



**Working draft**

# **ENRD Smart Villages Thematic Group: ‘Revitalising rural services through social and digital innovation’**

*Scoping Paper and Workplan*

*26/10/2017*



## Table of Contents

1. Rationale and scope .....	4
Initiatives and strategies implemented at national and regional level .....	5
Initiatives at local level .....	6
The role of the Rural Development Policy .....	8
2. Aims of the ENRD TG on Smart Villages .....	9
3. Main activities and outputs .....	9
WP1 - Initial scoping survey .....	9
WP2 - Strategic approaches and the role of the EAFRD and other policy initiatives in the regeneration of rural services .....	10
WP3 - Community-based initiatives for the revitalization of rural services .....	10
WP4 – Bringing it all together: the use of ICT for the improvement of rural services .....	11
WP5 - The development and dissemination of results and recommendations .....	11
4. Work Plan (draft) .....	12

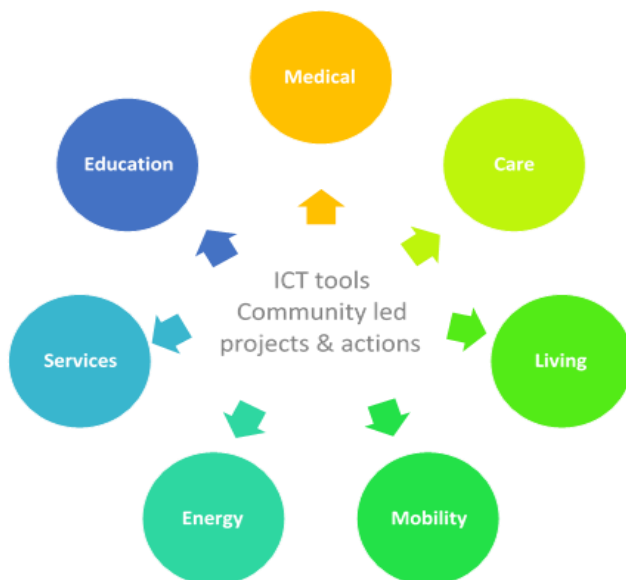
## 1. Rationale and scope

Many European rural areas are locked into a “circle of decline” by two mutually reinforcing trends—firstly, a shortage of jobs and sustainable business activity and secondly, inadequate and declining services. Over the last two years the ENRD has carried out work to look at the first of these challenges by organising thematic groups (TGs) on “smart supply chains” and “smart and competitive rural businesses”.

From July 2017 to July 2018, the ENRD CP will tackle the second part of the equation by launching a new thematic group on ‘Smart Villages’. This will focus on revitalising rural services through both digital and social innovation, complementing the previous work on supporting business innovation in rural areas.

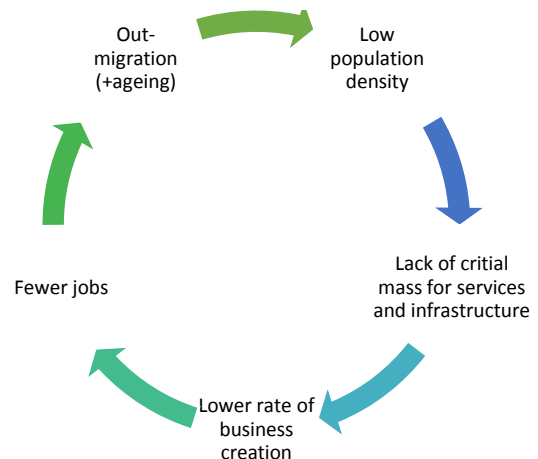
The Thematic Group on Smart Villages will explore how rural services in areas such as health, social services, education, energy, transport, retail and others, can be improved and made more sustainable through a) the deployment of ICT tools and/or b) by supporting community led actions and projects.

