

Rural innovation and competitiveness in EU policies

21 May 2025

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**FUTURAL Webinar - 'Smarter, Stronger and More Competitive Rural Areas:
The Way Forward for EU policies'**



#RuralVisionEU

What is special about rural innovation?

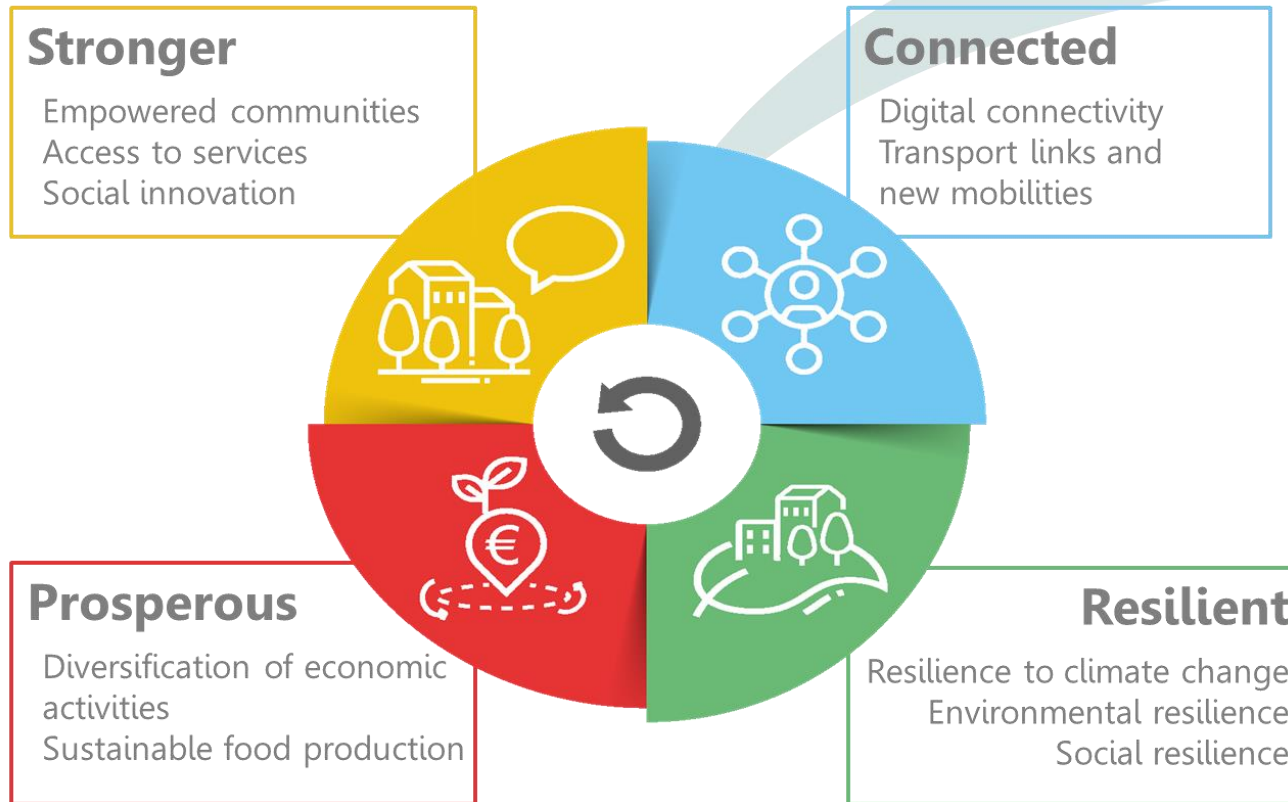
(EU rural vision analytical work – SWD(2021)166)

- ▶ **Smaller** businesses, **lower density**
- ▶ Greater **distance to markets** + **universities and research centres** (knowledge)
- ▶ More difficult **access to skilled labour**, and **services and infrastructure** (digital, road)
- ▶ Easier **access to space** (lower rents), **energy, natural resources** and **amenities**
- ▶ Strong **community spirit/culture/sense of belonging**

- ▶ Innovation sparked by **challenges to solve** or **new ideas to use resources** (rather than only R&I)
- ▶ Potential in **agrifood, green economy & transition, silver economy, tourism, culture, services**
- ▶ Multiple forms: **technological** but also **social**, not always patented and captured in stats
- ▶ **Cooperation & networks are vital**: to partner, create critical mass, access knowledge and tech
- ▶ Territorial dimension: lots of potential for **place-based innovations** involving **multiple actors**

