

# **Rural Spaces Attractiveness**

Comparative analysis of options for rural dynamization

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**Extended Abstract** 

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## 1 Abstract

The rural territories abandon is a world phenomenon that has occurred since the industrial revolution, causing serious consequences at the level of the territories' sustainability and social inequalities. According to the OMS (2014), 54% of the world's population lives in urban areas in 2014, and this number is trending up. In Portugal, this phenomenon occurs since 1960.

Since the foundation of the European Union that Europe has established policies for agricultural development and, after the Agenda 2000, specifically for rural development. In Portugal, the policies for the mentioned areas are based on European guidelines. The main objectives are to advance and adjust structurally less developed regions, improve agricultural structures and develop rural areas.

The territories' economic development depends on economic, social, cultural and natural capital. As rural spaces, specially the more remote ones, are characterized by having low social and economic capital, it rests on the remaining capitals the distinctive and dynamizing role. Therefore, it is verified that rural development should be made on the basis of the natural and cultural capital.

Considering the global investment trend and the policies promoted, the main way of attracting population to rural territories will be by visitation. Nevertheless, there are other rural dynamizing methods that require a lower investment.

In Portugal, several rural development strategies are identified. Were analyzed touristic projects at the municipal scale and at the supramunicipal scale, and a project of populational migration to rural territories. The most viable on the scope of the analysis was the project developed at the supramunicipal level, due to how it valorizes the characteristics of the territory and increases the offer. However, the investment cost compared to the migration project is superior. The time space elapsed since the application of the migration project does not allow for the extraction of more concrete results in respect to its success.

Key words: amenities, attractiveness, rural development, rural spaces

# 2 Introduction

Territorial Management is essential to the well-being of populations and to the economic development of countries. This management must acknowledge the territorial diversity so that economic activities and populations are fixed through all the territory's length.

The Worldwide trend since the Industrial Revolution is a population's massive migration to urban centers. According to World Health Organization (2014), in 2014, 54% of the World's population was

classified as urban. Thus, it is registered, for the first time, a majority of the urban population compared to the World's population. The same organization emphasizes that, between 2015 and 2020, the urban population growth will correspond to 1.8% per year. These projections point towards a slight decrease in the migration rate between 2020 and 2030, while, between 2020 and 2025, the projections indicate an annual growth rate of 1.6%, and therefore it is estimated a 1.4% growth for the 2025 to 2030 period. The results and projections presented correspond to the developing countries.

Relatively to Portugal, OMS (2014) reveals that, during the 60s, 35% of the population lived in urban areas. These areas have grown since then and, from 2000, the majority of the Portuguese population is classified as urban population. The results presented follow the growth trend of urban areas in developed countries and it is expected that, in 2050, 76.8% of the Portuguese population resides on these territories.

From Mateus (s.d.) perspective, the spatial planning policy was not able to value the physical and human geographical diversity of the country, leading to minimization and fragmentation of the spatial basis of the Portuguese economy. Associated with the lack of human capital in rural areas, the fact that productivity is lower in these areas contributes to their continuous marginalization. According to data gathered by Eurostat (2014), the GDP value produced by the rural areas in Portugal, in 1995, corresponded to 44.0% of the national total. This contribution has diminished since then, so that, in 2009, the rural economy represented only 26.0% of the total national GDP value. Despite the fact that the productivity increased to nearly the double in rural areas, in urban areas it has almost quadrupled.

Rural areas are essential to human subsistence. Besides agricultural and animal production, hunting, forest exploitation, fishing, silviculture and services associated to these activities (production services), the preservation of rural areas is essential to support the region's fauna and to combat climate changes (regulation services). The rural spaces valences are nowadays, at least in the developed countries, for more than just agriculture, forestry and pasturing. The valuation of cultural services (recreational, spiritual and aesthetic activities, among others) contributes to the creation of new alternatives for regional development.

Awareness about the importance of preserving rural areas has grown, as it is proven by the European policies implemented. The Common Agricultural Policy (CAP) celebrates 50 years, and many differences can be observed. After investing in modernization and increasing agricultural production, the CAP evolved to have, today, sustainability as its main priority.

The rural areas' sustainability depends not only on the economic capital available, but also on the social, natural and human capital. Territories do not produce without the human factor, hence, there has been a change in paradigm to "the people's return to the countryside", which may be crucial to the regional economy's growth, as well as to the improvement in the fulfillment of the local population's needs, due to the increase of critical mass. The evolution in information and communication technologies, along with the advances observed in the transportation network, facilitate migrations. Commuting is another factor that cannot be dissociated from the population's return to rural areas.