Figure 2: Main services in rural areas



technologies as a key enabling tool – but not the only solution. The Action Plan also contemplates both economic (business) innovation and service innovation. However, as mentioned above, the TG will focus on the second aspect in order to build on past ENRD work and avoid repetition. Finally, the Action Plan makes specific reference to the need to go beyond individual isolated initiatives and, in line with the Cork Declaration, recommends developing integrated approaches. The Plan states: “We need more than

Figure 1: Circle of declining rural regions



Source: OECD Rural Policy Reviews: Strategies to Improve Rural Service Delivery, OECD

This topic emerges from past work and has been ratified as a priority at the 7th meeting of the RN Steering Group. It will contribute to jointly launched by DG AGRI, DG REGIO and DG MOVE of the European Commission. The Action Plan describes Smart Villages as “*rural areas and communities which build on their existing strengths and assets as well as new opportunities to develop added value and where traditional and new networks are enhanced by means of digital communications technologies, innovations and the better use of knowledge for the benefit of inhabitants”.*

In other words, the Action Plan takes a broad approach to rural innovation with digital

*just building blocks. We need strategic approaches which will help policy makers, stakeholders and project promoters on the ground deliver results, taking into account the comparative strengths and weaknesses of their respective territories”.*

There are already a considerable number of initiatives taking place in this field at EU, national and local levels.

### EU Initiatives

At EU Level, the Committee of the Regions is writing an Opinion on Smart Villages. The European Economic and Social Committee is preparing an opinion on “Villages and Small Towns as catalysts for rural development” and together with ECOLISE, is also carrying out a series of actions on “sustainable communities”. The European Rural Parliament has organised a working group on rural services. There are also several extremely relevant H2020 and territorial cooperation projects (for example, H2020 SIMRA - Social Innovation in Marginalised Rural Areas, ROBUST- rural urban linkages (newly launched)) and there is considerable potential for promoting synergy with future research initiatives through the H2020 Rural Renaissance calls.

### Initiatives and strategies implemented at national and regional level

Over the summer of 2017, the ENRD carried out an exploratory scoping exercise to identify initiatives on rural services taking place at national and local levels. The findings of this preliminary scoping exercise together with some background desk research have informed these proposals for the work of the TG (see section 3).

The scoping exercise shows that several Member States are in the process of preparing strategies and pilot projects which are relevant for “Smart Villages”. These generally, respond to one or both of two challenges. Firstly, the ongoing depopulation and loss of young people in certain rural areas such as the North of Finland, Sweden and Scotland, the inner parts of many Southern European countries and emigration from Central, Eastern and Baltic countries. Secondly, the increasingly urgent need to overcome the digital divide between urban and rural areas. This leads to two broad types of strategy:

- **Strategies aiming at broader rural development and improvement of the quality of life.** Many of these strategies combine actions to promote economic development and jobs together with actions to support improvements or innovations in services, mostly in the areas such as education, mobility, employment, health, care and energy.
- **Strategies aimed at ICT development and capacity building,** focusing in particular on the creation of broadband infrastructures and improving the up-take of digital opportunities through educational courses for both citizens and the entrepreneurs. Some of these strategies also support pilot innovations in specific services.

The Rural Development Programmes play a role within some strategies (especially M19 for LEADER/CLLD and Measure 7 for basic services and village renewal). However, they usually work together with other EU Funds, such as the ERDF, the ESF, and National funds.

Among the some of the interesting strategies identified by the survey we find:

## Examples of national & regional strategies to support the revitalisation of rural services

### Broader rural development and quality of life

- i. **The Inner Area Strategy in Italy**, a national integrated strategy for the socio-economic development of inner areas affecting some 13 million people who are relatively far from service centres. Four multi-funded area based pilot strategies have been launched recently with a strong focus on supporting local service innovation.
- ii. **The 'Reciprocity contracts' in France** take the form of a contract between cities and their surrounding countryside aimed at improving the sustainability of rural services, economic development and environmental.
- iii. **The 'Service Design' strategy in Flanders (BE)** aims to improve transport and mobility in the Belgian west-Flemish municipalities by involving citizens in decision-making processes;
- iv. **Services in peripheral and rural areas of Sweden** supports actions to promote accessibility to private and public services.
- v. **The Spanish Law for Sustainable Rural Development** is an integrated approach to support rural infrastructure, ICT and a wide range of rural services as well as economic development. The law has been dormant during the crisis period but has recently been revived. The Spanish Government is also developing a strategy against depopulation.
- vi. **The municipal strategy of 'Seia Empreende' in Portugal** supports actions for economic and business revitalization, smart territorial specialisation, urban / rural regeneration, attraction of new residents and visitors in low density territories.
- vii. **Social resilience in the Brabant Region Netherlands** supports learning network and community led initiatives.

### ICT development and capacity building

- viii. **The 'Smart countryside' study in Finland** provides a comprehensive analysis of the challenges and opportunities for digitalising rural services in Finland. The intention is to follow this up with pilot actions to support innovation in a series of rural services;
- ix. **The 'Digital villages' initiative in Germany** involves pilot initiatives in four villages to develop digital solutions for rural services (using for example, living labs).
- x. **The Digital Agendas of several countries such as Germany, Spain, Latvia, Sweden** have or are planning to have specific actions directed at rural areas and services.

