

Christmann, Gabriela B.

Research Report

How Social Innovation can be Supported in Structurally Weak Rural Regions

IRS Dialog, No. 5/2020e

Provided in Cooperation with:

Leibniz Institute for Research on Society and Space (IRS)

Suggested Citation: Christmann, Gabriela B. (2020) : How Social Innovation can be Supported in Structurally Weak Rural Regions, IRS Dialog, No. 5/2020e, Leibniz-Institut für Raumbezogene Sozialforschung (IRS), Erkner

This Version is available at:

<https://hdl.handle.net/10419/229188>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Policy Paper

Gabriela B. Christmann

How Social Innovation can be Supported in Structurally Weak Rural Regions

How Social Innovation can be Supported in Structurally Weak Rural Regions

Author: Gabriela B. Christmann | gabriela.christmann@leibniz-irs.de

In collaboration with: Jamie Scott Baxter, Georgios Chatzichristos, Holle Gruber, Barraí Hennebry, Sunna Kovanen, Marina Novikova, Lucas Olmedo, Sune W. Stoustrup, Mara van Twuijver, and Anna Umantseva

Layout: Henrika Prochnow

Photo: [jan_S/stock.adobe.com](https://www.gettyimages.com/detail/stock-photo/jan-s/stock.adobe.com)

Publisher:

Leibniz Institute for Research on Society and Space (IRS)

Flakenstraße 29-31

15537 Erkner

www.leibniz-irs.de

IRS Dialog Policy Papers serve to promote the exchange between science and practice on perspectives for political and social action. They reflect the views of the respective authors and not necessarily those of the IRS as a whole. Comments are welcome. Please address them directly to the authors.

ISSN 2701-228X

Erkner, October 2020



Social Entrepreneurship in Structurally Weak Rural Regions:
Analysing Innovative Troubleshooters in Action



RurAction receives funding from
the European Union's Horizon 2020
research and innovation programme
under grant agreement no. 721999.

This Policy Paper is based upon the findings of the research project "RurAction". RurAction (2016–2020) stands for "Social Entrepreneurship in Structurally Weak Rural Regions: Analysing Innovative Troubleshooters in Action". It is an "Innovative Training Network" financed through the European Union's Horizon 2020 research and innovation programme under grant agreement no. 721999.

RurAction was coordinated by the Leibniz Institute for Research on Society and Space, Erkner (Germany). Collaborating researchers for the project came from Adam-Mickiewicz-University Poznań (Poland), the Leibniz Institute for Regional Geography in Leipzig (Germany), Roskilde University (Denmark), Technical University Berlin (Germany), University College Cork (Ireland), University Institute of Lisbon (Portugal), Leipzig University (Germany), the University of Passau (Germany), and the University of the Aegean, Mytilene (Greece). The social enterprises involved were ADC Moura, Moura (Portugal), Ballyhoura Development, Kilfinane (Ireland), Landsbrugslauget Brinkholm, Karise (Denmark), Otelo eGen, Vorchdorf (Austria), Social Impact, Potsdam (Germany), and Stevia Hellas, Lamia (Greece).

In addition, the Policy Paper incorporates findings from the projects "Innovations in Rural Municipalities: Conditions, Actors, and Processes of Creative Community Development" (2015–2018) and "Smart Villagers: Digitalisation and Social Innovation in Rural Spaces" (2019–2021), both financed by the Leibniz Institute for Research on Society and Space, Erkner.

Inhalt

Introduction: Challenges in structurally weak rural regions of Europe.....	5
Social innovation in the countryside.....	6
Phases of the innovation process	7
Success factors for social innovation in rural regions.....	8
Innovative work by rural inhabitants.....	9
Latency and problematisation phase.....	9
Emergence phase: Planning and realisation.....	10
Adjustment phase	15
Stabilisation and dissemination phase	16
Innovative work by social enterprises.....	17
Conclusion: Provide support tailored to innovation processes.....	21
Bibliography	22
Appendix: Points of Discussion on the Policy Paper	24
Policy Roundtable Germany (25th June 2020).....	25
Policy Roundtable Portugal (11th September 2020).....	26
Policy Roundtable Greece (23rd September 2020)	27
Policy Roundtable Austria (24th September 2020).....	28
Policy Roundtable Ireland (28th September 2020).....	29
International Policy Roundtable, EU-level (23rd September 2020)	30

Introduction: Challenges in structurally weak rural regions of Europe

A downward spiral has been set in motion in many structurally weak rural regions of Europe in the past decades. While the precise economic and social conditions of individual regions in Europe often diverge significantly (Hennebry 2018; Chatzichristos/Nagopoulos 2020; Willett/Lang 2018), the same pattern nevertheless tends to appear: Compared with cities, the conditions of everyday life in structurally weak rural regions is – due to its limited economic productivity, career perspectives, and a worsening provision of infrastructure (such as utilities) – rather unfavourable. This has led to ever more rural inhabitants leaving the countryside. Young, well-educated individuals in particular have turned their backs on rural regions. A consequence is a deficit in the required labour force and skilled workers, leading to a further deterioration in the economic prospects of such areas (Müller/Siedentop 2003; Manthorpe/Livsey 2009; Weber 2012). This often makes it difficult to break the downward spiral and reverse its effects.

Although many rural inhabitants appreciate countryside living and see its advantages in comparison to the city (such as the proximity to nature, better living conditions, often a private house and garden, and more calm), they nevertheless complain of the dismantling of infrastructure. The disappearance of shops, the local bakery, doctor's surgery, village pub, or post office – and thus of places of communication – is perceived as a severe transformation in everyday life. The reduction of opportunities to communicate with one another in rural regions and villages, compared to earlier times, is also lamented (Christmann 2019).

In the face of such challenges, actors in some parts of the countryside have become active and are taking things into their own hands in order to improve their situation (Christmann 2017, 2019). Several have even founded small companies, creating workplaces and an economic basis for themselves and others. In many instances it is the case that actors leave behind more well-trodden paths and develop novel approaches in the search for solutions. In some cases, actors have found support among fellow campaigners who have set themselves the goal of promoting innovative problem-solving approaches and, once tried and tested, of professionally supporting creative processes and grass-roots initiatives, as well as business start-ups. The talk is of social entrepreneurs. Even if there is no single definition for this concept, due to the existence of very different types of social enterprise, social entrepreneurs can be characterised as visionary actors with a pronounced orientation towards action, who develop and implement, or otherwise support, social-innovation approaches by entrepreneurial means and know-how (Christmann 2011; Pestoff/Hulgård 2015).

In fact, throughout Europe there is an abundance of innovative initiatives to be seen in the countryside (Olmedo/van Twuijver/O'Shaughnessy 2019), advanced by rural inhabitants, social entrepreneurs, or both in collaboration, and which is here termed "social innovation". To social innovation one can ascribe the potential for meeting the diverse challenges of our society. For some time, political decision makers have also placed hope in social innovation. Early on, the European Commission set itself the target of promoting the empowerment of people and the development of social innovation (Bureau of European Policy Advisers 2010; see also Jenson/Harrison 2013, Christmann 2020). There are, however, still many questions about the conditions in which social innovation emerges in rural areas, how its potential can be developed, and what support strategies can be used to assist it.

The basis of this Policy Paper is empirical research that tackles these questions. By analysing innovative initiatives in the countryside, the conditions and the actor constellations necessary for their emergence has been

reconstructed. The phases through which the processes of innovation are carried out have also been investigated, and critical junctures that could pose a threat to their further progress have been identified, as well as favourable factors. Using the example of failed initiatives, it has been possible to explore what conditions could be adverse, or what obstacles are insurmountable, for an innovative initiative.

The focus was placed, firstly, on innovative initiatives that had been developed independently by rural inhabitants in various actor constellations. Secondly, the project investigated the ways in which social enterprises developed novel solutions together with rural inhabitants. It proved to be the case that social enterprises, too, require supporting factors for their work, despite their experience and professionalism.

The following will initially consider what can be understood by rural social innovation. The various phases of the innovation process will then be determined. Alongside these phases, the central findings of our research on significant factors for innovative work will be summarised. In connection with this, inferences will be drawn from our findings and recommendations for action will be derived concerning the political management and support of social innovation in rural regions. Four political levels will be considered: the municipal/regional level, the state level (for federal systems), the national level, and the level of the European Union.

