operate. The territories they are concerned with are mostly newly defined by the availability for the first time of Objective 5b funding (the exceptions being the South West, Dumfries and Galloway and Rural Wales). It is within this context that we turn now to consider the extent to which the SPDs seek to define their own operational areas in particular ways, and

conversely, the steps taken in some SPDs to stress how the area does not make strategic sense if treated as a single coherent entity.

Examples of several different means of 'creating' a 'new' area can be found within the SPDs. One exercise common to all (because of the requirements governing what a programming document should include) is the compilation of data on the area. This is done as part of the ex-ante evaluation to provide baseline data which is used in later evaluations of progress. The production of statistics on a particular area is an important step towards representing and 'problematizing' that area as a unit upon which state agencies can act (Murdoch and Ward, 1996). Those SPDs which emphasise the statistical characteristics and boundaries of their area are demonstrating a concern with creating some coherent sense of a single 'locality' from the EU designation (see Ward and McNicholas, 1997). But in contrast, those SPDs (e.g. the Midland Uplands) that draw attention to the difficulty of compiling data on the 'new' areas (because existing data has not been collected using the same boundaries) are subscribing to a different agenda that seeks to stress the artificial and externally driven nature of the designation. The precise designations are, in effect, the outcome of negotiations between the EU Member States in the first instance, and subsequently within national political systems. Thus when the UK Government was allocated its figure for the population to be included within the programme, maps of proposed Objective 5b areas had to be redrawn for their total population to fit within the overall target. For example, the Rural East Suffolk part of the East Anglian areas had several small market towns removed to reduce the population of the designated areas.

One method of drawing attention to the perceived 'coherence' of the Objective 5b area is to place it within a context of existing initiatives and

previously available funding. Although SPDs are required to discuss existing policy initiatives addressing rural development, the emphasis placed on this issue provides an indication of the extent to which the programme partners wish Objective 5b funding to be seen as adding more strength and money to an existing 'policy area'. The East Anglia and the Midland Uplands SPDs provide substantive discussion of how Objective 5b complements existing initiatives, while the South West SPD's section on previous programmes is not at all as comprehensive. However, it could also be argued that an emphasis on the Objective 5b area's relationship with its surrounding area in fact actually weakens the characterisation of the Objective 5b area as a distinct unit. It may be that this variation depends on whether the programme partners' agenda is one that wishes to depict Structural Funds as merely one pot of money among many, or as a significant new policy designation.

Perhaps the most obvious sign of attempts to create a distinct territorial identity from the policy designation are overt statements about the area's shared characteristics. Such statements are found in a variety of contexts. Physical similarities are emphasised in many documents, including both the Northern Uplands SPD which states that "the Northern Uplands is an area characterised by harsh climate...[and] an outstanding landscape" (p.22), and that of the Midland Uplands. Low population densities and remoteness are common themes to be found in many of the documents, including those of the Northern Uplands, the Midlands Uplands and the South West, as is the theme of shared traditions and activities (often linked to a common agriculture-based economic history). The Marches characterises its area as being distinct from the West Midlands as a whole (p.3), but also states "The area lacks its own identity in either an economic or tourism sense" (p.3). As the Marches example demonstrates, some SPDs are keen to depict their area

as having certain shared and often distinctive characteristics while still wishing to stress the differences and diversity contained within them. This is summed up nicely in the South West SPD which states early on that “Despite the many common characteristics the 5(b) area contains considerable diversity” (p.5).

4. Discussion

The second Objective 5b programming period (1994-99) has coincided with some important institutional changes in the UK, not least of which has been the establishment of the Government Regional Offices in England. These changes, coupled with the ongoing process of European integration, have meant that projects and programmes aimed at promoting rural development are now involving a much wider range of public, quasi-public and private organisations than had previously been the case (Ward and McNicholas, 1997).

However, the partnership and programming approaches to rural development under Objective 5b are having to be administered in the absence of an elected tier of regional government in Britain (despite the formation of the GROs). This places the British experience of administering Objective 5b in a different position to that of much of the rest of Europe, a fact which has prompted calls for a greater emphasis on strategic regional planning in the UK to accommodate and integrate European programmes at the regional level. For example, a recent study of the operation of EU programmes in the UK concluded that:

If draft and final SPDs were to be based upon a generic [regional planning] strategy, then the potential for conflict with other areas of European, national and regional policy would be minimised and the opportunity for integrated development would be enhanced (Roberts and Hart, 1996, p.26).

