



Why is innovation needed to make rural development a reality?

The importance of business innovation in shaping the rural areas of tomorrow

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Civil Dialogue group on Rural development



Contents

- Why do we need innovation in rural areas?
- What type of innovation do we need for rural areas?
- How do we propose to approach rural innovation under Horizon Europe?



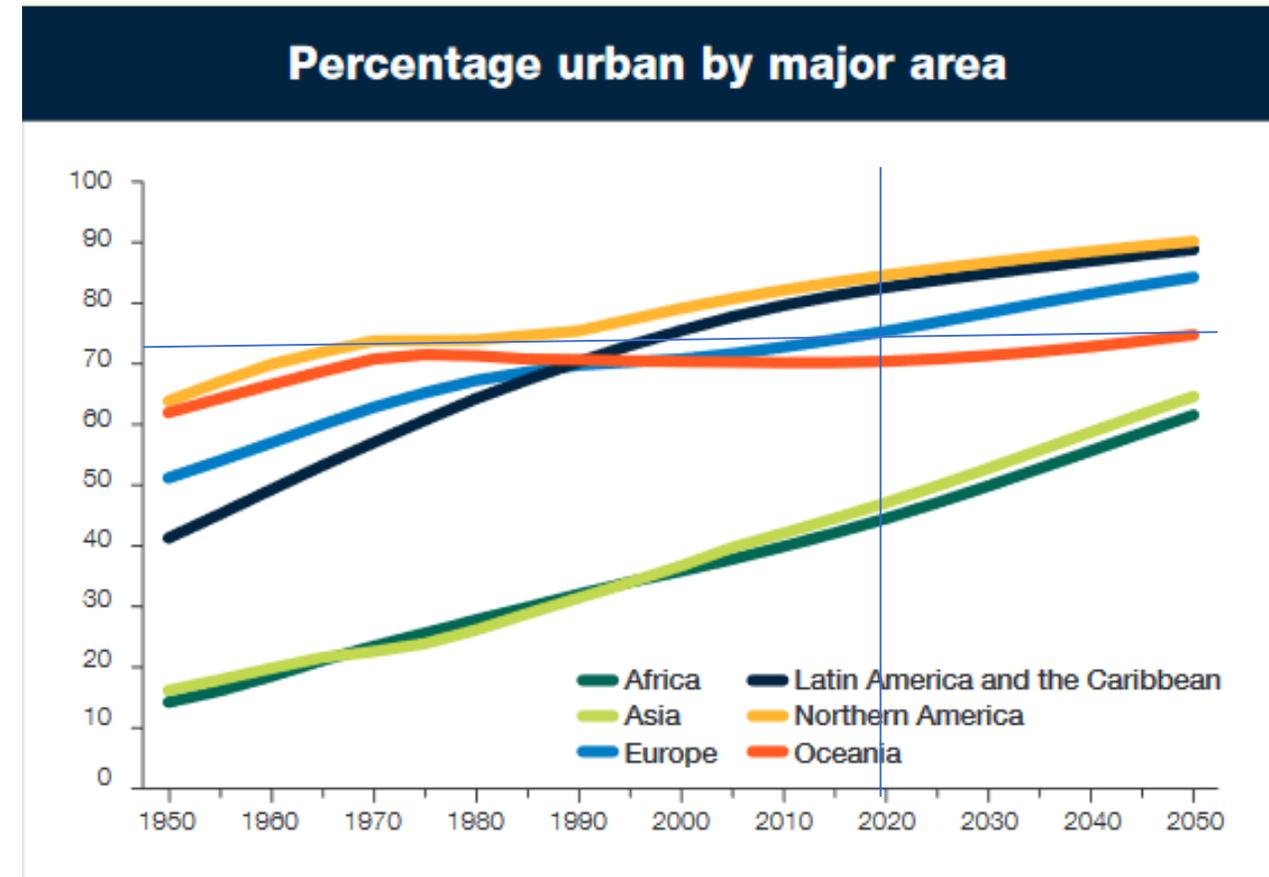
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Rural people and businesses have changed...

- Rural people are less numerous
- And in some areas more diverse (migration, counter-urbanisation...)
- Boundaries between rural and urban have blurred
- Rural economies are more diverse and less reliant on primary production (with disparities)
- States' capacities to fund public services has decreased



UN, population division

New challenges, new opportunities



Megatrends (OECD)



Planetary boundaries (Kate Raworth)

The pressure on resources brings rural back to the forefront

"Our rural areas are the fabric of our society and the heartbeat of our economy. The diversity of landscape, culture and heritage is one of Europe's most defining and remarkable features. They are a core part of our identity and our economic potential.

We will cherish and preserve our rural areas and invest in their future."

***Ursula von der Leyen
Political guidelines for the European
Commission 2019-2024, July 2019***



A Union that strives for more 6 priorities

- A European Green deal
- An economy that works for the people
- A Europe fit for the digital age
- Protecting our European way of life
- A stronger Europe in the world
- A new push for European democracy

We need new solutions fit for...

- ... the **future**
- ... **climate & environmental** resilience
- ... **social** progress & **well-being**
- Both for high-density urbanised **and for low-density rural economies.**
- Sustainable development goals can only be achieved with vibrant rural areas.