It should be mentioned that a prefinal version of this Policy Paper was discussed in detail in the context of policy roundtables held between June and September 2020 in the form of webinars. There, key aspects of the paper were considered in the light of specific framework conditions in Germany, Portugal, Greece, Austria and Ireland. Furthermore, a policy roundtable was organised with a focus on the European Union level. The results of these policy roundtables are reported in the annex to this policy paper.

Social innovation in the countryside

Until recently, rural communities were only seldom viewed in relation to (social) innovation (Ehalt 2000; Beetz 2004; Henkel 2004; Coronado/Acosta/Fernandez 2008). They had more of a reputation for their remoteness from innovation (Nell/Weiland 2014). It would, however, be wrong to say that the countryside offers no fertile ground for innovation. Rural regions have always been used as places to experiment with creative development. It has often been, and continues to be, urbanites, sometimes artists, creatives, or those seeking an alternative lifestyle, who have retreated either individually, in groups, or in colonies, to the countryside, in order to attempt something new. But the locals, too, have struck out on new paths. Present-day empirical findings show that rural dwellers quite certainly test out and develop novel ideas, even if they do not themselves necessarily describe such novelty as "innovative". First and foremost, they seek to develop solutions for existing problems; innovation for its own sake is not the goal. It is nevertheless clear to them that the old models are no longer of use, that new practices need to be tried, and creative solutions found.

One reason why rural regions have only seldom been associated with innovation is that the concept of innovation has itself long been connected more frequently with technological or economic developments, the expensive research laboratories of large companies, and economic concentration in metropolitan areas. On the other hand, the social sciences take social innovation into account alongside those in technology and the economy.

So, what is it that distinguishes social innovation? The sociologist Zapf (1989, 177) defines it as "new ways of achieving goals, especially new forms of organisation, new regulations, new lifestyles". In the case of social innovation, it means above all novel practices that can emerge from among the general public. Not only scientists, engineers, entrepreneurs are responsible for this; it can also be initiated by civil-society actors or (local) political or administrative actors. A central criterion for innovation to be determined as such is its novelty; it marks a break from the usual. Nevertheless, innovation is generally not something that arises for the first time, completely unprecedented, but is rather a "relative" novelty, in the sense of being a new combination of already familiar elements (Schumpeter 1964; Gillwald 2000, 11). Especially in rural regions, it can be the case that social innovation is based upon traditional elements combined in novel ways. It can also be the case that familiar elements from the region are connected with new elements of a different origin, however¹.

A non-profit village store in a structurally weak rural region, established by village inhabitants as a solution to local supply problems and which is much more than simply a place to do one's shopping, might hardly be perceived by the general public as a form of innovative action. Nevertheless, this kind of "village store" could count as something innovative. Such a case also well illustrates how the socially innovative is often not absolutely new, but rather a novel combination of already familiar elements: That is to say, such a village store is not simply to be equated with the grocery stores of old. They are much more akin to complex multifunctional centres that, aside from offering groceries and other items, serve as a meeting place in the village, as a café, post office, local bank, and in some instances even as a doctor's surgery. The staff in such a village store are comprehensively trained to deliver not only the morning's bread rolls, but also to measure the blood pressure of elderly customers and forward the results to the local clinic 20km away. These stores are often managed jointly by the village residents, which is a further aspect to their novel organisation. Some village-store initiatives address a local need to create employment opportunities for people with disabilities. In other cases it has been important to construct a communal garden or a village kitchen, and to integrate it within the local supply project – in the process also creating more local jobs.

Phases of the innovation process

Innovation is a process that can be described in terms of phases (Christmann et al. 2020). Each phase has its characteristic features with regard to what specific factors and conditions are required for innovative work and its progress. If one wishes to support innovation processes, it is important to understand the phases through which they develop, and what is required at each phase in order to progress to the next and ultimately to lead to success. Innovation processes can be differentiated depending on the kind of innovation investigated (whether it be technological, economic, or social innovation) and its spatial contexts (urban or rural, for instance).

The focus here is on social innovation in structurally weak rural regions. In the empirically investigated cases, four phases could be differentiated: a latency and problematisation phase, an emergence phase involving the planning and realisation of a novel practice, an adjustment phase, and a stabilisation and dissemination phase. In this section, the phases will only be briefly outlined. A more detailed presentation of their characteristics on the basis of our research findings, together with the conclusions derived from these, will be provided in the following section on "Success factors for social innovation in rural regions".

¹ On the concept of social innovation, see in particular Howaldt/Schwarz (2010), Moulaert/Jessop/ Hulgård/Hamdouch (2013), and Christmann (2011, 2020).

The **latency and problematisation phase** describes a situation in which the existing challenges in a place or region are first discussed and become more emphatically problematised. There is a high degree of psychological stress and a pressure to act. The initial elements for a possible solution perhaps already coexist, but have not yet been combined, and perhaps not all elements are either available or conceivable at the place in question. What is critical is that the actors whose work will be central to the innovation have not yet been found, and there is still a lack of communication oriented towards reaching a solution.

In the emergence phase (planning and realisation), actors come steadily together. They succeed not simply by identifying, prioritising, and focusing on problems, but rather more by systematically generating, discussing, and qualifying ideas for solving them. Familiar elements towards such a solution are experimentally combined in novel ways, while other elements that are new to the region might be included. This is made possible because the traditional elements and patterns of the past have been tried without success for more than a decade, or possibly because new actors from other regions, and thus with new ideas and experiences, have arrived. The group has a readiness for something new. Several social actors participate in the emergence of an innovative solution, but not every member of the group is in an equal position to mobilise the necessary creativity for the synthesis required. Ideas and concepts are profiled and have acquired a certain ripeness. One of the critical aspects in realising ideas might be a lack of the specialist knowledge necessary to piece together the details required for a practical implementation. In addition, financial means are needed, leading to the challenge of acquiring funds. This is difficult because existing funding options are unclear. Another difficulty is that the approach sought is not (yet) accepted by other local or regional actors, politicians, or administrators.

In the adjustment phase some experience with the new practice has already been gained. It remains fragile, however, with both strengths and weaknesses apparent in the approach. Unexpected problems and side effects have occurred and improvements are required. Critical aspects include the need, once more, for specialist knowledge and possible further funding. Discussions about improvement might also lead to the departure of some actors from the group.

The **stabilisation and dissemination phase** indicates that, for the new combination of elements, tried and tested patterns are crystallising and becoming stable. Some elements prove to be absolutely necessary and others somewhat optional, for which reason actors in the local environment begin to creatively construct different variants of the approach around the central elements. The approach becomes on the one hand more stable and can be demonstrated to others. On the other hand it becomes more varied, and thus more mobile, passing beyond its local origin to be taken up, adapted, and tested elsewhere. It undergoes a spatial spread. A critical aspect here is that knowledge of the approach is still limited. Other places are working on similar problems but do not yet know of existing solutions. Either one reinvents the wheel, or one fails because of the existing hurdles.

Success factors for social innovation in rural regions

In the brief characterisation just given of the innovation process in rural regions, it is clear that there are critical junctures in almost each phase that could lead to stagnation or, indeed, a rupture in the process. This leads to the question of what central factors in innovative work, and what support strategies, can contribute to such critical junctures being successfully traversed. The following will examine this issue with regard firstly to work in innovative initiatives by rural inhabitants, and secondly to the work of social enterprises, where it will

be seen that the aforementioned critical junctures are also reflected. Social enterprises are sometimes able to develop tools to navigate these junctures; sometimes, however, they are also faced with challenges that could be alleviated by means of specific support strategies.