The rural vision by 2040

The long-term vision for the EU's rural areas (2021)



Shared goals for 2040

**Rural action plan (EC)
&
Rural Pact (everyone)**

EU policies



The rural action plan: 24 thematic actions

Projects, networking and technical assistance to municipalities



► **Rural revitalisation platform launched**

► **Research and innovation for rural communities**

- **60 multi-actor research projects** under Horizon EU
- European **Startup village forum** launched

► **Networking for LEADER** (EU CAP Network) **and Smart villages** (SmartRural 21 & 27)

► **Study on land-use** for sustainable agriculture working on recommendations for **local planning and zoning**.

► **Youth:**

- Getting more rural young people in **ERASMUS**



► **Networking on mobility for rural communities under SMARTA-NET**

► Urban mobility plans being updated with **more focus on rural-urban linkages**

► **Rural Digital Futures**

- **€23.5 billion** invested in **connectivity in market failure areas**
- Pilot on digital education in remote areas "**Learning from the extremes**"

► **Broadband competency office network** acting for improved connectivity in market failure areas

- Capacity building/+advice



► **Rural energy communities advisory hub** (RECAH)

- **27 municipalities** received technical assistance
- **Guidance** for all

► **Certifying Carbon removals**

► **EU mission: A soil deal for Europe** (R&I calls)

- Funding for local/regional **living labs** and **lighthouses**

► **Social resilience and Women in rural areas**

- Raising awareness on the importance of care in rural areas (European **care strategy 2022**)



► **Entrepreneurship and social economy (SE)**

- **Providing good practices for social economy in rural areas** under "Transition pathway for proximity and social economy"
- Funding for **consortia in SE in rural areas**

► **Education for youth**

- Dedicated **content for rural schools** under school education platform & online teacher community

► **Toolkit for producer groups in Geographical Indications**

► **Networking for forest-dominant municipalities**

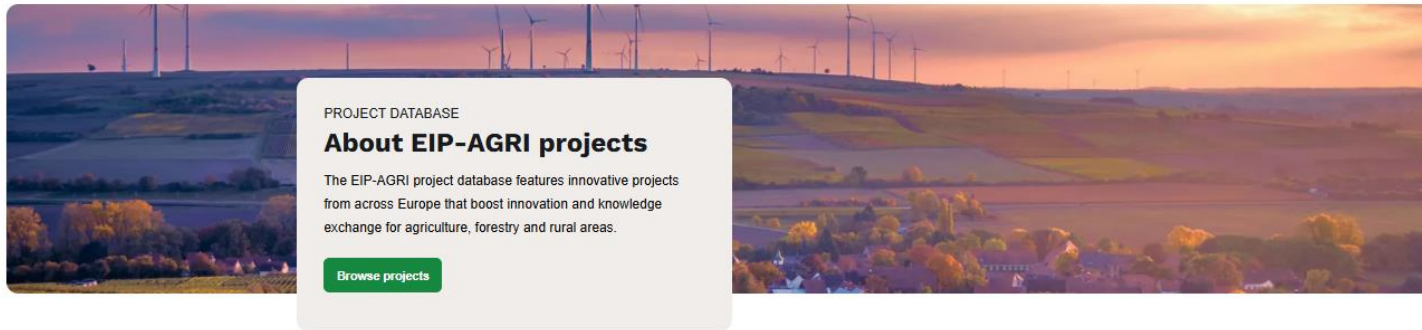
R&I for rural communities

Horizon Europe

- ▶ Over **250 M€** invested in over **60 projects** with a direct interest for rural areas & communities under Horizon Europe
- ▶ Many of them « **multi-actor** », **benefitting local actors or communities**
 - **Cooperative approach**
 - **Working with local « Labs » or « groups » to identify problems and solve them**
 - **Integrating these local groups in broader networks**



Supporting rural innovation through the European innovation partnership (EIP-AGRI)



The European Innovation Partnership for agricultural productivity and sustainability (EIP-AGRI) aims to stimulate innovation and improve the exchange of knowledge for agriculture, forestry, and rural areas.

EIP-AGRI projects are projects from across Europe that boost innovation and knowledge exchange. They are based on an 'interactive innovation' model, bringing together project partners to turn practical problems and creative ideas into innovative solutions. Co-creating solutions stimulates collaboration, knowledge exchange, and effective dissemination and take-up of knowledge and results.