The rural territory possesses the diversity advantage. Usually the territories offer impressive landscapes and present attractive characteristics, for instance, for touristic or recreational investment.

The forms of dynamization in rural areas are increasingly broader, whether by agriculture and related investments, touristic activities, or even the decentralization of industrial hubs. The main difference between these strategies lies in the capacity to effectively fixate population. Independently of the type of investment made, the capacity to promote new links between people, economic activities and environmental questions will be essential. The sustainability of the population depends on the sustainability of the whole territory, since the rural world needs to relate to the urban world without embarrassments, without the notion that it is less relevant.

# 3 Methodology

The methodology applied during the present dissertation is based on an indirect analysis. It is funded on a research work starting from the predefined objectives: understand if there is an increase in demand for rural areas in Portugal and what are the characteristics of that demand; and recognize which factors affect the economic and social dynamization of rural territories and which ones promote an increase in their competitiveness.

Over the theoretical structure, a research will be developed looking for trends and development options taken on the rural space at the economic, social and environmental levels, and both at the national and international levels. Beyond this, demographic and economic indicators will be analyzed.

Relatively to demographic indicators, the evaluation will be made according to the results presented by the World Health Organization, on a national and global perspective. The economic indicators evaluated will be prepared using Eurostat data and are the renovation of age structure on the agricultural sector and the increase in touristic offer on rural space, through the comparison of national results with the average of the 27 European Union countries.

It will also be undertaken a revision of the legal framework that was applied in the last decades, at the European and national levels, and the policies that will be implemented until 2020. The execution rate of EU funds in Portugal will also be evaluated for the 2007-2013 program, on the basis of the PRODER<sup>1</sup>'s execution report.

Concerning the factors that affect economic and social dynamization of rural spaces and those that promote the competitiveness's increase, through bibliographic research the main causes for development and the main constraints to rural development will be identified. With this information, the three case studies to be used will be selected from a bundle of projects identified in Portugal. The selection will be made taking into account the dynamic proposed by each project, so that there are different approaches to rural development. It is intended to compare projects that have different target-

<sup>&</sup>lt;sup>1</sup> Programa de Desenvolvimento Rural (Rural Development Program)

publics (permanent residents, new inhabitants, tourists) since the different publics will provide different impacts on the economy, society and environment involved. The type of investment used, public – EU funds, national, municipality funds – or private will also be taken in consideration, as well as the type of territory where the projects are included.

# 4 Presentation of the case studies

As was said, the selection of the case studies was made taking into account the dynamic proposed for each one, in order to have different approaches to rural development and discover what are the main economic, social and environmental impacts obtained from those approaches.

On one side, it is intended to analyse approaches directed towards tourism: a development strategy directed at tourism on the municipal level and other applicable at the supramunicipal level in order to understand the differences between the approaches. The target-publics in these strategies are essentially the tourists, but inhabitants of the region where the strategies are applied are also affected directly and indirectly.

On another side, it is important to address a rural development strategy based on knowledge and the development of measures to promote the economy through the creation of added value to endogenous products. This approach has, essentially, as target publics the local residents and investors.

According to the classification of Copus and Crabtree (1996), the projects selected for analysis must be in implementation on rural remote areas.

From the bundle of projects identified, and in view of the restraints mentioned above, the rural development strategy based on tourism at the municipal level will be *Praia das Rocas*. In relation to the rural development based on tourism at the supramunicipal level, between the hypotheses of the *Aldeias do Xisto* network and the *Aldeias Históricas* network, the former was selected because of its geographical extension.

At last, for the rural development strategy based on knowledge and the creation of new economic opportunities through innovation, between the *Novos Povoadores* approach and the *Querença* project, was selected the former because it has been implemented for a longer period of time.

# 5 Comparison and Analysis of the results

After a thorough analysis of all municipalities where the projects were applied, it was necessary to do a comparison between them, in order to withdraw appropriate conclusions from their results.

Given the different dimensions and scopes, beyond the indicators presented, an analysis of the objectives and dynamics of the projects is performed. Despite the differences, the fundamental objective of all case studies is the same: dynamize and promote the rural areas where they are applied. In fact, all projects influence the territory though they have different impacts at the economic, social and environmental level.