Rural innovation needed for:

- Businesses (primary, manufacturing, services)
- Supplies
- Housing
- Mobility
- Energy
- Health
- Education & childcare
- Culture
- etc.



European
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Bemis Farms Programs
CHILDCARE & PRESCHOOL

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Welcome to Bemis Farms
Where Children Meet Nature

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Various types of innovation

Table 1.1: Different Types of Innovations with Rural Impact

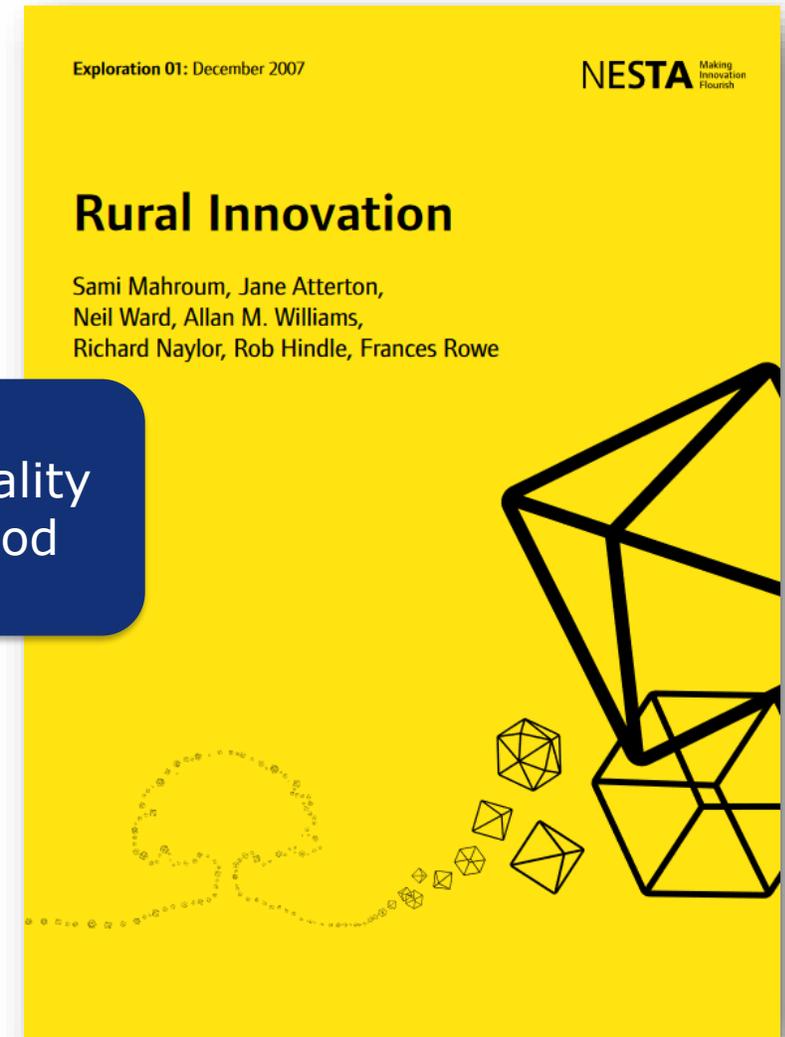
		Demand		
		Rural	Urban	Universal
Supply	Rural	X	X	X
	Urban	X		
	Universal	X		

New Fertiliser from waste

New solutions for e-health

Recreational retreat « workation »

Quality food



Key features

- **Technological, technical but also social innovation**
 - Importance of collective action and its potential to drive social change
 - Social innovation is the basis for designing community solutions to SDGs
- **Co-creation, user-oriented, people at the centre**
 - Innovation must be with and for the people
 - Technologies are means to an end, not the end in themselves
 - Build innovation ecosystems that allow agile cooperation to develop new techniques, technologies and organisations
- **Innovation that adds and retains value for rural communities**
 - Economic value
 - Social value/social capital
 - Nature capital & cultural heritage

Business models are key!

What is needed to support rural innovation?

- General:
 - **support local partnerships/cooperation**
 - **invests in knowledge exchange and learning**
 - **targets individuals as much as businesses**
- For small businesses:
 - **Improve ICT**
 - **Skills upgrade, links with high-education institutes**
 - **Help develop networks & cooperation**
 - **Place-making and spatial planning**

