

Publications of the Ministry of Employment and the Economy Regional development 47/2012



## Rural Policy Operational Programme 2012–2015

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Rural Policy Operational Programme 2012–2015

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The Ministry of Employment and the Economy approved the Rural Policy Operational Programme for the period 2012–2015 on 26 June 2012. The Government's ministerial working group on public administration and regional development advocated approval of the programme on 20 June 2012. The Rural Policy Operational Programme is a guidance instrument in line with the Government's regional development targets, which specifies in more concrete terms the national regional development targets set by the Government for the period 2011–2015 on 15 December 2011.

The starting point of the operational programme is that the Finnish countryside is recognised as a source of welfare and future competitiveness. The programme proposes concrete measures to promote the capability for continuous renewal and the utilisation of the full potential of rural areas. It provides tools for identifying the special features of rural areas as sources of greater vitality and competitiveness from the perspective of both services and the infrastructure. The programme includes a total of 39 measures.

The target policies of the operational programme and the measures promoting their implementation are divided into four entities:

- 1. Strengthening rural areas as versatile environments for living and economic activities
- 2. Promoting regional competitiveness in rural areas
- 3. Recognising the special features of sparsely populated rural areas
- 4. Strengthening the conditions for rural and regional development

The Rural Policy Operational Programme was prepared during the winter and spring 2012, by the Rural Policy Committee in cooperation with ministries and the regions. The Rural Policy Committee will monitor the implementation of the operational programme and submit a report on its implementation to the Government's ministerial working group on public administration and regional development at regular intervals.

The publication is also available in Finnish and Swedish.

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#### Foreword

#### Dear Reader,

The Finnish countryside is a major resource for the whole of society. It offers multiple possibilities for the creation of livelihoods and wellbeing. In order to leverage the countryside's resources, we need a rural Finland that retains its vitality in the future. It must offer a range of opportunities for work and business activities, and be a place where people live well and prosper, characterised by sustainable development in ecological, social, economic and cultural terms.

In making the transition to a greener economy and society based on renewable natural resources and resource efficiency, Finland needs a vital countryside. Finland has considerable natural resources, both material and immaterial. These are fundamental to our country's competitiveness and its development. Our countryside is home to our under-utilised, widely distributed and locally based natural resource capital. Within our economy and society, moving to a green economy will enhance the importance of the countryside, its resources and sources of livelihood.

Demand for the space and peace offered by the countryside is growing, as a counterbalance to the accelerating pace of life. The countryside provides a desirable living environment for both permanent and part-time residents. Residence in the countryside requires a favourable land use policy, the organisation of services based on local solutions, and functional infrastructure and telecommunications. The basis of social capital in the countryside lies in a sense of community and the spontaneous development activity that springs from such a sense.

The government's national rural policy lines are set out in the National Rural Policy Operational Programme for the years 2012–2015, accepted by the Ministry of Employment and the Economy on 26 June 2012. The Ministerial Working Group on Public Administration and Regional Development recommended the approval of the operational programme on 20 June 2012. The creation of the operational programme is based on the Government decision, of 15 December 2011, on national regional development targets for 2011–2015, which are further specified and made tangible by the programme. The programme covers the whole of Finland's countryside.

The objective of the National Rural Policy Operational Programme is to promote the renewal of the countryside and the possibilities of fully leveraging its potential, as well as enhancing the conditions and operating environment of rural residents and industries. The programme will provide tools for taking better account of the special features of rural areas as sources of livelihood and competitiveness, in terms of both services and infrastructure.

The Rural Policy Committee, the ministries, ELY-centres, Regional Councils, municipalities, research and educational units, as well as various organisations

and companies, are responsible for the practical execution of the programme, based on funding from the state, the EU, municipalities and the private sector. Funding is determined by the state in its annual budget process. The Rural Policy Committee submits regular reports, on the implementation of the operational programme, to the Ministerial Working Group on Public Administration and Regional Development.

I look forward to witnessing the enthusiasm and commitment with which the programme, and the success and wellbeing of rural Finland, will be realised!

Helsinki, 27 September 2012

JYRI HÄKÄMIES Minister of Economic Affairs

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### Summary

The Rural Policy Operational Programme is a guidance instrument in line with the Government's regional development targets, which specifies the national regional development targets for 2011–2015 in more concrete terms. The starting point of the operational programme is recognition of the Finnish countryside as a source of welfare and future competitiveness. The programme proposes concrete measures to promote rural areas' capability for continuous renewal and the utilisation of their full potential, which is very important in the current economic situation. It provides tools for identifying the special features of rural areas as sources of greater vitality and competitiveness from the perspective both of services and the infrastructure.

The target policies of the operational programme and measures promoting their implementation are divided into four entities:

- 1. Strengthening rural areas as versatile environments for living and economic activities
- 2. Promoting regional competitiveness in rural areas
- 3. Recognising the special features of sparsely populated rural areas
- 4. Strengthening the conditions for rural and regional development

There are a total of 39 measures, which are all important to achieving the rural policy targets. Key measures, which are specified in more detail in the sections below, consist of the following entities:

- National outlines will be drawn up on land use enabling rural development. Land-use planning and building permit procedures and regional planning will be steered and developed to support the potential of various rural areas to promote citizens' well-being, business activities based on rural resources, and sustainable development. Ministry of the Environment, Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Regional Councils, Association of Finnish Local and Regional Authorities, Village Action Association of Finland, Finnish Local Heritage Federation, Theme Group on Rural Housing
- 2. Well-functioning data connections covering the whole of Finland will be ensured, to meet the needs of the modern and future information society in accordance with the decision-in-principle made by the Government on the development of broadband connections. Ministry of Finance, Ministry of Transport and Communications, Ministry of Agriculture and Forestry, municipalities, Regional Councils
- 3. Services for rural residents will be planned and produced on a customeroriented and cross-sectoral basis based on local conditions, and account

- will be taken of the special circumstances of rural areas in reforms within municipalities and service structures and in the preparation of decisions by the state administration. Ministry of Social Affairs and Health, Ministry of Finance, municipalities
- 4. Sustainable business activities based on renewable natural resources and business activities based on decentralised solutions, utilising the strengths of rural areas, will be promoted, as will decentralised energy production based on renewable energy sources and the development of related business concepts. Ministry of Employment and the Economy, Ministry of the Environment, Ministry of Agriculture and Forestry, regions
- 5. The establishment, integration and employment of immigrants in rural areas will be promoted. More detailed national and regional targets will be set relating to employment-based immigration and the long- and medium-term educational needs of immigrants. Ministry of Employment and the Economy, Ministry of the Interior, ELY Centres, municipalities
- 6. Social ways of providing services and improving the conditions for companies that take account of the special challenges faced by sparsely populated rural areas will be examined and introduced. Ministry of Finance, Ministry of Employment and the Economy
- 7. Local partnerships based on communities and the use of resources from multiple funds will be developed. Local Development Theme Group, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Agency for Rural Affairs (Mavi), ELY Centres, Regional Councils, urban actors, LEADER Action Groups
- 8. Rural proofing will be included as part of reports on municipal mergers and municipal merger agreements, and the preparation of co-operation areas. Ministry of Finance, Rural Policy Committee, municipalities, Association of Finnish Local and Regional Authorities
- 9. The operating model of the Rural Policy Committee will be confirmed and included in the Regional Development Act in the context of its reform in 2012. Rural policy and its structures will be developed as a whole implemented through national instruments and instruments co-financed by the EU. Links between rural, urban and island policy and regional policy will be intensified at national and regional level. Urban and Rural Policy Committees, Island Committee, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Ministry of Finance, Ministry of Social Affairs and Health, Ministry of Education and Culture, Ministry of Transport and Communications, Ministry of the Environment, Regional Councils, ELY Centres

### 1 The basis for the Rural Policy Operational Programme

#### 1.1 Introduction

The Rural Policy Operational Programme prepared during spring 2012 is a guidance instrument in line with the Government's regional development targets. Regional development targets set by the decision on targets are summarised in the form of three general policy guidelines:

- 1. Strengthening the competitiveness and vitality of the regions
- 2. Promoting the welfare of the population
- 3. Securing a good living environment and a sustainable regional structure

In addition to this, addressing sudden structural changes, strengthening the metropolitan area's competitiveness, securing the operational preconditions for large urban regions, developing sparsely populated areas, developing Eastern and Northern Finland and taking advantage of the Northern Dimension are highlighted in the decision on targets as special issues. Developing sparsely populated areas is also a focal point of the Rural Policy Operational Programme.

The starting point of the operational programme is that the Finnish countryside is recognised as a source of welfare and future competitiveness. Finland needs viable rural areas in its development towards a sustainable and green economy. The programme proposes concrete measures to promote rural areas' capability for continuous renewal and the utilisation of their full potential. It provides tools for identifying the special features of rural areas as sources of greater vitality and competitiveness, from the perspective both of services and the infrastructure.

One of the main points of the operational programme is to prepare for a transition towards a greener economy and society based on renewable natural resources and resource efficiency. Finland has large reserves of natural resources, in the form of both tangible and intangible resources. Located in the countryside, Finland's under-exploited natural resources capital is dispersed and dependent on location. The transition to a green economy will increase the importance of the countryside, and its resources and industries, within society and the economy. The change requires strengthening of the position of rural policy as part of regional policy and strengthening of regional policy as part of social policy.

The operational programme begins with a concise review of the state of the Finnish countryside in 2012 with respect to land use, population, services and infrastructure, employment, industries and innovation as well as reforms to rural policy. This review is based on the most recent research and statistics – on facts

that can be verified. They do not describe the target state, but the situation that the measures are intended to influence. The review highlights the special features of the Finnish countryside and development trends that most need addressing through regional policy measures. Target policies and proposed measures are then compiled around the central themes.

The target policies and measures for implementing them seek to bring the countryside from its present state into the following target state:

The countryside is a diverse and valued element in Finnish society. The versatile resources and special features of the countryside are being put to good use in the green economy, as a source of Finnish competitiveness and welfare and the foundation for sustainable development. The countryside is a good living environment, where everyday life runs smoothly.

#### 1.2 Topical: The Finnish countryside in 2012

#### Land use

From a global perspective, humankind is becoming urbanised, mainly due to population migration in developing countries. In developed countries, however, well-being is also sought by moving from densely populated to more sparsely populated areas.

Finland stands out from the rest of Europe, primarily as a sparsely populated country with only a narrow zone of urban areas in the southern part of the country. The capital region is the only area of Finland placed in the most urban category under EuroStat's or the OECD's urban-rural typology. In addition to its low population density, Finland is characterised by a high percentage of rural areas compared to other European countries and long distances between smaller than average towns. Compared to many other countries with a low average population density, Finland is exceptional in that almost the entire country is populated. Forests account for 75 per cent of Finland's total land area.

In regional development, greater account should be taken of the fact that people's everyday lives often have an increasingly complex structure, consisting of living and activities in several localities, for example. At the same time, as permanent settlement has concentrated over several decades, the population density of population centres has decreased and the urban structure<sup>2</sup> has become dispersed.

In Finland, urban areas and rural areas close to urban areas have a net migration gain, but for different reasons. In urban areas, population growth is primarily

<sup>1</sup> Forest = forest land + forest land of low productivity

<sup>2</sup> Urban structure refers to the physical and functional whole consisting of areas for housing, working, services and recreation and of systems of transport and utility networks connecting them. Land use here refers both to the placement of various activities (housing, traffic, agriculture, forestry, recreation, etc.) in a larger whole, for example, at national level, and to more detailed land use planning in various planned areas, for example.

attributable to increased immigration and growth in the number of births, and only to a lesser extent to net migration between municipalities. However, population growth has been proportionally strongest in rural areas close to urban areas, where the reasons for growth include a high birth rate and migration between municipalities, and to a slightly lesser extent immigration. Immigrants also move to rural heartland areas and sparsely populated rural areas. Immigration to these areas is particularly high if the locality has an accommodation centre or extensive glass house cultivations, or if it is located close to the eastern border.

In sparsely populated rural areas and heartland rural areas the population is shrinking, but more slowly than a decade ago. Contrary to what is generally assumed, the decline is not primarily due to internal migration, but to the fact that more people die than are born in these areas. This results in areas with a lower population density, rather than completely emptied rural areas. From the regional policy perspective, these are two distinct issues: in emptied areas, services can be terminated, whereas in areas with a lower population density, new ways of providing services must be found, for example. During the last 30 years, the total number of permanently inhabited square kilometre grid cells has decreased by only a few per cent, despite the population decline in net migration loss areas.

In Finland, permanent settlement has concentrated, but the inhabited area has also expanded over the last 30 years. If square kilometre grid cells with leisure residences are included in the inhabited area, the amount of inhabited area has increased by more than ten per cent since 1980. This means that people are seeking to live in open spaces either permanently or part-time, and sparsely populated areas are a significant source of well-being. The Rural Finland barometer (2011) developed by MTT Agrifood Research Finland, for the Landmarks Programme carried out by the Finnish Innovation Fund Sitra, showed that most Finns – across political party lines – oppose making settlements denser or more integrated. Rural areas are expected to gain more importance in the future, both as areas for business and as environments for permanent or leisure residences. Both of these require a well-functioning infrastructure.