In respect to the selected indicators it is verified, on table 0-1, that the municipalities from the *Aldeias do Xisto* network increased population between the years of 2001 and 2011, with this increase being, on average, of 1,0%. The municipalities of Castanheira de Pera and Alfândega da Fé lost population between the two censuses in similar scales. It is also observed that the population loss between 1960-1981 and 1981-2001 was larger than in the last ten years analysed, with this happening on both municipalities.

Social Indicators									
	Population v	variation	Schooli	ng level	Ageing index (%)				
	Population Variation (%)	Value	Main	Higher Education (%)					
Municipalities from the Aldeias do Xisto network	<b>+</b> 1	14.448	Primary education	8,0	223,7				
Castanheira de Pera	<b>-</b> 17,0	3.191	Primary education	5,1	295,5				
Alfândega da Fé	- 16,8	5.104	Primary education	6,9	334,7				

#### Table 5-1: Social indicators in the municipalities

The population in the municipalities of the *Aldeias do Xisto* network is far superior to the one living in Alfândega da Fé and Castanheira de Pera. In all municipalities, the ageing index is high, with the municipality sporting the highest index being Alfândega da Fé, followed by Castanheira de Pera.

The most common schooling level among the population is primary education in all municipalities. The sum of the population without any schooling level with the population who finished primary education is superior to 50% in the three study cases. Alongside the higher population number, the average of the municipalities on *Aldeias do Xisto* network possesses a larger percentage of population with superior education levels. In Alfândega da Fé this value is fixated in 6.9% of the population, despite the high ageing index, while, with a smaller population, Castanheira da Pera stands at 5.9%.

Concerning the economic indicators, which are presented on table 0-2, it is observed that the housing stock has grown in all municipalities between 2001 and 2011. In all study cases, it is verified that the occupation rate lies between 87.0% and 88.0%, with the main driving force behind this growth being seasonal occupation.

The biggest increase occurred on the municipalities where the *Aldeias do Xisto* network was implemented, 15.1%. Alfândega da Fé had an increase of 6.0%. Given that this is a municipality with a population loss of around 16.8%, and an ageing index of 334.7%, the growth in housing stock reveals that the municipality's demand is essentially seasonal. The housing stock growth in Castanheira de Pera was 1.7%, following the trends of the population indicators.

The *per capita* Purchasing Power index is the lowest in Alfândega da Fé, and the highest one is the municipalities' average for the *Aldeias do Xisto* network. In Alfândega da Fé and Castanheira de Pera, the index is lower than the average value registered on the sub-regions where they belong, Alto de Trás-os-Montes and Pinhal Interior Norte, respectively, thus it is concluded that these municipalities have an economical fragility. Regarding the *Aldeias do Xisto* network, the index is superior to the one registered in Pinhal Interior Norte and Pinhal Interior Sul.

In relation to the corporate environment, it is observed that the reduction on the number of companies, business volume and energy consumption occurs after the year 2008-2009, wherein these reductions coincide with the years where the impact from the national economic crisis was bigger. Focusing only in the number of companies, it is observed that the loss occurred in all municipalities, with a growth trend being verified between 2004 and 2008, and then the reduction happening.

The number of companies, in 2011, was larger on the average of the network's municipalities. In the rest of the municipalities, the number of companies is far inferior. The hosting company's numbers grew in all municipalities under analysis.

The average survival rate is similar in all three cases under analysis, varying between 59,0% and 60,0%.

The products of protected designation of origin (PDO) are represented on all municipalities. Alfândega da Fé is the one with more distinguished products, with 7. Despite the superior number of products, some don't have production register in 2010 and 2011. Due to the fact that the products are consumed mainly at the regional scale, the identification with the territory is not immediate for consumers outside the regional scale. Castanheira de Pera possesses one PDO, while the network has an average of 3.5 products per municipality.

The products identified on the *Aldeias do Xisto* network are consumed at the national scale, but there are also products that are exported. The results allow for the conclusion that these endogenous products are being valorised in a manner that associates the product with the territory.

The energy consumption is dominated in every case by domestic consumption, with only Castanheira de Pera displaying an influence from the industry sector similar to the domestic consumption.

The financial operations grew in Alfândega da Fé and in the *Aldeias do Xisto* network, while in Castanheira de Pera the amounts moved were similar. The growth in number of financial operations can be a response to the projects, since the elderly tend to prefer other paying methods. Namely in Alfândega da Fé, that lost population, possesses an high ageing index, and a low Purchasing Power,

the biggest increase was observed since 2010, while, in relation to *Aldeias do Xisto*, this increase in cash withdrawals is verified since 2007.

