European Network for Rural Development

Photo © Uhsplash

Smart Villages in Poland: ideas for designing support in the future CAP Strategic Plans*

* The elements to be discussed below are based on the Commission's proposal for a CAP Strategic Plan Regulation which is subject to changes following decisions of the co-legislators in the legislative procedure.

The content of this document is based on the outcomes of the discussions of the ENRD Thematic Group on Smart Villages, and does not represent the views of the European Commission.

INTRODUCTION

This briefing introduces the main ideas presented at the 11th meeting[1] of the Thematic Group (TG) on Smart Villages which focused on how to design support for Smart Villages in the future CAP Strategic Plans (SP) based on the ideas being discussed by Poland.

Poland is one of the countries that has made significant progress in the design of a support framework for Smart Villages in their future CAP Strategic Plan[2]. The Managing Authority has disseminated information and sparked off considerable interest among rural communities by organising a Smart Village Competition[3]. They are also proposing to encourage Smart Villages through a straight-forward system of preparatory support based on lump sums. The framework aims to create the local conditions for further investments from other CAP interventions or EU Funds.

At this stage of the preparations their ideas are still under discussion but nevertheless, the process they have followed and the ideas themselves, can provide other Member State (MS) with useful insights for designing their own framework for supporting Smart Villages.

Previous briefings of the Thematic Group on Smart Villages[4] have recommended that Member States should take the following steps when designing their support for Smart Villages in the future CAP SP:

1. Identify the **needs** of rural communities that might by tackled by Smart Villages;

2. Map the **existing policy support framework** in order to identify opportunities and gaps;

3. **Design a targeted package of interventions** which enable rural communities to take an initial idea for change through to its sustainable scale-up.

(1) https://enrd.ec.europa.eu/news-events/events/11th-thematic-group-meeting-smart-villages_en

(2) See the Briefing on 'Smart Villages in Finland: ideas for designing support in the future CAP Strategic Plans'. https://enrd.ec.europa.eu/publications/smart-villages-finland-ideas-designing-support-future-cap-strategic-plans_en

(3) See the presentation from Łukasz Komorowski (Polish Academy of Science) on 'My smart village competition (2019)', https://enrd.ec.europa.eu/sites/enrd/files/4_tg11_smart-villages_pl-competition_komorowski.pdf and video- https://www.youtube.com/watch?v=9YFectESq4M&feature=emb_title

(4) See the Smart Villages toolkit that compile all the Briefings produced by the Thematic Group on Smart Villages. https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal_en

Funded by the European Commission

1. IDENTIFYING THE NEEDS OF RURAL COMMUNITIES – TAKING STOCK OF THE STATE OF PLAY IN POLISH RURAL COMMUNITIES

The table below presents some the key challenges faced by rural areas in Poland[5]. Based on an analysis of these challenges, the Managing Authority (MA) of Poland has identified a number of broad needs that could be tackled through Smart Villages.

Table 1. Relevant challenges and needs in rural Poland

Key challenges in Polish rural areas	Relevant needs for Smart Villages
• Depopulation is identified in peripheral areas and Eastern Poland. At the same, rural areas on average are growing in population and, compared to other EU countries have a favourable age structure; • The poverty level is decreasing in rural areas – but is still high – at 20%; • Rural areas have worse access to education than urban areas. Demographic change is resulting in the closure of small schools which are the cornerstones of community vitality; • Access to internet services and digital skills are lower in rural areas and are essential for rural development in many fields; • Drought and uneven rainfall distribution means that place-based and community solutions for water management could play a bigger role.	• Improve the living and working conditions of rural residents; • Develop entrepreneurship in rural areas by creating jobs in rural areas; • Include of people from disadvantaged or excluded groups in rural areas; • Stimulate the economic development and innovation of localities in rural areas using the social, economic, cultural and environmental-landscape potential as well as digital tools; • Develop the bioeconomy based on non-food applications of (waste) agricultural biomass; • Limit air pollution and improve air quality.

"My Smart Village" – the view from the ground

The Smart Villages Competition organised in Poland in 2019 provides evidence of rural communities' grass roots concerns. More than 50 villages entered the competition from all over Poland and 10 were shortlisted for the final selection of winners. Proposals from villages covered a very wide range of themes and priorities, ranging from the quality of education, environmental and climate protection, smart energy, smart agriculture and eco- food.