When comparing the economic performance of the Finnish countryside to that of the rest of Europe, it can be seen that the main rule of European regional development does not apply to Finland. According to this rule, a good economic performance is strongly linked to high accessibility and concentration of population in population centres. Despite the rural nature of the country and poor accessibility, most Finns live in areas with a higher than average performance or in growing areas. (Noguera & Morcillo 2011, 67.) This demonstrates that the Finnish countryside has so far had both the understanding and structures and practices in place with respect to the economy, administration and civic society, to enable good economic performance. Finns have understood how to live in this expansive country.

Mainstream thinking in regional development, especially in the EU but also nationally, starts from the idea that cities are the primary engines of regional development. However, the activity of urban centres cannot be high enough in all regions to drive the development of the entire region. This is the case in Eastern Finland, for example, where towns are small and too far apart from each other, with extensive rural areas between. That is why Finland must also consider other development solutions. Development of such areas is based on the potential of independent rural areas and taking the appropriate approach. Practical regional policy must be carried out from the rural areas' own perspective and be based on knowledge of their special characteristics. Options include decentralised energy production, a decentralised natural-resource economy and residence in several localities.

The applicability of centralisation and decentralisation to different solutions should be examined neutrally – neither is optimal in all situations. For example, research conducted in the ESPON programme does not support the idea that public sector structures and operating models in (urban) areas, such as municipalities that cover the entire labour-market area, would promote development in the area. According to the results, economic development in urban areas can be promoted through highly diverse systems, but the outcome greatly depends on factors other than the administrative structure of the commuting area.

In light of statistics, Finns primarily use rural areas as places for living. Residence can be permanent or part-time; in an increasing number of cases people have more than one home. Rural areas are also important as a place of employment and business. Both living and industries are changing in the countryside, creating the requirement for a clear policy on land use. Land use in rural areas must be consistent and the practices promoted must be up-to-date, enabling the promotion of new technologies and solutions that take account of the special features of rural areas, and that are distinct to those applied in population centres. In order to ensure equal treatment of citizens, official policies on land use in rural areas must be uniform throughout the country.

Sparse housing is perceived as an important source of well-being in Finland. Space is not a scarce commodity in Finland, unless it is turned into one by preventing sparse housing. Strengthening a natural-resource economy requires that people are able to establish their businesses in the countryside, and that there are people in the countryside who can become engaged in such business activities. At present, living and establishing a business in rural areas is facilitated through land use planning only occasionally and inadequately. Terms are laid down for construction in rural areas that force builders to behave non-innovatively and primitively with respect to technical functionality. For example, centralised networks are required for energy, water and wastewater systems, even in cases where the builder could and would invest in a decentralised, ecologically more advanced solution.

The Finnish countryside could serve as an internationally important 'living laboratory' for ecologically decentralised housing. This could be implemented without giving up the things that are unique to Finland: the countryside as a safe

operating environment supporting an active life and promoting social cohesion. This requires consistent development of land use and land use planning, construction and services in cooperation with people living (permanently or part-time) and working in rural areas. The new EU programming period starting in 2014 can be used for this purpose. Development work on decentralised ecological rural housing and construction will boost both citizens' well-being and companies and industries. According to a recent study (Heinonen 2012), rural housing produces less greenhouse gas emissions than urban housing in Finland. This is explained by prosperity and the related consumption. The more prosperous you are, the more you consume, and at present the population living in urban areas is more prosperous on average than that of rural areas.

Policies on land use in rural areas should also enable maintenance of the capacity for renewal of housing solutions and industries, utilisation of full potential, consideration of environmental and nature protection aspects, and respect for the regional and cultural characteristics of rural areas. Remote rural areas require solutions that differ from those applied in the rest of Finland, for example in the nationwide reform of local government structures and when changes are made to the infrastructure and service structures. When examining the special features of sparsely populated rural areas with respect to defining land use policies, issues related to services, housing, business activities and democratic civic activity should be analysed separately.

#### Age and gender structure

Although Finland's population continues to grow, the size of the working-age population (18–64-year-olds) is declining slightly, and the retired population will grow strongly in the coming years. The size of the working-age population will decline despite the immigration net gain. (Myrskylä 2012). However, the size of the labour force, i.e. the number of people available on the labour market, may grow, since work performed by the elderly has increased. On the other hand, the development of the dependency ratio seems as challenging as at the beginning of the 2000s.

The proportion of over-75-year-olds will grow rapidly in all types of municipalities after 2020. In the capital region, the proportion of the working-age population will decline slightly less than in other areas, thanks to immigration, but the number of over-75-year-olds will grow even more than in rural areas. When making preparations for the ageing of the population, with respect to various systems and changes it should be borne in mind that Finland is among the first nations in Europe and the world to age. The baby boom age groups will cause a peak for a couple of decades, which will even out when smaller age groups reach retirement age.

The demographic dependency ratio, i.e. the ratio of dependents to the workingage population, is highest in sparsely populated rural areas and rural heartland areas, which is affecting demand for services. In rural areas close to urban areas, the numbers of children, working-age people and the elderly are growing. This situation poses not only challenges, but also opportunities for business, and differs from the situation in rural heartland and sparsely populated rural areas, where services and infrastructure require different solutions to secure the welfare services included in the fundamental rights of the population.

The ageing population has an increasingly higher income level, is in increasingly better condition, and has significant competence and experience. The effects of the ageing peak will greatly depend on how flexible working life, the living environment and services can become, and how well they can take account of the effects related to ageing of the population. Many who have reached retirement age remain active even for decades, but on their own terms.

The economic dependency ratio records the numbers of persons unemployed or outside the labour force in relation to the number in employment in any given area. This figure is lowest in urban areas and rural areas close to urban areas, and highest in sparsely populated rural areas. The economic dependency ratio is weakest in North Karelia and Kainuu. In Lapland, the demographic dependency ratio is good, but the economic dependency ratio is weaker. Sparsely populated rural areas are located so far from population centres that the employment rate cannot improved there by commuting – these areas need new jobs. This will become possible as the natural-resource economy grows and the use of rural areas changes.

In addition to the demographic and economic dependency ratios, the gender structure affects the potential of areas. Slightly fewer women than men live in rural municipalities, while in urban areas the situation is the opposite. In certain sparsely populated areas, there are only 6-7 women for every 10 men. This distorted population structure reduces the vitality of the area in question.

More women than men still move away from the countryside, but slightly more women than men also move to the countryside. As women in Finland – as in most developed countries – tend to be better educated than men, lack of women in an area is problematic, in many respects, from the perspective of the area's development. People move to the countryside primarily for more living space, but in an increasing number also to do so in search of a working environment that feeds creativity and an ecological lifestyle. Moving to the countryside is impeded by poor data connections and weak public willingness to improve them. Women often have qualifications and expectations with respect to work relating to the service sector. New nature-based material innovations, such as ecological forms of energy, are creating interesting jobs in the countryside for both men and women.

Unemployment is more common among men than women. In 2011, the average unemployment rate was 7.8 per cent, in 2010, it was 8.4 per cent. The unemployment rate among men stood at 8.4 per cent and among women at 7.1 per cent. (Statistics Finland). The type of area has hardly any effect on the unemployment rate among men, whereas it is slightly more difficult for women to find employment in rural areas than in urban areas. In Finland, gender segregation in working life is still very clear, and in many cases, traditional career choices made on the basis of gender

do not correspond to the need for labour in the region. Women have had a long tradition of entrepreneurship in agriculture. As late as 1990, almost 45 per cent of female entrepreneurs were engaged in primary production. The structural change in agriculture has rapidly reduced the total number of female entrepreneurs since the 1990s. However, growth in female entrepreneurship in the service sector and other industries began to gradually compensate for the loss of female entrepreneurs in agriculture. In recent years, female entrepreneurs have accounted for approximately one third of all entrepreneurs in Finland. (Entrepreneurship Review 2011). Female entrepreneurship usually follows a traditional gender-based choice pattern, and women's enterprises are often micro-companies. Measures are needed to extend women's competence and job opportunities in new industries, and to take account of the special features of female entrepreneurship in the promotion of business activities and business competence, for example. New industries, companies and jobs to be created in the natural resources industry will provide an opportunity to rethink gender segregation and put new ideas into practice. The growing care sector and need for other services, as well as the green economy and cleantech, can provide men and women with new opportunities for entrepreneurship and non-traditional employment.

#### Services and infrastructure in rural areas

Rural areas are defined as a space for living and activities performed in everyday life. Essential services and infrastructure are a prerequisite for the smooth running of everyday life in all areas. Research (Moilanen & Vihinen (eds.) 2012) has shown that social and health services, as well as education and training services, are considered key services for society. In addition, transport and infrastructure services are among the most important services. Key infrastructure services include public roads, water supply (including wastewater management), waste management, as well as data and telecommunications services. According to a survey performed in 2010, the amount and accessibility of services can be considered reasonable, with slightly more than 50 per cent of all respondents feeling that, within their home locality, they obtained the services they needed quickly and easily. However, there are great regional differences in the availability of services. The aim of the administration customer service development project launched at the beginning of 2012 is to provide the prerequisites required for making public administration services available throughout the country. The long-term objective is to ensure that customers have access to public administration services on a 'one-stop-shop' basis as an online service, telephone service or physical service.

Municipalities mainly provide health care services in their population centres. In the 2000s, several regional processes were initiated in social and health services, in order to pool the provision of and responsibility for services in larger units, especially in the area of specialised medical care.

With respect to security services, the situation is weaker in Northern Finland, Lapland and Kainuu than in the rest of the country. Reaction times by authorities are too long in relation to needs, and the network of service providers is so thin that adequate service provision is always at risk. At present, deficiencies in security services are creating serious dangerous situations for people, as it may take more than an hour for rescue or police authorities to arrive. In tourism areas, the need for security services and infrastructure is greater than calculated on the basis of the population base. People living at a long distance from population centres also suffer from a lack of pharmacy services.

In the private sector, the termination of service provision has been most drastically visible in the network of grocery stores. Likewise, the number of bank branches has decreased significantly since the 1990s, and services have been increasingly developed towards online services independent of time and place. A number of municipalities only have one bank branch remaining. The number of cash dispensers has also decreased. The tendency has been to offer most services as online services instead of services provided from a physical office. One of the most successful providers of online services has been the Tax Administration.

To secure its network of public services, since 1993 Finland has sought to create a network of Citizen's Offices. However, Citizen's Offices have been unable to replace the services provided by the withdrawn authorities as well as expected. According to a survey carried out in 2010, citizens consider the operations of Citizen's Offices unclear and their range of services inadequate. The tasks of Citizen's Offices are usually very limited: they accept applications and dispense documents and advice.

From the perspective of the authorities, the deficiencies of citizen services arise from the fact that they are based on contracts. The capacity of local actors to conclude contracts varies from case to case, and it is difficult to achieve a comprehensive and rational network of services. This is why there is so much variation in the range of services.

The Government Programme sets the objective that a comprehensive network of Citizen's Offices be created throughout the country at local government level, while services that need to be constantly available from such offices be specified and the possibility to make municipalities the authority responsible for Citizen's Offices be reviewed. In order to implement this, the Ministry of Finance initiated a public administration customer service development project (Customer Service 2014) in January 2012, for which the final proposals are due by the end of May 2012. From the perspective of regions and municipalities, the solution is difficult, particularly due to challenges related to the funding of such activities. If the government wants Citizen's Offices to become more common, it must also be prepared to provide resources for maintaining their activities. Municipalities alone cannot be expected to take responsibility for the maintenance of service points that also offer the services of central government units.

In areas where there are only a few service providers, civic society and the private sector can, in addition to the public sector, also develop their operations into a service point for citizen services. For example, developing village shops into centres

providing local services is a viable option. In this context, it must be possible to reassess whether legislation, which allows the sale of certain products or services only by certain actors, is appropriate and up-to-date.

The long distances, sparse housing, tightened budgets of municipalities and the poor financial standing of many inhabitants, present major challenges to the provision of services in rural areas. There are already areas and types of services in Finland with respect to which public services are inadequate, and where the prerequisites do not exist for profitable service production by companies (Pihlaja 2010a, 89). Market-based production of services in rural areas is restricted by the poor financial standing of inhabitants, among other things. The need for services does not match supply.

Municipal reforms and reforms to the service structure were initiated in 2005, in order to secure a stronger municipality structure and the availability of high-quality public services throughout the country. This implementation included municipal mergers and increased cooperation between municipalities in service provision. Prime Minister Jyrki Katainen's Government initiated a municipal reform of its own in 2011. With respect to structural reforms, a critical question for rural areas is how the reforms affect democracy, the regional structure of service provision and the accessibility of services by various population groups.