Existing funding programmes for rural development have to date only been able to address the needs of social innovation unsystematically and selectively. In the case of Germany, the profiles of all those programmes (co-) financed by federal funding, or from funding made available by states for rural development, demonstrate that the focus is mostly on programmes with a special thematic interest: One finds programmes, for instance, for rural tourism and direct marketing, for investment in basic supply to rural populations, investment in the economic infrastructure, investment in public tourism infrastructure, or investment in industry (including tourism), as well as programmes for inter-regional cooperation and networking of smaller towns and communities². Even in programmes that apparently finance "village development" in general, intended, for example, to provide funding for the creation of common facilities or for moderated communication accompanying processes of change, such subsidies are ultimately subordinated to specific thematic foci, namely to those that maintain the characteristic local image or building structures of villages while simultaneously developing the organisation of the village for lifestyles worth living. European Union funding programmes also demonstrate this problem. The European Agricultural Fund for Rural Development (EAFRD) does in fact amalgamate the funding previously available from various programmes organised for rural regions, and thus offers a better overview of possible funding opportunities than was previously available. It is also positive that participative solutions, i.e. those arising from the local population itself, are systematically supported in ways one finds nowhere else, an aspect that is viewed as a socially innovative component of the funding programme. The basic concept of the EAFRD is, however, set up so bureaucratically that it often hampers the work of such initiatives. An understanding of social innovation processes – including exactly what is required for them in which phases – is lacking. In addition, the minimum funding amounts that applicants are permitted to apply for are often unsuitably large for the often (as yet) modest initiatives.

In the following, therefore, policy options for organisational and funding possibilities are suggested not along thematic lines, but rather in line with the processes of social innovation in rural regions.

Innovative work by rural inhabitants

Latency and problematisation phase

Spaces to meet and exchange

A critical factor for rural actors in the latency and problematisation phase is that, through the loss of places for communal exchange (e.g. due to the closing of the village pub, the school, etc.), there is a lack of locations on which one can meet with others. Actors frequently complain of this lack of communicative space. The problem can be countered to enable creative exchange by making publicly accessible spaces, equipped with certain basic amenities, available to the community. Initiatives can in this way find space for collaborative work. This is, indeed, a very basic means of supporting social innovation, but given rural conditions it is by no means a trivial one.

² See <https://www.bmel.de/DE/themen/laendliche-regionen/foerderung-des-laendlichen-raumes/bund-und-laender-foerderung/foerderwegweiser.html>.

Moderated communicative formats

Owing to the loss of communicative spaces, another critical factor is the fact that one hardly has the opportunity in villages or rural communities for in-depth conversation with one another. There is also sometimes conflict or mistrust. A second basic means of support during this phase is to organise moderated communicative events such as regular meet-ups, round tables, story-telling groups, and use formats such as design thinking or future workshops. In this way, people important to the project can be brought together, lines of communication can be established, innovation-inhibiting blockades can be cleared, perceptions of problems can be exchanged, and initial ideas and visions for better solutions can be developed. For the choice and implementation of moderated communication formats, specialist knowledge is required. Actors must either be able to retrieve the relevant information for themselves or be advised on it by others.

Suggestions for policy making

Political level	Suggestions for policy making
Municipal/ regional level	<ul style="list-style-type: none"> - Make spaces available for exchange - Organise moderated communication formats
State level (in federal systems)	<ul style="list-style-type: none"> - Take social innovation (instigated by the general public) seriously as a part of rural development - Earmark funds and subsidies for the creation and equipping of spaces for exchange and for moderated communication formats - Initiate and support state-wide information platforms about moderated communication formats - Continue to advertise competitions on the state level as an incentive to take action
National level	<ul style="list-style-type: none"> - Take social innovation (instigated by the general public) seriously as a part of rural development - Earmark subsidies for the creation and equipping of spaces for exchange and for moderated communication formats - Initiate and support national information platforms about moderated communication formats - Continue to advertise competitions on the national level as an incentive to take action
EU level	<ul style="list-style-type: none"> - Promote de-bureaucratisation - Capitalise more on creative development instigated by the general public - Take the phases of innovation processes serious and initiate funding programmes for specific phases of socially innovative initiatives

Emergence phase: Planning and realisation

Local key players

Central to the emergence of a socially innovative initiative in the countryside is the availability of local key players who not only initially pitch new ideas, but demonstrate a clear orientation for action, who are able to bring together people, who enjoy broad social acceptance locally, and who assume a long-term organisational role, coordinating the project and thus providing leadership in the processing of the solution. All successful initiatives that we have observed had at least one key player. Key players are indispensable, not only in the emergence phase of innovative projects, but also in their further course, as they are able to provide the necessary continuity and act as a driving force to the project. The premature "death" of projects can thus be obviated. A challenge is to gain such key players and to keep them.

A common factor for success is the involvement of a local mayor, town leader, or a local businessperson as a key player; that is, people who are institutionally embedded in the community. This enables a better local anchoring of the project. In addition, hurdles can often be more easily overcome as a result of the institutional embeddedness. However, owing to other (more extensive) responsibilities, such people often do not have the time to continually promote the project.

In some initiatives, civil-society actors also serve as local key players. Much potential appears to be available among senior citizens, who have spare time and wish to remain active, and who possess a certain degree of know-how. The phenomenon of older people becoming central actors and advancing solutions to local problems occurs frequently (Noack/Federwisch 2020). Here the question is how to motivate such people and keep them involved. Appreciation of volunteers is an important factor here. Key players acting voluntarily can be supported by receiving payment for expenses they incur as part of their coordinating activities.

Social networks

Individual actors cannot bring about social innovation on their own. Innovation emerges in networks (Ferreiro et al. 2018). The development of a local or regional network of actors, especially the creation of a "core group", working to find solutions is by no means self-propelling and cannot be left to chance. Building and maintaining networks requires a great deal of attention. Our research showed that a factor in the success of a project is, in addition to a central key player, the presence of adequate (but not too many) actors connected in a network. An ideal number is between five and eight people with a comprehensive range of competencies between them, who complement one another and who can work hand in hand together. New arrivals or those recently returned from elsewhere can be of additional help, as they often bring new ideas, perspectives, and experiences with them. Additionally, it is ideal if the network brings together not only the qualities of those with new ideas, but also of doers, resource procurers, those with craft skills, networkers, and communicators who are in the position of pushing forward the practical implementation of novel ideas.

Contact with additional local actors must also be established in order to alleviate the workload at various phases of the project, as well as with stakeholders from regional institutions that can be of support in dealing with specific problems.

Supra-regional networks need also to be established and made use of in order to gain the specialist knowledge or support required for successful implementation of particular solutions (e.g. a multifunctional village store).

In all cases of network building (local, regional, or national), it is essential that knowledge is present specific to how one ideally builds and cares for a network, and how one distributes and coordinates the work within it.

Patronage

It is especially helpful if a significant local or regional decision maker can be gained who is willing to take on patronage of the initiative. The patron of an innovative initiative can provide a strong case for novel ideas that might still be viewed sceptically by third parties, and convey them within the (sometimes entrenched) locally grown structures. This often leads to an increased acceptance of the new approach in the location or region.

Involvement of the general public

In developing a novel solution, rural inhabitants must also be approached, interested, mobilised, and above all involved – such as through creative workshops, meetings, festivals, or voluntary work. The better this is achieved, the more successful will be an innovative initiative, because if a new approach towards overcoming problems in the countryside is to be put into practice, it must in fact address the needs of rural inhabitants. There needs to be motivation and willingness to go along with the new practice and to bring it to life, otherwise it is destined to failure. Suspicion of the new is often great, however, and needs to be overcome. It proves to be central to incorporate the needs in both rural communities and the regional environment, to build up trust, and create social acceptance. This task, too, is a prerequisite for success. Actors require knowledge about forms of communication within a community and, especially, knowledge about how the public can be involved in and mobilised for the realisation of innovative projects.

Digitalisation and digital tools

Rural actors are increasingly making use of digital tools when developing novel solutions, building them into their approaches and involving them in their (further) development. Sometimes they first need to create the conditions necessary for this to be a possibility (such as local broadband expansion), which requires a great deal of effort and might halt progress on other innovative initiatives. Fast Internet and/or strong mobile reception enable them to make use of applications for teleworking, telemedicine, or online marketing. In addition there are digital tools such as village-communication apps, delivery apps, car-sharing apps, and apps for organising communal village transport. These technological elements have shown themselves to be important components of socially innovative solutions in the countryside. Here, too, comprehensive knowledge is required that is often initially lacking and which must be painstakingly acquired. The digital competency of (older) rural inhabitants must also be nurtured.

