The first Thematic Group (TG) meeting brought together over 40 people with rich experience in both social and digital innovation in rural services, including various directorates of the European Commission, European Parliament, Committee of the Regions, and European Economic and Social Committee. All expressed their commitment to working together in order to promote 'Smart Villages'.

Four integrated and strategic approaches to supporting social and digital innovations in rural services were showcased. All were considered to be imaginative responses to fundamental rural challenges – depopulation, the digital divide, centralisation of public services – and to the opportunities arising from improved links between urban and rural areas. There is a wealth of good practices across Europe. The ENRD website should become a focal point for showcasing and linking these initiatives.

Event Information

Date: 26 October 2017
Location: Brussels, Belgium
Organiser: ENRD Contact Point
Participants: 40 - including EU institutions, European organisations, Managing Authorities, National Rural Networks, Local Action Groups (LAGs) and researchers.
Outcomes: Exchange of examples and identification of some of the key enabling conditions for integrated strategic approaches to 'Smart Villages'. Decision on the next steps and workplan of the TG.
Website: https://enrd.ec.europa.eu/news-events/events/1st-meeting-thematic-group-smart-villages_en

Panorama of strategies and projects in the EU

Overview of 'Smart Villages' in Europe, Paul Soto, *ENRD CP*

Rural areas are locked into a 'circle of decline' by two mutually reinforcing trends: i) shortage of jobs and sustainable business activity; ii) inadequate and declining services.

Following the definition in the EU Action Plan for Smart Villages, there are many examples of "rural areas and communities which build on their **existing strengths and assets** as well as on **developing new opportunities**", where "traditional and new networks and services are enhanced by means of **digital, telecommunication technologies**, innovations and the better use of knowledge". This definition covers both social and digital innovation, it takes account of whole territories and not just villages, and deals with both jobs and services.

The ENRD Thematic Group will focus on the revitalisation of rural services, concentrating more on social innovation in its second meeting and digital innovation in the third.

Inner Area Strategy. Italy
Francesco Mantino, *CREA*

This is one of the most comprehensive and integrated strategies for tackling the problems of depopulation and low access to services in Europe. All four European Structural and Investment Funds are combined with national finance to support strategies for both local development and service innovation in 72 pilot areas. A targeted investment of around 1 billion EUR is planned, using a 'place-based approach' which brings together different sectors and levels of government. Associations of mayors are usually in the driving seat while LEADER Local Action Groups can play a variety of roles, ranging from supporting project design to implementing directly EAFRD measures in the area.

Smart Countryside. Finland
Marianne Selkäinaho, *Ministry of Agriculture*

In 2016, the Finnish government carried out the 'Smart Countryside' study of the challenges facing its rural areas and the opportunities offered by digitisation. This provided a wide range of recommendations for improving digital innovations in rural services. The results are being used to inform both existing and new programmes: for example, tailoring support under RDP Measures 7 (Basic Services) and 19 (LEADER/CLLD), the national strategy for broadband, and the new governmental decision for Rural Digitalisation 2017.

Funded by the European Commission

Digital Villages. Germany

Steffen Hess, *Fraunhofer Institute*

The Fraunhofer Institute is testing a holistic approach to the digitisation of rural services in several pilot villages in Germany. Through the creation of a common digital platform, they are developing new solutions for the supply of local goods, communication, mobility and e-government. The platform enables the creation of shared services and common rules, and the incorporation of basic tools such as payments, login, data usage controls and partner networks. Local residents are working with interdisciplinary teams to create a range of user-friendly apps.

Reciprocity Contracts. France

Marie-Hélène Cosqueric, *LAG*

The French government has selected four areas for piloting 'reciprocity contracts' between cities and their surrounding countryside. Local government officials and residents from both types of area get together and negotiate win-win partnerships and joint activities in areas of common concern such as employment, the environment and local services. The City of Brest and the rural area of Centre-Ouest Bretagne have been working together to support innovative projects around education and culture. To ensure success, the necessary governance and funding mechanisms have to be put in place.

Building integrated strategies for revitalising rural services

The EU Action for Smart Villages argues that "to construct something solid and future-proof, we need more than just building blocks. We need strategic approaches which will help policy-makers, stakeholders and project promoters on the ground to deliver results". During the group discussion, TG members identified some of the conditions for taking these recommendations forward.

ENABLING ENVIRONMENT FOR LOCAL INNOVATION

- **Put local stakeholders first** in the design and implementation of strategies and project solutions for 'Smart Villages'.
- **Build capacity (skills) and provide timely, tailored assistance to local stakeholders** to overcome the hurdles that exist on the path from the first idea to scale up.
- **Strengthen the role of local innovation brokers in wider rural development.** Enhance the role of LEADER groups, Operational Groups, advisors, rural digital hubs, RIS3 and the synergy between these and other local 'brokers'.
- **Involve local business and explore new business models** for the provision of local services.
- **Support pilots and competitions on the 'Smart Village' concept** to motivate and gather evidence that can be used more widely.

MORE SUPPORTIVE GOVERNANCE, COORDINATION AND PLANNING

Rural services are usually managed by different departments, at different levels and with different rules.

- **Strengthen mechanisms and structures for horizontal and vertical collaboration** among the different administrations dealing with the service sectors (e.g. health, education, transport).
- **Build more integrated policy frameworks.** Carry out the analysis to support strategies that integrate top-down and bottom-up planning based on local needs.
- **Rural proofing** can improve targeting and ensure policies reinforce one another.
- **Create synergies between villages and expand the concept to 'smart rural regions',** taking into account potential **urban-rural linkages** in the provision of rural services.

MORE INTEGRATED AND TARGETED FUNDING

Programmes and funding streams for rural services often operate in silos and are complex to access when needed:

- **Use key RDP Measures strategically** to support innovation in rural services. On their own, they are not sufficient, but they can act as catalysts for other public and private funds.
- **Make full use of opportunities for multi-funding,** enabling LEADER and other local initiatives (e.g. digital hubs) to combine schemes and provide the full range of support required for emerging projects.
- **Simplify regulations and applications for beneficiaries** – one-stop shops can help in the short term but, in the near future, a far greater harmonisation is required.
- **Support local people in dealing with uncertainty,** offering technical assistance in project assessment, adapting project selection criteria, and implementing control systems that focus on results (for example, the social return on investments).

COORDINATED INVESTMENTS IN PEOPLE AND INFRASTRUCTURE

- **Invest in broadband infrastructure** as it is basic for the provision of ICT-based services, but also invest in training and demonstrating the applications of ICT.
- **Encourage networking to increase capacities** – use peer learning to improve skills and establish working relationships and collaborations between actors within and between localities.
- **Improve access to knowledge-sharing tools,** business models for the provision of services, structures, concepts for sustainability, good and bad practices, lessons. Better links to research (e.g. H2020). The experience of 'smart cities' may also be helpful here.