When the rural network of services becomes thinner, the distance between services and customers increases. In addition to online services, well-functioning transport connections are required to rectify the situation. Public transport services have, however, reduced significantly in rural areas. There are hardly any alternatives to private cars, especially in the most remote areas. At best, public transport only serves senior citizens and school children in rural areas. In many rural municipalities, there are no internal commuting services or services that enable people to make trips to the municipal centre to carry out business (Ministry of Transport and Communications 2002). Public transport in rural areas consists of line operation based on ticket income, and supplementary services procured by the public sector in the case of basic services that cannot be maintained with revenue from customers. It is noteworthy that, although funding for public transport services has increased, the supply of public transport services has decreased. (Ministry of Transport and Communications.)

Infrastructure in rural areas varies regionally, but in general, infrastructure services are poorer in relation to the related needs in sparsely populated areas, than in population centres and municipal centres. Rural heartland areas and sparsely populated rural areas have plenty of road infrastructure with a relatively low utilisation rate. Despite lower use, the need for road maintenance has not reduced; these roads are important to residents and the rural economy, as well as those present in the area for recreational purposes. The centralised electricity network has been allowed to degrade and carrying out repairs has become increasingly difficult, especially after storms or other disturbances caused by natural phenomena. Tens

of thousands of people suffer from power cuts, sometimes even for weeks. Different ways of securing electricity supply should be introduced as soon as possible; this would also provide a prime opportunity to assess the functioning of various solutions – centralised and decentralised – for electricity production in different areas.

It has been suggested that distant services could be replaced with increased provision of online services. A project to promote broadband access is in progress. The objective is that by 2015 nearly all permanent residences (99% of the population) and permanent locations of companies and public administration organisations will be a maximum of two kilometres from an optical fibre or cable network enabling a 100 Mbit/s connection. The intention is that telecommunications operators construct fast connections for population centres on market terms. In this way, 95% coverage of the population would be achieved. The remaining 4% comprises 130,000 households in sparsely populated areas, for which fast connections would be constructed through partial public funding. (Ministry of Transport and Communications 2011.) However, the project has not progressed as expected. Many regions are of the opinion that the national objective will not be met by 2015. (Kuntalehti 2011.) Inadequate data connections and weak willingness to provide them are a reason for the significant underachievement of Finnish society and the Finnish economy.

Alongside setting up Citizen's Offices and developing online services, contractualisation and local services should still be promoted in rural areas.

A study on the availability of services provided in municipalities that had merged showed that less than one sixth of respondents considered the quality of public services to have improved. In many newly merged municipalities, operations are centralised by systematically discontinuing and reducing service provision, especially in peripheral areas. The development of services in merged municipalities that have been monitored for several years has been very disadvantageous for rural areas. (Leinamo 2004, 2010.) Depending on the number of inhabitants, health care services either remain unchanged or decrease markedly. No innovative solutions can be seen in the social services of expanded municipalities: the elderly are gathered into one large old people's home and children into kindergartens in population centres. At the same time, charges for services have been raised. Schools in merged municipalities have been closed immediately or later. Pupils from village schools have been transferred to larger comprehensive schools and from small upper secondary schools to large upper secondary schools. The greatest losses have been experienced by former municipal centres, which have lost all local administration services within a few years, as different organisations have independently reduced their operations. Before the mergers, municipal officials formed a "preparation machinery" that had precise information on their area, for use in active, rapid and proactive development. Since the mergers, these resources have been reduced, and more and more activities fall under the responsibility of civic activity.

According to the Government Programme, the objective of the government's policy approach to local government is to safeguard high-quality municipal services

throughout the country that are equitable and client-oriented, to create potential for initiatives to strengthen local government finances and promote cohesion of the urban structure of localities, and to bolster municipal self-government and local democracy. To implement this, the government will carry out reforms in municipal structures across the country, which are aimed at creating a thriving municipal structure built on economically robust municipalities. According to the government, economically robust municipalities consist of customary commuter areas large enough to provide basic public services, with the exception of specialised medical care and demanding social welfare services. The government believes that economically robust municipalities are capable of conducting successful business and industry policies and development strategies, and preventing urban sprawl. According to the Government Programme, as part of the reform of municipalities and service structures, due consideration will be given to the diverse nature of different areas, such as the special characteristics of growth centres, sparsely populated areas, long distances, vast stretches of archipelago, and language-related conditions. This is a large-scale social project in which account will be taken of the difficulty of measuring the effects of mergers (cf. Arto Koski, http://www.kunnat.net/ fi/Kuntaliitto/media/tiedotteet/2011/05).

A complete change in attitudes is required to safeguard services in rural areas. People living and operating in rural areas do not expect as versatile a service offering as in urban areas, but still feel that under the Constitution of Finland they have the right to the basic services necessary for everyday life. The private sector, in particular, can offer services in urban areas that are not necessarily needed in rural areas. According to the Rural Finland barometer carried out in 2011, the perceived well-being of people living in rural areas was better, although there were fewer services available than in urban areas. In the same survey, respondents living in urban areas considered the average availability of services to be good, but their perceived well-being was poorer.

National practices in the provision of services to citizens vary considerably in EU member states, from the strong role of the public service system to the key role played by the private sector. In addition, the role of civic organisations as service producers varies greatly in different countries. Finland is currently formulating its opinion on services of general economic interest (SGEI)<sup>3</sup>. A public service obligation to service providers can be applied to such services, if the services cannot be provided on market terms. The SGEI instrument can be used to allocate public financial support, through the operations of companies<sup>4</sup>, to the provision of services considered essential<sup>5</sup>.

<sup>3</sup> There are several Finnish equivalents for this term, see the Finnish version of the Communication from the Commission (COM 2011).

<sup>4</sup> In line with the MEE's brochure on SGEI, 'company' here refers to any organisation engaged in economic activity (MEE 2010).

The formulation used in the Communication from the Commission (COM 2011): "all citizens' essential everyday services, which they need in order to participate in economic and social life". In Finland, there is no similar national formulation.

The weakening of public finances has accelerated the outsourcing and partnership arrangements of service production, which have sought to ensure the provision and availability of services through competition in the markets or by combining public and private sector and civic activities. These new arrangements are likely to become more common in urban areas, particularly rural areas. As Finland is the most rural country in Europe, deficiencies in the functionality of markets pose special challenges to service provision. They require cooperation and a comprehensive approach, which will put economic service provision by civic society on an equal footing with the market economy and public service provision. Norms for competition and state aid should be urgently applied to the objectives of this comprehensive approach, at least in rural areas, by emphasising the civil rights aspect of services of general interest, alongside the freedom to conduct business. New ways of producing and providing services require that both EU and national legislation take account of those organisations that, instead of economic profit-making, seek to solve a social problem or respond to the needs of a certain population group, such as children, the elderly or the disabled.

In Finland, many activities in rural areas are already based on the activities of inhabitants' associations and cooperatives. Services and activities provided in this way are extremely valuable to the public administration. Forest management associations, hunts, water supply cooperatives and road management associations carry out tasks which, in many other countries, fall under the scope of publicly funded tasks carried out by the authorities.

#### Employment, industries and innovation

The currently unstable economic situation, particularly in the European Union, is putting pressure on public sector finances. This economic uncertainty is affecting the whole of society, including rural companies and public resources. The economic situation will be tight over the next few years. By international standards, both Finland as a nation and Finnish citizens are moderately indebted. The Finnish banking sector is also now in a stronger position than in the early 1990s, for example. Nevertheless, the Finnish economy needs to renew itself. These challenges and opportunities are discussed below, from the perspective of industries and companies. In the green economy, the ability of rural areas to respond to changes in the economy is based on the dimension of natural-resource economy and new technology solutions.

The service sector is the key employer in rural areas while, as in urban areas, providing the highest number of new jobs. Industry is a more important employer in rural than in urban areas. By European standards, Finland is a country with large rural areas and a small agricultural sector; the situation is quite the opposite to that in the Netherlands, Belgium and Denmark, for example.

Agriculture and forestry are industries practised on a large scale in rural areas only. Due to extensive use of land, they also have the greatest impact on the rural landscape. The transition to a green economy, the stronger link between production

and material recycling and the return to dependency on renewable raw materials will change agriculture and forestry in a way that requires changes in our economic thinking. In the future, companies in an increasing number of industries will, in some way or other, be linked to rural bioprocesses. At the same time, the old rural industries will change. When a significant proportion of farms grow larger as production units, the need for transport on farms will increase and the machines used will be larger, which will set new demands, even on minor public and private roads. Automation systems used on farms require the same speed of connections as in other areas, as do all other business activities performed in rural areas.

The relative importance of agriculture in the rural regional economy has decreased, and is marginal in some areas compared to the importance of other economic activity. Agricultural production has been consistently concentrated in fewer areas and on fewer farms, with no significant decline in the amount of production. These areas have a need for a target-oriented policy on agricultural entrepreneurship. The need for employed labour has grown on agricultural and horticultural farms, which is reflected in a lack of labour force and particularly in the use of foreign seasonal workers. It is important for the regional economy that, although a farm ceases basic agricultural production, the farm itself often maintains its position as a locally significant junction of economic and social activities after redirecting its operations.

According to the statistics of Tike, the Information Centre of the Ministry of Agriculture and Forestry, approximately 19,530 farms, i.e. 31 per cent of all active farms, were engaged in other business activities alongside agriculture and forestry in 2010. Finland's proportion of multi-sector farms is the highest of all EU countries. According to surveys carried out by MTT Agrifood Research Finland, the number of other rural enterprises was 69,400 in 2007. Their net sales totalled EUR 13.9 billion and they employed 113,000 people. The number of rural enterprises has grown by approximately 13,000 companies, or by 20–25 per cent, during the period 2000–2007 (MTT 2010). The number of rural enterprises has increased in rural heartland areas and in the vicinity of urban areas, but remained unchanged in remote areas. Key industries for rural enterprises include tourism, horse management, energy production, and in Northern Finland reindeer husbandry. (Entrepreneurship Review 2011).

The production and promotion of local food products requires profitable and viable agricultural production and Finnish farms. Interest in traceable food produced in a responsible way is increasing all over the world and provides a good basis for entrepreneurial activities in the Finnish food industry. Business concepts relating to regional local food systems should be developed at the same time as public food procurements are assessed in terms of their impact on the regional economy. During the next programming period under the EU's agricultural policy, it is essential that the part of the policy covering rural policy supports the trends described above and is congruent with this Rural Policy Operational Programme.

Forests represent Finland's most significant economically exploitable natural resource. Forest and wood can be utilised as a source of labour and income, in a sustainable and more extensive and versatile manner. In addition to forest-based products, forest-based services, including nature tourism, and the commercialisation of other intangible resources, will become increasingly important. For example, the development of business concepts in nature, landscape and environmental management, as well as of market-based products and services relating to well-being and health and responding to current trends, will create opportunities for business activities. The focus areas of forests use should be defined on the basis of the strengths of various regions.

There are approximately 730,000 family forest owners in Finland. They own slightly more than 60 per cent of Finnish forests and implement 80 per cent of annual logging. The structure of private forest ownership has changed since the early 1990s: ownership by farmers has reduced by half, and at present they account for less than one fifth of all forest owners. However, most forest owners still live in the countryside. In the local economy, forestry provides employment and brings stumpage earnings to forest owners. Stumpage earnings total approximately EUR 1.5 billion annually, and 4/5 of them remain in the region where the forest is located.

Encouraging entrepreneurship based on forests and wood is important from the perspective of the diversification of rural economic structures. Taking full advantage of all opportunities requires research and development work, the will to change, risk-taking and cooperation between various actors. New opportunities for wood-based industrial production can be found in wood product industries, construction, intelligent paper, packaging, bioenergy and biorefinery products, as well as in the food and pharmaceutical industries. Opportunities should also be utilised in the development of service business based on forests.

Forty per cent of enterprises operating in Finland are located in rural areas, and most of these enterprises are small. They represent a wide variety of industries. The number of enterprises and jobs in the service sector is increasing, particularly in rural areas close to urban areas. In addition to encouraging business start-ups, it is essential to create the preconditions for the growth and competitiveness of existing micro-companies and SMEs, including farms.

Rural areas are regaining their position as areas of industrial production, as growth occurs in the mining industry and the related technology industries, wood products industry and energy production based on renewable raw materials. The mining industry and the services it needs create jobs for a labour force with skills of various types, and open up opportunities for new business ideas and subcontractor networks. In localities that suffer from migration loss or a high unemployment rate, this creates the conditions for re-migration and contributes significantly to the region's vitality and ability to maintain a better service level, thanks to increasing tax revenues and increased use of local services. However, at present, few jobs are created for local residents in the locality where the raw material is located and

capital invested in operations does not remain in the area. As the industry grows, the environment, well-being of local residents, infrastructure, education needs and services of the labour force must be taken into account, and relationships with other business activities, such as tourism, must be ensured in a sustainable manner. Development of the mining industry is highlighted in the MEE's other strategies, such as the programme for East and North Finland. No measures are therefore proposed for the industry in the Rural Policy Operational Programme.