The geographical indicators, presented on table 0-3, reveal that all municipalities are located in territories classified as fragile, with predominance of forest areas. Despite this classification, the development strategies pointed out in the PNPOT<sup>2</sup> are different among the municipalities of the network, Castanheira de Pera and Alfândega da Fé.

The development of the municipalities on the *Aldeias do Xisto* network and Castanheira de Pera, according to the PNPOT (2006), faces three fundamental challenges on the territory: valorise the forest and natural resources that exist on the territory, ensure the quality of life of the population, mainly the more isolated one, and develop new urban-rural bridges.

The development is influenced by the existing mid-sized urban centres, and by the accessibilities between them, primarily road axes. In the case of Pinhal Interior Norte, the development is supported by the hubs Leiria/Pombal, Coimbra and Viseu, while in Pinhal Interior Sul it is supported by Castelo Branco and the Mid-Tejo urban centres.

Concerning Alfândega da Fé, according to the PNPOT (2006), the ecosystem services, mainly the ones associated with tourism, will have an important role in mountain territories with landscaping potential. This valorisation will be important not only in relation to the natural heritage, but also to the cultural heritage.

The amenities identified are from the same type in all municipalities studied. In fact, the *Aldeias do Xisto* network, as well as the Praia das Rocas project, in Castanheira de Pera, are, in itself, amenities.

The Used Agriculture Surface (UAS) increased only in the municipality of Castanheira de Pera, 4.4% between 1999 and 2009. Despite this increase, the value is a lot smaller than the registered in the remaining cases. The biggest variation observed was on the network (-56.7%). The main type of exploration existent on the municipalities is explorations with an extension between 1 and 5ha.

The forest fires that occurred are between 500 and 600ha, and stands out a fire in Alfândega da Fé that occurred mainly in shrub lands.

Each case study possesses specific dynamics and strategies for rural development. The *Aldeias do Xisto* network intends to promote the territory of the Pinhal Interior region through a series of investments that enable the retake of traditions, arts and traditional trades that tend to disappear. It also intends to valorise the architectural heritage and natural landscape existent on the region.

Via these investments, the promoters expected to create a touristic benchmark not only at the national level, but also at the international level. Its promotion enables the reinforcement of other economic dynamics by new investments on endogenous products. Beyond the enhancement of economic

<sup>&</sup>lt;sup>2</sup> *Programa Nacional da Política de Ordenamento do Território (*National Program for the Territorial Management Policy)

capital, the promoters hope to valorise human capital via capture of critical mass for the region and the consequent improvement on social capital through the beneficiation of governance systems.

The target public is the resident population, the tourists and new entrepreneurs. The network was developed within the III  $QCA^3 - FEDER^4$ , POPH<sup>5</sup> and PRODER - with an added value of approximately 146.9 M $\in$ .

In relation to Praia das Rocas project, it was executed at the municipal level. In view of the territorial characteristics of Castanheira de Pera, beyond the heritage and cultural parts, the option for municipal development is closely linked to the strategy of dynamization of economic, social and environmental structures, and to tourism. The construction of the Praia das Rocas infra-structure and complementary investments to the beach were made in order to attract visitors – main target public - to the municipality and thus valorise other available products, beneficiating the local population. The Praia das Rocas was built within the III QCA – FEDER - and necessitated of an investment of approximately 3.3 M€.

Novos Povoadores intends, via the increase in human capital, to diminish the inequalities present on the national territory regarding social and economic areas. It is therefore an organization that promotes the transfer of citizens for the regions willing to receive these inhabitants. Beyond this transfer, they provide support to the families in the execution of the project that has to be implemented. The target public are inhabitants willing to move to the interior region, and municipalities that acquire the services of the organization.

Relatively to the investment, it is done by the municipalities that request the transfer of the desired number of families, with the rest, like the implementation of the new companies, being a responsibility of the new inhabitants.

### 5.1 Results analysis

After comparing the results from the municipalities where the case studies were implemented, it is concluded that the one that had the biggest impact on the territory was the *Aldeias do Xisto* network.

