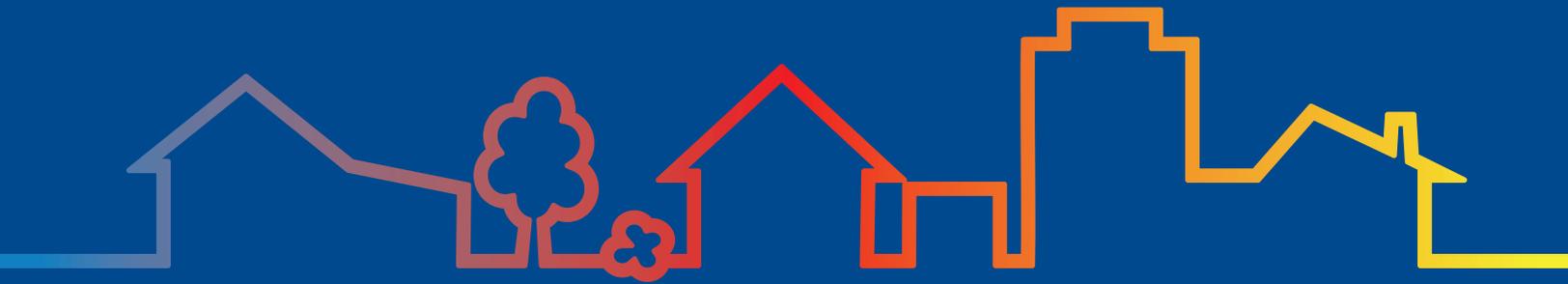




# 12th OECD Rural Development Conference

Delivering Rural Well-Being



**Proceedings of the 12th OECD Rural Development Conference  
Seoul Korea, September 2019**

 @OECD\_local #OECDrural

## INTRODUCTION

Whilst many OECD countries have managed to restore growth after the global financial crisis, inequalities have increased between people and places, especially in rural regions. On top of the disproportionate effects of the global financial crisis, OECD rural regions have suffered from long-standing structural transformations, including the re-orientation of economies to services; increasing competition from emerging economies; and population ageing.

Rural regions are more dependent on tradable goods and services than urban areas and also face stronger competition from emerging economies. Furthermore, their less diversified economies make them more vulnerable to external shocks. For example, around 8 out of 10 metropolitan regions and regions close to metro regions had recovered their pre-crisis income per capita levels by 2016. In contrast, 4 out of 10 remote and low-density regions close to a small or medium city had lower income per capita levels in 2016 than before the crisis.

The Korean Ministry of Agriculture, Fisheries and Rural Affairs in Seoul Korea hosted the [12th OECD Rural Development Conference on Delivering Wellbeing](#) on 22-24 September 2019. It aimed at discussing what makes a rural community a good place to live, work, run a business, and grow old by focusing on a whole variety of factors—from the quality and accessibility of services like schools and health care to natural resources and even social trust and community leadership

Recognising that a number of OECD countries are implementing a range of policies to deliver rural well-being, the Conference focused on the critical drivers of rural well-being across three pillars:

- i. Making the most of new and emerging technologies in rural areas to enhance innovation, and create business and job opportunities;
- ii. Addressing demographic challenges and ensuring that rural communities are attractive to both young and old alike; and
- iii. Enabling the transition of rural areas to a low carbon economy that creates jobs and opportunity.

The conference took place over two days, starting with a pre-conference session during the first half of the first day, followed by the main session over the second half of the first day and the second day. An optional trip was available to nearby Wanju in Jeonbuk province to demonstrate local approaches to rural development and well-being.

The conference gathered over 300 hundred representatives from governments, industry, community organisations and academia to identify how policies can boost wellbeing and create jobs in the different types of rural areas.

It terms of outputs, the conference launched Policy Highlights of [Rural Policy 3.0: People-Centred Rural Policy](#) and disseminated the [OECD Principles on Rural Policy](#). A high-level lunch meeting during the first day gathered a selected number of policy makers and officials to discuss their main challenges and opportunities for rural development in their respective countries, their areas of priorities and how the OECD Principles on Rural Policy can help with implementing policy. A lunch from private sector representatives potential policy responses for business to growth and contributing to rural well-being.

## Pre-Conference

The pre-conference provided an Asian perspective on the main topics of the conference: i) innovation and well-being, ii) demographic change and iii) energy transition. The pre-conference was divided in two themes:

- Theme 1 explored how rural areas can use new technologies and innovation to deliver quality rural services and improve the business environment in rural areas.
- Theme 2 discussed policies to promote inclusive growth and improve environmental management in rural areas.

