

Strengthening Participation Among Rural Citizens in Europe (SPARCE)

Strengthening rural economies

Project Report

Lead Partners:

PREPARE AISBL – Partnership for Rural Europe

and

SRDN – Slovenian Rural Development Network (DRSP – Društvo za razvoj slovenskega podeželja)

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Aim:

The general aim of the involvement of partner PREPARE with sub-partner Slovenian Rural Development Network is to contribute to the European campaign to build the 3. European Rural Parliament with the following activities:

- Advocacy, at national and European level, of the policy-related elements in the European Rural Manifesto through the national campaign and event 4. Slovenian Rural Parliament
- Strengthening rural economies with organizing the set of activities linked to the theme “Strengthening local and sub-regional economies”

Specific aims of the conference and travelling workshop are:

- to clarify key issues on the theme local and sub-regional economies and initiatives;
- to identify successful case-study examples of how rural economies can be strengthened and diversified;
- to find out which are the most significant drivers of success, which are the main motives of stakeholders to join the common initiatives, and how citizens can participate in shaping policy and taking action related to local initiatives(local economies).

Specific aim of the survey is:

- to estimate the potential of the local and sub-regional economies in the particular areas involved in the survey.

Theme:

A reference for the theme local and sub-regional economies is provided by **section 18** of the **European Rural Manifesto**:

“Local and sub-regional economies. The rural regions of Europe embrace thousands of local and sub-regional economies, rich in micro, small and medium-sized enterprises, which form the lifeblood of communities and contribute greatly to the broader economies of European nations. We assert the high importance of enhancing the vitality and viability of these local and sub-regional economies throughout rural Europe. The means of doing so will vary from place to place, but can embrace initiative in many different sectors – agriculture, forestry, fishing, energy production, manufacturing including added-value enterprises, supply chains, tourism and service industries, plus businesses based on information technology. There is high scope for social enterprises. Of high importance is the provision of versatile advisory, business support and credit services, plus vocational education and training, accurately geared to the existing and potential job opportunities.”

Related to the theme local economies is the document **“ALL Europe shall live – the voice of rural people”** which was submitted to the Second European Rural Parliament as the synthesis of ideas gathered from 40 countries during the ERP 2015 campaign. Sections 5.1 and 5.2 of the report are summarized in the following:

(5.1) Local and sub-regional economies.

Governments speak of macro-economies – the European Common Market, free trade agreements, outward links to other major regions in the world economy. They focus on fostering the ability of companies and sectors to compete in European and global markets. They point to the benefits of mass production and of global supply chains in ensuring supply of food and other goods to an increasingly urban population.

The national reports show that rural people are ready to acknowledge the reality and the benefits of this world trade. But they also wish to assert the legitimacy and the profound importance of another reality, marching alongside and meshing with this macro-economy – namely the existence of thousands of local and sub-regional economies, rich in small and medium-sized enterprises, which do not all need or seek to compete on the global market but which form the lifeblood of communities, particularly in the rural regions of Europe.

These local and sub-regional economies are not ‘islands’, isolated from the wider economy. They import and they export. But they often contain a high degree of internal trade: they can provide significant and varied employment: they add value to local resources: they provide essential goods and services, without need for long-distance transport: they offer resilience in times of trouble: and they often act as seed-beds of innovation. They merit the support of peoples and governments.

(5.2) Sustaining local and sub-regional economies.

So, rural people point to the challenge of sustaining the vitality and viability of local and sub-regional economies throughout rural Europe. The nature of this challenge will vary from place to place, but the solutions can draw upon experience in many different sectors – agriculture, forestry, energy production, added-value enterprises, tourism and service industries.

Summary of the work:

The work delivered by the partners PREPARE aisbl and SRDN – Slovenian Rural Development Network consisted of the following activities:

1. **Survey** on local economies (design, implementation and analysis of the results)
The aim of the survey was to estimate the potential of the local and sub-regional economies. 220 participants took part in the survey, and results are giving significant overview of the potentials.
2. **Interviews** on local economies and related issues
The aim of the interviews was to find out what are the most significant trends and forms of local economies and how local economies are interlinked with different aspects of the rural policy. 16 interviews are summarized in the report.
3. **Study** about Strengthening local and sub-regional economies
The aim of the study was to find out, which are the most significant drivers of success, which are the main motives of stakeholders to join the common initiatives, and how citizens can participate in shaping policy and taking action related to local initiatives. Interlinkage between local economies (initiatives) and quality of life was analysed on one hand and on the other

hand, potential of local economy for cohesion was considered. Results are summarized in the study.

