

Enhancing innovation ecosystems in European rural areas

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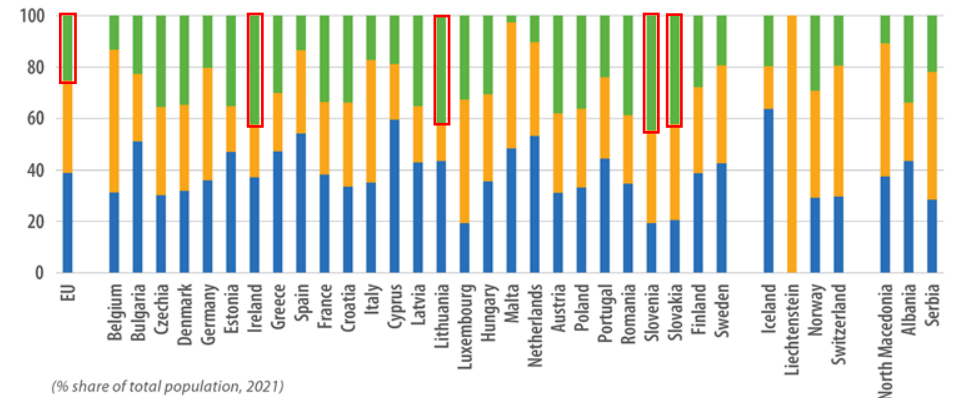
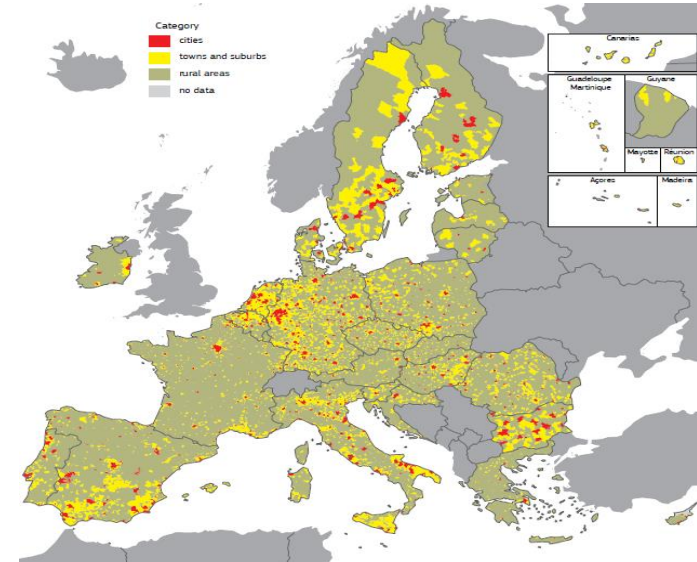
Interreg Europe, 30 May 2024

Introduction

Rural areas comprise **over three quarters of the EU's territory** and are home to over one quarter of its population (EC, 2024)

Widening disparities in productivity, wages, and demographic trends (depopulation and aging) between rural and urban areas (EC, 2024; EC, 2021; OECD, 2020)

Innovation may contribute to mitigate these gaps and address the increasing geographies of discontent (Kulesa and Gliniecka, 2024; Rodríguez-Pose et al., 2023; McCann, 2019)



(% share of total population, 2021)

Source: European Commission, 2024; 2021

● Cities ● Towns and suburbs ● Rural areas

Evolving narratives on innovation in rural and peripheral regions

“No innovation”

Innovation mainly happens in the core but may spill over to peripheries

Diversity is inherent to cities and absent from rural areas → attracts creatives and entrepreneurs

Peripheries suffer from organizational and institutional “thinness” (e.g. infrastructure, networks)

“Innovation despite”

Peripheries must focus on absorptive capacity

Dependent on external information sources and other linkages

Can benefit from mobile professionals, temporary linkages

Can support (or foster) certain types of innovation: slow, secretive

“Innovation because”

Certain types of innovation can only occur in the periphery → place-specific, local knowledge

Some types of cross-fertilization occur more readily: organizational nimbleness and diversity

Partial disconnection from the core can foster “unconventional” innovation

Based on Glucker *et al.* (2023)

EC strategic framework

Long-Term Vision for EU's Rural Areas (LTVRA)

Several areas of action to make EU rural areas stronger, connected, resilient and prosperous by 2040.

