

Policy action lab: Taking action to tackle rural depopulation

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1. Demographic challenge

- Many speakers today from Croatia, Finland, Spain, Italy, and many other European countries.
- Why's that?
 - Half of EU and OECD regions are expected to experience population shrinkage by 2050.
 - Rural regions, especially remote ones, have seen the highest increase in elderly dependency ratios in the past two decades.
- In this context, “rural depopulation” needs to be at the core of policy-making at all levels of government – EU, national, regional, and local.
- However, population decline is not an impediment for rural communities to have high levels of well-being.
- It does require sound policy interventions, because changes in the scale and composition of the population (especially when they happen rapidly) come with at least three effects:
 - First, changes in the demand for services (for instance, less demand for education and higher demand for healthcare), as well as higher costs of provision per person as scale economies become lower.
 - Second, mismatches between the infrastructure and housing that is in place and the infrastructure that is needed to satisfy the demands of current and future populations.
 - And third, more sparsity, which means longer journeys to access all kind of services.

2. The rural revitalisation platform is the good answer to tackle this challenge

- Concept of “rural revitalisation”: process through which rural areas facing depopulation, ageing and economic decline can improve their well-being and quality of life.
- Better data and analysis in the last decade → greater understanding of rural regions + move away from the presumption that all rural places are alike.
- Important to understand the specific characteristics and needs of different places to ensure that all places can reach their potential, to make sure that no place is left behind. It demands:
 - understanding local conditions.
 - think about how policies play out on the ground in different places and the incentives that they create for action
 - engagement with a wide range of actors and building relationships of trust.

- The rural revitalisation platform is a good answer to tackle this challenge.
 - include rural interests in decision-making
 - facilitate experience sharing and mutual learning
 - develop new ways of disseminating public information
 - consult and engage citizens in decision-making
 - empower local and regional stakeholders to be partners in policy elaboration
- BUT we need that all actors (incl. national level) engage in this platform → bringing these rural voices in the decision-making processes at the national level.
- ALSO engage private actors/sectors (local businesses and entrepreneurs)
 - rural entrepreneurs have lower access to offline sources of information than urban entrepreneurs
 - platform → benefit from shared information and resources on starting a business, easing access to markets/public funds, networks, etc.

3. Policy interventions based on integrated strategies and MLG

- Enabling factors of rural revitalisation
- Rural areas: need to adjust the vision of a multitude of actors and stakeholders to align their objectives → integrated strategies + MLG.
- National strategies (examples today from Spain & Italy): need to include consultation mechanisms for all rural stakeholders + achieve a healthy balance top-down/bottom-up input → ensure that policy design and implementation at the national level is tailored to local needs.
- Vertical cooperation + horizontal cooperation (example of RESOE).

4. Local empowerment, capacity building and innovation

- Local empowerment, capacity building and innovation
 - Reinforcing cooperation among regional and local actors (e.g., inter-municipal co-operation, mutualisation of services between municipalities – ex. from Poland today on local associations of schools).
- Innovative ways of tackling rural depopulation, delivering services, and supporting local stakeholders.
 - Many policy areas/services: education, health, mobility, etc. + can be digital, mobile, flexible.
 - Transport on demand solutions
 - Online platforms
 - Smart software platforms for local public services
 - BUT many of these innovative solutions are digital → need to improve digital connectivity & reinforce digital skills among rural populations.
 - Encourage collaborations between universities, polytechnic institutes and VET schools, employment agencies and business support agencies, and rural stakeholders → better link rural areas and labour market needs to the educational offer.

5. OECD work

- Rural framework and principles
- Platforms (e.g., OECD Regional Recovery Platform)

- Workstream “Preparing Regions for Demographic Change”
 - several country or regional reviews
 - report on [Delivering Quality Education and Health Care to All](#).
- Project “Shrinking smartly and sustainably”
 - provide internationally comparable indicators
 - demographic scenarios
 - land use, housing, and infrastructure
 - subnational finance and MLG.
 - working paper incl. policy framework
 - compendium of policy good practices to manage population decline
 - set of guidelines for the MLG of demographic change
 - 3 peer-to-peer exchange dialogues in Paris
 - 3 country case studies.