### *Key outcomes of the Pre-conference*

There exists a diversity of experiences in Asian regions, influenced by geography, the level of development, government policies, and local cultures. However, a number of common objectives emerged around the idea of “rural revitalisation”:

- Investing in ICT as an enabling infrastructure for social innovation and improvements in agricultural productivity
- Supporting local participation and leadership to drive rural development strategies
- Identifying ways to integrate different sectors (agriculture, forestry, manufacturing, culture and amenities) to create new business and jobs (in areas such as agri-food and tourism)

### *Theme 1. Rural well-being and innovation*

Key takeaways:

- Two main innovative approaches for service delivery were:
  - Engaging with local people to find solutions for service delivery challenges.
  - Using technology and data to innovate and find new solutions (such as making big data publicly available to create social innovations)
- Policies need to support community-led initiatives in order to stimulate innovative public service delivery solutions. For example, integration of the on-demand bus and ferry services in Korean islands proved that solutions operated by the community (buses) led to high local resident satisfaction and helped mitigate some of the challenges (dialogue with taxi drivers).
- Many innovations in Korean rural areas stem from migrants or outsiders. Thus, governments need to have a facilitator role for migrant integration to help people work together
- Skills and capacity of local populations are the most pressing challenges for ramping up technology usage in rural areas. Furthermore, weak integration of outsider innovators or migrants can lead to local tensions.

## *Theme 2. Social inclusion and environmental management to enhance rural well-being*

### Key takeaways:

- Social inclusion requires developing participatory “bottom up” approaches to rural development. For example, local food movements in Korea have helped involve vulnerable and disadvantaged groups (e.g. women, people with a disability) in local projects.
- Ageing population is a serious problem in Korean rural areas. Local systems and players can complement national government projects. For example, social farming projects have included elderly and disabled people, offering new work opportunities for elderly populations.
- Rural-urban linkages provide solutions to strengthen the quality of service delivery in rural areas. In Korea, examples of education and training programmes co-organised with nearby cities have proven effective for rural dwellers.
- Policies should aim to develop an ecosystem of stakeholders within local communities (private and public sector, civil society and academia) in order to attain sustainable projects for rural revitalisation.
- Local co-operation and consensus-building provide the opportunity to link environmental protection with value creation (e.g. tourism).



## High-Level lunch



Ministers, Vice-ministers and high-level representatives from Canada, Chile, Colombia, Estonia, Greece, Italy, Korea, Japan, Thailand, United States and the EU shared, in a closed-door setting, the challenges and opportunities for rural development in their countries, their priorities for rural policy and the how OECD Principles on Rural Policy can help with the implementation agenda.

Common challenges on rural development included how to manage a just transition to climate change and make rural areas more attractive to address the challenge of a shrinking labour force. As a priority, most countries highlighted the importance of enhancing the quality of broadband in rural areas and improving co-ordination between local and national policies. Improving service delivery and promoting innovation in rural areas were also identified as important issues. Participants also recognised the OECD Principles on Rural Policy as a useful tool for governments to prioritise policies at the national level and guide policy implementation for rural development.

## Conference Opening

Jae-Ouk Lee, Vice-Minister of Agriculture, Food and Rural Affairs of Korea highlighted demographic change as one of the main challenges in Korean rural areas. A focus on attractiveness and rural well-being has been a main priority for a number of years. He emphasised that a whole of government approach to diversify rural economies and strengthening the link among industries is instrumental for sustainable rural communities.

Ulrik Vestergaard Knudsen, Deputy Secretary-General of the OECD noted that rural policy is shaping the future of 251 million people across OECD countries and that this future should focus on delivering rural well-being. He stressed that rural regions have suffered disproportionately from the effects



of the global financial crisis but also from a number of long standing structural transformations including:

- The shift of economic activities towards services has favoured densely populated areas – like cities – since their economies of agglomeration can transform services into higher productivity rates.
- As rural regions are more dependent on tradable goods and services, they have faced stronger competition from emerging economies.
- Rural regions are also facing severe demographic pressures, resulting from population decline and ageing. In half of OECD countries, remote regions are losing population and in one third of them regions close to a small or medium city are also losing population.
- Less diversified economies make rural areas more vulnerable to external shocks such as the global financial crisis.