Many of the strategies above are at a very early stage and this is by no means an exhaustive list. One of the activities of the TG will be to identify and communicate other interesting approaches.

### Initiatives at local level

Across the EU there are many inspiring projects<sup>1</sup> exploring new approaches to health services, care, education, mobility, energy, broadband and others. As above, the approaches can be divided into two broad categories – those that focus more on various forms of social or community driven innovation and those which concentrate more on digital innovation.

<sup>1</sup> The exploratory scoping survey gathered information about around 100 projects and background research pointed to many networks and organisations with collections of good practices, guidelines and useful support material.

Although there is no watertight separation within the first category, there are projects which approach service innovation more from an environmental angle (renewable energy, energy conservation, shared transport, etc) and those which are more social in nature (care, health, education and so on). In both cases there are EU and national networks with data banks of good practices which can serve as inspiration for ‘Smart Villages’ ([TESS](#) - 62 Portraits of Community Climate Action from 6 countries, [ECOLISE](#) - European Network for Community Led [Initiatives](#) on Climate Change, [SIMRA](#) -Social Innovation In Marginalised [Rural Areas](#), [ACRE](#)- Action in [Communities in Rural England](#), [Community-Land Scotland](#) and many more).

On the digital side, some projects focus on specific sectors while others take a more joined up approach and look at the interrelationship between sectors in a given village or territory. Funding for these projects often come from the LEADER and in some cases from Measure 7 usually in combination with other ESI Funds or national funding. As above there have been and are a series of EU and national research projects and networks which are a source of inspiring examples ([ERUDITE](#)).

A majority of the project identified in the ENRD survey aim at providing services for less advantaged social groups (e.g. elderly and disabled people) and on improving access to health and mobility services. A widely used approach is through concentrating several services in multi-functional centres or hubs. ICT solutions are applied to fight social isolation, promote e-governance, and entrepreneurship and modernise services in health, education and mobility.

The following box provides a flavour of some of the projects identified:

#### Examples of local initiatives and projects

##### Social innovation and community led initiatives

- i. The creation of a new ‘[Dorfladen \(Village shop\)](#)’, to address challenges regarding basic services and mobility in the village of Greet in Germany.
- ii. [The multipurpose centre of Pelendri](#) in Cyprus provides daily care and leisure activities for the elderly and disabled, nursery and a children's club, creative workplaces, dormitory and dining rooms, creative employment, training, and leisure activities.
- iii. [The Homestead care services](#) in Hungary proposes a system of home service delivery targeted to people with limited mobility in rural areas.

##### Digital innovation

- iv. [The Smart Village model project in Italy](#) aims to create and test ‘Smart Villages’ by involving ICT companies in piloting their innovative technologies for smart lighting, building and mobility.
- v. [The SverBund project](#) in Germany aims to create an online village network facilitating car sharing, basic service offers, digital health visits, information sharing, and sharing of tools.
- vi. [The community of Garmisch Partenkirchen](#) in Germany is a pilot community in Bavaria to develop e-mobility solutions.
- vii. [Village and departmental digital innovation strategies in France: ‘Ravie 2020’](#) ((800 inhabitants) creating cultural and multimedia centre and a range of actions in the field of digitisation ([Cocotte Numerique](#) and many others).

## The role of the Rural Development Policy

The strategies and local projects described above are usually funded from a range of different sources, including several RDP Measures. Measure 19 for LEADER/CLLD, with a planned public expenditure of €9.6 billion can play a particularly important role in bringing local actors together to identify needs and plan solutions as well as providing seed money and small-scale investments for innovation in local services. Where LEADER does not exist, Measure 16 for Cooperation can also support non-LEADER strategies (M16.7).

Another potentially important measure is M07 for Basic Services and Village Renewal which has been activated in 98 RDPs and has a planned public expenditure of €11 billion representing an average 8.7% of the RDP programme budget. An important proportion of this investment is directed at basic infrastructure and services (water and waste infrastructure and minor roads) in some of the poorer EU regions and countries. For example, the French region of Guyana dedicates 41.5% of their RDP budget and Romania plans to spend €1,3 billion on M7. However, the German region Sachsen-Anhalt has also chosen to spend 39,5% of their RDP on basic services and village renewal.