The interactive innovation approach is used both in EIP-AGRI Operational Group projects, which are supported under the Common Agricultural Policy (CAP), and in multi-actor projects (including thematic and advisory networks) funded under EU Research and Innovation Programmes (Horizon 2020 and Horizon Europe). While Operational Groups are implemented by EU countries, Horizon projects work on a transnational level.

The [EIP-AGRI project database](#) can be freely searched for Horizon projects and for Operational Groups from across Europe.

Check the [EIP-AGRI project database](#) for interesting projects on rural!

- ▶ Horizon Europe +
- ▶ The Common Agricultural Policy supports:
 - **Knowledge exchange** and **better advice** for innovators
 - Projects called **EIP « operational groups »**: co-creating knowledge with multiple actors
 - [Networking](#) (**EU CAP Network**)
 - on all objectives of the CAP, **including for rural development!**

Improving the understanding of rural innovation and entrepreneurship: the European Startup Village Forum initiative



Metrics & indicators



Eurobarometer surveying firms in rural (vs urban) areas **across the EU**



Rural innovation module, integrated into the upcoming **Swedish CIS**



In-depth survey targeting rural (vs urban) establishments in **Spain**



Downscaling and finer projections of aggregated indicators

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Studies on patterns, drivers and obstacles



Regional specialisation and startup emergence in EU rural areas



The geography of **Venture Capital** in rural Europe



Crowdfunding in rural firms and its complementarity with other financial channels