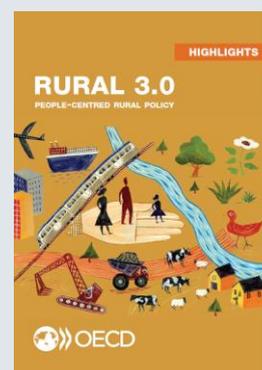
OECD analysis identifies overall three different types of rural area: i) inside a functional urban area, close to a city and remote places. Furthermore, there is a growing interdependency between rural areas and cities. While around 30% of population in the OECD lives outside metropolitan regions, only 8% live in remote regions with 22% of people living outside of, but close to cities. Mr Knudsen launched the *OECD Rural Policy 3.0: People Centred Rural Policies*. A people-centred framework for rural policy development that provides adapted policy responses for the ongoing challenges in rural areas.

### **Rural Policy 3.0: People-centred rural policy**

Rural areas make a vital contribution to the well-being and prosperity of OECD countries. They produce our food and raw materials, amenities and ecosystem services, and are sources of productivity growth and technological innovation.

However, rural areas have also borne much of the cost of structural transformations in recent decades. The re-orientation of OECD economies toward services has largely benefited cities. Rural industries have been exposed to increased competition from lower-wage countries, declines in trade, and disruptive technologies.

Population ageing has affected the quality and accessibility of public services. These trends have torn the social fabric of many rural



communities. Policy approaches based on subsidies and protection cannot turn back the clock and enable rural areas to address these challenges and opportunities.

The New Rural Paradigm of 2006 indicated a shift by OECD countries away from sectoral subsidies to a focus on the competitiveness of rural regions.

To unlock the growth potential of rural areas, and improve the well-being of rural dwellers, OECD countries should implement a people-centred approach to rural policy that:

- Considers economic, social and environmental objectives
- Recognises the diversity of challenges and opportunities across different types of rural areas.
- Prepares rural areas to embrace digital technologies.
- Lifts productivity and adds value to economic activities
- Supports adaptation to demographic change and high-quality public services.
- Facilitates the transition to a climate neutral economy.

This new vision for rural development is captured by the [OECD Rural Policy 3.0 Framework](#)

### ***Keynote speaker***

The keynote underlined that the rapid growth in Post WW2 has boosted income inequality and job displacement in Korea, affecting family formation and leading to rapid ageing. This accelerated growth has also led to a rapid urbanisation mainly concentrated in Seoul, while the rest of the country is largely losing population – driving a “rural decay”. To address these challenges in Korean rural areas, policymakers should improve the quality of life for the elderly (e.g. through social activities) and build stronger social linkages between urban and rural (facilitating the movement of young people).

He outlined that revitalising rural areas, especially in Korea, requires an economic plan for the elderly population and a greater policy focus on **quality of life** rather than only economic growth.



## Plenary session- OECD Principles on Rural Policy



Lamia Kamal-Chaoui, Director of the Centre for Entrepreneurship, SMEs, Regions and Cities of the OECD stressed that over 20 years OECD has helped modernise rural policy, supporting a shift in policy interventions from a focus on agriculture towards a diversity of economic sectors. She also referred to the OECD international standard on rural policies - the OECD Principles on Rural Policy - launched in 2019. The Principles were adopted by Ministers at the OECD Regional Development Ministerial Meeting in Athens in March 2019.

### The OECD Principles on Rural Policy

[The Principles on Rural Policy](#) were developed through a comprehensive review process with OECD Member countries and key stakeholders. They are targeted to: i) National ministries dealing with rural areas in OECD members and partner countries; ii) subnational governments and iii) stakeholders involved in or affected by rural policy (e.g. from civil society, the private sector, academia or financial institutions)

The 11 OECD Principles on Rural Policy address the following questions:

- What is the right scale for rural policy
- How do we develop a coherent strategy that coalesces objectives, funding and incentives across different sectors and across levels of government?
- How can we engage all the relevant stakeholders throughout the policy cycle?
- How can they be best implemented?



Mr. Jaeho Cho, Director General, Rural Policy Bureau, Ministry of Agriculture, Food and Rural Affairs, Korea, claimed that technology, transport and service delivery are essential for rural development. Furthermore, he stressed that technology diffusion and adaptation are key features and that governments have their role to play in this.

Ms. Foteini Arampatzi, Deputy Minister of Rural Development and Food, Greece, noted that their country strategy to enhance rural development focuses on competitiveness in tradable sectors in line with environmental protection and enhanced liveability. She highlighted that OECD Principles on Rural Policy are aligned with how Greece approaches rural development.