Expertise on the practical requirements novel solutions must fulfil

In addition, comprehensive specialist knowledge is essential for the development of certain solutions, due to the need to comply with various practical requirements. They must, for instance, conform to legal stipulations, be technologically implementable, sustainable for future use, financeable, and possibly also economic. This poses one of the largest challenges to local actors, as it demands a great deal of expertise. Actors often only receive insufficient information from the responsible authorities, or are met with scepticism or even hostility from administrators. Bureaucratic hurdles will be set even higher than necessary due to uncertainty in lower (and sometimes intermediary) administrative offices. This robs actors of energy, leads to frustration, and perhaps even to a withdrawal from innovative work. On the other hand, actors often lack knowledge of what the administrators need and how one can gain their cooperation.

Financial resources

Financial resources are often required for the practical implementation of a solution, and there is in fact a multitude of funding possibilities that are available for social innovation in rural regions. What proves challenging, however, is the decidedly complex and opaque structure of funding. The compatibility of a funding scheme for the particular conditions of a project is usually not easy to discern (e.g., preliminary financing obligations, the

exclusion of entrepreneurial goals, suitability to the timeline of the project). A mistake made in the selection of funding can lead to the failure of a project and have other serious consequences. There are cases among the initiatives examined in which key players have taken financial responsibility for a project that has then collapsed due to inadequate guidance on funding programmes, and whose personal assets were then liable. This has the effect of discouraging other actors and leads to their abandoning the project. Occasionally, other financing options are possible (crowd funding, microloans, etc.), but there is a lack of knowledge about the alternatives and their respective advantages and disadvantages. Furthermore, also writing funding proposals or applications for subsidies demands certain skills that need to be learned. It accordingly requires support through the provision of the appropriate knowledge, such as through training, detailed consultation, or mentoring programmes.

Suggestions for policy making

Political level	Suggestions for policy making
Municipal/ regional level	<p>Key players, networks, involvement of the general public</p> <ul style="list-style-type: none"> - Provide competent contact partners at the municipal/regional level who can pave the way for socially innovative initiatives (e.g. by establishing further contacts) - Accompany the identification, acquisition, establishment, motivation, and retention of key players - Accompany and possibly support a very systematic expansion of networks (core groups, mobilisable campaigners, supporting stakeholders) - Attract and integrate new arrivals and recently returned inhabitants; foster a welcoming atmosphere - Find patrons and request their symbolic support - Potential patrons should be aware of their responsibilities and communicate a well-reasoned endorsement - Support the timely involvement of the public as well as suitable formats for communication and participation within the community or region <p>Digitalisation and digital tools, practical requirements of novel solutions, cooperation between actors and administration, financial resources</p> <ul style="list-style-type: none"> - Accompany and support the assessment of potentially useful digital technologies and applications <ul style="list-style-type: none"> ➔ Possibly cover the cost of licences for the use of community-related digital applications ➔ Possibly support training to improve digital skills in the rural population - Accompany and support in compliance with the requirements of a (legally, technologically, financially, and economically) suitable solution - Help actors to maintain a healthy cooperation with local authorities; offer whatever knowledge is required - Raise awareness of innovative approaches among employees in municipal and regional administration; formulate supportive action towards actors as a criterion; encourage cross-departmental action - Do not increase unnecessary bureaucratic obstacles in municipal and regional administration; instead, reduce them where possible - Accompany and support the acquisition of financial resources and the exploration of financing options; provide information on advisory services <p>Organisation of knowledge</p> <ul style="list-style-type: none"> - Offer actors support in organising knowledge on existing information services, training, consultancy, and coaching - Encourage actors to cultivate knowledge exchanges with similar initiatives regarding challenges and possible solutions, and to learn from the mistakes or success of others

<p>State level (in federal systems)</p>	<ul style="list-style-type: none"> - Provide competent contact partners at the state level for communities with socially innovative initiatives: as organisers of knowledge exchange between similar initiatives, for the pooling of information, and as a troubleshooter in the case of bureaucratic hurdles - Create funding programmes for key players as a driving force in socially innovative initiatives: through the remuneration of expenses - Create funding programmes for state-wide, innovation-specific training, consultancy, coaching, and mentoring of actors in the areas of coordination, networking, local communicative activities, and involvement of the public - Continue to increase investment and urgency in the expansion of broadband or other technologies required for fast Internet - Promote funding programmes to subsidise the implementation of digital technologies and applications in the countryside, combined with the promotion of training to obtain digital competencies - Initiate and maintain an online platform "Innovative Solutions for the Countryside", pooling information regarding: <ul style="list-style-type: none"> ➤ innovation-specific training, consultation, coaching, and mentoring services offered by or in the state in the areas of coordination, networking, local communicative activities, and involvement of the public ➤ databases of digital tools and initiatives related to such work (so actors can be aware of and exchange already developed solutions, and adapt or further develop these) ➤ specialist knowledge about the relevant (legal, technological, financial, and economic) compliance required of particular innovative projects (local supply, mobility, telemedicine, etc.) - In the case of legal obstacles, possibly enable experimental and temporary, locally trialled liberalisation (establish experimental innovation zones) - Provide state-wide advisors able to give guidance and coaching on funding programmes at the state and federal level, on other financing possibilities, and on the writing of applications
<p>National level</p>	<ul style="list-style-type: none"> - Create funding programmes for national, innovation-specific training, consultancy, coaching, and mentoring of actors in the areas of coordination, networking, local communicative activities, and involvement of the public - Continue nationally to increase investment and urgency in the expansion of broadband or other technologies required for fast Internet - Promote funding programmes to subsidise the implementation of digital technologies and applications in the countryside - Initiate and maintain a national online platform "Innovative Solutions for the Countryside", pooling information regarding: <ul style="list-style-type: none"> ➤ innovation-specific training, consultation, coaching, and mentoring services offered nationally in the areas of coordination, networking, local communicative activities, and involvement of the public ➤ databases of digital tools and national initiatives related to such work (so actors can be aware of and exchange already developed solutions, and adapt or further develop these) ➤ specialist knowledge about the relevant (legal, technological, financial, and economic) compliance required of particular innovative projects (local supply, mobility, telemedicine, etc.) - In the case of legal obstacles, possibly enable experimental and temporary, locally trialled liberalisation (establish experimental innovation zones)
<p>EU level</p>	<ul style="list-style-type: none"> - Budget for modular funding programmes in line with the innovation process and with smaller subsidy amounts - Expand the "Smart Villages" portal of the "European Network for Rural Development" in the European Commission, specifically by creating a platform that provides a clear overview of the political initiatives and strategic approaches available both throughout Europe and locally, and which enables a Europe-wide exchange of knowledge and experience https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal/eu-policy-initiatives-strategic-approaches_de

Adjustment phase

In practice, a further challenge is presented by the need to continue shaping a novel approach following its implementation. There often remain issues and weaknesses that require identification and adjustment. This is a normal part of innovation processes: the prototypes of an innovative approach often have teething problems. These should be taken seriously as they can jeopardise the establishment of the approach, and innovation can founder as a result of failures at the adjustment phase. If teething problems are not resolved, a novel solution will often not be adopted in practice. Adjustment will sometimes require considerable effort from actors. The new approach will need examining for weaknesses and alternatives will need to be developed.

Involvement of users from the rural community

An important factor for success is the involvement of users from the rural community (as part of workshops) to gauge existing weaknesses as comprehensively as possible. Alternative possibilities can also be developed together with the community.

Specialist knowledge

Sometimes the alternatives are not obvious, however. In this case, additional or more current specialist knowledge regarding possible solutions needs to be coordinated. Exchanging knowledge and experience with other – similarly placed – initiatives is a further important factor in this process.

Financial resources

In the worst case, financial resources for the reworking of an initiative will need procuring. Actors will require a good deal of persistence.