The project allowed for the capacitation of the territory with infra-structures that succeeded in augmenting its competitiveness. This project has the capacity, through visits and the products valorised on the network, to give visibility to the territory and to turn it into a really important touristic pole in the Central region. In addition, it enables an increase in the quality of life of the villages' resident populations and integrates them in the dynamic of the activities being developed, not allowing for their marginalization.

<sup>&</sup>lt;sup>3</sup> Terceiro Quadro Comunitário de Apoio (2000-2006) (Third Community Support Framework)

<sup>&</sup>lt;sup>4</sup> *Fundo Europeu de Desenvolvimento Regional* (European Fund for Regional Development)

<sup>&</sup>lt;sup>5</sup> *Programa Operacional de Desenvolvimento Humano* (Operational Program for Human Development)

The increase in housing stock as a consequence of the seasonal habitation is a sign that the project is attracting population that, even though not living in the municipality, visits it seasonally. The growth in business volume on the food industry, housing and catering shows that the project is having an economic impact on the region. The network is capacitated to be visited at any time of the year, with activities and themes always present.

The growth in business volume on the network's municipalities, especially on the tourism and housing areas and the manufacturing sector, demonstrates the effect of the project on the local economy. The increase in financial operations in the network is evidence not only of a change in habits, but also of the tourists influence.

Economic Indicators												
	Housing Stock		wer	Business environment			ected rigin	Energy Consumption	Financial Operations			
Municipalities	(%)	Main	Purchasing Por per Capita	companies		Business Volume		l rate ge)	prote	e of ıer	/als itant	s on tic es
manoipantos	Variation			Variation	Value	Variation (%)	Value (Millions of €)	/al raç	Products of designatio	Main type o consumer	ATM withdrawals per inhabitant	Purchases automati teller machine
Municipalities of the Aldeias do Xisto Network	<b>+</b> 15,1	Seasonal occupation	69,71	-	1.231	<b>+</b> 7,4	226	58,8	3,5	Domestic	+	+
Castanheira de Pera	<b>+</b> 1,7	Seasonal occupation	60,07	-	243	<b>-</b> 30,4	22	60	1	Industrial + Domestic	=	=
Alfândega da Fé	<b>+</b> 6,0	Seasonal occupation	57,13	-	419	+ 62,3	90	59,3	7	Domestic	+	+

### Table 5-3: Geographical indicators in the municipalities where the projects were implemented

Geographical Indicators										
Municipalities	PNPOT Classification	Rural Amenities		UAS	Forest Fires					
			Variation (%)	Value (ha)	Main type of explorations	Biggest Fire	Туре			
Municipalities of the Aldeias do Xisto network	Fragile territories	-Marketable amenities, cultural and direct use; -Marketable amenities at the regional scale, natural kind; -Hardly marketable amenities, current use patrimony.	<b>-</b> 56,6	1.547	1-<5	591	Forest area			
Castanheira de Pera	with predominance of forest areas		<b>+</b> 4,4	90	1- <5	503	Forest Area + shrub lands			
Alfândega da Fé	ģ		- 6,2	11.761	1- <5	498	Shrub lands			

The project follows the strategy presented by the PNPOT for the development of this region, given that it valorises the territory's existing resources and contributes to improve the quality of life of more isolated populations.

Beyond the *Aldeias de Xisto* network, the municipalities developed an important work at the territory's valorisation level, through the identified amenities, like it was observed. Despite the network being considered an amenity of difficult commercialization, all the municipalities included on the network and the amenities associated are commercialized more easily.

It is pointed out, though, that the decrease in UAS indicates that agricultural explorations are declining. Relatively to forest fires, the exploitation of the forest by the network contributes to its cleanliness and the minimization of forest fire risks.

Concerning Praia das Rocas, it was concluded that this project complies with the objectives by which it was build, that aim to develop a unique product in the region that allows for the municipality's differentiation and attracts annually, on the summer season, visitors from all over the country. Yet, it is not observed a significant impact on the reduction of population losses or on the aggravation of the ageing index, hence the project has not been able to fixate inhabitants or create jobs.

The low housing stock growth is an indicator that there are no perspectives of population growth. The project also did not influence an increase on the number of companies or on the business volume. Despite the global results, the housing and catering sector increased its business volume, displaying that this activity area, directly associated with the project, is generating profits.