Mr. Pol.Lt.General Nadhapit Snidvongs, Vice Minister for Interior, Thailand, outlined that rural development is central for their national government agenda. He stated that structural transformations in the economy, climate change, have generated challenges in rural areas. He recommended a comprehensive plan with clear priorities should to be set up.

### Private sector meeting

Eleven rural SME's from South Korea, Scotland UK, Finland and the USA met to discuss to key issues and opportunities they faced in terms of both growth and contributing to rural well-being and to suggest potential policy responses.

#### **The main policy recommendations that emerged from this meeting are:**

- Develop a well-being measure of the amount of profits from large companies that is retained in the local community;
- Promote new interventions to encourage wealth creators in rural communities;
- Provide public support to address the high cost of connectivity for business in rural areas;
- Engage young people and creative industries to develop 'cool rural propositions' to encourage entrepreneurs in rural areas;
- Develop greater understanding of the traditional values of agriculture and how they contribute to rural well-being;
- Evaluate the development of rural economic zones to encourage investment in the right place;
- Analyse mechanisms of capital gains tax offset for people/businesses who investment in distressed communities;
- Invest in leadership development and creative gatherings;
- Improve communication channels between SME's and policy makers.

## Pillar 1 Innovation, technological change and well-being

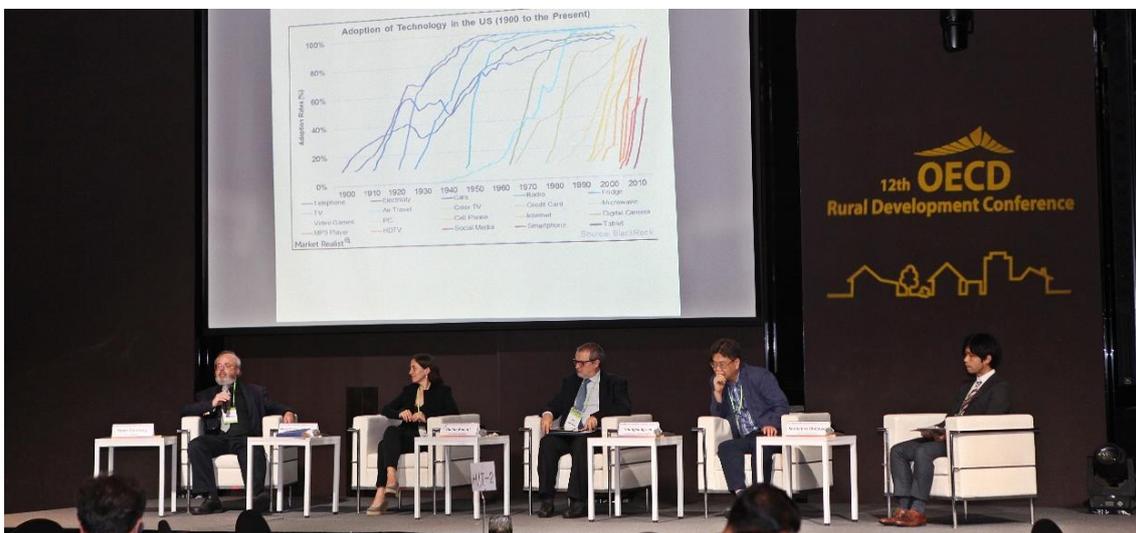
The vast majority of the land, water and other natural resources across OECD countries are located in rural regions. They have increasingly diversified economies ranging from industrial activities, services, natural resources and tourism. A whole new range of technologies have the potential to spur rural innovation - from digital technologies (e.g. 3D printing, Internet of Things, advanced robotics) to new materials (e.g. bio or nano-based) and new processes (e.g. data driven production, A.I., synthetic biology). These technologies have the potential to transform the production and distribution of goods and services, increase productivity, and shift the location of the production processes. They provide the scope to overcome some of the penalties of distance that are typically associated with rural economies, through enhanced communication and network infrastructures and build agglomeration economies where they have not typically existed. How can rural regions ensure that they have the right framework conditions in place to make the most of these shifts? From flexible and adaptive skills and training to digital infrastructure, a range of forward-looking actions are needed.