One of the key question for the Thematic Group will be how to ensure that that the limited RDP investments are used strategically to have the maximum leverage and impact on the development of “Smart Villages”. The first four M07 sub measures are the most relevant for supporting ‘Smart Villages’:

- **Measure 07.1 – Support for Plans for municipal and village development** often focuses on nature and Natura 2000 areas management. However, it is also used to plan renewable energies and access to ICT. Some RDPs in Germany include also ‘community plans’.
- **Measure 07.2 – Support for small-scale infrastructures** is designed generally to improve basic living conditions in rural areas and connectivity to other areas. There is a strong focus on the construction of roads, water infrastructure and renewable energy.
- **Measure 07.3 – Support for broadband infrastructures.** Although priority is given to hardware, some RDPs also support the development of e-governance services and the up-take of broadband.
- **Measure 07.4 – Support for local basic services** has broad scope of action including health, child care, mobility, cultural services, infrastructures for community services, leisure activities, etc.

Figure 3: No of RDPs implementing M07 Sub-measures

Sub-Measure	No of RDPs
M07.1	87
M07.2	75
M07.3	53
M07.4	78

Among which the French, the Spanish and the German National Frameworks.

The exploratory scoping survey found that in many cases M07 had not yet been activated and in others it was primarily used for covering basic needs. However, there are examples of M.07 being used in a more strategic and targeted way. It may be useful to explore some of these in more detail.

### Examples of the use of Measure 7

- i. Saxony-Anhalt focuses on investments in broadband and ICT, Hessen and Lower Saxony and Bremen support groups of communities/municipalities and Mecklenburg-Vorpommern targets social services and the development of nature and renewable energies;
- ii. Austria implements an integrated strategy that foresees the involvement of the community in the planning phases;



- iii. Greece focuses on broadband infrastructure;
- iv. Hungary with a strategy focusing on social care, mobility, employment services, and developing community-based spaces;
- v. Sweden foresees the cooperation of EAFRD and ERDF to improve the broadband coverage of the country.

## 2. Aims of the ENRD TG on Smart Villages

The overall objective of the ENRD TG on Smart Villages is ***to become a focal point for sharing experiences between the initiatives identified above and other initiatives and for building evidence and momentum for improvements in the implementation of rural development policy.***

From the preliminary research and discussions, it appears that there is potential for the TG to add value to other initiatives in three main ways. These lead to the following specific objectives for the TG:

1. *To identify and share examples of emerging strategies for the revitalisation of rural services (digital innovation or social innovation or both) and to draw lessons from these examples which can help others apply similar approaches adapted to their own context.*
2. *To investigate and make recommendations about how the RDPs can be used to support these strategies (especially M7 for Basic Services and Village Renewal, M19 LEADER/CLLD and other Measures to support innovation) However, this is an area in which the RDPs cannot act alone - so the TG will also examine mechanisms for better coordination and synergies between RDP support and other EU and national sources of funding.*
3. *To provide links to guidance, tools and project examples which can help rural communities to develop innovative solutions for rural services. Here the emphasis will be on signposting and promoting access to the many existing schemes, examples and tools developed by some organisations and countries and drawing lessons from these.*

## 3. Main activities and outputs

The work of the ENRD on Smart Villages can be organised into a series of “work packages (WP)” each of which feed in and out specific TG meetings, is informed by and informs other ENRD activities, and will lead to the development of a series of specific outputs.

### WP1 - Initial scoping survey

This work provides a preliminary baseline picture of activity associated with Smart Villages in the EU and has been used to write this report. During the screening ENRD Contact Point national experts were asked to make a preliminary identification of: a) national and regional strategies to support innovation in rural services, b) organisations and networks with information on projects, c) a small number of projects, d) the state of play of M07. This has been supplemented with some background research.

The results of this work have been used to make the proposals outlined below. However, these proposals will need to be refined and adjusted in the light of the discussions at the first thematic group meeting.