Suggestions for policy making

Political level	Suggestions for policy making
Municipal/ regional level	<ul style="list-style-type: none"> - Take adjustment seriously and view it as a normal part of the innovation process - Support the involvement of the public in the improvement of solutions, and promote suitable formats of communication and participation within the community and regionally - Accompany and possibly provide support in complying with the relevant (legal, technological, financial, and economic) requirements - Encourage actors to maintain knowledge exchanges with similar initiatives regarding challenges and possible solutions, and to learn from the mistakes and successes of others - Accompany and possibly provide support in the acquisition of further financial resources
State level (in federal systems)	<ul style="list-style-type: none"> - Initiate and maintain a state-wide online platform "Innovative Solutions for the Countryside", pooling information regarding: ➔ specialist knowledge about the relevant (legal, technological, financial, and economic) compliance required of particular innovative projects (local supply, mobility, telemedicine, etc.); here also provide information about common mistakes or weaknesses in the implementation of specific projects together with potential solutions
National level	<ul style="list-style-type: none"> - Initiate and maintain a national online platform "Innovative Solutions for the Countryside", pooling information regarding: ➔ specialist knowledge about the relevant (legal, technological, financial, and economic) compliance required of particular innovative projects (local supply, mobility, telemedicine, etc.); here also provide information about common mistakes or weaknesses in the implementation of specific projects together with potential solutions
EU level	No suggestion

Stabilisation and dissemination phase

In this phase, local and regional innovative approaches are consolidated. As the approach has been put into practice and proven itself locally, one sees improvements in those initial situations that originally stimulated the development of the solution; there is a sense of achievement. Since actors have learned during the adjustment phase that adaptation and creative further development are possible, they often continue to make use of synergy effects. They form connections between their innovative solution and other problem areas, extending and developing their approach a little. The ground plan of the approach and its cornerstones remain, but there is creative experimentation with the enhancement of this ground plan. This makes the approach more attractive to places further afield, and it is possible that it leaves its original community to be taken up by others in the region, and is locally adapted and further developed. In this way, a spatial spread of the solution is achieved.

It is fundamental to social innovation that a novel approach is not only implemented into the practice of one individual place, but rather that it finds application in a variety of places. This entails variants and new local adaptations being made in each case. Political actors thus place great expectations on social innovation, because they promise to make new approaches available and to address problematic conditions over a larger spatial breadth. A critical factor here is that the work of local actors is mainly motivated by their wish to bring about improvements in their own community or, at best, regionally. Generally they do not themselves seek to propagate their innovative approach elsewhere. The aim of their actions is to develop solutions to issues close to home, not to drive social innovation in rural regions or public outreach. Another critical problem in this respect is that actors in different locations possibly work to overcome similar problems, but – owing to limited public knowledge of each other’s projects – are as yet unaware of existing solutions developed elsewhere. This can lead to a great deal of energy expended and resources consumed in order to reinvent the wheel.

Public outreach

Among the factors for success in supporting social innovation in the countryside belongs the establishment of external communication about innovative projects to the general public, for example through public relations or a website. In many projects it is the case that external communication also has an effect on communication within the rural community. Trust in their own capacity for problem solving, collective identity building, and the social acceptance of the project among the local population is strengthened by positive reports of the creative approaches used locally. At the same time, external parties are able to learn of the initiative and make contact with the relevant actors.

Online platforms

Online platforms, set up among other reasons to increase the visibility of various socially innovative projects, can support exchange between projects as well as stimulate the acquisition of experience and of the building blocks of a novel approach in other areas.

Funding strategy

Up to now a great deal of support has been given to pilot and flagship projects intended to take on a pioneering function. This funding strategy should be rethought. For the propagation of social innovation in rural spaces, it can make sense to encourage the imitation and further development of existing solutions. In this way, awareness of already-developed solutions among actors can be increased, and an incentive be created to take up and refine innovative solutions.

Suggestions for policy making

Political level	Suggestions for policy making
Municipal/ regional level	– Encourage public outreach about novel approaches (even if actors do not seek this themselves, they can have a local effect and strengthen collective identity)
State level (in federal systems)	– Initiate and maintain a state-wide online platform "Innovative Solutions for the Countryside", pooling information regarding: ➔ other innovative projects that have developed or are developing innovative approaches to the challenges of rural areas (in order to support exchange, conserve resources, and avoid multiple reinventions of the wheel)
National level	– Initiate and maintain an online platform "Innovative Solutions for the Countryside" (as above for the state level, but at the national level)
EU level	– Drive forward expansion of the "Smart Villages" portal of the "European Network for Rural Development" in the European Commission (as above for the state and national level, but throughout Europe)

Innovative work by social enterprises

The introduction to this Policy Paper already mentioned what we understand by social enterprise: We follow those definitions that conceive of social enterprises as actors with visionary goals for society and with a marked orientation towards action. A hallmark of social enterprises is that they develop, implement, and disseminate socially innovative approaches by entrepreneurial means and using highly professional knowledge. In contrast

to local actors working in their communities, they have the express aim of driving social innovation; as such, social enterprises are specialists in social innovation. They possess comprehensive knowledge and experience about what means, and in what steps, a novel solution can be developed. Even if they generally have no analytical knowledge about innovation processes, they apply an array of tried, tested, and continually updated practical knowledge, gained from their creative and experimental projects. In addition, they draw on the diverse experience accessible to them from their networks. As they are highly networked and, as intermediary actors, do not only have a strong local anchoring, but rather have important contacts on other spatial levels (including internationally), they learn quickly of new developments, experiences, ideas, and approaches that they might be able to make serviceable for work in rural regions (Richter 2019). Not least, they often have access to (political) decision makers with whom they are in dialogue about the possibilities of rural development.

Social enterprises develop their own innovative approaches, services, and products, or they assist others to shape and implement their approaches. This Policy Paper will focus primarily on the latter activity. In these cases, social enterprises provide assistance to enable local actors to take matters into their own hands and to overcome critical junctures that might easily lead to the abandonment of an initiative.

One can find social enterprises that, with their specialist knowledge, accompany and support the innovative initiatives of rural dwellers through the innovation process like a mentor, beginning with the creation of space for meetings, continuing through the identification of key players and the building of networks, to proving coaching in how to apply for funding. In cases where particular specialist knowledge is required, they establish contact with appropriate experts or pass on instruction. Sometimes they organise training themselves, having pooled together comprehensive specialist knowledge. As social enterprises are specialists for social innovation, such tasks come easily to them. They are therefore important actors for the promotion of social innovation in the countryside.

In addition, social enterprises help individual actors to found socially innovative start-up businesses and support them in the process – starting with the shaping of a business idea, through the development of a business plan, to the creation of microloans or other financial resources. What differentiates them from traditional business-development actors is that they do not focus on purely economic innovation, but rather on innovation at the intersection of social economy. They have a different approach in their management of capital and address target groups such as unemployed teenagers or people with disabilities, supporting them in reaching their social-enterprise goals. In this way, too – where they are active in the countryside – they perform important work for the development of rural regions.

Despite their specialisation on the development of social innovation, and notwithstanding their comprehensive practical knowledge in this area, social enterprises also have to contend with critical junctures. These will now be outlined (see also Richter/Fink/Lang/Maresch 2020).

Hybridity

Social enterprises are often very hybrid organisations both in relation to the various topics on which they (sometimes simultaneously) focus – social issues, inclusion, ecology, education, etc. – and in relation to their sources of financing. Many social enterprises operate on a multitrack financial basis in order to keep themselves afloat. They generate income by offering certain innovative services or products; they apply to public

invitations to tender and carry out assignments; and they acquire public funding to develop and implement socially innovative projects. For social enterprises it is often a challenge to sustain this balancing act. It is not possible to foresee whether, in the case of fluctuating demand, they will be able to continue offering their services while generating enough income to survive. It is therefore necessary to acquire sufficient public funding alongside these activities if they are to endure and achieve the goals they have set themselves.

Unclear and fragmented funding structures and programmes

Although social enterprises are very professional in their acquisition of public funding, and are often very successful, and while they even advise third parties on applying for financial resources, they view as a critical aspect of their work the confrontation with funding structures and programmes. These are perpetually changing, and are unclear and fragmented. It demands a great deal of skill to navigate these structures and be able to assess the implications of certain funding formats for individual projects.

Some social enterprises attempt to make themselves independent of EU funding and take ever less consideration of applications for such. The administrative effort of application and, in the case of success, of the implementation of an EU project is enormous and can only be performed with difficulty. As the rejection rate for EU projects is very high, one must well consider if the effort can be afforded.