Working life is undergoing a transformation, from the structures of the industrial economy towards a service economy. New jobs are increasingly being created in service-dominated sectors, which offer experiential products and services. Business activities in these sectors are innovation-driven and market-oriented compared to traditional industrial sectors, in which operations have been investment-driven and production-oriented.

As fossil energy and material reserves decline, environmental problems worsen and the global population grows, worldwide, radical changes are needed in production methods, material use and ways of life. The bioeconomy will respond to many of these challenges: this is developing into a significant industry in Finland, and provides huge potential for entrepreneurship and employment in rural areas.

The green economy will enable sustainable business activities linked to rural areas. It is also likely to generate a significant number of new jobs. The Rural Finland barometer carried out in 2011 revealed a disconnect between the fact that green solutions are expected in Finnish society and the lack of acknowledgement of their link with the promotion of rural commercial, industrial and business activities. Development of user-oriented innovations in rural areas is also still rather modest.

The climate and energy policy targets set by the EU require an increase in the use of renewable energy from 28 per cent to 38 per cent of final energy consumption by 2020. Promoting decentralised energy production based on local and renewable energy sources will improve local and regional security of energy supply and bring the greatest possible benefits in the promotion of regional competitiveness and employment. Decentralised energy production refers to a production model in which small electricity and heat production and cooling plants are decentralised, being placed in the vicinity of places of consumption. From the perspective of the regions, the overall aim should be to create a system of energy production which would allow the highest possible value added and employment impact to remain in as many areas as possible.

International trends in tourism bring a focus to demand factors to which nature, the environment and way of life, especially in sparsely populated rural areas, can best respond. The strength of rural tourism lies in enterprises pursuing diverse activities based on nature, rural culture, cultural heritage and the cultural environment. These also provide the content for the services of the rural experience industry. Utilisation of culture in tourism also involves challenges and valuations. Commercialisation of rural culture requires local sensitivity and consideration for local cultural actors

and special features. National parks function as engines of nature tourism and their role can be enhanced in international marketing, in particular. Promotion of nature tourism and recreational use of nature requires the maintenance of structures enabling an extensive group of users to support the conditions of the industry and to maintain the well-being and health of both permanent and leisure residents.

As rural industries renew themselves, the need for land use planning and systematic reconciliation of the various operations will increase. Various forms of forest use can be reconciled. The relationship between the mining industry and tourism must be solved in a sustainable manner. Significant entrepreneurship opportunities in the energy industry are being developed around the options of renewable energy production, which will harness renewable energy resources for the surrounding community and make rural areas, farms and regions more energy independent. In terms of competitiveness and employment, the greatest potential lies in support for decentralised energy production based on several energy sources.

In the situation described above, it is clear that the link between the natural-resource economy and rural industries, entrepreneurship and jobs should be analysed in detail. The green economy should be concretised into activities, with an outline of what the green economy requires of rural industries and infrastructure and of operating methods. At the moment, the green economy is being launched as a concept primarily concerning urban life and practices. However, changes at least as fundamental will be required in rural areas. Since the atmosphere and demand for organic products and services are now favourable, measures must be taken to transform the targets of the green economy into concrete rural business activities.

As the population ages, the availability of skilled labour will become a critical factor in economic activities in all regions. This is closely associated with the utilisation of the work input of immigrants, for example. Whether they are refugees or labour immigrants, rural municipalities should make better use of these important labour resources. Availability of labour should also be improved by measures enabling mobility. The importance of mobility is emphasised in seasonal employment and in sudden recessions or structural changes, after which business activity does not return to its former level.

Since ageing of the population also affects entrepreneurship, solutions are required for changes of ownership in rural areas. Financial support for small businesses, enabling the person giving up the business to employ his or her future successor, is an instrument worthy of consideration. There is both unemployment and work to do in rural areas. Means of lowering the threshold to engaging in entrepreneurship are therefore important: reducing employment costs and the bureaucracy imposed on starting businesses, and supporting seasonal and part-time entrepreneurship, would add a specific rural touch to entrepreneurship policy.

# 2 Strengthening rural areas as versatile environments for living and economic activities

## 2.1 Developing rural areas as diverse environments where everyday life runs smoothly

Securing a good living environment and a sustainable regional structure is one of the three policy guidelines defined in the decision on regional development targets. Regional development pursues the creation of a high-quality living environment that supports the well-being of the population and the maintenance of such an environment. According to the decision on targets, it is vital to strengthen and promote factors that attract people, in order to attract workforce and ensure that the existing population in the region, especially young people, feels comfortable. When companies choose their locations, an important role is played by how employees regard and value certain places of residence. Municipalities can influence the attractiveness of rural areas through an active policy on plots.

Flexible land-use planning is a significant factor in the diversity of industries and citizens' residential preferences. The steering and procedures of rural housing must be assessed from the perspective of future residential preferences. Cultural environments and heritage in villages and parish villages will be fostered, and local solutions will be sought in order to promote rural housing. This requires decentralised solutions for housing and greater energy independence, for example. In addition to general rural entrepreneurship, special attention must be paid to areas reserved for business activities based on rural natural resources. The increasing importance of the natural-resource economy requires up-to-date land-use planning practices, alongside other legislation and guidelines in support of the operations of novel closed production processes and processing chains utilising multiple techniques and multiple raw materials.

Practical projects are required to develop rural local communities as entities. Special attention will be paid to energy and waste management solutions, architecture, aesthetic factors, organisation of basic services and new practices for local democracy. Authorities' and politicians' knowledge of the diversity of rural areas must be increased.

It is essential for the region's population and for the development of tourism and other industries that rural areas are both physically and electronically accessible. As regards rural policy, measures relating to land use and steering of construction as well as infrastructure and transport services are highlighted in this context.

- and takes account of the legal protection of landowners and the targets. Land-use planning and building permit procedures and regional planning will be steered and developed to support the potential of various rural areas to promote citizens' well-being, business activities based on rural resources and sustainable development. Alongside other impact assessments, rural proofing should be conducted in the context of land-use planning. Ministry of the Environment, Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Regional Councils, Association of Finnish Local and Regional Authorities, municipalities, Village Action Association of Finland, Finnish Local Heritage Federation, Theme Group on Rural Housing
- 2. Well-functioning, reasonably priced data connections, electricity network, telephone connections and digital television coverage, as well as appropriate wastewater management and water supply, will be ensured in all regions. Ministry of Finance, Ministry of Employment and the Economy, Ministry of Transport and Communications, Ministry of the Environment
- 3. Transport services for rural inhabitants and industries and reasonably priced school transport will be secured. The possibilities to combine public transport services and passenger transport services funded with public resources will be examined, with the aim of enhancing public transport and securing public transport services, even in sparsely populated areas. New kinds of home-delivered services and local logistics will be developed through pilot projects, to secure services in sparsely populated areas and to enhance transport. Ministry of Transport and Communications, ELY Centres, Kela (the Social Insurance Institution of Finland), municipalities
- 4. The daily passableness and maintenance level of rural public roads will be ensured. The timing of measures in accordance with the needs of rural industries and housing will be further enhanced. Provision of online information on maintenance and management measures and their timing will be increased to ensure safe traffic. Schemes for the provision of state aid for private roads and forest truck roads will be clarified and simplified. Ministry of Transport and Communications, Ministry of Agriculture and Forestry, ELY Centres

## 2.2 Developing flexible, customer-oriented ways of service production observing the conditions of various rural areas

Promoting the welfare of the population is one of three policy guidelines defined in the decision on regional development targets. According to this decision, population ageing, the increasing need for services and the consolidation of public finances require that the regions improve the productivity, profitability and efficiency of welfare services. Social

welfare and healthcare services will be restructured in order to ensure equal availability of services. Well-functioning services are also important to business activities.

The attractiveness of rural areas and people's well-being depend on services available in the area. For example, having a school in the vicinity of your home, the availability of upper secondary level education and opportunities for leisure activities attract families with children to the area and foster the attachment of young people to their home area.

In the development of services, sector-specific examination should be replaced by a customer-oriented approach. In order to safeguard the welfare of rural residents and conditions for business activities, the provision of services in municipalities requires cross-sector cooperation across administrative boundaries. Opportunities provided by rural areas to offer services to urban residents must be seized, for example by developing communal forms of living and sheltered home-type services for the elderly in rural areas.

Authorities must ensure the provision of certain services, even in situations where the number of service providers on the market is too low. Such services are services of general economic interest (SGEI). They are services of general interest, whose availability is considered so important to society that the authority is allowed to entrust service providers with public service obligations. The issue of what kinds of activities performed by organisations are regarded as non-commercial activities of general interest, and what kinds as commercial activities of general interest, is of major significance to securing the availability of services in many rural areas.

According to the Programme of Prime Minister Katainen's Government: "As regards the provision of services, the rules governing competitive tendering and the granting of public support will be clarified. The impact of the Services of General Economic Interest (SGEI) rules, currently being prepared by the EU, on national competition legislation will be evaluated, after which a framework act on SGEI services will be introduced. This is one way of clarifying the position of the third sector as a provider of services, and the opportunities of the Finnish Slot Machine Association to finance SGEI services. These policies will observe the regulations of EU competition legislation, and ensure the implementation of competition neutrality between the public and private sectors." In this work, rural services should be examined as a separate entity.

In the future, traditional service provision by associations, public responsibility for service provision and the activities of cooperatives will have to be reconciled in rural areas. This will correct market distortions. Regions also need to have an overall idea of how the availability and accessibility of services needed by residents will be ensured, how service provision will be funded and how preventive health care and health-promoting activities will be resourced and organised. The aim is to secure services as close as possible to the customer through local solutions, and to take account of the customer's mother tongue. It must be clarified whether the services are provided by the municipality, companies or the third sector – and how cooperation between these parties is promoted. Drawing up a service strategy is particularly important in the context of municipal mergers and co-operation areas.

Preventive health care and its availability play an important role in promoting public health and the working capacity of companies' and organisations' employees. Preventive health care and health-promoting activities include cultural and physical exercise services promoting well-being.

An amendment to the Youth Act entered into force on 1 January 2011, according to which municipalities must have a youth guidance and service network for the planning and implementation of cooperation amongst local authorities. All actors offering services to young people in the area must participate in this network. According to the Act, the network must include representatives from education, social, health and youth services, as well as the employment and economic and police administrations. Small municipalities may also assemble shared networks. It is important that the local municipal youth network examines the opportunities of young people living in sparsely populated areas to continue their studies in upper secondary level education, after finishing basic education. Attention should be paid to public transport services, the location of educational institutions and the need for student halls of residence, as well as counselling and guidance services for young people. National online services support young people's access to information, counselling and guidance.

- 5. Services for rural residents will be planned and produced on a customeroriented and cross-sectoral basis based on local conditions. Account will be taken of the special circumstances of rural areas in reforms within municipalities and service structures and in the preparation of decisions by the state administration.
  - The rural service programme to be implemented will analyse the special features of rural service provision and plan it as a separate entity, taking account of local conditions, long distances and smaller customer groups compared to urban areas. The results of the analysis and plan will be taken into account in reforms within municipalities and service structures, giving due consideration to local solutions. *Ministry of Finance, municipalities*
  - When implementing the statement on SGEI included in the Government Programme, rural services will be examined separately. Clear guidelines will be drawn up and introduced on how neutrality of competition is interpreted in those areas and for those services in whose case public services are insufficient to secure citizen's fundamental rights, and where the markets do not function for various reasons. These guidelines on permitted ways of supporting service provision with public funds will be introduced both in municipalities (within decision-making on procurement and financial aids) and by the state (within employment policy and tax administration). Ministry of Employment and the Economy, Ministry of Finance
  - In the preparation and implementation of service strategies for a municipality or larger area, cooperation between the public sector,

- companies, civic organisations and residents of the area will be strengthened. Ministries concerned, Association of Finnish Local and Regional Authorities, Regional State Administration Agencies, municipalities, regions, companies, civic organisations, parishes
- Accessibility of services will be improved by increasing the number of Citizen's Offices and multi-service centres, online and mobile services, and the service bundles crossing administrative sectors that integrate different professions, by developing them through cooperation between private actors and various administrative sectors and by increasing advice on and support for the use of online services. Requirements on competence, qualifications and permits will be reviewed, especially in social and health services, school services and passenger and goods transport. Ministries concerned, municipalities, civic organisations, parishes, companies
- Development and expansion of various forms of living for the elderly in rural areas will be continued. These solutions will combine independent living, proximity to services and communality. Ministry of Social Affairs and Health, Ministry of the Environment, municipalities, organisations
- **6.** The accessibility and quality of education and cultural services will be ensured by developing the utilisation of information technology and securing adequate resourcing.
  - Municipal cultural services and adult education centres will be defined as statutory basic services, their availability and sufficient funding will be ensured, new methods of service production will be developed and cooperation between organisations will be increased. Equal availability of library and information services as basic and local services for residents will be secured throughout the country. Municipalities will be encouraged to develop the activities of libraries as the municipality's multi-service centre. Development of libraries' online services and subregional cooperation will be continued. Ministry of Education and Culture
  - The quality of teaching, diversity and a comprehensive school network will be secured at all school levels, even in sparsely populated rural areas. Investments will be made at all school levels in the use of information technology and multiform learning<sup>6</sup> in education and cooperation between educational institutions and with libraries will be increased. Administrative mergers of upper secondary schools or mergers of municipalities must not lead to reductions in the funding allocated to the municipality's upper secondary school. The supplement granted to municipalities for small upper secondary schools will be maintained,

