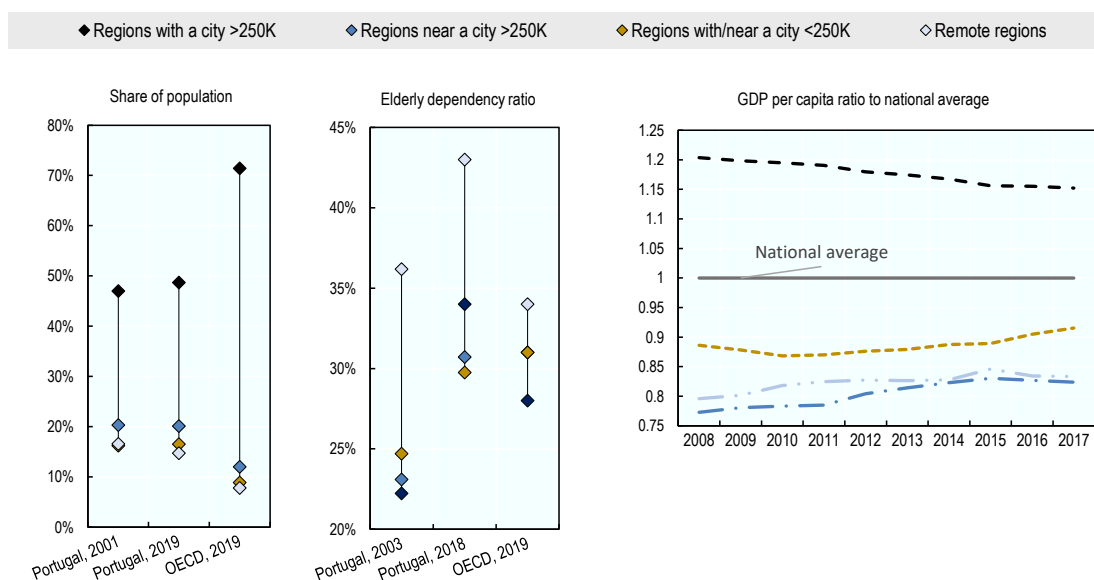


Portugal

Statistical profile

Figure 1. Statistical profile



	Population growth 2008-2019 (%)	Growth in employment 2008-2017 (%)	GVA per worker (1 000 USD ppp)	GVA manufacturing share (%)	Hospital beds per 1 000 inhabitants
Regions with a	0.0 (0.7)	-0.4 (0.9)	66 (92)	12 (18)	4.1 (8)
Regions near a	-0.3 (0.3)	-1.0 (0.5)	49 (79)	31 (26)	1.7 (8.1)
Regions with/near a	-0.3 (0.2)	-0.4 (0.0)	53 (71)	10 (23)	4.9 (4.9)
Remote regions	-0.9 (0.5)	-1.1 (0.2)	52 (73)	15 (18)	1.9 (4.6)

Note: OECD average is presented in parenthesis. Data for hospital beds are from 2018 and data for GVA per worker, GVA by sector and employment rate are from 2017. GVA and GDP are measured in USD PPP (2015). The OECD average by order in the table has been made with 33, 25, 26, 25, 19 countries with available data. Employment growth measured as employment in the workplace.

Source: (OECD, 2020[1]) OECD Regional Statistics (database), <http://dx.doi.org/10.1787/region-data-e>

Policy framework and Institutional setting of rural development

Rural Definition

- ❖ In addition to the typologies of regions defined by the OECD and Eurostat, and to the national statistics Typology of Urban Areas (TIPAU 2014) defined by INE (Statistics Portugal), based on territorial level LAU2, Portugal uses mainly two other typologies for rural/inner areas:
 - The low-density territory for the purpose of Cohesion Policy Programmes and PVI - Plano de Valorização do Interior (former- National Territorial Cohesion Programme). This delimitation, approved through a deliberation of the Inter-Ministerial Coordination Commission of Portugal 2020, covers several municipalities - LAU 1 and some parishes – LAU 2 - of other municipalities.
 - Rural typology of parishes to define the target territories of the European supported Mainland Rural Development Programme (PDR 2020), with some measures that apply only to rural areas. Portugal uses the European Commission's rural classification of Predominantly Urban, Intermediate, and Predominantly Rural. Intermediate parishes are those where 15% to 50% of the population lives in an area with less than 150 inhabitants per square kilometre, and predominantly rural parishes are those where more than 50% of the population lives in these kinds of low-density areas. Furthermore, Rural parishes (LAU2) are those that belong to a Predominantly Rural NUTS III region and are in clusters with more than 15,000 inhabitants. Likewise, those that are not in a Predominantly Rural NUTS III region, but most of their population lives in clusters with less than 2 000 inhabitants (in the case of Algarve or other NUTS III belonging to municipalities (LAU1) where the majority of the population lives in these types of clusters). Portugal recognizes mixed rural/urban areas, rural areas close to cities, and remote rural areas for policymaking purposes.