THE WINNER OF THE SMART VILLAGES COMPETITION IN POLAND

The winner of the competition, the village of Piaseczna Górka, provides many insights into the needs, opportunities and aspirations of Polish villages. It is not a showcase for advanced technological solution to rural challenges, but rather a place where local people are coming together with the support of inspirational local leaders - and the help of certain digital tools and technologies - to find small-scale but important collective and innovative solutions tailored to their problems.

More information:
See the presentation from Alicja Jamorska-Kurek, Village leader, a winner of the Smart Villages Competition 2019 in Poland: https://enrd.ec.europa.eu/sites/enrd/files/3_tg11_smart-villages_pl-village_jamorska.pdf,
the video about their community experience: https://www.youtube.com/watch?v=WMEIETCjUYs
and her speech at the 11th Thematic Group meeting on Smart Villages:
https://enrd.ec.europa.eu/sites/enrd/files/3_tg11_smart-villages_pl-village_jamorska_speech.pdf

---

(5) See presentation by Under Secretary of the Ministry of Agriculture and Rural Development Mr Ryszard Kaminski.
https://enrd.ec.europa.eu/sites/enrd/files/2_tg11_smart-villages_rural-context_kaminski.pdf

Based on the experience of the Smart Villages Competition, the organisers have identified a series of lessons learned which are relevant for designing the future support framework for Smart Villages in Poland[6]:

| There is 'no one way to be smart' | Build on action on existing Smart Villages. Local Leaders play a key role as initiators | Avoid producing more strategic documents | Start small with one village but build partnerships | Technologies are an important tool but not the main objective | Need for flexible systemic financial support |

2. MAPPING THE EXISTING POLICY SUPPORT FRAMEWORK

The ENRD Thematic Group has argued that future interventions for Smart villages should be designed to enable local communities to take innovative actions in a fast and flexible manner. They should avoid duplication with existing structures and strategies. Consequently, it is important to map existing policy support tools, identify what works and does not work, and design targeted interventions that add value to what already exists. In the case of Poland, several specific characteristics need to be considered when designing Smart Villages interventions

Firstly, there is an extensive network of 323 LEADER Local Action Groups (LAGs) covering the Polish rural areas – with the exception of cities with more than 20 000 inhabitants. LAGs are already able to support a series of activities which are relevant for Smart Villages such as strengthening social capital and raising the knowledge of the local community, innovative solutions in the field of environmental protection and climate change, entrepreneurship, cooperation especially around short supply chains, investment in public and cultural infrastructure and heritage and so on.

However, LAGs operate based on multiannual integrated Local Development Strategies (LDS) with relatively standardised call for projects over a larger territorial scale than Smart Villages. The question for the future is how to respond to the smaller scale community-led initiatives which may emerge in new fields that were not initially envisaged in the LDS and how to enable cooperation between villages on certain emerging challenges such as renewable energy, digitalisation and climate change.

Secondly, in the 2014-2020 period Poland plans to dedicate very significant resources (approximately €883 million) to Measure 7 for Basic Services and Village Renewal in their Rural Development Programme (RDP). About €67 million is dedicated to the village renewal sub-measures (Sub-measure 7.4[7] and 7.6[8]). These types of intervention could be relevant for supporting Smart Villages in the future. In particular, Polish authorities have mentioned the investments in facilities with cultural functions, public space developments and traditional buildings. The Smart Village approach provides an opportunity for ensuring that these kinds of investments are implemented in a more integrated way.

Thirdly, Poland has supported 31 Operational Groups under Measure 16.1 of their RDP, and has received a further 154 aid applications by March 2020. There are important lessons for Smart Villages from the interactive farmer driven innovation processes supported by these groups. However, at present they are limited to the agro-food value chain.

---

(6) See the presentation from Łukasz Komorowski (Polish Academy of Science) on 'My smart village competition (2019)', https://enrd.ec.europa.eu/sites/enrd/files/4_tg11_smart-villages_pl-competition_komorowski.pdf

(7) RDP sub-measure 7.4: Investments in the setting up, improvement or expansion of local basic services for the rural population, including leisure and culture, and the related infrastructure.

(8) RDP sub-measure 7.6: studies and investments associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages, rural landscapes and high nature value sites, including related socio-economic aspects, as well as environmental awareness actions.

LEADER (M19)

- 323 LAGs with a total public budget of € 735 million cover all rural areas.

- LAGs budgets range between € 1.25 million to € 4 million of public support.