The study also concluded that “because of the uneven balance of power within partnerships, there is a tendency for local and regional interests to be dominated by national and European agendas” (p.27).

The question of the relative balance of power in shaping Objective 5b rural development programmes has been one we have sought to consider in analysing the 11 SPDs. The emphasis in the EU on the concept of subsidiarity suggests that power and responsibility should be devolved to the lowest practical level. In the UK, however, where trends have been towards centralisation of decision making, there has been some difficulty over Objective 5b’s implementation with local interests complaining of a ‘top down’ approach in which central government sets a rigid framework for how decisions should be made in the Objective 5b areas. (For example, see the criticisms expressed to the House of Commons Environment Committee, 1996).

Our research informing this paper has been based on documentary analysis of the 11 British Objective 5b SPDs and accompanying documentation from European institutions. It is, therefore, difficult to speculate at this stage about the degree to which the styles and structure of the various SPDs reflect locally distinctive concerns or more standardised ‘templates’ without having conducted more detailed research into the nature of the SPD drafting process. It is worth noting that civil servants and local authority actors will have been able to draw upon different types and levels of expertise with European programmes during the SPD drafting process in 1993. East Anglia had relatively little direct experience of such programmes, for example. The Northern Uplands, however, could draw on the expertise derived through the administration of the large Tyne and Wear Objective 2 programme. We

can, however, make some tentative comments about the differences between the 11 SPDs that are initially apparent.

The SPD for Rural Wales is the only one to be produced by the Welsh Office. The four Scottish SPDs were all produced by the Scottish Office and are very similar in style and structure. It is also worth noting that the Scottish and Welsh Offices have had past experience of the Objective 5b programme from the 1989-93 programming period.

The six English SPDs are more diverse. Specific past experience of Objective 5b only existed in the South West region. For the other five areas, the SPDs represent the first attempt to develop integrated *rural* development programmes at such spatial scales. To us, three of the English SPDs (those for East Anglia, the South West and the Northern Uplands) appear less 'formulaic' with greater evidence of things being 'done differently'. The East Anglia SPD, for example, is the only document to be bound with a colour cover and include colour maps (and, incidentally, which generally has to be purchased rather than obtained freely from the Government Regional Office). It was also used during drafting as a model document for other Objective 5b regions in the UK and elsewhere in Europe. It is possible that the stronger sense of 'local embeddedness' with these three SPDs reflects stronger senses of regional identities and stronger regional policy networks than the other SPDs. Certainly in the South West and far north of England the idea of 'the region' has greater purchase than in much of 'middle England'. The remaining three SPDs (those for Lincolnshire, the Marches and the Midlands Uplands) appear more similar to each other in style and structure. Here we might ask whether the seeming greater tendency towards conforming to a standardised model is linked to weaker traditions of regionalism with policy makers, further down a policy

learning curve, coping with newly created 'spaces' for policy intervention. If nothing else, these tentative observations offer an agenda for future research.

As the SPDs have been formalised and finalised so they have become operational documents which now shape how the new Objective 5b funds are being distributed in the 11 regions. New questions now arise about the implementation of the programmes and how Objective 5b policy is being played out in different ways in different local and regional contexts. The early months of 1997 have seen the beginning of the interim evaluations of the 11 programmes, and the various consultants' reports will provide new material for comparative analysis. In the medium term, the operation of the programmes provides a useful opportunity for comparative research between different EU Member States (Ward, 1996) in order to identify how such schemes, whose rationale is closely associated with the overall project of European integration and cohesion, come to be interpreted and implemented differentially through different national and regional institutions and cultures.

It is, finally, worth considering the extent to which the current Objective 5b programmes represent the shape of things to come in the field of rural and spatial development in Britain and Europe. The funds will flow until 1999. Beyond then, however, the use of Structural Funds for rural development purposes looks increasingly likely to change, not least because of the twin pressures arising from enlargement of the EU to the east and further reforms of the Common Agricultural Policy. A review of the operation of the Funds will take place in 1998 and is likely to endorse the need for further concentration of the Funds (CEC, 1996; Bryden and Commins, 1997). The Commission has for several years

been considering how best to shift resources from agricultural support towards a more integrated and spatialised rural policy, and such concerns were endorsed by the European Commissioner for Agriculture and Rural Development in his address to the recent European Conference on Rural Development held in Cork. It currently seems that the territorially and programme-orientated approaches are likely to remain, although the budgetary scale of EU rural development programmes in the UK beyond 1999 remains open to question.

