

Lednice declaration Together for a smart rural Europe

Members of the European Parliament and the European Committee of the Regions (CoR), representatives of the Czech EU Council Presidency, representatives of local and regional authorities and local action groups met today at the seminar on *Community-led Local Development and Smart Villages as Innovative Tools for Effective Development of Rural Areas*.

Having regard to previous declarations and frameworks for rural development, such as the Cork 2.0, Bled and Cortina declarations, as well as the European Commission's Long-term vision for the EU's rural areas 2040 and the Smart Villages concept, and the work of ELARD and the ERP, participants discussed the way forward in terms of the EU's current financing period and the shaping of future programming periods covered by the long-term vision.

Participants underlined that Smart Villages is an innovative EU policy and a rural development tool that could help bring about rural revival, a crucial goal of the long-term vision for the EU's rural areas. Smart villages should become an integral part of regional development policy and create synergies with existing tools, e.g. LEADER/CLLD. In this work, governments and institutions at all levels, should include Local Action Groups (LAGs) in their programming in a more holistic manner. Smart villages, potentially managed by LAGs, have the potential to increase economic, social and territorial cohesion, and to improve the social equality of our societies between rural and urban areas.

It is essential to see the current crises as a challenge and a unique opportunity for the transformation and revival of rural areas. To achieve this, the European Union needs a more systematic, evidence-based and holistic approach to the new challenges, using all possible instruments and including all territories and citizens in finding solutions. At the same time, it also needs to bolster its legitimacy, using more bottom-up, place-based and integrated approaches to ensure much greater participation by its citizens in shaping the EU and to focus on their needs.

The long-term vision for the EU's rural areas, the Green Deal and recent crises in Europe bring a new strategic approach to rural development, in which innovation and new approaches play a crucial role. The green and digital transitions are creating a new dynamic for rural areas and people living and working in villages. Building on the lessons learned during the COVID-19 pandemic, several Member States are finally investing massively in broadband infrastructure and digitalisation. The Ukraine war is accelerating the EU's transition to sustainable energy production, which will largely take place in rural areas.

The long-term vision for the EU's rural areas for 2040 has raised awareness of the potential of rural areas in general and has brought new instruments such as Rural Proofing and the Rural Pact. At the same time, specific targets, measures and funding still need to be developed in order to translate words into real action to make the vision a reality.

Rural areas are still being left behind, as shown in the 8th Cohesion Report. While rural areas are home to 30% of the population and cover 80% of EU territory, only 25% of the 2014-2020 Cohesion Funds helped keep rural areas strong. The EU, Member States and local and regional authorities urgently need to increase the use of all possible current funding opportunities and prepare the ground for future EU funding for rural areas.

The persistent digital divide between urban and rural areas is one of the major challenges faced by citizens and businesses in Europe. EU, national, regional and local governments must therefore step up cooperation to ensure decent access to the internet and digital services in key areas such as healthcare, education, public services and social inclusion.

Digital and technological transformations provide new challenges and opportunities to also bring higher quality of life and services to rural areas. They create new opportunities for a diversified rural economy and access to the job market. As a result, they can help address current demographic challenges, keep young people in rural areas and reverse the tides of depopulation and brain drain.

The involvement and commitment of the public and of all stakeholders is crucial for achieving a successful digital transformation. Effective public/private partnerships (such as LAGs), the right incentives and the right technology are essential ingredients to bridge the digital divide.

A European approach should be based on three main pillars to ensure that Europe seizes the opportunity and gives its citizens, businesses and governments control over the digital transformation.

1. The first pillar is “Technology that works for the people”. Accelerating the roll-out of ultra-fast broadband for homes, schools and hospitals throughout the EU will be essential. We also need to expand Europe’s super-computing capacity to develop innovative solutions for medicine, transport and the environment.
2. The second pillar is “A fair and competitive digital economy”, which will enable a vibrant community of innovative and fast-growing start-ups and small businesses to access finance and to expand.
3. The third pillar is “An open, democratic and sustainable society”. We need to use technology to help Europe become climate-neutral by 2050, and to reduce the digital sector’s carbon emissions. We also need to invest in structures that foster social capital and good multi-level governance, such as LAGs.

Smart villages should be perceived as a horizontal, cross-cutting principle. At the same time, there is a need for a multi-policy and multi-fund approach to Smart Villages using all ESI funds, as well as NextGenerationEU funds and other resources, especially from the private sector. Lastly, the "smart" concept needs to be seen as an integrated, holistic tool, interconnecting the concepts of Smart Villages, Smart Cities and Smart Regions.

The achievements of LEADER/CLLD have shown that local action groups (LAGs) are able to defend the European values, if recognized as local drivers for change and development on the local, regional and national level. The possibility of multi-fund CLLD uptake in all EU regions should be obligatory, assuring a CLLD approach is used for all types of territories. This should be supported by mandatory earmarking of 8% for CLLD from all ESI funds and EAFRD to fully utilise the potential of the tool and synergies of different funds for integrated local development.