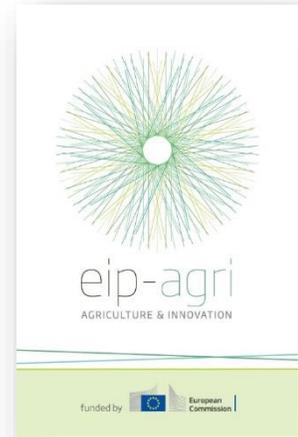


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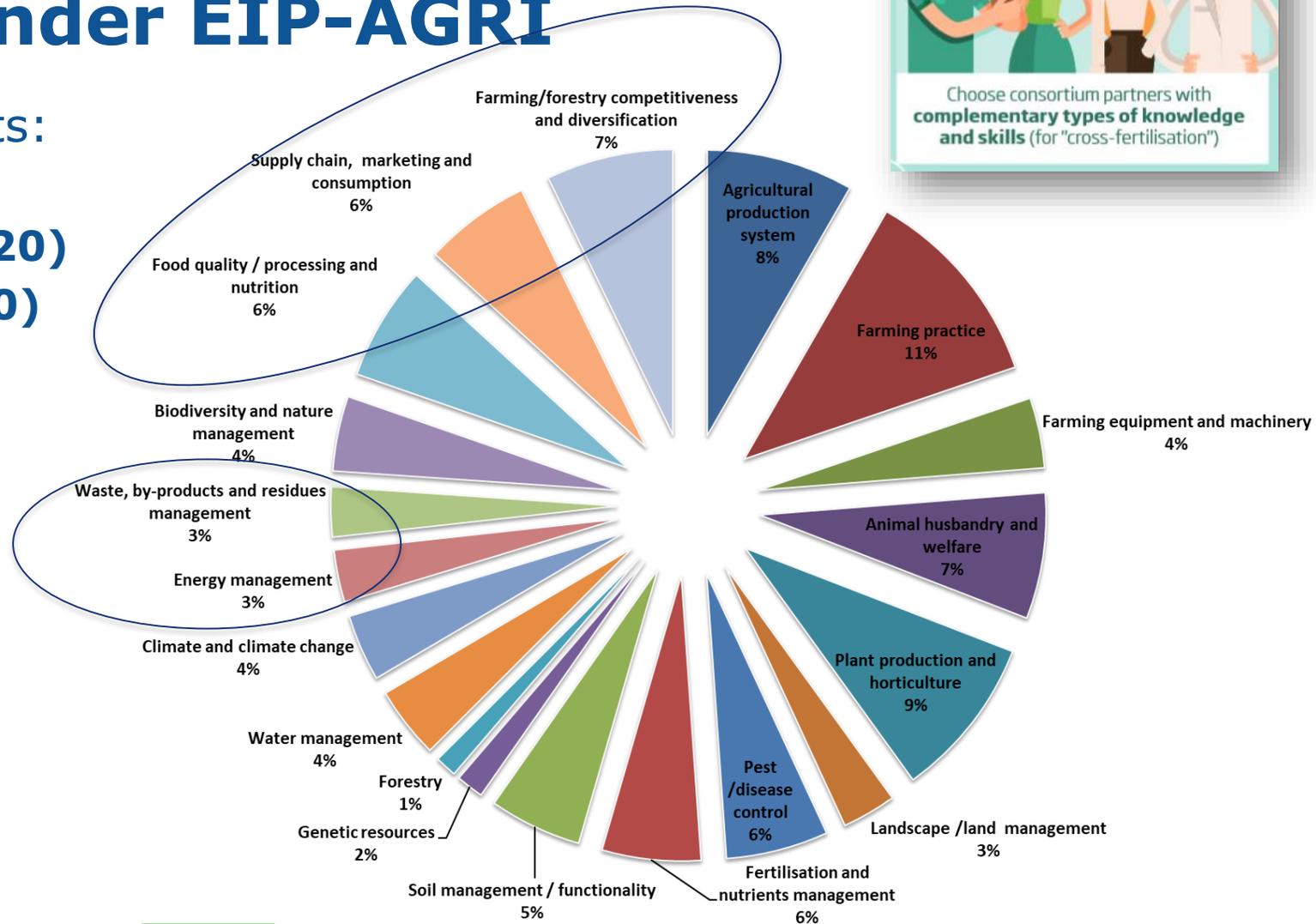
EU Policy landscape



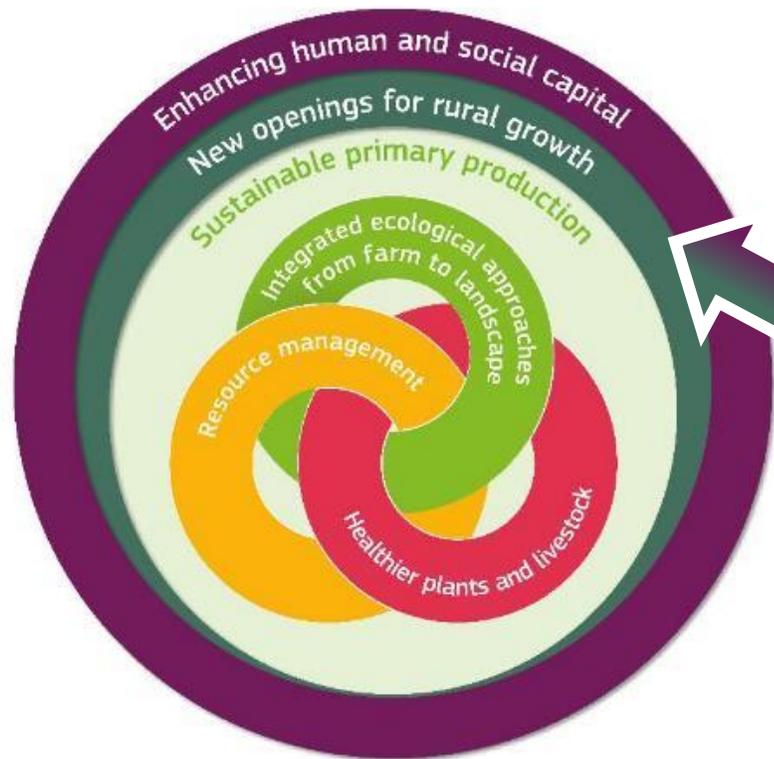
+LIFE
**+Digital
Europe**
+ERASMUS
+...