Dependence on purely national programmes for rural development also incurs a high level of vulnerability. Funding structures can be changed, very specific funding content is prescribed, and funding might be ceased altogether.

Most funding programmes only address certain thematic focuses (tourism, work, historical interest and buildings of villages, etc.). The funding of essential steps in an innovation process – independent of the thematic focus of an innovative project – is hardly, if at all, possible.

The high importance of communication and networking – Inadequate resources

A particular challenge is posed at the outset of rural innovation in solving the problems of communication between various actors (that is, direct – and occasionally also in medially transmitted – communication). Sometimes a specific communicative format (e.g. design thinking) is required in order to encourage innovation. Innovation thus occurs in exchange, in co-creation, in co-working, in intensive networking, and in governance processes. Various actors must be brought together and ideas need to be negotiated. This has the consequence that many meetings, and with them a high expenditure of time, are required. Social enterprises often take on the role of initiating, advising, and accompanying local or regional networks. They function here as catalysts, shaping the exchange effectively and productively. Although networking is so important for the innovation process, there is – and this often poses a further critical juncture – no funding available for such work. Social enterprises must often use overhead resources from other projects in order to finance this work. Where this is not possible, it becomes difficult to maintain support.

Staff

Social enterprises employ staff who earn a salary alongside those who work voluntarily. A challenge for social enterprises is managing the correct balance, especially as social enterprises are required not to overburden voluntary roles and, possibly, to finance the remuneration of expenses.

It is also a challenge for social enterprises to recruit well-educated staff in rural regions. They often mentor their own personnel, preparing them to be proficient coaches for innovative work.

Public perception

The work of social enterprises remains little known among the general public. It is, in fact, difficult to categorise them. Some function as businesses, others as social organisations. If any expectations of social enterprises are at all entertained, then it is that, as social enterprises, they should perform well economically and be self-supporting; but at the same time as social enterprises, they shouldn't perform too well!

Even political actors do not always recognise the value of the work that is performed by social enterprises to meet societal challenges. A reason for this is that, to date, there have been few quantitative indicators researched with regard to the impact of social enterprises.

The use of social innovation itself is still barely understood by the public. Only now are rural regions beginning to understand that "innovative" solutions have always been developed for the challenges of living in the countryside, even if they have not always been so termed. It is also now being understood that the work done towards finding such solutions is hard and risky, and could fail at any moment. What is not understood is that social enterprises offer specialists who can help to overcome some of the obstacles.

Suggestions for policy making

Political level	Suggestions for policy making
Municipal/ regional level	<ul style="list-style-type: none"> – Understand the services and potential offered by social enterprises for rural development and consider them as potential partners for one's own work
State level (in federal systems)	<ul style="list-style-type: none"> – Understand the services and potential offered by social enterprises for rural development at the state level; possibly commission studies on the achievements and work of social enterprises (as, for example, has been done in Brandenburg) Recognise that not all social enterprises are predominantly market oriented, but nevertheless improve job prospects, generate value-creation chains, and can encourage economic processes from below Revise funding structures and programmes for rural development: <ul style="list-style-type: none"> ➔ Design them to be clearer ➔ Enable funding of individual or several modules in the innovative work of a concrete project (e.g. networking, training, coaching)

National level	<ul style="list-style-type: none"> - Understand the services and potential offered by social enterprises for rural development at the national level Recognise that not all social enterprises are predominantly market oriented, but nevertheless improve job prospects, generate value-creation chains, and can encourage economic processes from below Revise funding structures and programmes for rural development: <ul style="list-style-type: none"> ➤ Design them to be clearer ➤ Enable funding of individual or several modules in the innovative work of a concrete project (e.g. networking, training, coaching)
EU level	<ul style="list-style-type: none"> - Understand the services and potential offered by social enterprises for rural development at the EU level - Promote de-bureaucratisation in the administrative conduct of EU projects

Conclusion: Provide support tailored to innovation processes

A key conclusion for the development and dissemination of social innovation in rural regions is that local actors – alongside financial resources – require support in communicative work and exchange of knowledge to be tailored to the respective phase of the innovative project. Central components of this are phase-specific advisory services, and coaching or mentoring by experts. Also of assistance are online platforms that provide appropriate information. Since at each phase of an innovation process certain conditions must be present to progress to the next stage and finally to succeed, funding programmes are helpful that take the form of a modular system, enabling applications for support corresponding to the stages of innovation processes. It would be helpful if socially innovative initiatives could solicit support at those points in the innovation process where it is needed, if they could request support for specific 'building blocks' to complete their project. Owing to their expertise in the development and dissemination of social innovation, social enterprises can function as important catalysts for the success of innovative processes. Their expertise must be better understood and more systematically utilised. The specific needs of social enterprises must also be better understood to enable targeted support to their work.

Bibliography

- Beetz, Stephan (2004): Dörfer in Bewegung. Ein Jahrhundert sozialer Wandel und räumliche Mobilität in einer ostdeutschen ländlichen Region [Villages in Transition. One century social change and spatial mobility in an East German rural region]. Hamburg.
- Bureau of European Policy Advisers (2011): Empowering people, driving change: Social Innovation in the European Union. Luxembourg.
- Chatzichristos, Georgios, & Nagopoulos, Nikolaos (2020): Regional institutional arenas for social innovation: a mixed methods research. *Journal of Social Entrepreneurship*. Online first: <https://doi.org/10.1080/19420676.2019.1705378>.
- Christmann, Gabriela B. (2011): Soziale Innovationen, Social Entrepreneurs und Raumbezüge [Social innovations, social entrepreneurs and spatial aspects], in: Jähnke, Petra, Christmann, Gabriela B., & Balgar, Karsten (eds.): *Social Entrepreneurship. Perspektiven für die Raumentwicklung* [Social Entrepreneurship. Perspectives for spatial development]. Wiesbaden, 193–210.
- Christmann, Gabriela B. (2017): Analysing Changes in Discursive Constructions of Rural Areas in the Context of Demographic Change: Towards Counterpoints in the Dominant Discourse on "Dying Villages". *Comparative Population Studies*, 41(3–4), 359–378.
- Christmann, Gabriela B. (2019): Innovationen in ländlichen Gemeinden [Innovations in rural municipalities], in: Nell, Werner, & Weiland, Marc (eds.): *Dorf: Ein interdisziplinäres Handbuch* [Village. An interdisciplinary handbook]. Berlin, 235–240.
- Christmann, Gabriela B. (2020): Introduction: Struggling with Innovations: Social Innovations and Conflicts in Urban Development and Planning. *European Planning Studies*, 28(3), 423–433.
- Christmann, Gabriela B., Ibert, Oliver, Jessen, Johann, & Walther, Uwe-Jens (2020): Innovations in Spatial Planning as a Social Process – Phases, Actors, Conflicts. *European Planning Studies*, 28(3), 496–520.
- Coronado, Daniel, Acosta, Manuel, & Fernandez, Ana (2008): Attitudes to innovation in peripheral economic regions. *Research Policy*, 37, 1009–1021.
- Ehalt, Hubert C. (ed.) (2000): *Ländliche Lebenswelten im Wandel* [Rural living worlds in transition]. Frankfurt/Main.
- Ferreiro, Maria de Fátima, Sousa, Christina, & Lourenço, Clara (2018): Social innovation and networks in rural territories: The case of EPAM, in: Costa, Carlos, Au-Yong-Oliveira, Manuel, & Amorim, Marlene Paula Castro (eds.): *Proceedings of the 13th European Conference on Innovation and Entrepreneurship ECIE2018*, Academic Conferences and Publishing International Limited, 238–245.
- Gillwald, Katrin (2000): *Konzepte sozialer Innovation* [Concepts of social Innovation]. Working Paper der Querschnittsgruppe 'Arbeit und Ökologie', P00-519 [Working paper of the cross-sectional group 'Work and Ecology', P00-519]. Berlin.
- Henkel, Gerhard (ed.) (2004): *Dörfliche Lebensstile. Mythos, Chance oder Hemmschuh der ländlichen Entwicklung?* [Rural lifestyles. Myth, chance or obstacle for rural development?] Essen.
- Hennebry, Barraí (2018): Regional resilience in Ireland and existence of a two-tier recovery. *Quaestiones Geographicae*, 37(4), 99–110.
- Howaldt, Jürgen, & Schwarz, Michael (2010): "Soziale Innovation" im Fokus [„Social Innovation" in the focus]. Bielefeld.
- Jenson, Jane, & Harrison, Denis (2013): *Social innovation research in the European Union: Approaches, findings and future directions*. Luxemburg. Online available at: https://www.net4society.eu/_media/social_innovation.pdf.
- Manthorpe, Jill, & Livsey, Lynn (2009): European Challenges in Delivering Social Services in Rural Regions. *European Journal of Social Work*, 12, 5–24.
- Moulaert, Frank, Jessop, Bob, Hulgård, Lars, & Hamdouch, Abdelillah (2013): Social innovation: A new stage in innovation process analysis, in: Moulaert, Frank, MacCallum, Diana, Mehmood, Abid, & Hamdouch, Abdelillah (eds): *The international handbook on social innovation*, Cheltenham, 110–130.
- Müller, Bernhard, & Siedentop, Stefan (eds.) (2003): *Räumliche Konsequenzen des demografischen Wandels. Teil 1.* [Spatial consequences of the demographic change. Part 1] Hannover.
- Nell, Werner, & Weiland, Marc (eds.) (2014): *Imaginäre Dörfer. Zur Wiederkehr des Dörflichen in Literatur, Film und Lebenswelt* [Imaginary villages. The return of the village in literature, film and the living world]. Bielefeld.
- Noack, Anika, & Federwisch, Tobias (2020): Social innovation in rural regions: Older adults and creative community development. *Rural Sociology*. Online first: <https://doi.org/10.1111/ruso.12333>.