### Pillar 1.A: Technological change - How we live and work

- Moderator: Mr. Guido Bonati, CREA, Italy

Speakers:

- Mr. Peter Stenberg, USDA, United States
- Ms. María Emilia Undurraga, Ministry of Agriculture, Chile
- Mr. Young-Sung Lee, Seoul National University, Korea
- Mr. Kenichiro Onitsuka, Kyoto University, Japan



### Pillar 1. B: Rural innovation eco-systems and restructuring global value chains

- Moderator: Ms. Silvia Michelini, DG Agriculture and Rural Development, European Commission

Speakers:

- Mr. Frederic Wallet, AgroParisTech, France
- Mr. Nathan Ohle, The Rural Community Assistance Partnership, United States
- Ms. Adrienne Harrington, The Ludgate Hub- Cork, Ireland
- Mr. Tae-Yeon Kim, Dankook University, Korea
- Mr. Genaro Cruz, GSMA, United Kingdom



### *Main outcomes of Pillar 1*

The two parallel sessions of Pillar 1 discussed how to enhance rural well-being and jobs through innovation and new technologies. Main outcomes from these discussions are:

- Technology revolution can enhance quality of life in rural areas with much lower costs than in the past. In Chile, new technology is supporting digital hospitals, photovoltaic solutions for energy supply and more efficient irrigation systems. Digitalisation can also increase the sense of community. Evidence from Japan shows that online networks through social media can lead to stronger connections within the community.
- Building capacity upskilling and investing in ICT infrastructure in rural communities are instrumental policies to ensure access and use of public services through modern methods.
- Innovation strategies need to adapt to the rural context – current models of innovation offer limited possibilities in rural areas due to weak local connections with certain industries (agriculture), lack of diversified economic structure, weak entrepreneurship and low density.
- Key factors to promote innovation in rural areas:
  - Build scale and benefit from dense markets through better connections
  - Implement capacity-building
  - Make use of amenities to promote attractiveness/tourism
  - Link existing infrastructure with productive sectors
  - Deal with land-use conflicts

*“Collaboration among rural areas and with urban areas is essential to trigger rural innovation”*

Nathan Ohle, The Rural Community Assistance Partnership, United States

- The example of Ludgate Hub underlines that it is possible to trigger entrepreneurship and attract new business to rural areas. It set up a hub with high capacity broadband and then run training programs with older populations and through the local school, and set up an incubator for social enterprises.
- Governments need to have a positive, opportunity-driven vision of rural areas, and invest in ICT. While ICT coverage is almost universal in rural areas, quality is much lower than in urban areas. 5G networks are costly and need high upfront investments. The revenue for Telecom operators in rural areas is 1000 times less in rural areas than in urban areas.
- Some solutions to ensure 5G in rural areas include simplifying the rules of telecommunication projects (e.g. access to public infrastructure), promoting regulatory flexibility (e.g. unsolicited proposals), releasing sufficient spectrum and easing financial demands by bringing down costs (regulation/fees for spectrum)

*“Governments need to include rural coverage as a guiding principle when designing 5G policy frameworks for. It will determine private sector capacity to reach those areas”*

Genaro Cruz, GSMA, United Kingdom



## Pillar 2: Rural communities fit for all ages

Vibrant rural communities - places where people want to live, work, start businesses and retire - need to appeal to people of all ages. Population ageing is a widespread phenomenon across the OECD. It is anticipated that the senior population will increase sharply in the coming years; meanwhile, rural outmigration continues apace in many rural communities, particularly among youth. The dependency ratio for the OECD as a whole increased by almost 8 percentage points since 1980 and is anticipated to grow by another 25 percentage points by 2050. How can rural communities ensure that people can successfully age in place and at the same time ensure that they are attractive to young people and families?

Economic development is but one component to delivering quality of life for people of all ages. Of chief importance are core public services - access to quality healthcare and education - which form the lifeblood of any community. Demographic shifts are making it harder to provide these services in the usual ways. As such, many countries are experimenting with novel approaches including mobile services and e-services.

