

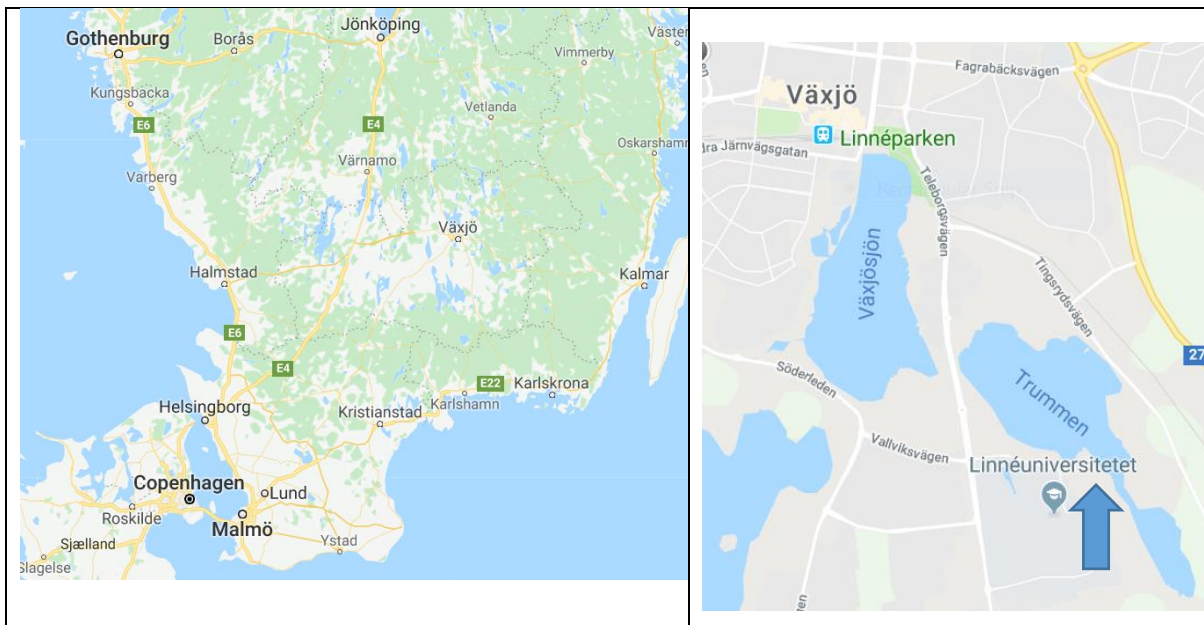
## Economic development in rural regions – new thinking and policies in finding and exploiting endogenous capacities

**Date: Tuesday 2<sup>nd</sup> October 2018**

**Venue: Teleborg Slott, Växjö**

**Time: 09.30 – 16.30**

### Map of Location



### Directions

**Copenhagen airport to Växjö 2 hours 30 mins by train and 3 hours by car**

Regular trains

<https://www.rome2rio.com/map/Copenhagen-Airport-CPH/Växjö>

<http://www.raileurope-world.com>

**Stockholm to Växjö 3 hours 30 mins by train**

<https://www.rome2rio.com/map/Copenhagen-Airport-CPH/Växjö>

<https://rail.cc/en/train/stockholm-to-vaexjoe>

Save the date v10 Sept 26<sup>th</sup> 2018

Inspire policy-making with territorial evidence

<https://www.sj.se/en/home.html#/>

### **Gothenburg to Växjö around 4 hours by train**

<https://www.sj.se/en/home.html#/>

### **Hotels nearby**

Easy Livin' Apartment Hotel – go to [booking.com](https://www.booking.com)

Teleborg Slott <http://www.teleborgsslott.com/>

### **Hotels in Vaxjo**

Hotell Varend <https://www.hotellvarend.se/>

**Type of event:** Seminar (up to 50 participants)

**Targeted audience:** MPs, regional / local council members involved in economic development commissions and public officials in charge of economic development policies at subnational and local level in Northern Europe. Managing authorities and project beneficiaries of mainstream ESIF programmes dedicated to economic development.