- 43 LAGs concentrated in two regions use some form of multifunding.

Measure 16: Cooperation

- More than 30 EIP-AGRI Operational Groups supported with an average of € 0.5 million of public support.

- In 2020, 154 additional applications have been receieved.

Measure 7: Development of Services and Villages

- Poland plans to dedicate € 883 million to RDP Measure 7 for Basic Services and Village Renewal (village renewal about € 67 million).

- These resources could be relevant for supporting Smart Villages. To date, 639 operations of these kinds have been supported with € 97 million from EAFRD and national sources.

3. DESIGNING TARGETED INTERVENTIONS FOR SMART VILLAGES IN THE FUTURE CAP STRATEGIC PLANS

Based on the evidence of needs in Polish villages and on the lessons drawn from existing policies, the Polish authorities are exploring the following ideas for supporting Smart Villages in their future CAP Strategic Plan.

Rationale and assumptions

- Priority may be given to climate and environmental interventions with digital component;

- The innovation should be relative to local conditions, not as advanced research or technology;

- Smart Villages concepts should support micro scale, grassroots initiatives and commitment of the village council and community;

- Smart Villages concepts can be integrated into LDS but are not considered part of LEADER intervention;

- Due to the limited budget of the CAP Plan, support will be for rather small-scale investments (comparable to LEADER or even smaller); and

- However, support for Smart Villages should make it possible to design larger-scale investments (wind farms, biogas plants). Funds for the implementation of such projects will probably need to be sought outside Smart Villages intervention or even the CAP Strategic Plan from Cohesion Funds and/or other national programmes.

Scope and purpose of the Smart Villages intervention

The scope of the potential support for Smart Villages in Poland, as in Finland[9], will be kept deliberately broad and inclusive to reflect the very diverse needs of the villages in different parts of the country. There is no intention to produce an overarching national strategy. The aim is to be able to respond in a fast and flexible manner to the needs expressed by local communities in economic, social and environmental fields. Nevertheless, based on the needs identified earlier, the main purpose of the intervention is said to be:

- Ensuring availability of a wide catalogue of services using digital tools;

- Creating infrastructure that has a positive impact on the environment and climate;

---

(9) See Briefing on 'Smart Villages in Finland: ideas for designing support in the future CAP Strategic Plans'
https://enrd.ec.europa.eu/publications/smart-villages-finland-ideas-designing-support-future-cap-strategic-plans_en

© Unsplash

- Increasing the production capacity of energy and from renewable sources (including biomass); and

- Combating depopulation and address the aging of the population.

The design of Smart Villages Interventions

Territorial coverage

Smart Villages support will be targeted at the level of one or two village settlements – in other words at a smaller territorial scale than LEADER, and even than an average polish municipality. However, cooperation between larger numbers of villages will be encouraged to deal with challenges that require a larger scale such as renewable energy, digitalisation, responses to climate change. All cooperation should involve at least two entities of which one is the beneficiary.

Types of interventions

The idea in Poland is to provide easily accessible support for a **preparatory phase** for Smart Villages through a lump sum financed through Article 71 for cooperation. If successful, this preparatory support would open the door to support for further tangible and intangible investments in an **implementation phase** financed under Article 68 for Investment and/or LEADER. A network of innovation brokers in planned to be developed, supported by Advisory Services, LAGs and the National Rural Network.

Figure 1.
Phases supported under the Smart Villages intervention

Intervention: Smart Villages

Dedicated intervention for Smart Villages.
It is separated from LEADER or EIP–AGRI interventions.

Preparatory support
for the Smart Villages concept
(Article 71 Cooperation)

Support for the **implementation** of the smart Villages Concept
(Article 71 Cooperation & LEADER, Article 68 Investments)

© Freepik

The table below provides further detailed description about each of the phases, as well as additional information about the possible selection criteria and form of aid expected.