### Pillar 2.A: Age friendly rural communities

Moderator: Mr. Julian Pace, Scottish Enterprise, United Kingdom

Speakers:

- Ms. Rachel Franklin, Newcastle university, United Kingdom
- Mr. Roberto Pereira Grillo, Alentejo Region, Portugal
- Mr. Tom Jones, EESC, United Kingdom
- Mr. Toru Kumagai, Counsellor, MAFF, Japan



### Pillar 2. B: Attractiveness for youth and building talent

- Moderator: Ms. Sabrina Lucatelli, Vice-Chair Working Party for Rural Policy

Speakers:

- Ms. Ignacia Fernandez, RIMISP, Chile
- Ms. Jane Craigie, Rural Youth Project, Scotland, United Kingdom
- Ms. Bette Brand, Administrator, Rural Business Service, United States

- Mr. Chul-Kyoo Kim, Korea University, Korea
- Mr. Jean-Baptiste Baud, Familles rurales, France



### *Main outcomes of Pillar 2*

The two parallel sessions of Pillar 2 discussed how to improve the attractiveness of rural areas and increase well-being for both young and elderly populations. Main outcomes from these discussions are:

- Trends in demographic changes in rural areas are similar across the world: outmigration of youth, many leaving for high school. Young populations staying in rural areas tend to be more concerned about jobs and careers than their urban peers and face isolation in some cases.
- Governments need different policies to face these challenges. It includes supporting co-projects and co-business, building networks and linkages and providing special teaching and leadership to young rural populations. To be effective, those solutions need to be found inside the territories through dialogue. Rural areas often have the solutions but are missing the frameworks.
- Good quality public services encourage people to stay, improve well-being for elderly populations and facilitate a better integration for new residents. High-quality broadband is instrumental to support new jobs and enhance life standards for rural populations. For example, the Internet is also important for the elderly who are adopting social media to keep up family connections.

*“There are elderly populations with ideas and physical ability to reinvent themselves and integrate new economic opportunities. Old people have a vast knowledge to contribute in tourism or grand-parent duties”*

Tom Jones, EESC, United Kingdom

*“The search for a new lifestyle is a key factor of attraction for people that come back to rural areas without previous connections there”*

Chul-Kyoo Kim, Korea University, Korea

- The big motivator for attracting youth is jobs, quality of life and the cost of living. In Scotland, the main factor for people to stay in rural areas is being close to family.
- Rural areas are attractive and many people want to stay or return there from the city:
  - In France, 81% of rural people surveyed would like to stay in rural areas.
  - In Scotland, 72% of people surveyed are optimistic about the future in rural areas. Rural youth are more motivated by working in dynamic businesses than by income.
  - Korea is experiencing a movement back to the land. In 2014, around 80 000 people moved back from a city to a rural area. Initiatives such as Hongseong Youth Cooperative Farm have attracted young populations to rural communities. They invited high school students to experiment farming and test the lifestyle. They lease the land from local farmers and integrate with the local community by helping with local tasks that the community can no longer maintain itself.

*“Despite challenges on job opportunities and connectivity, a sentiment captured in our engagement with rural youngsters is that they are also optimistic about their future in the countryside”*

Jane Craigie, Rural Youth Project, Scotland, United Kingdom



### Pillar 3: A just transition to a low carbon economy for rural areas

Rural regions will play a crucial role in the transition to a climate-neutral economy because of their specialisation in resource-based industries. Climate change is already affecting these economic sectors (agriculture, forestry, fisheries, mining and energy) due to dislocation and costs associated with the increasing frequency and intensity of extreme weather.

Furthermore, measures to decarbonise the economy affect carbon-intensive rural industries (energy production and agriculture), rural households and firms disproportionately due to higher transport costs. Rural economies are less resilient than urban economies in responding to these structural adjustments because of their lesser economic diversity and lower levels of human capital. The socio-economic impacts of these trade, policy and technological induced adjustments can generate discontent and hamper building domestic and international consensus about climate change policies. Rural regions will also play a key role in the fight against climate change through carbon sinks and the provision of ecosystem services. However, this value is seldom monetised and forces rural communities to make trade-offs between the environment and development. There is a need to explore what a “just transition” means for rural regions to address the challenge of climate change and deliver future business and job opportunities.

#### Pillar 3. A: Climate adaptation and risk management

- Moderator: Mr. Chris McDonald, Policy Analyst, OECD

Speakers:

- Mr. Mikitaro Shobayashi, Gakushuin Women’s College University, Japan
- Ms. Dunja Kugovnik Mahne, RDA Green Karst Ltd, Slovenia
- Mr. Bill Erasmus, Indigenous Community YellowKnife, Canada
- Mr. Qing-Wen Min, Chinese Academy of Sciences, China



#### Pillar 3. B: Industrial transition and the circular economy

- Moderator: Mr. Heino von Meyer, Ecologic Institute, Germany

Speakers:

- Mr. Michael Kull, Nordregio, Sweden
- Mr. Kari Poikela, Cluster of Arctic Industry and Circular Economy, Finland
- Ms. Karen Cain, Latrobe Valley Authority, Australia
- Mr. Dong-Hwan AN, Seoul National University, Korea