Flagship action on *Research and Innovation for Rural Communities* acknowledges the role of innovation to revitalize rural areas and transform them into places of opportunity.

- **New European Innovation Agenda (NEIA)**

Aims to position Europe at the forefront of the new wave of deep-tech innovation and start-ups, by bringing together policies, investments and instruments to drive systemic change and impact.

Flagship on “*Accelerating and strengthening innovation in European Innovation Ecosystems across the EU and addressing the innovation divide*”

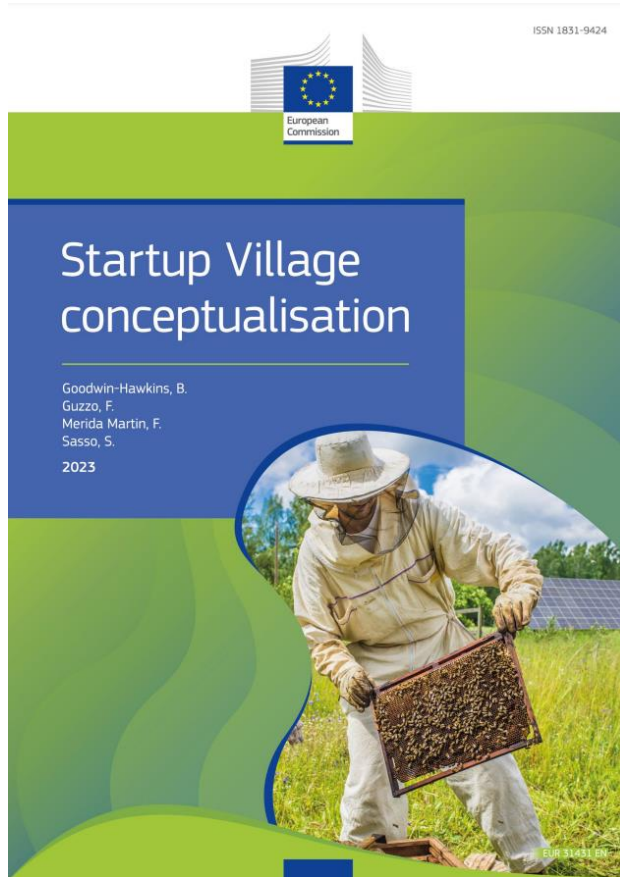
The EU Startup Village Forum initiative

The **SVF** seeks

- to develop new evidence and a deeper understanding on the factors that drive **innovation and entrepreneurship in rural areas**
- to be an **open and inclusive** space for rural stakeholders for sharing and learning from each other
- to strengthen territorial ecosystems and contribute to **accelerate the spread and adoption of innovation** in rural areas



What is a Startup Village?