Rural businesses under EIP-AGRI

- Interactive innovation projects:
 - **operational groups (CAP)**
 - **multi-actor projects (H2020)**
 - **thematic networks (H2020)**
- Networking activities
 - **EIP-AGRI website**
 - **Focus groups**
 - **Workshops & Seminars**



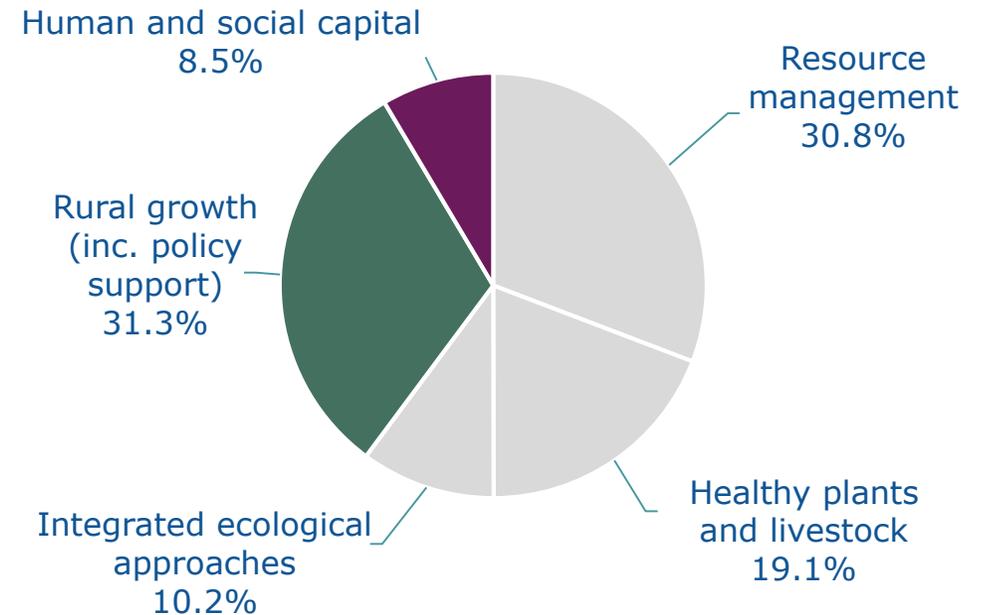
Rural in the strategic approach to agricultural R&I



Scope:

- ✓ **New openings for rural growth**
- ✓ **Enhancing human and social capital**

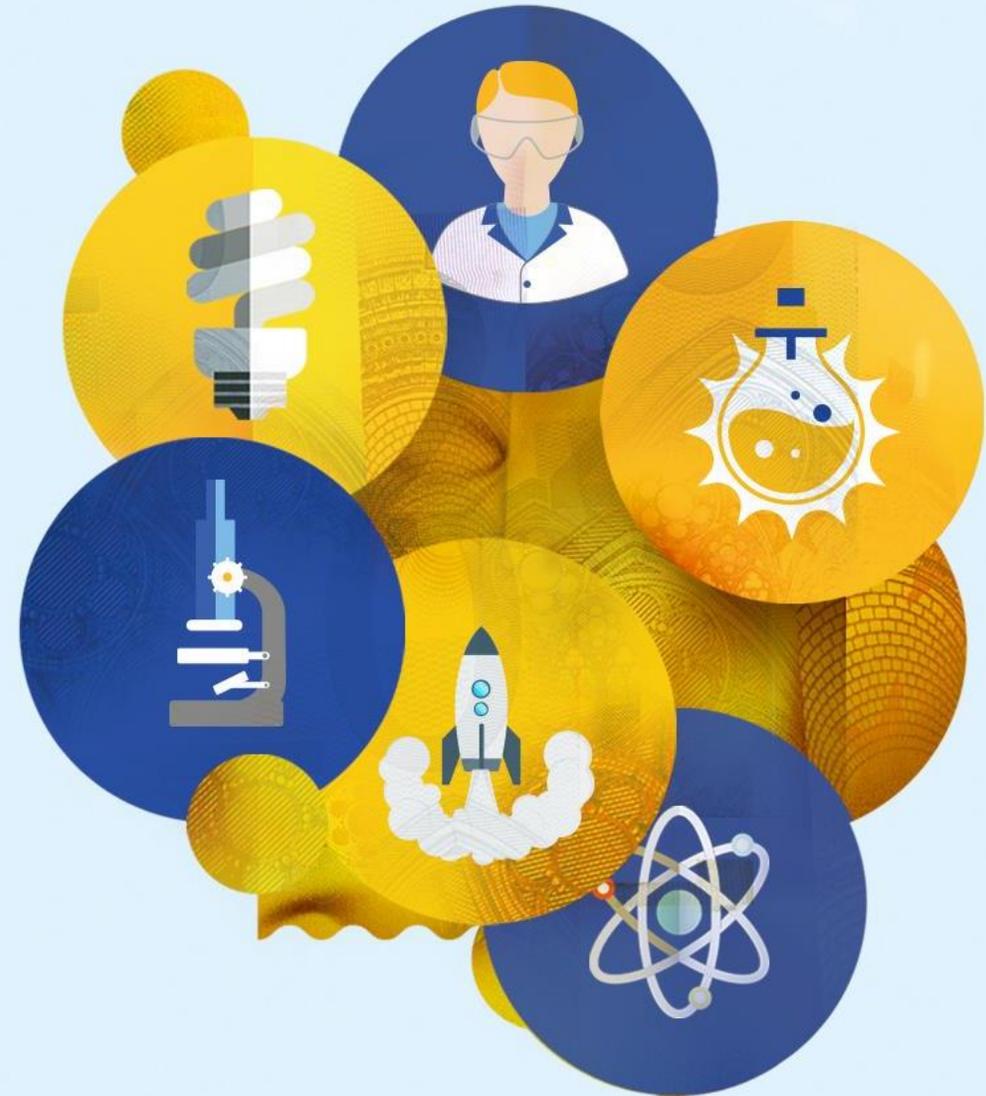
Distribution of H2020 SC2 budget over priorities (2014-2020, percent)