### *Main outcomes of Pillar 3*

The two parallel sessions of Pillar 2 discussed the impact of climate change in rural areas, economic opportunities for rural areas associated with renewable energy, the circular and bio-economy and policies to ensure a just energy transition for rural areas (balancing out economic and environmental concerns). Main outcomes from these discussions are:

- During the energy transition process in rural areas, governments need to focus on people. These policies need to develop strategies based on what people could envision as an alternative. A key strategy is to implement a long-term policy perspective that strengthens networks among local stakeholders (private sector, schools, civil organisations) and external actors while enhancing local skills and leadership.

*“Energy transition to low carbon economy must be seen as an opportunity to create new jobs in rural areas. Local level strategies have proven to find solutions for this.”*

Heino von Meyer, Ecologic Institute, Germany

- For example, in La Trobe Valley, the State Government has responded to the closure of a coal mine. For this, they built a team of only local people that act on behalf of the community. The policy strategy has focused on creativity and making changes. They have followed an open government approach where anyone in the community can share the challenges and propose solutions. This policy is integrated with a smart specialisation strategy and close partnership with the University of Melbourne, among other actors.

- Promoting a circular economy strategy contributes to the sustainability of rural communities. The main role of governments in setting up a circular economy strategy is ensuring the balance between the local and national levels.

- Circular economy also unlocks benefits from rural-urban linkages. Most local projects can build linkages with other sectors and urban areas. Food development and tourism have great opportunities to be productive while supporting environmental protection. Urban tourism has an important role to play in this interaction.

*“Networks and interaction among people are the basis to support circular economy projects in rural areas”.*

Michael Kull, Nordregio, Sweden

- Simple strategies like eating locally contribute to reducing transport and CO<sub>2</sub>, while promoting community revitalisation, local market-oriented and diversified production
- Adaptation and mitigation strategies to climate change are local in nature, they are different among places. Therefore, policy should provide flexibility for rural communities to design adaptation policies. This policy needs to include sustainability as a horizontal goal. Furthermore, new technologies can enable governments to implement new policy solutions. For example, resource-based payments can be widely implemented if technology can help reduce transaction and administration costs for adaptation schemes.



## Ideas Factory

There is an ongoing debate on the role of the private sector beyond profit maximisation. Numerous initiatives are being undertaken with the aim to better link private sector objectives with the well-being of local communities. The Business for Inclusive Growth (B4IG) Platform, a global initiative managed by the OECD, recently grouped 34 leading multinationals to sign a pledge that outlines concrete actions to ensure that the benefits of economic growth are shared far more widely.

Global efforts to further involve the private sector in the development of local communities need to be channelled towards the rural areas most in need. Following the framework provided by the Sustainable Development Goals (SDGs), local governments need to work closely with civil society and the private sector to accelerate the pace in meeting this global agenda.

This interactive workshop aims to identify how the private sector, civil society and government can address the most pressing economic, environmental and social challenges in the three types of rural areas (i. close to a large metro, ii. close to a small metro and iii. remote).



Participants proposed concrete actions to improve economic, social and environmental matters for rural dwellers in the different types of areas. The outcomes of that discussion led to identify policy actions for each type of stakeholder in each type of rural area. Some of the main outcomes are:

### *Social Areas:*

#### *Challenges:*

- **Rural areas close to metropolitan area:** A high relative price in housing and services. Travel time to access to services and work is higher than in the city

- **Rural areas close to a small and medium size city:** Limited quality and range of services
- **Remote rural area:** Limited physical and virtual connectivity, reduced professional opportunities.

*Actions to address challenges*

	Private sector	Government	Civil society
Rural areas close to metropolitan area	-Allow teleworking  -Flexible working hours for people living outside of the city.	-Decrease transport costs  -Community centre house buildings. Building with integrated services in urban or rural are	-Promote community childcare in rural areas  - Embrace car sharing
Rural areas close to a small and medium size city	-Staff training  -Family inclusion in the workplace (family days, work base facilities)	-Decentralise services	-Provide opportunities for both youth and the elderly to participate in economy (childcare)
Rural remote areas	-Allow teleworking  -Provide services at workplace	-Delivery digital connection  -Isolation mitigation services	-Community care to address isolation  -Promote on-line purchasing