Baltic sea organisations and their stakeholders: Baltic Sea Parliamentary Conference, Union of Baltic Cities Smart and Prospering Cities Commission, officials involved in the BSSSC Growth, jobs and innovation policy area, EUSBSR HA capacity and flagship project (rural entrepreneurship) leaders, Programming committee members of Baltic maritime Interreg programmes, Baltic Sea Commission of the CPMR, Baltic Sea Labour Forum. Northern LAGs and FLAGS and the B7 network

The seminar is open to all but has a maximum capacity of 50 participants. Please reserve early to assure a place and to book a hotel room if needed. The seminar is free of charge, but each participant must cover expenses for their own travel arrangements and accommodation. Coffee/tea and lunch will be provided during the seminar. The seminar will be in English.

### **Outline**

This seminar will examine how to support and encourage SMEs and exploit endogenous resources such as natural capital, heritage, renewable energy, bio-economy and tourism in rural regions. Successful exploitation may require new models of governance, social innovation, high-level ICT systems as well as public sector support. The recent review of the CAP<sup>1</sup> points to a strengthening of knowledge flows, more research and innovation in rural areas (e.g. digital farming) and the strengthening of the rural socio-economic fabric through stronger rural value chains and increased attention to the bio and circular economy. eco-tourism, renewable energy, etc. as well as improving resilience in the agricultural sector.

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<sup>1</sup> (EC Communication on 'The future of food and farming', November 2017)

Inspire policy-making with territorial evidence

This seminar will take examine the challenges of Kronoberg County and then call on rural development experts to outline recent thinking in stimulating rural economic development. Experts from Nordic countries will comment on the Swedish challenges and compare with their own challenges and thinking.

ESPON research 'Shrinking rural regions in Europe'; 'Small and Medium-sized Enterprises in European Regions' and the ESPON applied research project "World in Europe" project will be presented (see below) to shed light on the challenges and propose some recommendations.

The seminar will use the input from experts to discuss recommendations for future rural policy which will involve discussions around:

- How could SME development best be supported in rural areas? What type of territorial development strategies should be considered in rural areas to further strengthen the development and sustainability of the business environments for SMEs? What is the particular role of the public sector and where can public money be spent most efficiently?
- What are the distribution patterns of SMEs across Northern rural areas in terms of size, employment, sectors, and economic weight? Can specific territorial patterns be identified concerning the location of new SME start-ups, their survival rates and growth?
- To what extent and in which ways do SMEs contribute to business development, job creation and innovation in Northern rural areas, in particular in the areas of the creative/knowledge economy, ICT and the low-carbon economy? What are the key dynamics and drivers for the growth of these SMEs, especially after the crisis?
- What are the main opportunities and obstacles for SMEs growth?
- What are the global patterns and recent trends (10 years) of inward FDI flows to Northern Europe, and how do they affect the overall territorial development?
- What relevance do inward FDI flows have for regional growth and competitiveness as well as for reducing economic disparities in Northern Europe (among more developed, transition and less developed regions)?
- What types of regions receive foreign investments and for which economic activities?
- What territorial factors seem to determine FDI location? How do macroeconomic factors and local regulations affect inward FDI flows territorially?

## ESPON input

**Shrinking rural regions in Europe (ESPON Policy Brief)** <https://www.espon.eu/rural-shrinking>

Rural depopulation and marginalisation is an increasing phenomenon across Europe. To address these trends policy-makers essentially have two policy levers: (1) 'going for growth' – reverse shrinking trends and stimulate population growth; (2) 'coping with decline' – accept shrinkage and adapt to its economic and social consequences. While the idea of accepting decline is often politically unpalatable, it is also unrealistic to expect local development strategies to counteract increasing global trends towards urbanisation. Indeed, continued depopulation is predicted to become the new normal in many peripheral rural regions over the

coming decades. The task will therefore become one of ensuring a managed transition to an economic base consistent with the realities of lower population levels.

Depopulation requires new ways of thinking about rural development which re-envisions shrinkage not as a burden, but as a potential positive opportunity. Accepting shrinkage can help to reorient rural policies and investment decisions to re-grow greener, smaller and provide new openings to be innovative, modernise governance and public services through more holistic, proactive and place-based strategies consistent with 21st Century realities. This requires coordinated governmental interventions and planned, strategic coordination of both growth-oriented and adaptation-oriented policy approaches, tailored to local conditions.