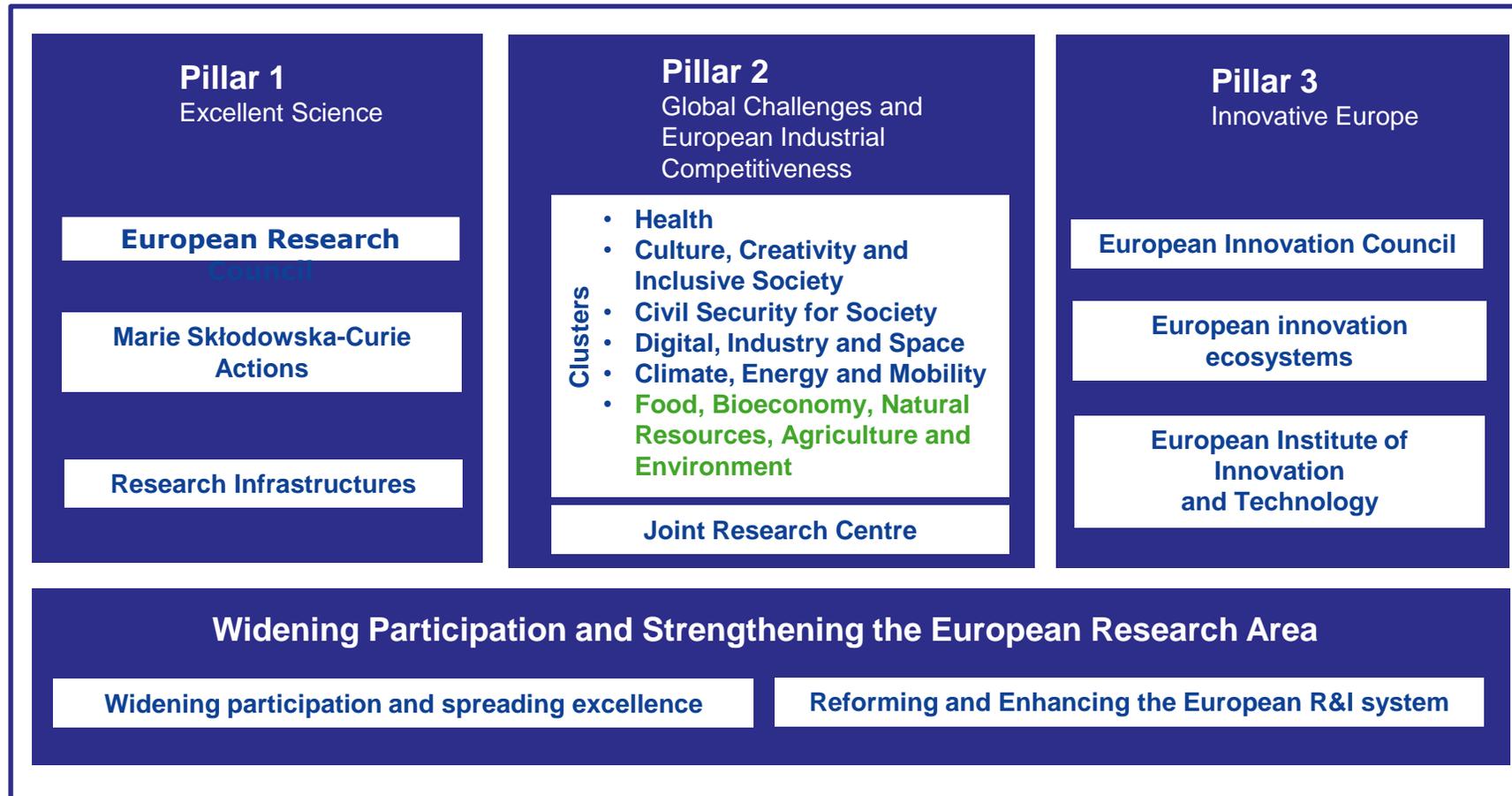
Commission proposal for Horizon Europe

THE NEXT EU RESEARCH & INNOVATION
PROGRAMME (2021 – 2027)