## WP2 - Strategic approaches and the role of the EAFRD and other policy initiatives in the regeneration of rural services

The first meeting of the TG will be informed by the results of the scoping exercise described above. TG participants will have the opportunity to share information about other EU level initiatives, national and regional strategic approaches and the role of the RDPs in them. This can lead to the following activities and outputs:

- Case studies analysing in more detail a limited number of the most interesting strategic approaches for regenerating rural services - the challenges they address, their focus and methods of implementation, the role of the RDPs and mechanisms for ensuring synergy with other funds. Possible candidates are: Finnish Smart Countryside (+ M7 + Village Movement) Italian Inner Areas Strategies, (+ LEADER) French Reciprocity Contracts;
- Producing a short factsheet on strategic approaches in supporting rural services;
- A dedicated ENRD page on the website that collates all the information related to strategic approaches;
- Using the above outputs (+ the information from the scoping exercise) to produce a dedicated chapter for the edition of the Rural Review on Smart Villages.

## WP3 - Community-based initiatives for the revitalization of rural services

Subject to the discussion and interest shown at the first meeting of the TG, the second meeting could focus on social innovation in rural services and community based approaches. As mentioned, in many cases, communities organize themselves to find very imaginative solutions for improving service provision in their area. This activity aims to identify some of the most inspiring projects in specific fields, the challenges faced in their implementation, the development processes and catalysts for their success, the critical points where support is needed, the actual and potential role of LEADER and other RDP Measures, and recommendations for those who want to implement and or support this type of projects.

This work can lead to the following outputs (tbc):

- Further project case studies / good practices.
- A short factsheet with recommendations and examples of social innovation projects relevant in the provision of services.
- A dedicated page on the ENRD website providing links to available tools and examples, including those supported by the RDPs.
- A specific chapter of the EU Rural Review and examples for the Project Brochure.

This work will draw on and feed into other CP activities such as Good Practices, NRN meetings and workshops, and LEADER practitioner working groups and workshops.

#### **WP4 – Bringing it all together: the use of ICT for the improvement of rural services**

Once again, subject to the discussion and interest shown at the TG, the third meeting could explore opportunities ICT offers for the improvement of rural services. This will link the specific needs and challenges in the provision of certain services such as health, education, transportation, energy and logistics in rural areas with the opportunities that information technologies currently offer. If possible, the TG will also look how different ICT-based activities could be integrated with each other and across different sectors. Each of these opportunities will be linked up with existing projects and practices implemented on the ground.

As above the outputs here could involve further case studies/good practices, a factsheet, a web page covering relevant resources, recommendations for both project development and project support and links to key organisations and sources of information, and specific chapters for the EU Rural Review and projects for the Project Brochure.

This work will also draw on and feed into other CP activities such as Good Practices, NRN meetings and workshops, and LEADER practitioner working groups and workshops.

#### **WP5 - The development and dissemination of results and recommendations**

This activity will take place throughout the life of the TG but will grow in importance towards the end. In particular, the last meeting of the TG is likely to be devoted to a) refining and drawing final recommendations and b) joint work to support dissemination of the outcomes and conclusions. It is certainly too early to define these activities at this point but they could involve:

- More detailed discussion with people involved in implementation (e.g. MAs, Desks Officer, NRNs, LAGs, etc).
- The design and promotion of the seminar.
- The finalization and promotion of the publications – the Rural Review and Projects Brochure.
- Any further development of the website and use of social media.
- Other outputs such as videos.

The final seminar will provide an opportunity to disseminate the conclusions, examples and key messages about how to use rural development policy to support the revitalisation of rural services through social and digital innovation to a wider group of stakeholders.

## 4. Work Plan (draft)

		Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
Scoping paper & Workplan (based on the exploratory work with national experts)		█												
<b>1<sup>st</sup> Meeting:</b> Ongoing TG work & TG meeting - Focus on Strategic approaches and initiatives		█		★ (26/10)										
<b>2<sup>nd</sup> Meeting:</b> Ongoing TG work & TG meeting - Strategies to support community led initiatives to innovation in rural services				█		★ (19/12)								
<b>3<sup>rd</sup> Meeting:</b> Ongoing TG work & TG meeting - Strategies to support digital innovation in rural services						█		★ (End of Feb- tbc)						
<b>4<sup>th</sup> Meeting:</b> Ongoing TG work & TG meeting - Recommendations Dissemination								█		★ (end of Apr-tbc)				
<b>Seminar</b> on Smart Villages: Further communicating main results									█		★ (Mid-May -tbc)			
<b>TG Outputs</b>		█												
Meeting/conference highlights				▲		▲		▲		▲	▲			
Case Studies (CS)	Identification of CS	█												
	Development and Finalisation of CS			█										
Webpage: Ongoing development and update				█										
Input to Rural Review				▲		▲		▲		▲	▲			
Input to Projects brochure				▲		▲		▲		▲	▲			
Video??														