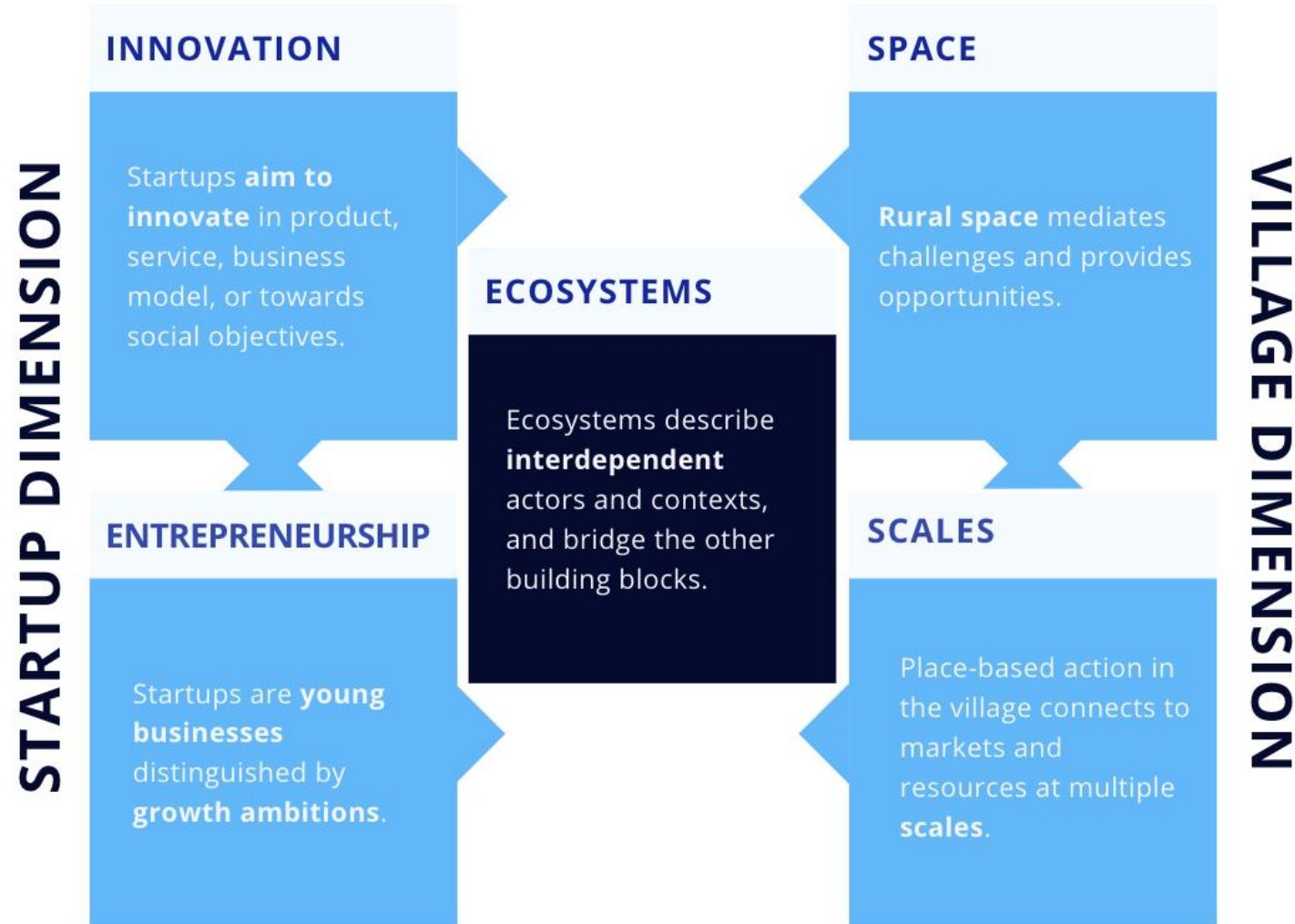


*A place (or a network of small places) that embraces **innovation** and **ambitious entrepreneurship** as a way to unlock development potential and support wellbeing in rural areas.*

*By combining local **place**, **people**, and **purpose** with external **knowledge**, **resources**, and **markets**, a Startup Village strives to provide favourable conditions for entrepreneurial and innovative **ecosystems** to flourish.*

<https://publications.jrc.ec.europa.eu/repository/handle/JRC132646>

CONCEPTUAL BUILDING BLOCKS



Ongoing and future JRC research on rural innovation and entrepreneurship

- Conceptualisation and development of **indicators to measure rural innovation** and entrepreneurship, taking into account their specific features
- Empirical studies on **drivers and obstacles to rural innovation** and entrepreneurship
- Exploratory study on the geographical distribution of startups in European rural areas and the relationship between **regional specialisation and startup emergence**.
- Analysis of **good practices and initiatives** to strengthen the **enabling factors** for rural entrepreneurial and innovation ecosystems
- **Startup Village Mapping Tool** to gain a better understanding on the functioning of Startup Villages and assess their degree of readiness