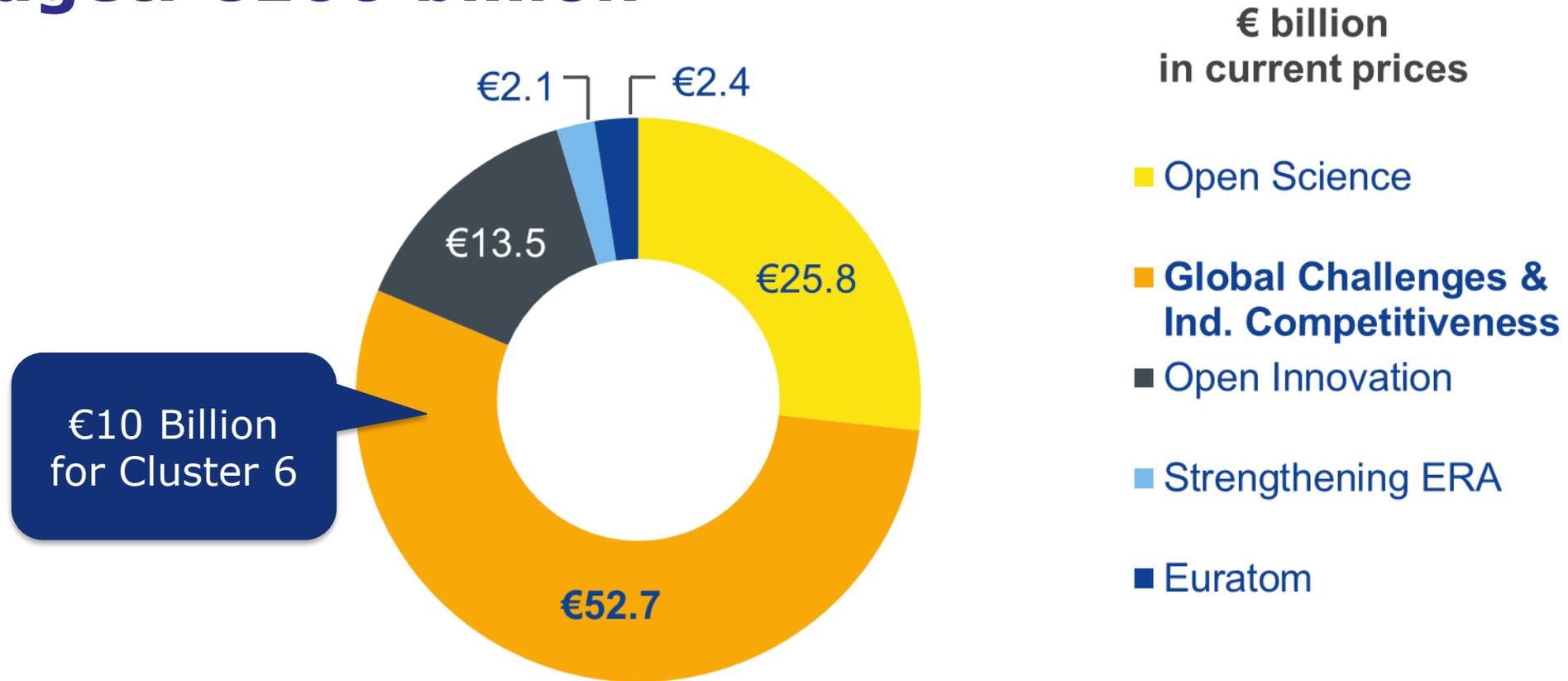
#HorizonEU



Horizon Europe structure



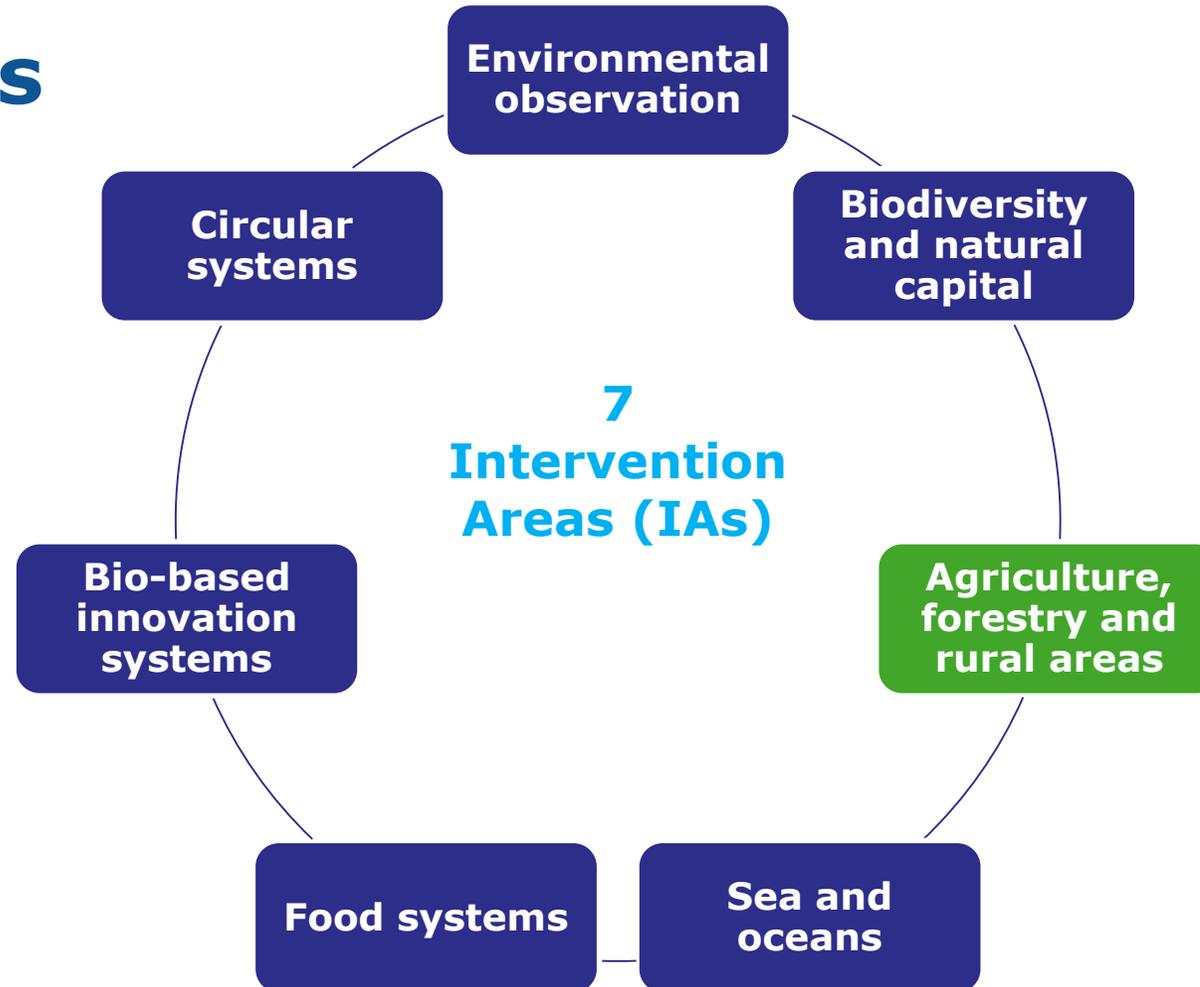
Budget: €100 billion*



* This envelope includes EUR 3.5 billion allocated under the InvestEU Fund.

Cluster 6 intervention areas

What is in it?



Strategic planning to define multiannual work programmes and calls for proposals

- Transparency and stakeholder involvement
- Prioritisation and flexibility to align to political priorities
- Internal programme coherence & synergies with other programmes

