How to create competitive rural areas?

Rural areas in Europe are struggling with issues such as young people moving out, poor public transport, insufficient access to health care, reliance on traditional activities, or low education levels of the population. On the other hand, rural areas have key assets, such as their rich natural environment, cultural heritage and peaceful surroundings. These assets allow rural areas to diversify from traditional activities towards rural tourism, to attract educated people, or to develop knowledge clusters on eco-approaches. Modern ICT solutions create new opportunities for businesses in more isolated rural areas. Exploiting these strengths in combination with new technologies provides solutions for the rural areas to also evolve along a growth path for a smart, sustainable and inclusive Europe (the objectives for EU2020).

The seven recommendations below help policymakers in their endeavour to render the competitiveness of rural areas. The recommendations are based on experiences with exchanging good practices between European regions on rural development. The future economic development of Europe as a whole rests on regional innovation, i.e. the ability to create new knowledge and competence and very much to successfully valorise the knowledge potential. Europe’s regions strive for sustainable competitiveness at global level in many respects, e.g. in providing tailwind to their respective businesses and in attracting individuals and institutions.

Each recommendation is illustrated with a good practice from nine INTERREG IVC rural development projects.

1. Build integrated solutions

How to offer better facilities and service levels to both inhabitants and entrepreneurs? Design smart, integrated solutions that can exploit synergies.

Good practice from Auvergne, France: The Smart Working Centers combine incubation facilities for entrepreneurs with a rural high speed internet office for locals which enables them to (tele)work and follow (e)training: www.micropol-interreg.eu.
2. Formulate a specialised offer for entrepreneurs

How to attract young people or new businesses to rural regions? Create a specialised offer and environment by concentrating knowledge resources and providing specialised services and products. Specialisation and knowledge clusters allow regions to stay competitive in a more global economy.

3. Develop a diversification strategy for your rural region

How to renew the local businesses’ offer? Draft a diversification strategy and enable diversification initiatives by for example limiting restrictions on rural tourism. Diversifying businesses will boost the region.

4. Invest in local and external partnerships

How to create a critical mass of human resources, investment capacity, knowledge institutes, and services, in your rural areas? Upgrade small-scale successful initiatives by building local partnerships and relationships with different regions and knowledge centres and by involving external private actors.

5. Explore all different types of innovation

How to stimulate innovation in rural areas? Be aware of the whole spectrum of innovation possibilities. Rural regions can invest in product, process, marketing, and organisational innovation. A specific lesson learnt from the rural cooperation projects is to focus not so much on technical innovation but more on social innovation and the development of practical and more effective solutions for the region’s social needs.