In this context of impending policy reform, it is important to scrutinise the operation of Objective 5b programmes in order to inform debates about the future shape of rural policy. To date, however, there has been relatively little effort to produce a national overview of the UK experience with Objective 5b (although the production of 11 interim evaluation reports during 1997 will provide the opportunity for such an exercise). One of the few efforts to draw together experiences from the different UK Objective 5b programmes has come from the UK Local Authority 5b Partnership (1995; 1997). The Partnership is a network of 35 UK local authorities which are eligible to receive Objective 5b funding and serves as a discussion forum and lobbying mechanism. It has argued that the current Objective 5b SPDs “remain largely Government as opposed to local partnership programmes” (1995, p.3) which have been “developed in a way that ensures a high degree of central government control over the programme content and how they are delivered” (p.4). At the European level, it is pressing for a Single Rural Fund with a single funding mechanism set in a framework “which closely integrates the objectives of rural and regional policy” (1997, p.1) and for an enhanced role for local and regionally based actors. These debates over the future of European rural policy will evolve during 1997 and 1998. To inform

them, this paper serves as an initial attempt to draw together and develop an analysis of the UK experience of the Objective 5b programme to date.

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Appendix I The 11 Objective 5b Areas

East Anglia

The East Anglia Objective 5b area is split into 4 component parts; Lowestoft, Rural East Suffolk, the Fens and Central Rural Norfolk. The East Anglia SPD amalgamates these when considering economic, social and community issues, but describes them separately in detail in an annex. The Lowestoft area covers the majority of the town, which suffers from a lack of investment in the urban environment, major decline in the fishing industry and problems of seasonal unemployment. Rural East Suffolk, the Fens and Central Rural Norfolk all have much more in common, although the Fens have a particularly distinctive flat open landscape which includes wetland Sites of Special Scientific Interest (SSSIs). All three areas are rural in nature, sparsely populated, suffer from poor services and have a heavy dependency on agriculture (14% of the workforce in the three more rural areas) and related industries. The Central Norfolk area had a high proportion of its population employed in armed forces occupations, but this has declined with the closure of RAF bases.

Lincolnshire

The Lincolnshire Objective 5b area comprises an area of 3,092 km² of the eastern parts of the county together with the majority of the southern parts of West Lindsey, and borders the Fens part of the East Anglia Objective 5b area. For geographical purposes the area can be considered as two distinct regions - the Wolds to the north which are chalk and sandstone uplands, and the Fens to the south, which comprise of a flat plain of marine and alluvial sediments characterised by intensive arable production. The area has a dispersed settlement pattern with few towns but many villages, the poor environments of which present a major challenge to the area. The lack of a good transport infrastructure also causes problems, specifically for economic growth and inward investment, and the area suffers from long-standing economic and social problems (Lincolnshire was the first English county to receive government financial assistance for the development of rural areas in the early 1970s). Agriculture remains of importance to the economy (employing 8% of the workforce), as does tourism along the coastal fringe and the defence industry, although the impact of cuts has been recognised by recent KONVER funding.

The Marches

The Marches covers 3,200 km² of the West Midlands region within Hereford, Worcester and Shropshire. The area is characterised by a low GDP (80% of EC average) and 20% of employment dependent on agriculture and related industries. Service employment is well below the national average. Population density is low, but the overall population has risen 8.2% since 1981, mainly due to in-migration of the elderly. The physical geography of the area is diverse, with upland hills and moorland in the centre and low-lying plains to the north - in effect it can be seen as a transitional zone between the more gentle topography of the East Midlands and the wilder hill country of Mid-Wales.

Midland Uplands

The Midland Uplands Objective 5b area covers parts of north east Staffordshire and West Derbyshire. Its northern fringes are only 16 miles away from the city centres of Manchester and Sheffield and the area lies within 50 miles of over one third of the population of England. The majority of the area falls within the Peak District National Park and is characterised by limestone plateaux and gorges, gritstone moors and shale valleys. The tourism industry is of considerable importance, aided by the extensive footpath and bridleway systems. The negative environmental impact of day-visitors and their low contributions to the local economy is a key issue for the region. Sparse population has led to social problems of rural isolation. However, it is estimated that 50% of the resident workforce work outside the Objective 5b area. Nevertheless, the area is still severely affected by the decline in agriculture and CAP reform.