Multiannual Strategic R&I Plan

- * Multiannual orientations and priorities in one document
- * Areas for Partnerships and Missions

Expected
early 2020

Strategic discussions with
Member States and
European Parliament

Consultation with
stakeholders

Expected
end 2020

Work Programmes

Summer 2019
R&I days

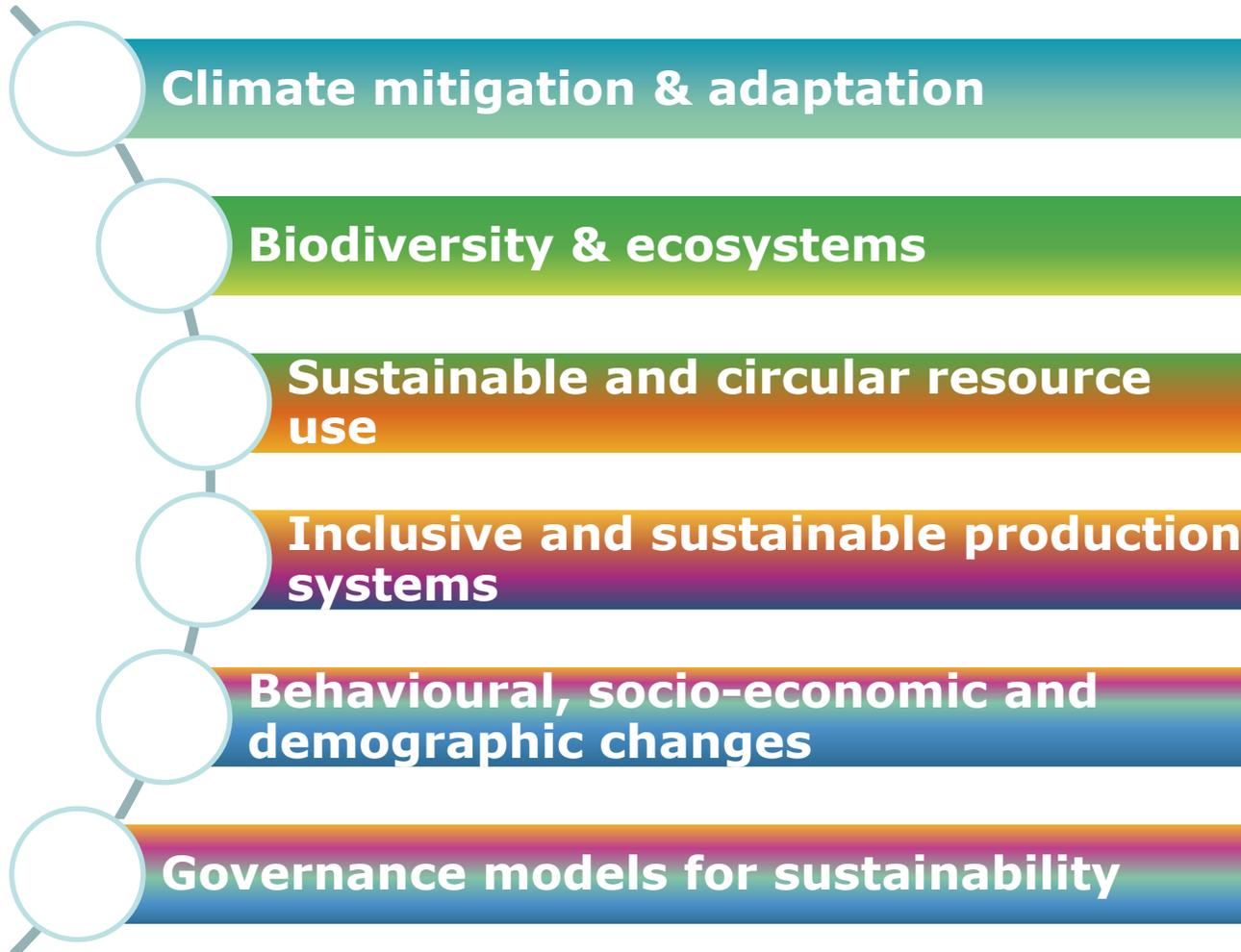
Orientations
towards the first Strategic Plan
implementing the research and innovation
framework programme Horizon Europe
CO-DESIGN
VIA WEB OPEN CONSULTATION
Summer 2019