The amenities identified on the territory allow for the development of a set of activities and infrastructures that increase the touristic offer. Despite the existence of a group of amenities clearly identified, its valorisation is done essentially on a particular season. Due to its proximity to the *Aldeias do Xisto* network, these two projects complement each other, valorising the territory at the regional level. This project follows the regional development indications of the PNPOT, in relation to the valorisation of natural resources, but, regarding the improvement in population's quality of life, there has not been observed an impact.

Despite the growth in UAS, this value is not significant enough to create a bigger impact on the economic activity progress. In 2012, after the implementation of the project, there was a forest fire of bigger dimensions (503ha) that mostly focused on forest areas. In 2009 was also registered a significant burned area, 224ha, that struck shrub lands and forest areas, thus it is concluded that the project has no impact in safeguarding the occurrence of forest fires.

The Novos Povoadores organization is the most complete in terms of covered activities, and the one that requires a smaller investment from the municipalities. The selection process adopted tends to minimize drop outs, since each candidate is evaluated and accompanied during a long

period of time, before and after the transfer. The project allows, through knowledge and innovation, that new inhabitants, possessing more human capital, can create value in the regions to where they are transferred by their new products and businesses.

Despite all these characteristics, it is verified that this project has lacked the capacity to grow and disseminate due to the lack of municipalities that pursuit its services.

Concretely on the municipality of Alfândega da Fé, the implementation date is more recent than the other projects, thus not allowing for a more correct analysis of data, similar to the other cases. Moreover, the transfer of, up to this date, only eight families, impedes effective results, because this number, when compared with the population's loss, is minor.

The percentage of inhabitants with a university degree is relatively high taking into account the variation on population loss and the ageing level registered, which might just be the impact of the project on the territory.

The housing stock in another indicator that is also associated with the project movement, having increased 6.0%, which, associated with low Purchase Power index and loss of population, is a prominent result.

Although it has reduced since that date, the number of companies increased on the municipality between 2010 and 2011, particularly on the food industry, which shows an impact of the projects on the results. The business volume growth is associated to the construction works being developed on the Baixo Sabor Dam.

This is the municipality that possesses the most products of protected designation of origin, and these will be valorised given the dynamic of Novos Povoadores. This is already happening with the valorisation of products such as the cherry, and through new commercialization alternatives to the traditional product, as is the case of the cherry caviar. It has also been registered the creation of microenterprises in the food industrial sector, which generated thirty jobs, but, since this is data from 2013, it was not possible to evaluate this information.

Relatively to the PNPOT, it is not going strictly according to the development strategy suggested, even though there is a possibility that, with the migration of more families, new investments on the touristic valorisation of the territory are made.

The project did not influence in any way the reduction on used agricultural surface between 1999 and 2009, since its installation is posterior to that period. Relatively to the burned forest area, the municipality values are always superior to 200ha – except for 2010 – therefore the project has not had, until the present date, any impact on the minimization of this indicator.

### 6 Conclusions

The objectives defined for the present dissertation were to identify the existence of growth on the demand for rural areas in Portugal, and to characterize this demand, identifying which factors affect and dynamize rural areas and its economy.

Through the literature review, it was concluded that rural spaces exhibit a desertification trend, particularly in rural remote regions, which will not alleviate worldwide in the next years. Despite the trend described, there are migration movements registered – with substantially less expression – to rural areas.

In Portugal, during the last decade, the rural population continued to decrease, similarly to the global tendency. The population loss, particularly at younger age groups, inhibits the renovation of the existing economic structures, with focus on the agriculture sector, even though it presented a slight (and insufficient) increase of young farmers between 2007 and 2010. Unlike the agriculture sector, it was recognizable the increase in the tourism sector, with national results being superior to the European Union indicators. The use of rural areas for tourism, as well as by the urban population that uses the rural areas for leisure activities, are common means to dynamize the territory, primarily in remote areas. The increase of touristic offer on rural territories is associated with the options under the rural development European frameworks, namely in relation to axis 3, increase the quality of life on rural areas and diversify rural economy, and axis 4.

The investments made in Portugal on rural development are based on European regulations and the available associated funds. Considering the 2014-2020 period, the investment is minor, prioritizing the increase in regional competitiveness, knowledge-based agriculture, innovation, investment in young specialized producers and sustainable management of natural resources and territorial development. These objectives remain from the program applied between 2007 and 2013.