Northern Uplands

The Northern Uplands is England's largest Objective 5b area and represents a diverse rural region centred on the northern part of the Pennines, but embracing the Lake District, the Forest of Bowland and some lowland and coastal parts of Northumberland, North Yorkshire and Humberside. It contains what is claimed to be some of England's most attractive countryside, reflected in a plethora of environmental designations, with coverage extending to four National Parks, various Areas of Outstanding Natural Beauty (AONBs), Environmentally Sensitive Areas and Heritage Coastline. The Pennine landscape is characterised by dales, with villages in the dales tending to fall along linear routes in the valley bottoms. The rural economy of the region has traditionally been dominated by agriculture, forestry and extractive industries, although latterly the impact of tourism has become increasingly important in some areas.

South West

The South West Objective 5b area covers all of Cornwall, much of north and west Devon, West Somerset and the Isles of Scilly. Its climate, character and economic structure are all strongly influenced by the surrounding Atlantic Ocean and English Channel. Its resident population has a disproportionately high percentage of elderly people (20%), and employment patterns differ considerably from the UK average, with low male full-time employment but high self-employment rates. Mineral extraction, agriculture and fishing are all important parts of the South West's economy, but tourism is now the region's largest industry. This is no doubt a result of the beauty of the area, which includes moorland, estuaries and small bays and coves, the importance of which are supported by the various environmental designations to be found in the area, including two National Parks, five AONBs and over 200 SSSIs.

Borders

The Borders represents a distinct geographical entity, with Scotland's boundary with England to the South reinforcing its separation by a horse-shoe of hills to the north, west and south. Heather moorland, blanket mire and mixed woodland have all suffered reductions and remaining areas are covered by a variety of protective designations. The Objective 5b area has no dominant urban centre and the second lowest population density in the UK, at 22 people per km². The fragility of the economy is accentuated by its dependency on a small range of industries and a relatively small number of companies. The economy is orientated towards manufacturing, especially of textiles, and the primary sector.

Dumfries and Galloway

The Dumfries and Galloway Objective 5b area corresponds to the Dumfries and Galloway Region administrative area. It stretches from the northern shores of the Irish Sea to the hills of the Southern Uplands and is a region of striking contrasts, with spectacular cliffs, low-lying farmland, moorland and rolling hills. A range of environmental designations reflect this diversity, from Ramsar sites to UNESCO Biosphere reserves to the more common Nitrate Sensitive Areas and Environmentally Sensitive Areas, and SSSIs. The primary sector underpins the local economy in the region. Outputs from agriculture, fishing and forestry have acted as a stimulus to a series of processing industries. Employment in transport is also of significance due to the ferry port at Stranraer.

North and West Grampian

The Objective 5b area abuts the North Sea to the north. To the west it adjoins the Highlands and Islands Objective 1 area, and to the south the Rural Stirling and Upland Tayside Objective 5b area. Its location is effectively at a dead-end, and its peripherality is compounded by its limited infrastructure. The area is one of the last remaining wilderness areas in Britain, with a unique and fragile sub-arctic environment. Three of the four highest mountains in Britain are located within the 5b area. Two of the three largest settlements in the area are home to a major concentration of fishing and related industries. The whole region is heavily dependent on the primary sector and related processing industries.

Rural Stirling and Upland Tayside

The designated area lies between the southern edge of the Highland and Islands Objective 1 area to the north, and the North and West Grampian Objective 5b area and parts of the East Scotland Objective 2 area. Despite the harsh environment, it boasts some internationally renowned tourist destinations, such as Loch Lomond and the Trossachs, as well as a host of environmental designations. The economy of the region is characterised by a declining agricultural sector, low levels of manufacturing activity (but with high self-employment), and a locally important construction industry. Tourism and associated services dominate employment at over 35%, which brings with it problems of low pay and seasonality. Poor transport links also fail to attract potential visitors to the region.

Rural Wales

The Rural Wales Objective 5b area covers almost 75% of the land mass of Wales, and yet is home to less than 25% of the Welsh population. It includes the majority of Dyfed and Powys, the whole of Gwynedd and parts of Colwyn and Glyndwr in Clwyd. Sustained employment loss and out-migration for over a century has led to the collapse of rural services and many rural businesses. The area is characterised by high agricultural and self employment. Tourism is an important industry in Rural Wales, despite the decline of traditional Welsh coast tourism as more British people take overseas holidays. The countryside of Rural Wales contains some of the most spectacular landscapes and important wildlife habitats and species within the UK. The importance of the area in this respect is shown by the large number of landscape and wildlife designations. However, there are a number of serious problems for the environment in Rural Wales, including the acidification of soils and waters and the degradation of important sites.