4. **Travelling workshop and conference** about Local economies

The aim of the travelling workshop and conference about local economies was to clarify the key issues on the theme local and sub-regional economies and initiatives and to identify successful case-study examples of how rural economies can be strengthened and diversified. 88 participants took part in the conference and most of them took part in the travelling workshop, visiting two cases of the good practice in situ beforehand the conference. Both, conference and travelling workshop were significant part of the 4th Slovenian Rural Parliament which took place on 21st and 22nd September 2017 in Šentrupert/Novo mesto. Presentations and discussions brought numerous answers to the key question, how rural economies can be strengthened and diversified. Short summary of that is available in the two films from the event at the links:

<https://www.youtube.com/watch?v=HodwhOeQvOY&feature=youtu.be> (30 minutes) and

<https://www.youtube.com/watch?v=iX9Wx2J-X-0&feature=youtu.be> (60 minutes).

Altogether **324** people have been participating in the events.

Concerns and issues

Main **results** of the travelling workshop and conference according to the aims of the PREPARE's/SRDN's involvement:

1. Clarification of the key issues in the theme local and sub-regional economies and initiatives brought the following conclusions at the conference and travelling workshop.
 - Rural areas have the highest development potential among unused European resources.
 - All different forms of local and sub-regional economies are using rural resources in the sustainable way, so they are in the interest zone of all generations.
 - It is general opinion, that the role and importance of local economies for the quality of life is neglected and overlooked. We should change this. Local and sub-regional economies deserve higher priority in all governance and government programmes.
 - High diversity of local and sub-regional economies corresponds with the overall development level and geographic position of the countries.
 - Welfare is not only assured through the highest rates and quantities of GDP, but predominantly through balanced development of economic, social and environmental living preconditions. Only sustainable development is leading toward higher welfare of majority. Local and sub-regional economies share the responsibility and resources in sustainable way, so they deserve the higher ranking on the priority list of European and national policies.

2. The most significant drivers of success, which are the main motives of stakeholders to join the common initiatives are:
 - social drivers (cooperation, trust, networking, co-decision making, governance, implementation of projects and common management of local resources).
 - The second group of drivers, surprisingly less important than social drivers are economic drivers (access to local products, employment, income, access to public and private services, access to stores).
 - The third group of drivers, which seems to be less important, but still valuable are different individual drivers like (pride, belonging, autonomy, supporting organisations, knowledge and information flow).

Participation of citizens shaping policy at the local and sub-regional level is in general weak. Examples of good practices are rare and dispersed in the countries. Such cases still play the role of pioneers in the field of local economy. Indeed citizens are involved in the self-governance through the municipalities and boards of local communities, whereby decision making is still predominantly in the hands of the elected politicians whether it be on the local or at the regional and national level.

Taking action in diverse local initiatives (local economies) varies from the case to case. In general, there is significant trend in which the number of citizens involved grows rapidly from year to year. Some movements and initiatives do operate successfully already for more decades.

Main **results** of the survey:

Most of the answers received within the survey came from Slovenian stakeholders. The main group of respondents represents local action groups. Therefore, the results of the survey have specific weight on the experience with LEADER/CLLD programme. Most of the respondents attended at least one event out of four Slovenian rural parliaments. Analysis of the questionnaire on the basis of 220 respondents offers the following conclusions:

- local initiatives predominantly follow the local needs, which the survey treated in three separated segments: economic needs and satisfiers, social needs and satisfiers and individual needs and satisfiers;
- drivers, to start and support local initiatives are relevant to the burning issues of particular local area. In spite of the local specifics, there is general trend in growth of the social drivers, whereby economic drivers are not decisive for local economies. We conclude that economic needs and satisfiers are predominantly linked to the non-local possibilities to achieve targeting outputs (employment, products and income);
- effects of the local initiatives (economies) are positive in all three fields (economic, social and individual). The answers brought balance between different aspects of life and therefore offer the conclusion that the local economies are sustainable; Positiveness in answers leads to the conclusion that local economies are important constituents of the local communities;
- potential of local economies for improving the quality of life is tremendously important. The survey offers clear evidence of positive correlation between the positive expectations

and positive perception of local economies. That lead us to the optimistic conclusion on large potential of local economies for the quality of life at the local level;

- surprisingly high is the cohesion potential of local economies in spite of the fact, that local economies are mainly dealing with the closed circle of stakeholders in the limited local area. There is clear evidence of the positive effects of local economies on the cohesive elements of life in local communities. Same important is evidence of positive potential of local economies for networking and co-operation. Therefore local economies are important constituent of the cohesive trends in society.