It was concluded that rural areas were reinvented, being more than spaces for agriculture production. Ever more, those areas present new investment opportunities, with the information and communication technologies' development facilitating migrations and new economic activities. The economic development of rural areas was identified as being primarily associated with investment on human and economic capital, but in a lot of rural territories, especially remote ones, it is observed a continuous loss of these two capitals. The natural and cultural capitals show vast potential to increase competitiveness and the local economy, since they are differentiating aspects of these spaces, allowing for an association of the product or activity to the place it comes from.

There were identified as the main constraining factors to rural development the loss of services in these areas, the globalization/isolation, the clientelism effect in the political environment, the lightly distinctive policies, and the discrepancy of references and values among the population.

Conversely, Covas and Covas (2012) identify as factors of rural development the improvement in accessibilities and communications, the larger association of new entrepreneurs, the decentralization and diversification that increases the number and quality of equipment offered in small and mid-sized interior cities. Also, the search for freedom and security is, more and more, a concrete territorial expression along with a life framework more discrete and peaceful, a place for imagination and innovation, new lines of research and new products, new intergenerational family structures, new pluri-active city-countryside strategies, a new generation of rural public goods and a plurality and diversity of agricultures and agro-cultures.

Three projects were analysed from a previously identified bundle, two of which base his rural development strategy on tourism, one at the supramunicipal level, and the other at the municipal level. The other case study presents a strategy based on the transfer of urban areas population to rural areas and in the valorisation of territory and endogenous products from the knowledge and investment provided by the new inhabitants. All projects occurred in remote rural territories.

The *Aldeias do Xisto* network was able to capture new inhabitants, tourists and businesses, and, as causes that allowed for these results, it is emphasised the promotion of activities and touristic packages all year round, allowing for the profitability on the investment made and that the economic activities do not become seasonal. Beyond that, the operation of the project at the supramunicipal level also enables the visitors to stay for longer periods of time and usufruct from the offers of different municipalities and its characteristic products.

Integrating local population on the project helps the preservation of traditions and habits, since the residents participate on the activities and actions. Beyond integration, the network allowed for an improvement in the population's quality of life, through the investments on their basic needs. The network also allowed for valorisation of the territory's natural and cultural capitals, becoming itself a rural amenity capable of selling the region where it is implemented.

The Praia das Rocas project is one that, in face of the municipality's reality and the seasonality that the activity possesses, does not contribute to sustainable development on the municipality. The project's application does not influence the fixation of population or companies. Despite the limitations referred, the project is a unique infra-structure on the region, captivating tourists on the summer season, which translates to high occupation rates every year. This project is also considered a territorial amenity.

Novos Povoadores possesses a different strategy than the other projects already referred. This organization takes into account the three components of sustainable development: first, fixate population, then this population should invest in new companies that allow for the dynamization

of the local economy, and finally the new companies should take into account the territory's endogenous products. Despite this being the most balanced project in terms of investment and objectives, it has had some difficulties on the applicability level. The results for the municipality do not reflect the project's impact, largely due to the short period of application in comparison to the remaining projects, but also because only eight families have migrated specifically to the Alfândega da Fé municipality. It was registered the existence of new dynamics on the municipality through agro-food products that, in the long-run, can become a hallmark of the region.

From the three projects presented, it was concluded that the ones associated with tourism allow for the dynamization of the territory on a shorter period of time, though this is made by way of visitation, and seasonality is a constraint. If the touristic project takes into account all the territory's characteristics, functions on a supramunicipal way, with the local companies, and, in conjunction, the touristic investment is spent on endogenous products, it is possible to maximize the investment and make it more attractive. It was concluded that the results presented by the projects are negatively influenced by the national economic crisis, since there was a growing trend until 2008 in every case.

The potential of rural migration projects tends to grow but, namely on the case of Novos Povoadores, it is dependent on the political options of the municipalities, which decide whether to invest or not. The project tends to be less expensive than the others and the range of investments from the migrant families is broader.

Analysing the whole project, it is observed that it would be important that the evaluation of the Aldeias do Xisto network could be extended to the seventeen municipalities that constitute it, so that there is a better perception of its effects. Concerning Novos Povoadores, it will be interesting, on future studies, to evaluate specifically the companies created by the inhabitants and its impacts, or, similarly to the *Aldeias do Xisto* network, make an analysis of the various municipalities that have a protocol and received new inhabitants under it. This survey was not prepared because, in the case of the *Aldeias do Xisto* project, it would make this work a very long one. In the case of Novos Povoadores, there is no information available due to the fact that the project is only underway since 2010, and this is not a timeline that allows for such evaluation.

### 7 References

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