***Economic Areas***

*Challenges:*

- **Rural areas close to metropolitan area:** Transportation
- **Rural areas close to a small and medium size city:** Work opportunities
- **Remote rural area:** Lack of access to public services. Some opportunities are community activity, affordable housing

*Actions to address challenges.*

	Private sector	Government	Civil society
Rural areas close to metropolitan area	-Co-investment in transport infrastructure	-High speed transportation system  -Provide economic incentives for car pooling	-Organise and request shared public transportation solutions
Rural areas close to a small and medium size city	-Allow flexible working time	-Government procurement policies of buying local  -Allow autonomy to conduct policies adjusted to local communities.	-Provision of social enterprises

Rural remote areas	-Provide technological solutions to integrate skills from remote areas.	-Invest in broadband of high quality.	-Delivering community hubs to gather people to work together
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## *Environmental Areas*

### *Challenges*

- **Rural areas close to metropolitan area:** Infrastructure deficit- long commute increases footprint, pollution from city or industries that re-locate.
- **Rural areas close to a small and medium size city:** Lack of access to main services and distance to main city
- **Remote rural area:** Lack of access to basic services.

### *Actions to address challenges*

	Private sector	Government	Civil society
Rural areas close to metropolitan area	-New models of working (teleworking)	-Promote Public-private partnerships to provide solutions for infrastructure and housing.	-Support community centres to work together
Rural areas close to a small and medium size city	-Promote circular economy inside existent tasks	-Support to buy local and reduce long transport of goods.  -Gather services in a same place improves efficiency of energy consumption and reduces transport cost.	-Awareness of benefits from buying local and consume services locally.
Rural remote areas	-Invest in CO <sub>2</sub> bonds to preserve ecosystems  -Embrace circular economy strategies to reduce waste.	-Tax incentives for business to locate in remote rural areas  -Promote interconnections of economic sectors with environment.  -Promote collaboration among different municipalities (e.g. municipalities in country borders) to preserve the ecosystem	-Support collaboration with other municipalities for environmental protection.  -Embrace circular economy strategies to reduce waste

## Closing Ceremony

Mart Järvik, the Minister for Rural Affairs of Estonia noted that Estonia is one of the most sparsely-populated countries in the world, which imposes a number of challenges on how to create equal opportunities and ensure harmonious development. He stated that modern technology offers several opportunities for this. Estonia is the home of the European Union's IT agency and has developed an e-state that makes all the digital services easily accessible to everybody and established digital field book solutions, which help farmers make well-informed and economically advantageous decisions.



Peter Wostner, Chair of the OECD Working Party on Rural Policy outlined that rural are not only small areas that focus on agriculture but also places where large manufacturing companies are located. Governments need to broaden the sense of rural-related to agriculture towards places that create jobs and income for national economies. To thrive, rural areas need to specialise, thus governments in rural areas, unlike in cities, face the challenge of having to take more risk in economic decisions. Mr Wostner concludes by highlighting that technology could be a game-changer for rural economies and well-being. For this, governments need to start investing now on the enabling factors to embrace the technological changes that make rural areas fit for the future.

Jindo Park, Chairman of Presidential Committee on Agriculture, Fishery and Rural Policies outlined the value of the conference in showing that many countries are facing similar challenges in rural areas. Investment in services and infrastructure is essential to increase attractiveness of rural areas and pull in new populations and businesses from the cities. Public services in rural areas need to take into account the needs of an ageing population while adapting to new requirements of young generations.



Ulrik Vestergaard Knudsen, Deputy Secretary-General of OECD closed the conference by emphasising the timely moment for having a renewed policy for rural development. He outlined that the conference has been a useful platform for different interested stakeholders to come together and discuss how to make that new vision happen. The three pillars of the conference provide a framework that covers the common issues and opportunities for rural areas of OECD countries.

## Field Trip

The field trip to Wanjuu municipality (Jeonbuk Province) underlined the power of cooperation among citizens to solve challenges in rural areas and attain economic sustainability. Participants visited Wanju Social Good's Centre, an association of citizens that provides social services (e.g elderly care) and food processing solutions for farmers (packaging, marketing etc.). Then, they visited the Happy Station, a scheme that directly connects farmers and consumers through a social supermarket/restaurant, and the Dogye Village where elderly farmers work together to produce tofu and kimchi that is delivered to main cities. The visit to Wanju Hanok Village showed the importance of tourism for rural areas and highlighted that rural areas can offer high levels of well-being for residents.

## Network activities and Field Trip





Ministry of Agriculture,  
Food and Rural Affairs