Startup Village Mapping Tool

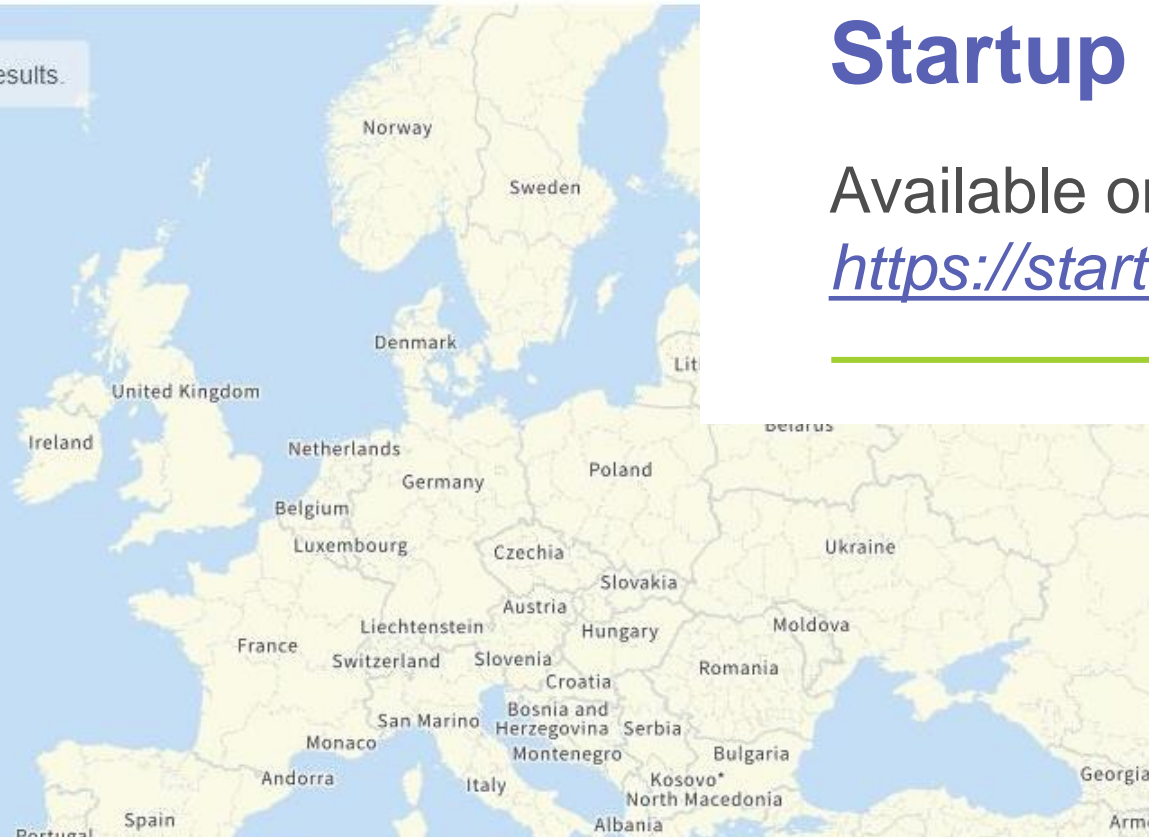
Understanding how innovation functions in rural areas is central for effective public and private sector's initiatives aimed at strengthening these territories. In February 2023, a rolling call for expression of interest was launched for all those European villages that intend to be Startup Villages. The map below will show the villages that have identified themselves as Startup Villages, and the information they provided. As the call remains open, the map will continue evolving.

If you represent a local authority and you think your village could qualify as a Startup Village, fill in the questionnaire!

[Go to survey](#) ↗



The map will show the existing results.



Startup Village Mapping Tool

Available on

<https://startup-forum.rural-vision.europa.eu>

EU VILLAGE

Close

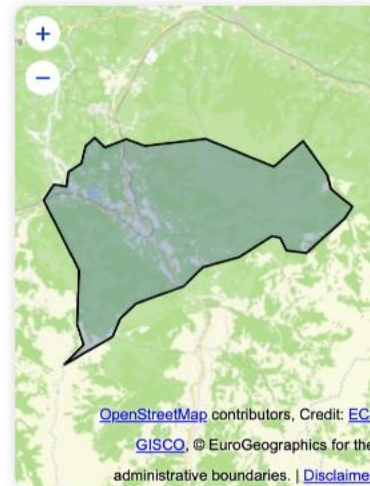
About this village

Country:
in the European Union

Size:
less than 15 000 inhabitants

Distance from the nearest main city:
less than 20 minutes' drive

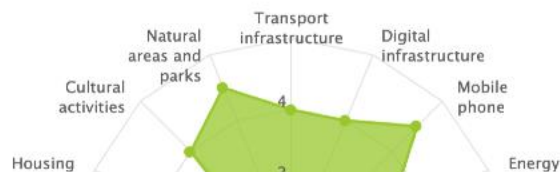
Institution providing information for this factsheet:
EU Village's Municipality



Why can EU Village be considered a Startup Village?