EU R&I days



Video recordings

Orientations towards strategic plan - Impacts (Cluster 6)





Orientations towards strategic plan

Key R&I areas on agriculture, forestry and rural areas

- **Climate** mitigation & adaptation (farming & rural)
- **Resource use efficiency**, alternative to scarce resources & circularity
- **Biodiversity and ecosystems** (farming & forestry systems that protect and restore), nature-based solutions
- **Health and safety** (farmers and products) + animal welfare
- Food and non-food **value chains**, eco-innovation/new value chains
- **Socio-economic and demographic changes, social** aspects, link with LEADER
- **Governance models**: data and knowledge to improve monitoring and evaluation (support to policy implementation)
- **AKIS**
- **Digital as enabler** – link with smart villages



How can R&I enable rural communities to play their part in the sustainability and climate agenda while opening new perspectives and improving well-being?

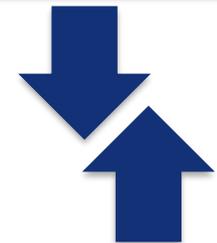
Key R&I for rural areas

“The climate, socio-economic and demographic changes in rural areas jeopardise the cohesion of the EU territory”.

Results of R&I will feed into strategies and policies...

- to **describe and close the urban-rural divide**
- benefit **generational renewal**
- pay attention to **vulnerable groups**, including women and migrants
- develop **digital services and skills, co-created with and for rural people**
- support **smart, green and inclusive rural communities and businesses**
- better understand and further develop **social networks, social capital and social innovation processes**
- allow for innovations in rural communities that support the sustainability agenda locally, create and retain value from local and regional assets and improve the **well-being** of people living in rural areas.”

Create knowledge
and innovative
technologies &
policies



Support
bottom-up
place-based
innovations

Thank you for your attention

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More about agricultural research and innovation:
http://ec.europa.eu/agriculture/research-innovation/index_en.htm
www.eip-agri.eu



Public Goods from Agriculture and Forestry
 Why do R&I on public goods from agriculture and forestry matter?
 Agriculture and forestry are unique sectors delivering alongside commercial products, societal public goods such as biodiversity, water regulation, landscape, erosion control, resilience to floods and climate change mitigation. The increasing value assigned by society to the environment, culture and heritage of rural areas can be a driver of their sustainable growth. This has materialised to a certain extent for public goods related to culture and heritage, e.g. tourism based on traditional landscapes or traditional food. However, the situation is less favourable for most environmental public goods.

24	139 ME	388
Projects or expected grants	EU contribution 2014-2020	Participations in selected projects

Digital Transformation in Agriculture and Rural Areas
 Why do R&I on agricultural and rural digital transformation matter?
 Digital technologies have the potential to revolutionise agriculture by helping farmers work more precisely, efficiently and sustainably. Data-driven insights can improve decision-making and practices and help increase environmental performance while making the job more attractive to younger generations. Digital technologies also have the potential to offer consumers greater transparency as to how their food is produced. They offer opportunities to renew business models in value chains by connecting producers and consumers in innovative ways. Beyond farming, digital technologies are key to make rural communities more attractive, vibrant and sustainable, reducing problems related to remoteness and facilitating and accelerating services.

17	163 ME	145
Projects or expected grants	EU contribution 2014-2020	Participations in selected projects

Enhancing Human Capital and Innovation Systems
 Why do R&I on human capital and innovation systems matter?
 The need to speed-up innovation has been recognised and emphasised in recent years and to row a clear vision of the future of Europe's countryside. Current agricultural activities have never been more in a state of transition, or in the last decades, this context has become more complex with more stringent legislative requirements, more open markets, and new actors and roles. Innovation is essential to meet these challenges and to ensure the viability of actors in the primary sector. Innovation in rural areas can play an important role in stimulating a green and socially inclusive economic growth, increasing productivity, innovation and avoiding economic decline. Activities that make actors perform or improve their activities and skills are essential to boost each other and cooperate are essential to successful rural innovation.

53	151 ME	539
Projects or expected grants	EU contribution 2014-2020	Participations in selected projects

Key themes
 Valorisation of business resources and flows
 Clean sustainability
 Risk safety
 Quality/authenticity
 Short food chains