Convergence paths and clubs in EU rural regions



Rural **entrepreneurial profiles** and socio-economic outcomes



Engagement with EU rural territories

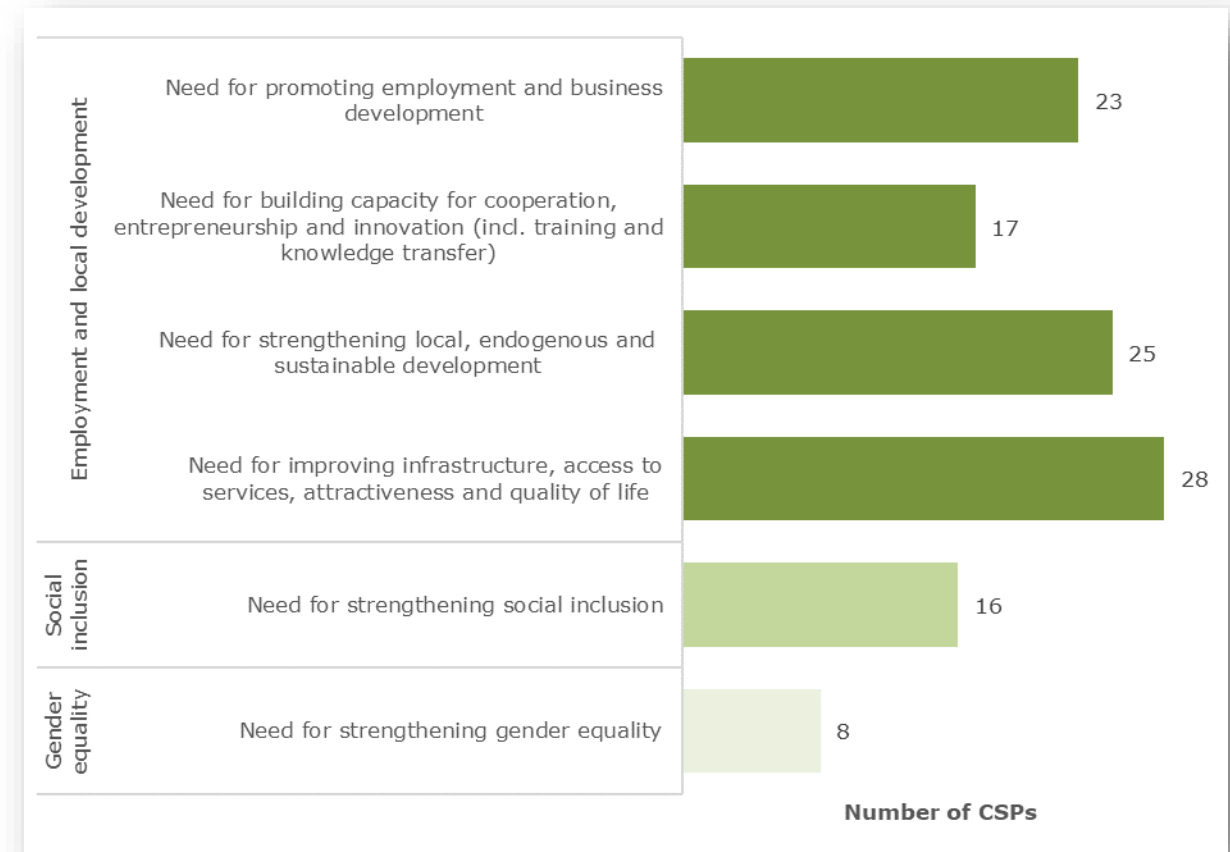


HIGH-LEVEL FORUM
Brussels,
November 2025 (TBC)

Supporting rural businesses and innovation through the CAP

Taking stock of how CAP plans contribute to the LTVRA (2023)

- ▶ Needs to support **business development and cooperation** clearly identified in CAP plans
- ▶ Addressed through support to:
 - **Investments**
 - **Cooperation**
 - **LEADER in all MS** (234 examples of LEADER innovation in [EU CAP Network database](#))
 - **Smart Villages** in 17 Member States (2624 strategies planned to be implemented)
 - **EIP-AGRI operational groups**
 - **Start-up aid** (as part of installation aid)



Clusters of LTVRA relevant needs identified in CAP strategic plans

Rural innovation and competitiveness

A favourable policy landscape

► Political priorities 2024-2029

- **Prosperity & competitiveness** > Clean industrial deal, decarbonisation, energy union, research and innovation
- **Supporting people and the social model** > Just transition for all; addressing regional and social disparities and ensuring the right to stay
- **Sustaining our quality of life** > Vision for agriculture and food, climate adaptation & crises preparedness (inc. in rural areas)

► Communication on the road to the next Multi-annual Financial Framework (11 Feb 2025)

- *"The success of the single market also hinges on its ability to benefit all European citizens and businesses."* > reduce disparities, invest, unlock barriers to development.
- « A CAP that is fit for purpose must support the **right conditions for thriving rural areas** »

Vision for agriculture and food (Feb 2025)

Objectives for 2040



An **attractive** and **predictable** agri-food sector where incomes enable farmers to thrive, attracting future generations

ATTRACTIVENESS



A **future proof** agri-food sector that is functioning within planetary boundaries

SUSTAINABILITY



An agri-food sector that is **competitive** and **resilient** in the face of rising global competition and shocks

COMPETITIVENESS & RESILIENCE



An agri-food sector that values **food**, fosters **fair working and living conditions** and **vibrant and well-connected rural and coastal areas**

FAIRNESS

Vision for agriculture and food (Feb 2025)

*Main relevant actions on **rural**, **innovation** & **agrifood competitiveness***

- ▶ **Synergies and complementarities** must be further enhanced
- ▶ Updating the **EU Rural Action Plan in 2025 & Strengthen the Rural Pact**
- ▶ Strengthen **participatory local development tools**, (LEADER/CLLD) and other forms of cooperation like **Smart villages**
- ▶ Further operationalise the **rural proofing** principle
- ▶ Updating the **Strategic approach to research and innovation for agriculture, forestry and rural areas**.
- ▶ Pursuing a **stronger alignment of production standards** (animal welfare and pesticides)
- ▶ Establishing a **Unity Safety Net** to address global challenges
- ▶ Developing a **comprehensive protein plan**
- ▶ Assessing the **functioning of the agricultural reserve**
- ▶ Adopting a **European Climate Adaptation Plan**
- ▶ Presenting **2 simplification packages for farmers and food businesses**
- ▶ Implementing an **SME and competitiveness check**

Coming soon



- ▶ Updating the **EU Rural Action Plan in 2025/early 2026**
 - We are interested to hear about **your ideas** on how to improve and enhance the current actions.

RURAL PACT

- ▶ Rural pact relevant events
 - Rural Pact good practice webinar on [rural innovation](#) (22 May 2025 – recordings will be available shortly)
 - Discussion at the [Rural Pact conference](#) on 16-17 September:
 - Group discussion on “**Boosting innovative and competitive rural economies and businesses**”.



Thank you!

Join the Rural Pact Community and online platform

www.ruralpact.rural-vision.europa.eu/become-member_en



www.ruralpact.rural-vision.europa.eu