Our town has invested in developing mentoring schemes for startups, as well as functional co-working and networking spaces and regular events with established universities. These elements, in addition to available high-speed connection, have attracted a number founders and digital nomads.

Factors facilitating local innovation and entrepreneurship



Research and innova
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The European Startu
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This initiative is part
includes a specific fl

What is a star

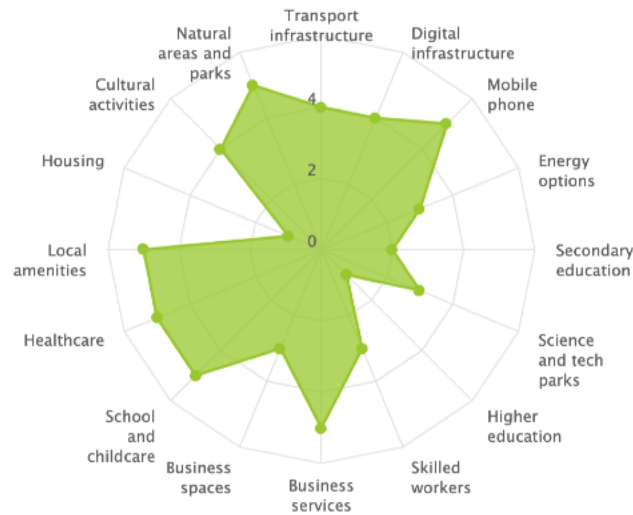


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Factors facilitating local innovation and entrepreneurship



Co-working facilities

Fablab facilities

Business incubation/acceleration



The three main economic sectors of EU Village

Research and innovation and growth in rural territories

The European Startup Village initiative aims to promote startup-driven growth in rural territories

This initiative is part of the Rural Development Programme and includes a specific flagship initiative

What is a startup village?

What are the benefits of a startup village?

Startup Village

Understanding how the startup sector's initiatives are expressed in rural territories is essential for Startup Villages. The map below provides the information they need

If you represent a local authority, please complete the questionnaire!

[Go to survey](#)

The map will show the existing

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Co-working facilities ✓

Fablab facilities ✓

Business incubation/acceleration ✓



The three main economic sectors of EU Village

Manufacture of furniture

Accommodation

Food and beverage service activities



Existing programmes for innovation and entrepreneurship

Implemented startup strategy/programme ✓

www.innovatingeuvillage.eu



How well do local innovation actors connect with each other?

Startups and SMEs	Very good	Good	Good	Rather weak	Good	Very weak
Public authorities	Good	Rather weak	Fair	Fair	Fair	Good
Investors	Rather weak	Good	Rather weak	Fair	Rather weak	Good
Industry and corporates	Rather weak	Very weak	Very good	Rather weak	Very good	Rather weak
Universities and research institutions	Fair	Good	Fair	Good	Good	Very good

Accommodation

Food and beverage service activities



Existing programmes for innovation and entrepreneurship

Implemented startup strategy/programme

www.innovatingevillage.eu



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Investors	Rather weak	Good	Rather weak	Fair	Rather weak	Good
Industry and corporates	Rather weak	Very weak	Very good	Rather weak	Very good	Rather weak
Universities and research institutions	Fair	Good	Fair	Good	Good	Very good
Civil society	Fair	Fair	Very good	Good	Very good	Rather weak

Upcoming e

28

FEB

2023

Publications

Startup Village
conceptualisation



Access to funding

European Regional Development Fund (ERDF)

European Social Fund (ESF)

Cohesion Fund (CF)

European Agricultural Fund for Rural Development (EAFRD)

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Thank you

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