### **Small and Medium-Sized Enterprises in European Regions and Cities**

<https://www.espon.eu/sme>

The main objective of the ESPON SME study was to map and analyse the territorial patterns and performance of SMEs in Europe, and to propose territorial development strategies that can be considered in different regions and cities to further strengthen the development and sustainability of SMEs. The study was conducted under the general premise that SMEs are the backbone of the economy and that supporting SMEs is therefore of vital interest for the regions.

Main findings showed that SMEs share certain basic needs across the economic sectors. Regions and cities should consider drivers of SME development identified in this applied research activity with respect to their specific territorial context. Key drivers and factors relevant for SME development (with respect to its phase in the life-cycle [start-up or scale-up], and the sector it is operating in) are connected to demography, economic strength, specialisation of the region (for example, existing industries and resources), and available infrastructure, as well as quality of governance.

The study findings demonstrate that general rules on how to support SMEs cannot be simplistically deduced, as variations between regions, SME size, the stage in their life cycle, and their sector are significant. Thus, any development strategy for regional SME development needs to be tailor-made.

### **The World in Europe** <https://www.espon.eu/fdi>

The main objective of this project is to provide recommendations that could support regions and cities in their positioning and defining their policies towards receiving FDI, as well as integrating the attraction of foreign firms in regional development strategies. The project analyses the global patterns and recent trends (10 years) of inward FDI flows to the EU, and how they affect the overall territorial development of the European territory. The project explores the relevance do inward FDI flows for regional growth and competitiveness as well as for reducing economic disparities in Europe (among more developed, transition and less developed regions). It also examines the types of regions and cities that receive foreign investments and for which economic activities (manufacturing and service industries and sub-categories) and identifies the territorial factors that seem to determine FDI location and how macroeconomic factors and local regulations affect

inward FDI flows territorially. The project concludes with the policy measures could be implemented to attract FDI in order to boost the competitiveness of EU territories at different scales (global, European, transnational, national, regional, urban and rural).

## Draft Agenda

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**Time:** 10.00-16.00

**Moderator:** Richard Tuffs, ERRIN

09.30	Registration and welcome coffee	
<b>PART 1: Setting the scene</b>		
10.00	Welcome and Kronoberg challenges and strategies	Christel Gustafsson, Director of Regional Development Wolfgang Pichler, Swedish NCP ESPON EGTC
10.30	Geographies of growth: spatial contexts and how resources in different areas can stimulate growth	Dr Lina Bjerke, Jönköping University
10.50	Rural keys: entrepreneurship in context	Thomas Norrby, Swedish University of Agricultural Science
11.10	Rural development: the Baltic context	Dr Karen Refsgaard, Research Director / Deputy Director, Nordregio
11.30	Discussion	
11.40	Coffee	
<b>PART 2: ESPON research</b>		
12.00	Towards smart and innovative approaches to regional development challenges in depopulating rural regions	ESPON Policy Brief on “Shrinking rural regions in Europe”, Richard Tuffs, ERRIN

	Small and Medium-sized Enterprises in Northern rural regions	ESPON applied research project “Small and Medium-Sized Enterprises in European Regions and Cities”, Bernd Schuh, OIR, Austria
	Foreign Direct Investment in Northern rural areas	ESPON applied research project “World in Europe” Dr Eva Rytter Sunesen, Copenhagen Economics
<b>13.00</b>	<b>Lunch</b>	

### **PART 3: Baltic case studies, projects and discussion**

	<b>Baltic case studies</b>	
<b>14.00</b>	<b>Västerbotten County</b> The role of transport for rural economic development	Designing sustainable and feasible transport and mobility for visitors and local food in a sparsely populated biosphere reserve  Bianca Byring, Public transport strategist, Västerbotten County
	<b>FDI in the Greater Copenhagen region</b> Source and role of FDI in the region	Dr Eva Rytter Sunesen, Copenhagen Economics
	<b>Västra Götaland</b> SME development and the dynamics of the region	Alice Börjesson, Oxford Research, Sweden
<b>15.00</b>	Coffee	
<b>15.15</b>	Interactive discussion – group discussions on identification of the key drivers for rural development and recommendations and future programming post 2020.	
<b>16.00</b>	Conclusions and recommendations	

### **Registration information**

Please register at [www.espon.eu/vaxjo](http://www.espon.eu/vaxjo)