- Olmedo, Lukas, van Twuijver, Mara, & O'Shaughnessy, Mary (2019): Community-based social enterprises fostering inclusive development in peripheral European rural areas. Online available at: <https://unsse.org/knowledge-hub/community-based-social-enterprises-fostering-inclusive-development-in-peripheral-european-rural-areas/>
- Pestoff, Victor, & Hulgård, Lars (2015): Participatory governance in social enterprise. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 27(4), 1742-1759.
- Richter, Ralph (2019): Rural social enterprises as embedded intermediaries: The innovative power of connecting rural communities with supra-regional networks. *Journal of Rural Studies*, 70(8), 179-187.
- Richter, Ralph, Fink, Matthias, Lang, Richard, & Maresch, Daniela (2020): *Social entrepreneurship and innovation in rural Europe*. New York/London.
- Schumpeter, Joseph (1964): *Theorie der wirtschaftlichen Entwicklung [Theory of economic development]*. Berlin.
- Weber, Gerlind (2012): Fünf Megatrends prägen Landleben und ländliche Raumbilder [Five megatrends shape the rural life and perceptions of the rural]. *Ländlicher Raum [Rural area]*, 63, 74-78.
- Willett, Joanie, & Lang, Thilo (2018): Peripheralisation: A politics of place, affect, perception and representation. *Sociologia Ruralis*, 58(2), 258-275.
- Zapf, Wolfgang (1989): Über soziale Innovationen [Towards social innovations]. *Soziale Welt [Social World]*, 40, 170-183.

Appendix: Points of Discussion on the Policy Paper

Policy Roundtable Germany (25th June 2020).....	25
Policy Roundtable Portugal (11th September 2020).....	26
Policy Roundtable Greece (23rd September 2020).....	27
Policy Roundtable Austria (24th September 2020).....	28
Policy Roundtable Ireland (28th September 2020).....	29
International Policy Roundtable, EU level (23rd September 2020).....	30

Policy Roundtable Germany (25th June 2020)

The policy roundtable in Germany was jointly organised by the Leibniz Institute for Research on Society and Space, Erkner, by Social Impact gGmbH, Potsdam, and by the Leibniz Institute for Regional Geography. A total of almost 60 people have registered for the event. However, since not all persons were present at all times, the number of participants varied between 35 and 40 during the event. The active participants from politics, business and civil society who were intensively involved in the discussions were representatives of the Federal Agency for Agriculture and Food (BLE), Germany; representatives of the Ministry of Economics, Labour and Energy of the State of Brandenburg; mayors from rural communities in the State of Brandenburg, representatives of the Economic Development Agency, a representative of a start-up centre as well as representatives of the Netzwerk Zukunftsorte e.V. in Brandenburg.

Main results of the discussion

The participants expressed that the policy paper describes the challenges and requirements of social innovation initiatives in rural areas very well and that the recommended policy measures can indeed be helpful to support social innovation in structurally weak rural areas.

- > Many of the participants believe that support along innovation processes is useful.
- > Some representatives see it as possible to support the emergence phase of an innovation process with the help of existing LEADER structures. Others, however, do not see this as helpful because, in their opinion, LEADER actors have so far had little knowledge of social innovation processes.
- > It is pointed out, that new support programmes for social innovation should, if possible, not be developed in competition with, but rather to complement existing support (e.g. within the framework of LEADER).
- > It is confirmed that the lack of interlocking between the departments of economic development, labour market development and rural development is problematic. These departments would have to identify gaps in the existing support structures and coordinate their programmes better.
- > What the delegates criticised is that the majority of current funding programmes are still designed for large conventional companies. This continues to be an obstacle to the introduction of new and small, sustainable models.
- > It is noted that there is already a relatively high density of advice for actors in rural areas, but that in fact they do not yet take into account aspects of social innovation. Especially agencies for local/regional economic development are not familiar with the requirements of social enterprises and social innovation.
- > Among other things, the local politicians discussed the scarce subsidies and emphasised the fact that long-term savings plans in the municipalities are necessary in order to establish places of cooperation in the first place. First of all, very basic starting conditions must be created for joint work on innovative solutions.
- > Furthermore, the idea of "experimental spaces" was discussed. The participants agreed that a limited time frame of a few years, in which certain legal regulations could be relaxed locally, could be useful. This could give the initiatives the opportunity to test innovative practices and business models.
- > There is a great need for training for an active civil society in rural areas, which must, however, be anchored as locally/regionally as possible in order to have a real impact.
- > An active exchange both in and between innovative initiatives and the involvement of residents in various formats was seen as a necessary first step to facilitate better cooperation.

Policy Roundtable Portugal (11th September 2020)

The regional policy roundtable in Portugal was jointly carried out by the ISCTE Institute Lisbon and the social enterprise ADC Moura from Baixo Alentejo. In total, 12 participants attended the policy roundtable. Among them were representatives of ANIMAR (the Portuguese Association for Local Development) as well as of Minha Terra (the Portuguese Federation of Local Development Associations). Further, members of the Cooperative of the Regional Solidarity Economy and of the Association of the Atlantic Solidarity Economy participated. Not last, representatives of the Azorean islands joined the group who represented an autonomous region with a special status in Portugal.

Main results of the discussion

The results of the policy roundtable (as it was the case in Germany) mainly support the contents outlined in the RurAction Policy Paper. In the beginning however, the participants started with pointing out specific aspects of social innovation dynamics in the case of Portuguese rural territories. Some members highlighted that often a critical mass of individual actors becoming active is missing in the Portuguese reality of rural regions with a low population density.

In these regions it is local development associations as well as social enterprises located in rural territories that play an important role in the promotion of social inclusion and the empowerment of local populations (namely by innovative solutions).

- > These institutions build on a capacity in promoting innovative solutions that they have gained in the past by having carried out projects in the framework of European programmes like LEADER, EQUAL, etc.
- > For them, European funding is absolutely crucial.
- > At the same time, alternative financing (e.g. through foundations) has become increasingly important as well as financial independence from public funds by creating income from the sale of services and products (which is however still hard for these institutions).
- > Nevertheless, a certain resilience of local development associations and social enterprises can be observed because, unlike other actors, they remain active even in times of crisis, despite the lack of continuous financing programmes.
- > The participants agreed with the analysis of the policy paper that the following problems arise in connection with European funding programmes.
 - i) There is no flexibility to adapt local measures.
 - ii) There is an excessive formality and bureaucracy.
 - iii) It is therefore difficult to test experimental action and develop innovative approaches and solutions.
- > As a result, existing European funding programmes cannot really do justice to the specific characteristics of Portugal's rural areas and to their need for social innovation.
- > It is still the case that the important European funding programmes for rural regions focus on agricultural development and promote innovation, especially in the form of technical innovation.
- > No real lessons have been learned so far from the problems of the previous programmes and from the results of the funded projects. It has not yet been possible to fully benefit from the experience already gained about how to better meet current challenges and how to better support social innovation.