Suggestions, proposals and good practice case studies

Recommendations deriving from the project

- To upgrade the slow processes at the local level and to strengthen the role of local and sub-regional economies, we need permanent international exchange between different independent but supportive movements, good practices, local communities and all interested organisations, groups or individuals. ERP could serve as one of the European platforms opening the space for such exchange.
- Further deepening and adopting rich experience in local and sub-regional economies by the efficient flow of knowledge and information through different networks in all parts of Europe, using as many digital platforms as possible.
- Include the tools for strengthening the local and sub-regional economies in existing policies and programmes at all levels, depending on the circumstances and needs. ERP and partners should urge for measures in rural and regional development programmes post 2020, supporting creative initiatives at the local level.
- ERP partners should push their governments to abandon the neglecting practices toward local and sub-regional economies through promotion of excellent results of numerous good practices around the world by visiting them, seeing them, inviting them or just informing about their achievements. Finally, the implementation of adopted local economies is crucial for the faster progress of abandoned and rural areas in Europe.
- There is the need to strengthen and mainstream the programmes, where bottom-up initiatives simultaneously meet the top-down measures. Bottom-up initiatives are efficiently finding solutions for the common needs, whereby top-down financed programmes are trying to justify the use of public money in most efficient way. Both have the similar interest but the mode of operation is far from another. Multiplying the top-down measures simultaneously with simplification of the tools should be the lead principle in creating the new rural development and regional development policies.
- While clarifying the factors, which enable rural communities, enterprises and other stakeholders to shape and apply solutions for strengthening the local and sub-regional economies, we should use the holistic approach. Therefore simultaneous and balanced strengthening of the following key factors is crucial: people, environment, economy.

- For faster creation of new jobs in rural areas, it is needed to work on the permanent development of existing entrepreneurial facilities and the forms of supportive business environments. Both of these drives, if they are set-up and are correlating properly, should create favourable circumstances in which companies could flourish and create favourable networks within the local economy and the broader milieu (Potocnik, 2017).
- Local embeddedness increases resilience and the return of benefits to the region from global engagement. Firms trading internationally should be encouraged to source materials locally and to participate in regional support networks. Networking inside rural areas (into a rural web connecting tangible and intangible capital) combined with purposeful and long-term international networking is necessary for the success of local/rural economies (Potocnik, 2017).
- To achieve higher welfare level, all resources, needed for decent life, should be exploited in sustainable way, using the common management. This should respect and value the common needs above the individual needs. Such approach is the way, how local and sub-regional economies work.
- North-South and East-West differences can be used as the learning arena, from which all partners can draw the knowledge, information and motives and from where all participants can leave as the winners.

Good practice case studies

Participants visited three cases of good practice in situ (The land of the haystacks, Delicacies of Dolenjska and Youth Club LokalPatriot). First two of them were presented to 88 participants in Šentrupert on 21st September in the morning and the third one was presented to more than 25 participants on 21st September evening in Novo mesto.

During the conference further cases of good practice were introduced by participants and lecturers at the event: LAG Prlekija, LAG Med Snežnikom in Nanosom, LAG Dolenjska in Bela Krajina, Mirenska Valley, Tourist destination Goriška Brda, Social enterprises in Slovenia, Estonian LAGs, Prequalification in Bosnia and Herzegovina, PLANED/UK, Sustainable Communities Pembrokeshire – SCP/UK, Developing local food product on LAG Dolina Raby area/Poland, Coed Cymru - Welsh Woodlands/UK, Peak District Farm and Country Holidays/UK, Local Communities in Croatia, Community Brewery Borovany/Czech Republic, National Forest Company/UK, Slovenian cases of common management of local resources (Dovolj za vse/Umanotera).

Documentation

Information and documentation about the activity will be uploaded to the ERP website: www.europeanruralparliament.com