<sup>6</sup> Multi-form learning is partly implemented face-to-face and partly through distance learning. It can include contact teaching, distance learning and independent study.}

- even if they establish a network upper secondary school. *Municipalities, Ministry of Education and Culture/teachers' continuing education*
- Sufficient resourcing for education by organisations and folk high schools will be secured, in order to ensure that citizens have equal opportunities for lifelong learning, even in sparsely populated areas. *Ministry of Education and Culture*
- 7. Implementation of the social guarantee for young people will take account of the special features of rural areas. Such work and youth outreach work will involve cooperation with educational institutions providing open education. The flexibility of education and training services, apprenticeship training and the provision of information on education opportunities will be increased. Ministry of Employment and the Economy, Ministry of Education and Culture

## 3 Promoting regional competitiveness in rural areas

Regional development strengthens the national economy and the preconditions for business activities, employment and welfare throughout the country. The key is to generate new growth founded on sustainable development, by renewing and diversifying the economic structure and improving the operational preconditions for entrepreneurship and business activities. This requires new forms of cooperation, networking by regional actors at national and international level, and better utilisation of key strengths from the point of view of Finland's competitiveness.

Competitive rural areas use regional resources in a sustainable manner to promote business activities, a high-quality living environment and the well-being of the population and nature. In pursuit of sustainable growth and employment, entrepreneurship will be promoted, education improved and the extension of working lives supported. Best practices will be passed on and transferred into practice between various parts of the country and at national level.

### 3.1 Promoting rural areas' participation in innovation networks

The strengthening of regional competitiveness, diversification of business activities and innovative initiatives require multi-sectoral cooperation. Cooperation networks between the public sector, companies, education and research and the third sector are needed to bring new people, ideas, knowledge and skills together.

Rural areas need competence hubs specialising in their strengths, micro-clusters must be established and networking between actors in various fields increased. Regional economic and innovation policy and regional strategies must also be able to identify and develop rural competence hubs. For example, farms are very technology- and capital-intensive enterprises, whose activities have significant innovation potential. In addition, closer cooperation between rural and urban economic and innovation actors and better utilisation of global networks by rural actors are required.

The preconditions will be created for the development and utilisation of competence based on regional strengths and for responding to the long-term competence needs of the regional labour market, by strengthening cooperation between universities, universities of applied sciences, upper secondary schools and vocational education institutes and companies and key innovation actors in their respective regions.

For example, cooperation between food and tourism entrepreneurs, integration of welfare technology with tourism services, commercialisation of culture for tourism, promotion of multi-sectoral development of products and services within the creative economy and green care provide major opportunities for the development of industries,

but also require cooperation between experts in various fields. Arenas must be created for such cooperation, and support instruments and operating models must be made more flexible. The Centres for Economic Development, Transport and the Environment (ELY Centres) and subregional business services play a key role in the identification of ideas and innovations and as local sources of information, competence and practices relating to user-driven innovation.

However, companies, developers and experts engaged in and planning cooperation are located all over Finland; networking with actors across regional boundaries and nationally is the key issue. From the point of view of regional development, it is vital to engage companies and actors outside major hubs in the development of demandand user-driven as well as work-oriented innovations. Their participation in national and international innovation networks, as well as in future and foresight networks, is important to ensuring that rural strengths can be utilised in the enhancement of Finland's competitiveness.

- 8. Regional interaction between universities of applied sciences and the regional units of research institutions will be enhanced and their links with regional development strengthened. Ministry of Education and Culture, Ministry of Employment and the Economy, universities of applied sciences, research institutions, Regional Councils, subregional organisations, municipalities
  - Universities of applied sciences will be given a clear and planned role in regional innovation policy and in the planning of skills networks linking rural and urban areas.
  - Universities of applied sciences and upper secondary vocational education
    and training will be utilised in local and regional development work
    towards creating the basic skills required for rural development work
    and for entrenching programme and project activities. Links between
    research and regional development, and the usability and utilisation of
    research results, will be improved within the regions.
- g. Rural research and education will be strengthened in universities and Nordic cooperation increased to promote education in Swedish too. Universities will agree on mutual cooperation and the division of duties, taking advantage of professorships in rural studies and the multidisciplinary Rural Studies Network, made up of several universities, for example. Research institutions will strengthen rural research by securing factors such as competent human resources. In addition, there is a need for a Swedish-language master's programme in rural studies. Ministry of Education and Culture, universities and sectoral research institutions, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry
- 10. Regional and multi-sectoral innovation accelerator activities will be organised. These will support the development of a cooperation culture and thus promote the establishment of new companies and the generation of new products at the interface between various industries, and increase joint efforts and open

innovation activity. Accelerators will network with each other and link to other innovation and skills networks. Expertise and actors in rural areas will be linked to the processes of the new innovation programme 2014+ under preparation, which seek to develop the competence of local innovation actors and the dissemination of best practices in regions of various sizes and in various fields of expertise. Ministry of Employment and the Economy, Regional Councils, ELY Centres, economic development agencies, advisor organisations

## 3.2 Developing entrepreneurship linked to rural areas

There is demand for new kinds of business activities linked to rural areas and their strengths, such as the natural environment and local solutions. Rural areas also serve as versatile environments for entrepreneurs in various industries. The most important prerequisite for the emergence and growth of new businesses is an operating environment supporting entrepreneurship.

High-quality business advisory services will provide support to entrepreneurship, early-stage business activities and innovation activities, as well as to the growth and internalisation of companies with potential. In addition, nationwide subsidised expert and training services will be provided for competence development among SMEs. The availability of high-quality business advisory services in various regions must be ensured, especially in the case of a change in the local and regional administration and advisor organisations, and as financial resources become scarcer and finances tighter.

Structural reforms and the enhancement of vitality in the regions require new, cross-sectoral models for developing business activities. There is a need for service concepts promoting the establishment of new companies at the interface between various industries, companies' joint efforts and open innovation activities. The production-oriented business service system and its support and operating models must be made more agile, and the possibility to more rapidly meet the challenges faced by companies operating in developing industries must be improved. Business services must actively review the Finnish business sector, in order to identify the innovation and growth potential of rural companies.

In rural areas, different forms of entrepreneurship, such as diversified entrepreneurship, co-operative entrepreneurship, social entrepreneurship and part-time entrepreneurship, are gaining in importance. Self-employment provides an important opportunity for employment in rural areas. Identifying and improving the operating conditions for such forms of entrepreneurship are central to the promotion of rural entrepreneurship. The start-up grant system should be developed in such a manner that the grant can also be awarded to seasonal companies and part-time entrepreneurs.

Local solutions refer to operating models based on the idea that a product or service is not located in a certain place from where the customer can access it, but is produced close to the customer based on the opportunities provided by information technology, new logistics solutions etc.

Most rural enterprises are small. Small and start-up companies and companies established at the interface between various industries need services tailored to meet their needs. In order to improve the competitiveness of small rural companies, it should be examined whether fees and charges could be made more reasonable and permit procedures, especially in the case of micro-entrepreneurs, simpler. As regards co-operative entrepreneurship, major shortcomings have been identified in competencies and the scope of advisory services, and action must be taken to improve the situation.

In Finland, public business services are offered by a relatively wide range of actors, and the service offering is complex from the customer's point of view. The roles, division of responsibilities and resource allocation between regional and subregional business services should be clarified through regional agreements on business services. So far, 62 such agreements have been concluded.

- 11. Business services will be made more flexible, to better meet the needs of business life undergoing renewal and of various regions. The integration, coordination and customer orientation of business advisory services, customer service and financing will be improved. Ministry of Employment and the Economy
  - Support at the early stages of business activities for budding entrepreneurs
    will be improved. Expert and training services will be developed for
    young, new entrepreneurs and growth entrepreneurs. Account will also
    be taken of the rural viewpoint in the ongoing reform of productised
    expert services targeted at SMEs. Ministry of Employment and the Economy
  - Entrepreneur-specific, loosely regulated, small-scale innovation funding will be tailored in order to boost innovation. Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Finnvera, Finnish Innovation Fund Sitra
  - SMEs, micro-companies and the self-employed will be encouraged to network with each other, by offering expert services for networking. Information on successful networking between companies and opportunities for co-operative entrepreneurship, for example, will be disseminated. Ministry of Employment and the Economy, ELY Centres
  - Entrepreneurs will be provided with expert services in the development of creative expertise. Services will also be offered to associations that wish to develop their service provision (social entrepreneurship). Ministry of Employment and the Economy, ELY Centres
  - In order to improve the growth opportunities of innovative companies and to promote entrepreneurship, the steering procedure of the ELY Centres will be reviewed. Guidelines will be developed to ensure that the starting point in the allocation of company and project funding is the overall benefit to the region, not a sector-specific assessment and strict interpretation of a certain programme. Ministry of Employment and the Economy

- 12. In accordance with the Government Programme, rural entrepreneurship seeking income from multiple sources will be developed and strengthened, bureaucracy relating to rural industries will be reduced and permit procedures will be simplified. The start-up grant system will be developed to better meet the needs of new forms of entrepreneurship and entrepreneurs' new operating methods, and attention will be paid to the rural viewpoint. In addition to the start-up grant, it should also be possible to support entrepreneurs' income. Ministry of Employment and the Economy, Ministry of Agriculture and Forestry
- 13. In order to increase the competitiveness of rural entrepreneurs, companies of different sizes and their equal treatment will be taken into account in the preparation of legislation and other decisions, by conducting more-detailed impact assessments at the preparatory stage. Ministries

## 3.3 Promoting the growth of the green economy by utilising rural strengths

Sustainable economic development will be pursued through green growth, by preventing harmful environmental effects, the decline in biodiversity and unsustainable exploitation of natural resources. Finland's special conditions, such as space, closeness to nature and technological competence, will provide opportunities for the development of environmentally friendly industry, employment and technology. Based on the potential and special features of rural areas, competitive activities relating to decentralised solutions that also enable exports of technology and competence can be developed whilst observing environmental concerns. As services' proportion of the total economy grows, sustainably produced services will be of great importance in the rural green economy and as a factor affecting consumer habits in the effort to curb climate change. Alongside a skilled workforce, the ability of regions to identify their own strengths and forecast their future economic and industrial policy, will play a key role in promoting success in competition and creating jobs in the green economy.

Industries in the natural-resource economy have considerable growth potential. Developing a successful economy based on renewable natural resources – sustainable use of renewable natural resources, decentralised energy production and service business capitalising on the increasingly significant role of rural areas in well-being, health promotion, tourism, cultural activities and the experience industry – will provide opportunities for developing business activities in rural areas. Alongside major actors, there will be more and more room for small, innovative and agile companies. Economic and industrial policy must create favourable conditions for new industries and actors. Well-functioning data and transport connections are a critical prerequisite for all activities.

Outside farms, decentralised energy solutions mainly include the development of local energy supply in developing villages, based on small-scale district heating through the village's own heating plant. Other municipal engineering solutions can be provided at

the same time. As the size of efficient and clean energy production plants using biofuels becomes smaller, sufficiently large villages may become self-sufficient in terms of energy supply. In addition to energy production, an increase in the size of villages will provide an opportunity to develop services, business activities and public transport. Options will be examined for the use of horse manure (including its utilisation for energy production).

The functioning of the local economy and service markets will be promoted by amending the Act on Public Contracts in accordance with the Government Programme in order to increase direct award opportunities, so as to take better account of quality factors in connection with public procurement and simplify procedures. This will help to promote the use of local food products and increase the related business activities, for example. Developing cooperation between small food producers in placing their products on the market (logistics, collection centres) is an important part of development work.