National rural policy

- ❖ In Portugal, the national strategic reference for regional planning is the National Spatial Planning Policy Programme (PNPOT). The policy for development of rural (or low-density) areas is widespread across ministries. While the Ministry of Agriculture has the responsibility for the rural development strategy, there are other ministries responsible for relevant topics of rural development policy, including the Ministry of Planning (e.g. strategy of economic and social development, namely convergence and cohesion policy), the Ministry of Territorial Cohesion (e.g. regional development and inner areas), the Ministry of Environment and Climate Action (e.g. spatial planning and forestry), as well as other sectorial ministries responsible for the provision of public and collective services and other territorial interventions.
- ❖ Portuguese Rural Development Strategy is a national strategy for agriculture and rural development defined in the context of the Mainland Rural Development Programme (PDR 2020) supported by European funds (EAFRD). It supports the tradable goods sector and farmers directly involved in adding value through agro-forestry activities, with efficient management of resources. Its strategic objectives include: i) growth of added value in the agro-forestry sector and economic profitability of agriculture; ii) promotion of efficient management and protection of natural resources; iii) creation of conditions for the economic and social dynamism of rural areas; iv) increase capacity for innovation, generation and transfer of knowledge for the agro-forestry sector; v) improvement in training of agricultural and forestry producers; and vi) management and efficient use of resources.

Lead ministry(ies) and other co-ordination bodies in charge

Table 1. Main institutions in charge of rural development policies at the national level

Ministries/Committees (most important first)	Role
Ministry of Agriculture	The Ministry of Agriculture is responsible for formulating, conducting, implementing and evaluating agriculture, agro-food and rural development, as well as for planning, defining priorities and coordinating the implementation of national and European funds for agriculture and rural development.
Ministry of Planning	It is responsible for preparing, conducting, monitoring and evaluating economic and social development strategies, taking into account the objectives of convergence and cohesion. It is particularly responsible for the strategy, monitoring, evaluation and overall management of programs funded by European funds. It is the coordinating minister of the Inter-ministerial Coordination Committee of Portugal 2020 (the inter-ministerial political coordination body for European Structural and Investment Funds (Portugal 2020), including the EAFRD, ERDF, ESF, Cohesion Fund and EMFF).
Ministry of Territorial Cohesion	This Ministry is responsible for formulating, conducting, implementing and evaluating policies for the territorial cohesion, European Territorial Cooperation, regional development and interior development. It aims to reduce territorial inequalities and enhance a balanced development of the territory, taking into account the specificities of low densely populated territories and cross-border territories.
Ministry of Environment and Climate Action	This Ministry is responsible for formulating, conducting, implementing and evaluating issues related with environment, land use, urban and suburban development as well as road passenger transport, mobility, climate, forestry, nature conservation, energy, geology and forests, with a view to sustainable development and social and territorial cohesion. The Ministry is also responsible of planning national and European funds for forests, implementing measures in order to mitigate the harmful effects of climate change..
Cohesion and Development Agency	This institution is responsible for the technical coordination of the regional development policy and the European Structural and Investment Funds (ESIF).
Office of Planning, Policy and General Administration	This institution of the Ministry of Agriculture is responsible for planning and defining rules to implement the Common Agricultural Policy. It chairs the National Coordination Committee for the European Agricultural Fund for Rural Development, including the Coordination Council of the National Rural Network. Furthermore, it provides strategic programming for the Mainland Rural Development Programme.

Note: In the Regional Autonomous Regions of Azores and Madeira, there are Regional Secretaries responsible for these areas, for instance the Regional Secretariat for Agricultural and Fisheries in Madeira or the Regional Secretariat for Agricultural and Forestry in Azores

Table 2. Main institutions in charge of rural development policies at the sub-national level

Institutions	Role
Mainland Regional Directorate for Agriculture and Fisheries	A number of institutions at the subnational level represent each of the key regions of Mainland Portugal: North, Centre, Lisbon and Tagus Valley, Alentejo, and Algarve. The regional directorates implement agricultural policy, including those addressing rural development measures. They provide analysis, approval, monitoring, and validation of projects supported by public funds in their respective regions.
Commissions for Coordination and Regional Development (CCDR)	These institutions are responsible for the coordination of spatial planning and territorial development in the five administrative regions of Portugal mainland.