Table 2. Information about the preparatory support and implementation phases under the intervention on Smart villages

	Preparatory Support Art.71 Cooperation & LEADER	Implementation of Smart Villages plan Art.71 Cooperation & LEADER; Art.68 Investment
Description	Preparatory support could be offered to help local communities in the preparation of Smart Villages concepts or plans/strategies. The preparatory support will give people a chance to think and establish plans for "what to do for our village". People with a ready Smart Village concept will apply for funds to make that plan real in the following implementation phase. The beneficiaries of the preparatory support could be natural or legal persons, NGOs or LAGs. The Smart Villages plan could contain a light SWOT and identification of needs, a description of the participatory process and the planned operations, expected effects and the digital, environmental and climate components.	There will be a separate budget for the implementation phase. However, this is unlikely to be enough to cover all the needs of Polish villages, so the aim is to enable Smart Villages to find financial sources from other interventions in the CAP Strategic Plan. For example, small-scale investments can also be supported through Art.71 cooperation, as can cooperation between several villages on challenges which require a larger scale (e.g. energy infrastructure). Smart Villages can also be integrated into Local Development Strategies although they are not compulsory. So there might be a call for proposals for small infrastructure projects in LEADER and applicants with a Smart Village concept could be awarded extra points in the selection criteria. LAGs might also establish special calls for proposal dedicated only to Smart Villages concepts. Additional support can also be provided for further investments through other CAP interventions such as Article 68 for Investments and through other EU, national, regional and private Funds. Applicants with a Smart Village concept could also be awarded extra points in the selection process.
Possible Selection criteria	• the quality of the process for preparing the plan and particularly the level of participation of the local community; • the implication of the village leader in this process; • the number of partners; • the experience and potential of local organisation; and • the marginalisation of the area.	• the quality of the Smart Village plan in relation to exploiting agricultural and bioeconomy potential; • the appropriateness of resources and operations planned; • solutions ensuring reduction of costs of functioning of public space; • solutions ensuring the use of local resources; and • the degree of marginalisation.
Form of support	Simplified Cost Option (SCO) - Lump Sum	Reimbursement of eligible costs, but advance payments could be assured. Possibly Simplified Cost Option – Lump Sum for non-infrastructure projects.

Smart Village Innovation brokers

This framework could be complemented by support to **innovation brokers** to improve the access to knowledge and encourage innovation. Current advisory services, LAGs and National Rural Networks (NRNs), could all play a role in the preparation of Smart Villages plans, supporting animation and providing links to specialised providers of knowledge.

4. GUIDING QUESTIONS FOR ASSESSING THE ADDED VALUE SMART VILLAGES INTERVENTIONS

The ENRD Thematic Group on Smart Villages has identified a series of guiding questions to help assess whether the interventions designed support Smart Villages add value to what already exists. It can be seen that the initial ideas for Smart Villages in Poland satisfy these questions. Smart Village support frameworks should provide:

More resources for local facilitation/animation ➡ **Yes**, by designing through preparatory support to local communities and involving innovation brokers and LAGs.

Better access to knowledge ➡ **Yes**, by supporting innovation Brokers.

Faster more flexible finance for community led innovation ➡ **Yes**, by using SCOs such lump sums in the preparation and implementation of Smart villages plans and advance payments for implementation.

Better **alignment with investment** and other measures ➡ **Yes**, by building in links with investments support from other CAP interventions through specific criteria.

Stronger and more flexible cooperation ➡ **Yes**, through the preparatory support and implementation of cooperation projects through the Smart Village Plan.

5. ADDITIONAL INFORMATION AND ORIENTATIONS FOR DESIGNING THE SUPPORT FRAMEWORK FOR SMART VILLAGES

The **ENRD Smart Villages Portal**[10] is a repository of information developed on Smart Villages across the EU, including key policy initiatives, research, projects and initiatives, news and events. In addition, the Portal contains a **Smart Villages toolkit**[11] that collects the set of orientations and briefings produced by the ENRD Thematic Group on Smart Villages[12] to help stakeholders involved in the design of support framework for Smart Villages in the future programming period.

Resources in the Smart Villages Toolkit

Orientations for policy-makers and implementers
- Smart Villages in Finland: ideas for designing support in the future CAP Strategic Plans
- How to support Smart Villages strategies which effectively empower rural communities?
- How can LEADER/CLLD support Smart Villages?
- How to work with Smart Villages? Orientations for LEADER LAGs
- Using non-LEADER/CLLD cooperation to support Smart Villages
- How to ensure that digital strategies benefit rural communities?

Thematic Briefings
- Smart Villages and digital transformation
- Smart Villages: Rural mobility
- Smart Villages and Renewable Energy Communities

---

(10) https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal_en

(11) https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal/smart-villages-toolkit_en

(12) https://enrd.ec.europa.eu/enrd-thematic-work/smart-and-competitive-rural-areas/smart-villages_en

European Network for
Rural Development

https://enrd.ec.europa.eu