- **14.** Business activities relating to local food products and organic production will be promoted.
  - The competence of food industry and training organisations will be leveraged in the development of business concepts relating to regional local food systems and the enhancement of entrepreneurs' skills. Interaction between processing and raw material production will be strengthened and the competence of entrepreneurs and those responsible for food procurement in tendering processes will be improved, to increase the significance of small companies, local food products and organic products in public procurement. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of the Environment, EkoCentria, Rural Policy Committee/Food Finland Theme Group, entrepreneurs' organisations, Central Union of Agricultural Producers and Forest Owners (MTK), SLC (the central union of Swedish-speaking agricultural producers in Finland), regional developers
  - Local food products will be highlighted as a key development area in the new rural area programme 2014–2020, co-financed by the EU. In development work, an increasing focus will be placed on work improving image, sales promotion and awareness raising through campaigns and events. The food industry and local food products will be included in regional development strategies and programmes. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, ELY Centres, Regional Councils
  - Economic and industrial policy and food policy will take account of the needs and possibilities of small companies. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy
  - A programme offering growth and internationalisation services to SMEs in the food industry will be launched, to continue growth-oriented entrepreneurship development work started under the Sapuska

programme. In accordance with the Government Programme, exports of organic and special products will be enhanced and the administration and financing of export promotion measures clarified. *Ministry for Foreign Affairs, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry* 

- **15.** The development of tourism will be promoted based on the strengths of rural areas.
  - The preconditions for the use of national parks, nature tourism areas, quiet areas and other conservation and special areas in tourism and to promote well-being will be maintained and improved. The value of rural landscapes and cultural environments as important elements contributing to the attractiveness of rural areas will be recognised. Ministry of the Environment, Ministry of Agriculture and Forestry, Metsähallitus
  - The availability of versatile rural tourism products in electronic distribution channels will be ensured. *Ministry of Employment and the Economy, Finnish Tourist Board*
  - The maintenance and further development of the national system of regional data warehousing for tourism (e.g. nature, culture, cottages and farms) will be ensured and monitoring of entrepreneurship in food production and the natural product sector will be developed. The use of information networks in domestic and international communications and marketing will be enhanced in the tourism, natural product and food industries. Ministry of Finance, Statistics Finland, Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of the Environment, Ministry for Foreign Affairs, Finnish Forest Research Institute (Metla), Finnish Environment Institute, Metsähallitus
  - Cooperation between tourism and other industries, such as the food, welfare, green care and natural product industries, will be strengthened.
     Operating models based on contracts (e.g. recreational or scenic value trading) will be developed between various actors. Rural Policy Committee's Theme Groups, ELY Centres, Central Union of Agricultural Producers and Forest Owners (MTK)
- 16. New, sustainable use of forest raw materials and intangible services provided by forests will be promoted by supporting the relevant research and product development, and SMEs. Growth of the green economy will be increased and the vitality of rural areas improved by promoting wood construction and the use of wood-based products. Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Ministry of the Environment, Ministry of Education and Culture, Ministry of Social Affairs and Health, Finnish Forestry Centre, Tourism and Experience Management Cluster, Natural Product Industry Development Consortium, Metsähallitus, Finnish Forest Research Institute (Metla), Central Union of Agricultural Producers and Forest Owners (MTK), companies

- 17. The natural product industry's capacity to meet growing demand will be strengthened by establishing a company and research forum and implementing a research and development programme promoting entrepreneurship and innovation activities within the industry. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Tekes (Finnish Funding Agency for Technology and Innovation), Finnish Innovation Fund Sitra, Theme Group on the Natural Product Industry, Natural Product Industry Development Consortium
- 18. A national consultative committee, tasked with agreeing on social support structures, will be established to safeguard the development of the green care industry. Pilot projects based on the local natural and rural environment will be implemented in the regions, for example, in the fields of mental health and substance abuse rehabilitation, as well as day-centre and rehabilitative work activities. Special attention will also be focused on services promoting the development of children and young people, and on maintaining the functional capacity of the elderly. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of Social Affairs and Health, Regional Councils, ELY Centres
- 19. Increased decentralised energy production, based on renewable energy sources and the development of the related business concepts, will be promoted by ensuring the consistency and predictability of the policy on subsidies.
  - Nationwide advisory services supporting an increase in the use of renewable energy and efficient use of energy, and serving rural areas, will be further developed. Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of Transport and Communications, Forestry Development Centre Tapio, Motiva, ProAgria Advisory Centres, Finnish Innovation Fund Sitra, Finnish Forestry Centre
  - Power plants operating in connection with sawmills and other companies
    utilising wood will be encouraged to produce electricity in addition to
    heat, and the construction of shared biogas plants will be promoted.
    Ministry of Employment and the Economy, Ministry of Agriculture and
    Forestry
  - The sustainability of bioenergy production will be ensured through research and monitoring. Ministry of the Environment, MTT Agrifood Research Finland, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Finnish Forest Research Institute Metla
- 20. The competence of public organisations in procurement and finances and the ability of local organisations and entrepreneurs to provide services will be developed and strengthened, and procurements will increasingly be implemented in a manner supporting the local economy. Awareness of HILMA, the national electronic channel for publishing contract notices (www. hankintailmoitukset.fi), will be raised among entrepreneurs. Association of Finnish Local and Regional Authorities, municipalities, Federation of Finnish Enterprises, ministries

## 3.4 Improving the functioning of regional labour markets and the availability of skilled workforce in rural areas

The availability of a competent workforce and a well-functioning labour market are key operational prerequisites for businesses in the regions. There are vast differences in the availability of and demand for workforce and labour matching between sectors and regions. In many rural areas, the population is rapidly ageing. It is vital that geographical and occupational mobility of labour and work are supported and that geographic and skills matching of labour supply with labour market needs are improved. Particular attention will be paid to supporting young men and women.

The availability of skilled labour force in rural areas will be promoted, for example, by extending working lives, leveraging the potential work effort of the unemployed, improving productivity and increasing employment-based immigration. In addition, it would be important to increase the competence and employment of immigrants residing in Finland, as well as of the Roma, those partially capable of working and other men and women in a weak labour market position. Education and training must be more flexible and react to changes more rapidly. People's opportunities to participate in education and training in different life situations will be supported by offering various options. The needs of working life and the provision of education and training will be better matched through regional anticipation of workforce and educational needs, and through increased cooperation between education providers and the business sector. Increase use must be made of apprenticeship training and links between on-the-job learning and education leading to a qualification. Apprenticeship training should support the needs and development of both employer and apprentice.

According to the Government Programme, all people must have equal opportunities to access education and lifelong learning services. According to the Government Programme, each region in Finland will have at least one higher education institution. Regionally comprehensive provision of teacher education will match training needs. It will also be possible to intervene in the emergence of social exclusion, by improving education, training and competencies.

Working life has changed. Working careers are becoming fragmented, diverse employment is increasing and the differences between paid work and entrepreneurship are diminishing. It is therefore important to remove obstacles to combining unemployment and business activities and to promote business-driven forecasting of labour and service needs, as well as the development and introduction of models relating to better availability of labour force. There is a need to find ways of enabling seasonal employment, transfer to the employment of another party flexibly according to need, and ways of combine work and studies.

The number of foreign seasonal workers is particularly high in rural areas. However, the current Integration Act does not oblige municipalities to engage in integration measures related to foreign seasonal workers. It is important that labour and immigration policies

recognise the special features of rural areas with respect to work and residence permit procedures. In addition, greater account should be taken of pensioners' potential and interest in work, when promoting the availability of a skilled labour force.

Promotion of teleworking supports the functionality of regional labour markets, the reconciliation of work and family life and the realisation of people's residential preferences, and responds to the need to reduce commuting for environmental reasons. Greater advantage could be taken of the opportunities provided by teleworking – attitudes and the management culture must be influenced. Teleworking can be promoted in both directions: to promote living in the countryside and to recruit skilled employees to rural companies. Well-functioning and fast data connections are a key prerequisite for the promotion of teleworking.

- 21. Supply of labour-market training and vocational education and training will take account of demand for labour in various sectors and professions, as well as regional needs. New national, regional and local practices supporting employment will be promoted through tailored measures and various agreement procedures (e.g. thesis markets and trainee processes), and best practices will be disseminated. Education and training will be developed to become more flexible, project-like and reactive to changes. Ministry of Employment and the Economy, Ministry of Education and Culture, ELY Centres, Regional Councils, educational institutions
- 22. Employers' threshold to hiring new employees will be lowered by developing the system of business and employment subsidies. Flexible and simultaneous employment in different roles, for example, as a salaried employee and an entrepreneur, and combining unemployment and entrepreneurship, will be made possible. Entrepreneurship among pensioners will be promoted by improving advisory services. Ministry of Employment and the Economy, Ministry of Social Affairs and Health, social partners
- 23. Different forms of flexible education and apprenticeship training will be increased to support companies that wish to train skilled employees themselves. Entrepreneurs will be provided with training, in order to increase apprenticeship training. Finnish National Board of Education, social partners
- 24. An increase in and a new approach to teleworking will be promoted by supporting the introduction of various models. For example, teleworking buses, broadband connections and offices (shared by various organisations) promote the expansion of teleworking. Ways of supporting the promotion of teleworking will be examined. Ministry of Employment and the Economy, Ministry of Finance, social partners, Finnish Environment Institute
- 25. Account will be taken of the special features of rural areas, such as the need for seasonal workers, in labour and immigration policies. The establishment and employment of immigrants in rural areas will be promoted through active integration measures. More detailed national and regional targets will be set, relating to the required employment-based immigration and the long- and

medium-term educational needs of immigrants. ELY Centres will support rural municipalities in promoting immigration, for example by assisting in the preparation of integration programmes. Best practices relating to employment-based immigration, reception of refugees and integration developed in rural municipalities will be disseminated. *Ministry of Employment and the Economy, Ministry of the Interior, social partners, ELY Centres, municipalities* 

# 4 Recognising the special features of sparsely populated rural areas

The decision on national regional development targets highlights the development of sparsely populated areas as a special issue with regard to regional development. Sparsely populated rural areas offer a diverse setting for living, entrepreneurship and business activities. Exploiting the full potential of these areas benefits Finnish society as a whole. Sparsely populated rural areas require strong and targeted development, in order to achieve balanced regional development and equality between citizens. The starting points for the development of sparsely populated areas are consideration of long distances, decentralised solutions and solutions based on local conditions, which take account of residents and the special features of the region.

The development of sparsely populated areas will be addressed by implementing the measures proposed below. In addition, measures proposed in other sections of the operational programme must be targeted at sparsely populated rural areas. For example, measures relating to accessibility, and the transport and telecommunications infrastructure, are vital to sparsely populated areas.

- **26.** Social ways of providing services and improving the conditions of companies, taking account of the special challenges faced by sparsely populated rural areas, will be examined and introduced (e.g. criteria for central government transfers, regional transport aid, aid for village shops, stronger business subsidies for employment). *Ministry of Finance, Ministry of Employment and the Economy*
- 27. It will be ensured that, in addition to securities provided by the authorities, rapid services provided by voluntary organisations are also available, for example, in case of accidents. Voluntary security services will be developed in cooperation between authorities and voluntary organisations, taking account of the needs of various population groups. It will be ensured that voluntary actors have sufficient competence and communications systems. Ministry of the Interior, National Institute for Health and Welfare, civic organisations, municipalities, fire and rescue authorities, regional administration

## 5 Strengthening the conditions of rural and regional development

A joint stand taken at regional and local level and a commitment to common goals are the prerequisites of regional development. Cross-sectoral operations and cooperation between the public, private and third sectors at all regional levels and national level are essential.

The most significant resources for the implementation of regional and local rural development strategies are provided by the Rural Development Programme for Mainland Finland, co-financed by the European Agricultural Fund for Rural Development. In the preparation of the next period, administrative barriers between funds will be lowered and the importance and contribution of all funds to rural development will also be reflected in regional strategies and the national partnership contract. The resources available for rural development will be greatly affected by the European Union's regional, rural, and agricultural policies for the period starting in 2014. Preparatory work and decisions until 2015 will define how much and for what purposes funding provided by EU programmes will be available.

## 5.1 Strengthening the conditions for and role of civic activity within society, at all operative levels

As local government structures change, particular attention will be paid to fostering grassroots democracy and to the opportunities of various population groups to participate in and have an influence on the development of their own region. The Government Programme emphasises the opportunities of children and young people to participate and be heard in decision-making relating to their own neighbourhood environment.

In accordance with the Government Programme, the operating conditions of civic organisations as providers of voluntary and peer support, assistance and special services will be strengthened, their resources increased, and regulations concerning fundraising and tax exemption will be clarified. Furthermore, the operating conditions of the third sector will be secured in order to develop the permanent employment of those furthest away from the open labour market and enhance their life management skills.

Civic movements represent citizens in a way comparable to representative democracy. Citizens place their trust in civic organisations by paying membership fees and participating in voluntary work during their free time. This is as important and serious an issue as voting in elections.