Regional Directorates of Madeira and Azores	These autonomous regional agencies carry out similar tasks as those provided by the mainland directorate, notably on the implementation of agricultural policy or Cohesion policy programmes.
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Key objectives in rural policy and delivery mechanisms

- ❖ Portugal's rural development policy allocates a high degree of importance to economic areas (Table 3). Table 4 shows the main priorities of rural policy.
- ❖ The main delivery mechanisms of rural development policy include dedicated grants programs as well as contracts and agreements with sub regional and local communities for example:
 - Pacts for Cohesion and Territorial Development (ITI), supported by ESIF funds. They aim to promote a more efficient, equitable and accessible provision of public services (e.g. health, education, social, culture), strengthen the urban-rural linkages, build up capacity in the regional and local public institutions and enhance regional low carbon strategies;
 - The bottom-up approaches of rural Community-Lead Local Development (CLLD) supported by various European Structural and Investment Funds (ESIF).
- ❖ Enhancing rural (or low density) areas and strengthening rural-urban linkages (provision of public services, dissemination of innovation, etc.), which remains as a priority in the national strategy for the next decade

Table 3. Sectors relevance in rural development policy

Policy areas	Weight on rural policy- Portugal	Average OECD
Economic	50%	40%
Environment	30%	30%
Social	20%	30%

Note: Self-reported responses from country delegate to the question: "Please grade from 1 to 10 the importance rural development policies in your country assigns to economic, social and environmental areas".

Source: OECD (2018), "Responses to the institutional survey on rural policy in OECD countries".

Table 4. Relevant objectives in rural development policy

Top objectives	Programmes	Main financial mechanisms to support the strategy
Agricultural production	Rural Development Strategy (2014-2020)	PDR 2020 and equivalent EARDF Programmes in the Autonomous Regions (enhancing farm viability and competitiveness for all types of agriculture in all regions, promoting innovative farm technologies, and promoting the sustainable management of forests). POCI (Operational Program for Competitiveness and internationalization) supports agro industry.
Environmental sustainability	The National Water Plan and Regional Water Resources Management Plans, the National Strategy for Adaption to Climate Change, and the Strategy for Adapting Agriculture and Forestry to Climate Change all address environmental sustainability in rural areas.	POSEUR (Operational Program for Sustainability and Efficiency in the Use of Resources); POR (Regional Operational Programmes); PDR 2020 and equivalent EARDF

		Programmes in the Autonomous Regions.
Land occupation, resilience and landscape preservation	National Spatial Planning Policy Programme (PNPOT); Territorial management instruments; National Strategy for the Nature Conservation and Biodiversity 2030; National Strategy for Forestry; Rural Development Strategy (2014-2020).	POSEUR; POR; PDR 2020 and equivalent EARDF Programmes in the Autonomous Regions; National support from Permanent Forest Fund (FFP)
Service Delivery	PNCT/ PVI Sectorial strategies	POR; Integrated Territorial Investments (ITI/PDCT) funded by Operational programmes of Portugal 2020.
Innovation support to "rural" sectors	RIS3 (Research and Innovation Smart specialization Strategies) national and regional; R&D Thematic Agenda for Agrifood, Forestry, Rural Development and Biodiversity	PDR2020 PDR 2020 and equivalent EARDF Programmes in the Autonomous Regions (Example: National Rural Network); POCI; POCH (Operational Program on Human Capital); POR
Support to private sector, jobs and investment	National sectorial strategies; RIS3 (Research and Innovation Smart specialization Strategies) national and regional;	POCI; POR; PDR 2020 and equivalent EARDF Programmes in the Autonomous Regions; Rural CLLD funded by Operational programmes of Portugal 2020.
Capacity building (public sector and public-private engagement)	Transversal subject of other strategies	PDR 2020 and equivalent EARDF Programmes in the Autonomous Regions POR; POCH; ITI/PDCT funded by Operational programmes of Portugal 2020.

Note: Objectives presented are the objectives with higher scores in the survey responses.

Source: OECD (2018), "Responses to the institutional survey on rural policy in OECD countries".