**28.** Rural proofing will be included in the review of the grounds for granting pay subsidies (de minimis) to organisations engaged in service and employment

- activities carried out in accordance with the Government Programme. *Ministry of Employment and the Economy*
- **29.** Citizens' right to influence matters affecting themselves at local level will be examined and implemented as part of the reform of the Local Government Act, to ensure that citizens' participation and consultation are actually included in practices and influence decision-making. *Ministry of Finance*
- **30.** Village and neighbourhood plans originating among citizens will be integrated with the municipal budget and planning process. *Municipalities, LEADER Action Groups, Village Action Association of Finland*

### 5.2 Significantly boosting local development instruments

The competence of people and civic actors committed to their own region is an asset that should be better recognised in regional development. Local development provides an opportunity to engage in development activities tailored to local needs, opportunities and conditions. It is a successful approach that activates and engages local actors and residents in regional development, and provides them with an opportunity to influence the quality and future of their own living environment. This approach also enables the use of private funding and voluntary work alongside public funding, and enhances cooperation and networking between various actors.

As the municipalities grow in size, so is the importance of actors at local level. Horizontal forms of local activity that are already operational, such as local action groups, village associations and other organisations engaged in broad-based local development work, will be strengthened and procedures for local development will be developed and disseminated.

- 31. In accordance with the Government Programme, village action will be enhanced by:
  - gradually raising state aid. Ministry of Finance, Ministry of Employment and the Economy
  - recognising villages as the smallest operational units of enlarging municipalities and as the basis for defining the relationship between a municipality and its villages precisely and operationally. *Ministries, municipalities*
  - strengthening the network of village representatives. Village Action Association of Finland
- 32. Local partnerships will be developed, based on communities and the use of resources from multiple funds. In addition, other flexible operating methods for local development will be examined in order to promote participation by organisations, civic society and the third sector, and to simplify administration and enhance productivity. Local Development Theme Group, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Agency for Rural Affairs (Mavi), ELY Centres, Regional Councils, urban actors, LEADER Action Groups

**33.** Overall funding of local action groups will be better proportioned to the effectiveness of their activities. Funds for their operations will be granted for the entire programme period, in order to reduce the administrative burden and secure the continuity of activities. *Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of Finance* 

### 5.3 Continuing the development of the rural policy system

The rural policy system of Finland has been under systematic development for 24 years. In terms of rural policy, the cross-sectoral approach still requires enhancement at all operative levels, as well as strengthening multilevel governance and the participation in policy of all three sectors of society (public, private and third sector). In addition, procedures must be developed and made more customer-oriented. To ensure that various sectoral policy measures are applied in parallel, in order to develop rural areas, rural proofing should be improved during preparation work.

- 34. The operating model of the Rural Policy Committee will be confirmed and included in the Regional Development Act, in the context of its reform in 2012. Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Ministry of Finance, Ministry of Social Affairs and Health, Ministry of Education and Culture, Ministry of Transport and Communications, Ministry of the Environment
- 35. Development of the national rural policy system will continue at all operative levels, in order to ensure that all three sectors of society participate in and commit themselves to the development of rural areas more effectively than at present. Rural Policy Committee, ministries, regional administration, Regional Management Committees, action groups, municipalities, villages
- **36.** Rural policy and its structures will be developed as a whole, implemented through national instruments and instruments co-financed by the EU. Links between rural, urban and island policy and regional policy will be developed at national and regional level, by intensifying the linkage between strategies and measures and improving their consistency. *Urban and Rural Policy Committees, Island Committee, Ministry of Employment and the Economy, Ministry of Agriculture and Forestry, Regional Councils, ELY Centres*
- 37. Rural proofing will be included as part of reports on municipal mergers and municipal merger agreements, and the preparation of co-operation areas. Information on best practices will be disseminated and the related training organised. Development of the rural proofing tool will continue. Ministry of Finance, Rural Policy Committee, municipalities, Association of Finnish Local and Regional Authorities
- **38.** Rural proofing will be systematically included as part of preparations for decision-making and implementation at various levels, in order to ensure that genuine account is taken of the special features of rural areas and the impacts

- of decisions areas affecting them. Special attention will be paid to sparsely populated rural areas. *Ministries, regional administration, municipalities*
- **39.** During the preparation of EU programmes for the period 2014–2020, steps will be taken to ensure that resources meeting the needs in question are available for rural development measures (regionally and locally). *Ministry of Agriculture and Forestry, Ministry of Employment and the Economy, Ministry of Finance*

## 6 Implementation of the operational programme

The Rural Policy Operational Programme is a guidance instrument in line with the Government's regional development targets. According to the Government Programme and the decision on targets, in its decision-making the state will take account of the associated regional development effects. In addition to promoting nationwide goals, the state's decision-making on regional and local government, steering, and the targeting of regional development resources will emphasise the regional development approach, observing the special characteristics of each region. Each administrative sector will be given more responsibility for regional development performance targets.

The measures proposed in the operational programme will be implemented as part of the regional and local government activities of the ministries concerned and the state. In addition, such measures will be taken into account in the policy outlines of regional strategic programmes and their implementation plans.

Matters relating to the financing of the operational programme will be discussed and decided on within the framework of central government spending limits, as part of central government decision-making on spending limits and budgetary processes. When assessing the level of funding, account will be taken of the overall economic situation and its impact on the development measures proposed in the operational programme.

## 7 Environmental and gender impact assessments

### Environmental impact

In the countryside, the most significant environmental impacts are related to its special characteristics: long distances and sparse housing. As a result, travel burdens the environment, since scarce public transport services make use of private cars a necessity. In rural areas, it is also impossible to achieve certain synergies in heating and lighting. Instead, decentralised energy production and renewable energy sources can be used. In order to reduce people's need to travel, various solutions can be developed, for example, through electronic and local services and by taking advantage of the opportunities provided by teleworking and distance learning. In both rural and urban areas, it is possible to live in accordance with the principles of sustainable development (Prime Minister's Office 2006, 77).

The general duty to investigate environmental effects, as laid down in section 3 of the Act on the Assessment of the Impacts of the Authorities' Plans and Programmes on the Environment (200/2005), applies to the Rural Policy Operational Programme. The authority responsible must ensure that the plan or programme's impacts on the environment are sufficiently investigated and assessed during the preparations, if there is the prospect of the plan or programme having a significant environmental impact.

In this environmental impact assessment, the concept of environmental impact is understood broadly, as defined in section 2 of the act. In this context, environmental impacts refer to the direct and indirect impacts of the Rural Policy Operational Programme on 1) people's health, living conditions and well-being; 2) the soil, water bodies, air, climate, vegetation, biota, and biodiversity, 3) urban structure, the built environment, landscape, urban landscape and cultural heritage; 4) the exploitation of natural resources and 5) interaction between the factors listed under points 1–4.

In the preparation of the Rural Policy Operational Programme, a leading principle throughout the process was to take account of environmental aspects as part of sustainable development. The assessment report on the environmental impacts of the programme was drawn up at the end of the preparation phase, on the basis of the measures proposed in the programme. Taking its environmental impacts into account will be crucial in the implementation of the Rural Policy Operational Programme.

The target policies of the Rural Policy Operational Programme and the 39 measures promoting their implementation are divided into four entities:

- Strengthening rural areas as versatile environments for living and economic activities
- 2. Promoting regional competitiveness in rural areas
- 3. Recognising the special features of sparsely populated rural areas
- 4. Strengthening the conditions for rural and regional development

The environmental impacts of these measures were assessed through the following four entities 1) housing, services and competence; 2) entrepreneurship and labour market policy; 3) accessibility, energy and the environment; and 4) civic activity, local development and the rural policy system. If such measures are implemented they will have a positive impact on the living conditions and well-being of people living and working in rural areas and of those visiting such areas. Several such measures will increase the opportunities to live and work in an ecologically sustainable manner in rural areas. Many of the measures focus on the development of operating methods and structures, preparation of programmes, provision of information and exchange of experiences. This entails that they have no direct effect on the environment but indirectly promote people's living conditions and well-being, and the growth of human and social capital in rural areas.

### 1. Housing, services and competence

In many respects, measures related to housing, services and competence will have a positive impact on the living conditions, well-being and health of people of various ages. Such measures are aimed at the customer-oriented services available in the area or electronic services produced by various parties, which will improve people's living conditions, safety and quality of life, and promote regional equality and cooperation between actors. The availability of education and cultural services in the area will have a positive impact on the quality of life and development opportunities of people of various ages, increasing human and social capital. Use of information technology and cooperation will decrease the need for travel and thus reduce the nuisance effects and emissions caused by traffic.

The development and expansion of various forms of living for the elderly will promote their well-being and quality of life, while strengthening communality and social capital. The measure focusing on immigrants will sustainably improve their well-being.

These measures will promote the creation or preservation of a good living environment and the development of land use, based on the conditions prevalent in each region. They will help to create the preconditions for developing villages and other rural areas, taking account of people's residential preferences and fostering environmental values. This will have a positive impact on the pleasantness of the environment and on preserving cultural heritage.

### 2. Entrepreneurship and labour market policy

Measures related to entrepreneurship and labour market policy will promote regional equality and increase people's opportunities for employment and entrepreneurship in rural areas, thus having a positive impact on people's living conditions and opportunities. Some of the proposed measures are based on sustainable utilisation of the rural natural environment and natural resources in business activities. In addition, many measures will help to create a basis for the sustainable use of natural resources. However, when implementing measures relating to the utilisation of natural resources, it must be ensured that proper weight is placed on nature conservation-biological objectives, alongside rural policy targets.

Basically, the measure seeking to promote business activities relating to local food products and organic production will have a positive impact on the environment, as organic production will reduce emissions into the soil and water from agriculture, and short transport distances will reduce emissions created during transport. Organic production will also promote the welfare of animals. The measure promoting tourism recognises the value of rural landscapes and cultural environments, as important elements contributing to the attractiveness of rural areas which will promote the preservation of landscapes, traditional rural biotopes and cultural heritage. The starting point for promoting the use of forest raw materials and intangible services provided by the forests is sustainability. Supporting the development of the green care industry will indirectly promote people's health and well-being.

Measures aimed at employment will promote people's well-being and create opportunities for them. Education and training measures will increase human capital. Promoting teleworking will bring flexibility to working life and thus increase people's well-being. In addition, increased teleworking will reduce the congestion and emissions caused by commuter traffic.

### 3. Accessibility, energy and the environment

The measure relating to the passableness and maintenance level of rural public roads will improve safety and have a positive impact on people's living conditions, but may also increase the amount of traffic and related emissions. Measures aimed at well-functioning traffic and data connections and public transport services will promote regional equality. Public transport services will reduce the need for using private cars and thus traffic emissions. Well-functioning data connections will reduce the need for travel and thus traffic emissions, since it will enable people to carry out their business and run errands online.

The measure aimed at decentralised energy production based on renewable energy sources is, basically, environmentally friendly, compared to the use of fossil energy sources for example. Emissions from such energy use are cleaner, and the use of energy raw materials can be implemented sustainably. On the other hand, activities such as wood burning create fine particles that affect air quality. In the more extensive use of renewable energy sources, observing the sustainability and

bearing capacity of nature are crucial to the environment. This can be pursued by ensuring the sustainability of bioenergy production through research and monitoring. Decentralised energy production will reduce transportation needs and emissions created during transport.

### 4. Civic activity, local development and the rural policy system

Measures aimed at the development of civic activity, local development and the rural policy system will improve people's living conditions and quality of life in rural areas, both directly and indirectly. The aim is to improve people's opportunities to participate and have an influence in the planning and development of their own environment, which will have positive impacts on inclusion and independent activities and improve well-being and living conditions. Networking and joint efforts between people will increase social capital and have an indirect effect on living conditions and well-being. Measures promoting rural proofing will help to ensure that the conditions of rural residents, companies and actors are considered in all sector policies. This will also have an indirect positive impact on people's living conditions and well-being in rural areas.

### Gender impact assessment

From the point of view of regional development, the distortion of the population's gender structure and in particular, out-migration of educated women from remote areas is an obstacle to balanced regional development in Finland. Promoting gender equality is linked to the competitiveness and attractiveness of regions, related to maintaining both a balanced population structure and jobs, business activities and services. For a balanced population structure, it is vital to pay attention to the availability of basic and welfare services, especially to young women's employment and jobs, and women's opportunities as entrepreneurs.

More women than men still move away from the countryside, but slightly more women than men also move in the opposite direction. Since women are more educated than men, lack of women in an area is, in many respects, problematic from the viewpoint of the area's development. People move to the countryside primarily for more living space, but in an increasing number of cases also in search of a working environment that feeds creativity and an ecological lifestyle. Moving to the countryside is impeded by poor data connections and weak public willingness to improve them. Women often have qualifications and expectations with respect to work relating to the service sector. New nature-based material innovations, such as ecological forms of energy, are creating new interesting jobs in the countryside for both men and women.

The gender impacts of the measures or proposals are rarely direct. In most cases, the impacts are indirect, and a deeper analysis would be required in order to pinpoint them. In many cases, measures or proposals that seem gender neutral may target men and women in different ways.

Many of the measures of the Rural Policy Operational Programme will have direct or indirect impacts on people's lives, opportunities for work, transport, study and leisure time activities and well-being. They can also therefore be expected to have gender impacts. However, the programme's measures have been designed to be gender neutral, and no measures likely to target men and women in different ways have been brought to the fore. Gender equality will be promoted directly by paying special attention to women's opportunities for employment and entrepreneurship. This is important from the gender perspective, as women's migration from the countryside has been high, presenting a threat to the vitality of rural communities.

In sum, it can be stated that if the programme measures are implemented they will promote the well-being of, availability of transport to, and education and participation, employment and entrepreneurship of both men and women. It is not possible to assess quantitatively whether the impacts will be greater on one of the genders. Below, the gender impacts of the programme and its measures are discussed in more detail with respect to each target policy.

### 1. Strengthening rural areas as versatile environments for living and economic activities

When implementing measures related to housing, transportation and services, it is important to take account of the gender perspective, in order to avoid any negative impacts and any increase in inequality. When monitoring the implementation of the programme, attention must be paid to how the implementation of measures has affected and affects gender equality.

Many of the measures focusing on the promotion of rural housing, services and culture will improve not only the availability of services, but also employment in the service sector. In particular, women will be employed by the well-being and cultural service sectors, whereas men will find employment in the environmental management services sector, for example.

Due to prevailing social roles, in many families women have greater responsibility for various care duties (childcare and care for the elderly). The availability and proximity of children's day care services are very important to women, who often still find the reconciliation of work and family life challenging. Cultural and physical exercise services and cultural participation will gain in importance as the population ages and the level of education rises, especially among women. Cultural services are of particular importance from the perspective of women's well-being. Well-functioning transport services will particularly improve women's opportunities for transport in households with one car.

When developing services in rural areas, it is also important that attention be paid to social exclusion, which is often a problem affecting men. As more women than men have moved away from the countryside, the population structure by gender is highly distorted in some areas (in 2007, there were 6.5 women per 10 men in the 15–64-age bracket in some municipalities in the Turku archipelago and Eastern

Lapland). An increasing proportion of men remaining in the countryside are single. When examining issues related to welfare, account must be taken of both genders and their special characteristics.

### 2. Promoting regional competitiveness in rural areas

The green economy provides huge potential for entrepreneurship and employment in rural areas. Green industries include renewable energy, green transport, ecological construction, clean technology, waste and water management, agriculture and forestry and the production of energy efficient products and related services.

Measures are needed to extend women's competence and job opportunities in new industries, and to take account of the special features of female entrepreneurship in the promotion of business activities and business competence, for example. New industries, companies and jobs created in the natural resources industry would provide an opportunity to rethink gender segregation and put new ideas into practice. The growing care sector and need for other services, as well as the green economy and cleantech, can provide men and women with new opportunities for entrepreneurship and employment deviating from traditional roles.

Due to gender segregation in working life, development of different industries will be of varying significance to men and women (cf. wood processing, care sector, food processing). In particular, the food processing, care and service sectors provide women living in rural areas with an opportunity to employ themselves and remain in their home area, or move to the countryside. Measures aimed at increased business opportunities for the forest sector, for example, can be regarded as mainly promoting men's opportunities for employment and entrepreneurship. Development of nature and landscape management may also have similar effects.

Greater opportunities for employment and entrepreneurship will improve the living conditions of all people living in the countryside, and many of the proposed measures will have a positive impact on the lives of both men and women in rural areas. Developing opportunities for teleworking will bring flexibility to working life and thus increase people's well-being. Development of flexible solutions for working life can be expected to be of particular significance to women who are more comprehensively affected by problems related to the reconciliation of paid work and care duties.

Unemployment is more common among men than women. In 2011, the average unemployment rate was 7.8 per cent, in 2010, it was 8.4 per cent. The unemployment rate for men stood at 8.4 per cent and for women at 7.1 per cent. (Statistics Finland). The type of area has hardly any effect on the unemployment rate among men, whereas it is slightly more difficult for women to find employment in rural areas than in urban areas. In Finland, gender segregation in working life is still very clear, and in many cases, traditional career choices made on the basis of gender do not correspond to the need for labour in the region. Women have had a long tradition of entrepreneurship in agriculture. As late as in 1990, almost 45 per cent of female

entrepreneurs were engaged in primary production. The structural change in agriculture has rapidly reduced the total number of female entrepreneurs since the 1990s. However, growth in female entrepreneurship in the service sector and other industries began to gradually compensate for the loss of female entrepreneurs in agriculture. In recent years, women entrepreneurs have accounted for approximately one third of all entrepreneurs in Finland. (Entrepreneurship Review 2011). Female entrepreneurship usually follows the traditional gender-based choice pattern, and women's enterprises are often micro-companies.

It is important that the clear gender segregation in education and working life in Finland be dismantled, not only for the benefit of individuals, but also because, in many cases, traditional career choices made on the basis of gender do not correspond to the need for labour in the regions. Diversifying the economic structure and developing the service sector to increase the number of jobs and entrepreneurship among women represent a way of correcting the distorted gender ratio in terms of regional jobs. However, care must be taken to avoid any further strengthening of segregation in working life. Measures are needed to extend women's competencies and job opportunities in new industries. Steps must be taken to change workplace practices and the culture in those professions and industries that wish to attract more women. Conversely, the same applies to female-dominated industries and professions that wish to attract more men, for example, kindergartens and comprehensive schools. No account was taken of dismantling segregation when the programme measures were planned, but special attention can be paid to this during implementation.

Measures aimed at the promotion of competence and education and training will benefit both genders. When developing higher education and its links to any given region, it will be especially important to better integrate the identification of the gender perspective into education, as this would promote both the availability of research results on the gender perspective and opportunities to utilise those results in development work.

### 3. Recognising the special features of sparsely populated rural areas

In order to recognise the special features of sparsely populated rural areas and to respond to the special challenges faced by them, the operational programme highlights two gender neutral measures. The first of these is associated with the examination of social ways of providing services and improving conditions for companies in sparsely populated areas. At this stage, it is not possible to assess what types of proposals the report will result in, and thus their possible gender impacts cannot be evaluated. The second measure is associated with ensuring security services in sparsely populated rural areas. This measure emphasises that account must be taken of the needs of various population groups, entailing that attention must be paid to security-related gender aspects in this context.

### 4. Strengthening the conditions for rural and regional development

Development of civic activity will have positive impacts on people's well-being. The operational programme aims to promote participation by citizens and to take better account of the viewpoints of various population groups in society. It will strengthen both local development structures and actors. Local development work will target men and women. Based on the assessments made, the locally oriented development approach will activate both men and women, and young people in particular.

### Työ- ja elinkeinoministeriön julkaisuja Arbets- och näringsministeriets publikationer MEE Publications

Alueiden kehittäminen 47/2012 Utvecklande av regionerna 47/2012 Regional development 47/2012

Tekijät   Författare   Authors	Julkaisuaika   Publiceringstid   Date
	Marraskuu 2012
Maaseutupolitiikan yhteistyöryhmä	Toimeksiantaja(t)   Uppdragsgivare   Commissioned by
	Työ- ja elinkeinoministeriö Arbets- och näringsministeriet Ministry of Employment and the Economy
	Toimielimen asettamispäivä   Organets tillsättningsdatum   Date of appointment

### Julkaisun nimi | Titel | Title

Maaseutupoliittinen toimenpideohjelma 2012-2015

### Tiivistelmä | Referat | Abstract

Työ- ja elinkeinoministeriö hyväksyi 26.6.2012 maaseutupoliittisen toimenpideohjelman vuosille 2012–2015. Hallituksen hallinnon ja aluekehityksen ministerityöryhmä puolsi 20.6.2012 ohjelman hyväksymistä. Maaseutupoliittinen toimenpideohjelma on hallituksen alueiden kehittämistavoitteiden mukainen ohjausväline, jolla tarkennetaan ja konkretisoidaan valtioneuvoston 15.12.2011 päättämiä valtakunnallisia alueiden kehittämistavoitteita 2011–2015.

Toimenpideohjelman lähtökohtana on, että maaseutu tunnistetaan yhtenä keskeisenä hyvinvoinnin ja tulevaisuuden kilpailukyvyn lähteenä. Ohjelmassa esitetään konkreettisia toimia maaseutualueiden uusiutumiskyvyn edistämiseksi ja niiden potentiaalin täysimääräiseksi hyödyntämiseksi. Ohjelma antaa välineitä maaseutualueiden erityispiirteiden tunnistamiseksi aiempaa paremman elinvoiman ja kilpailukyvyn lähteinä sekä palvelujen että infrastruktuurin näkökulmasta. Ohjelmassa on yhteensä 39 toimenpidettä.

Ohjelman tavoitelinjaukset ja niiden toteutumista edistävät toimenpiteet on jäsennetty neljään kokonaisuuteen:

- 1. Maaseutualueita vahvistetaan monipuolisina asumisen ja elinkeinotoiminnan ympäristöinä
- 2. Maaseudun alueellista kilpailukykyä edistetään

Asiasanat | Nyckelord | Key words

- 3. Harvaan asutun maaseudun erityispiirteet tunnustetaan
- 4. Maaseudun ja alueellisen kehittämisen edellytyksiä vahvistetaan.

Maaseutupoliittisen toimenpideohjelman valmisteli talven ja kevään 2012 aikana Maaseutupolitiikan yhteistyöryhmä (YTR) yhteistyössä ministeriöiden ja alueiden kanssa. Maaseutupolitiikan yhteistyöryhmä seuraa toimenpideohjelman toteutusta ja antaa hallituksen hallinnon ja aluekehityksen ministerityöryhmälle määräajoin selvityksen toimenpideohjelman toteutumisesta.

Julkaisu on saatavilla myös suomen- ja ruotsinkielisenä.

Työ- ja elinkeinoministeriön yhdyshenkilöt: Alueosasto/Petra Stenfors, puh. 029 504 7077, Hanna-Mari Kuhmonen, puh. 029 504 7008, Laura Jänis, puh. 029 504 7111

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	November 2012
Landsbygdspolitiska samarbetsgruppen	Toimeksiantaja(t)   Uppdragsgivare   Commissioned by
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	Toimielimen asettamispäivä   Organets tillsättningsdatum   Date of appointment

### Julkaisun nimi | Titel | Title

Landsbygdspolitiskt åtgärdsprogram för 2012–2015

### Tiivistelmä | Referat | Abstract

Arbets- och näringsministeriet godkände 26.6.2012 det landsbygdspolitiska åtgärdsprogrammet för 2012–2015. Regeringens ministerarbetsgrupp för förvaltning och regionutveckling förordade godkännandet av programmet 20.6.2012. Det landsbygdspolitiska åtgärdsprogrammet är ett styrmedel som är förenligt med regeringens utvecklingsmål för regionerna och som preciserar och konkretiserar de nationella utvecklingsmålen för regionerna 2011–2015, som statsrådet fastställde 15.12.2011.

Utgångspunkten för åtgärdsprogrammet är att landsbygden ska uppfattas som en viktig källa till välfärd och framtida konkurrenskraft. Programmet omfattar konkreta åtgärder för att främja landsbygdsregionernas förnyelseförmåga och för att utnyttja deras potential till fullo. Programmet erbjuder verktyg för att identifiera särdragen i landsbygdsregionerna som källor till bättre livskraft och konkurrenskraft ur såväl tjänsternas som infrastrukturens perspektiv. Programmet innehåller sammanlagt 39 åtgärder.

Programmets målriktlinjer och de åtgärder som bidrar till att de följs bildar fyra helheter:

- 1. Landsbygdsregionerna stärks som mångsidiga miljöer för boende och näringsverksamhet.
- 2. Landsbygdens regionala konkurrenskraft främjas.
- 3. De särskilda dragen hos glesbygden erkänns.
- 4. Förutsättningarna för utvecklingen av landsbygden och regionerna stärks.

Det landsbygdspolitiska åtgärdsprogrammet bereddes under vintern och våren 2012 av Landsbygdspolitiska samarbetsgruppen (YTR) i samarbete med ministerierna och regionerna. Landsbygdspolitiska samarbetsgruppen följer upp implementeringen av åtgärdsprogrammet genom att regelbundet lämna en utredning om åtgärdsprogrammets framskridande till ministerarbetsgruppen för förvaltning och regionutveckling.

Dokumenten är också utgiven på finska och svenska.

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### Rural Policy Operational Programme 2012–2015

Based on a decision by the Minister of Economic Affairs, Jyri Häkämies, the Ministry of Employment and the Economy approved the action plans for urban policy, rural policy and island policy for 2012–2015, on 20 June 2012. These plans define the tasks and measures essential to the urban, rural and island policy for the current term of government. The action plans implement the national regional development objectives for 2011–2015, defined by the government in December 2011.

The starting point of the rural policy operational programme is that the Finnish countryside is recognised as a source of welfare and future competitiveness. The programme proposes concrete measures to promote rural areas' capability for continuous renewal and the utilisation of their full potential. The programme provides tools for identifying the special features of rural areas as sources of greater vitality and competitiveness, from the perspective both of services and the infrastructure. There are a total of 39 measures in the programme

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