In conclusion, it can be said that in many cases, social innovations still remain "under the radar" of politics, also in the national policies of Portugal. Furthermore, there is an artificial distinction between support for specific agricultural sectors or rural development and support for social innovations. The promotion of social innovations would have rather to be incorporated into the promotion of rural development. It is necessary to recognise the relevance of local development associations and social enterprises for regional development. Their extensive knowledge of rural areas and their experience with social processes and social innovations must be taken into account to a greater extent. An awareness has to be developed that local development associations as well as social enterprises need support for further developing their capacities and particularly for their continuous networking tasks, in order to address the existing challenges of their regions.

Policy Roundtable Greece (23rd September 2020)

The Greek Policy Roundtable was part of the International Policy Roundtable. To be more concrete, a section in the framework of the international roundtable was dedicated to the specific situation of social enterprises as well as to the funding structures of social innovations in Greece. The event was organised by the University of the Aegean, Mytilene, together with the Leibniz Institute for Research on Society and Space. Almost 35 delegates attended the policy roundtable (including the international event, some of the participants however only attended for the section dedicated to Greece). The key discussants were Anastasios Perimenis from the European LEADER Association for Rural Development, representative of Greece, as well as Prof. em. Leonidas Papa-konstantinidis, Expert for Rural Development Programmes in Greece. Furthermore, as part of the international policy roundtable, but at the same time expert for Greek funding structures, Eleftherios Stavropoulos from the European Commission, Directorate-General for Regional and Urban Policy (DG REGIO) was a discussant.

Main results of the discussion

Most of the participants found that the policy paper is useful, also for better understanding social innovation processes. However there was also critique.

- > One of the main points of discussion was the fact that in the rural regions of Greece there is often no critical mass of actors who can drive forward socially innovative solutions from the bottom up under their own steam.
- > In cases where such initiatives actually exist, they are challenged by very sceptical actors in their local environment.
- > For this reason, comprehensive persuasion work must first be done there, which requires a lot of energy from the actors. Above all, they must better demonstrate the win-win situation that arises for the various groups of actors when they take part in a corresponding initiative.
- > All in all, the potential of social innovation has not yet been fully recognised as it should be.
- > So far, the focus in Greece has been on the LEADER programme and on the Local Action Groups that function well in the Greek context. There, residents can participate without being overwhelmed by the need to carry out complex innovation work.

Policy Roundtable Austria (24th September 2020)

The policy roundtable in Austria was organised by the RurAction social enterprise Otelo in the form of a webinar. A total of 25 people attended the event, including 12 discussants from politics, business and civil society, who reflected intensively on how social innovations can be promoted in rural regions of Austria. Among them were high-ranking representatives of the Austrian Federal Economic Chamber, the Agenda Control Center of the Province of Upper Austria (Agenda-Leitstelle des Landes Oberösterreich), the Capital of Culture 2024, the Agenda Region Mühlviertler Alm, the City of Ried/Innkreis, the City of Bad Ischl, the Leader Regions Vöckla-Ager and REGIS in Austria as well as the Regional Management of the LAG Barnim from Germany. Last but not least, board members of various Otelo labs from the Otelo network of open technology labs were present.

Main results of the discussion

- > The political and social understanding of social enterprises and social innovations should be promoted even better in Austria. However, a clear distinction should be made between initiatives initiated and supported by the state and social entrepreneurs.
- > Public relations work and networking should be supported (for example, through a paid network office). Networking should not only be supported by funding projects, but should be supported as a staff function in federal funding agencies.
- > Promote the transfer of innovation: More systematic work should be done to disseminate innovative ideas through networks so that innovative ideas can become far-reaching innovations. Networking has a high priority in the distribution of innovative prototypes at local level. Its importance must be recognised.
- > Project funding (e.g. in LEADER): Often only small amounts of money are required for the initial phase.
- > Learning from past projects: Well-running models should be identified, and their experience should be taken into account in the redesign of programmes (EAFRD, ESF, ERDF).
- > Function and implementation of the LEADER programme at the local level: current funding conditions allow little creativity and innovation because funding projects must "fit" exactly into a specific thematic funding landscape. The influence of the federal level and the NUTS2 level would have to be limited in order to promote effective participatory developments.

Policy Roundtable Ireland (28th September 2020)

The policy roundtable was jointly organised by Ballyhoura Development and the University College Cork. Participants of the event were among others representatives of institutions such as the Department of Rural and Community Development, Southern Regional Assembly, Irish Local Development Network, Cork County Council, Limerick City and County Council, Social Enterprise Republic of Ireland, Enterprise Ireland, and Changing Ireland. All in all around 15 participants have registered for the event.

Main results of the discussion

Among the aspects stressed by the group were the following points:

- > The expressed need for multi-annual funding programmes finds positive agreement from participants. It is brought to the fore that this would allow for long-term strategic planning from social enterprises and that it would provide more space for the development of (social) innovations. In this light, ideas about low-rent loans from Credit Unions and Social Investment Programmes were also brought to the fore.
- > Participants reiterate the need for a more in-depth understanding of (rural) social enterprises in Ireland, the needs they solve, the way in which they work and the impact they create. This to be able to create awareness about the work of these organisations, legitimise the sector, and in order to be able to design suitable supports. It is recognised that the Irish Social Enterprise policy that has been launched in 2019 is a first step in this direction and that more work is needed in order to develop the right support structure for (rural) social enterprises. The contribution of research to this is acknowledged by the participants.
- > In line with creating a more in-depth understanding of the nature of social enterprises in Ireland, the importance of a social enterprise census (like for example conducted in Scotland) was highlighted. It was agreed upon by the participants that a census would provide a great source of information on the nature of the sector and could aid future development of policy and research.
- > It was brought to the fore that it is an integrated framework of policies that needs to be looked at in order to support (rural) social enterprises. It is not one single policy that will provide the support needed, but a combination of different policies, possibly at different policy levels, that strengthen each other. This to create a vibrant social economy. In this light some participants also highlighted the need to carefully consider which policies will be implemented at which policy level, addressing not only the European level, but also the instruments that are available in Ireland at a national and regional/local level.
- > In the light of deepening our understanding of social enterprises, participants are interested in exploring the difference and commonalities between social enterprises in an urban and rural setting, in order to determine suitable national supports. It is acknowledged that place is an important driver for the development of social enterprises, and the research presented has clearly illustrated this in a rural setting. Participants voice interest in exploring this notion of place-specific development further.

Based on the discussion, the following policy recommendations are put forward from Ireland concerning the question of what do social enterprises need most from policy makers for the implementation and spread of social innovations:

1. Agree with most of key recommendations in the RurAction policy paper, particularly:
 - a) Need for supports tailored to the 4 phases of SE development, but on a continuum – not just isolated funding streams for particular elements – essential in order to plan strategically.

- b) Modular funding – Importance of funding supports for soft indicators, e.g. advocacy, building community capital, networking etc.
 - c) Acknowledge value of process and processes inherent in rural SE development within funding streams.
2. Multi-annual funding approach with defined indicators for each phase would enable a more strategic / less piecemeal approach to project and SE business development. Flexibility and adaptability important – e.g. pilots – need to allow for variations from plans -> support and enable growth – and more widespread adaption. Stable but flexible.
 3. KEY – urge EU policymakers to consider rural social enterprises as a key part of the overall CLLD strategy – and recognise contribution of rural SEs to CLLD within the framework of the ESF, ERDF and EAFRD strategies. Our demand – EU consider making it mandatory that countries adopt a minimum CLLD within the ESF and ERDF like is required within the EAFRD.
 4. Big challenge – to be addressed at EU, national and regional/local level – need to legitimise and understand the SE sector v the private sectors and to acknowledge and provide supports and funding for the challenges and constraints within the SE sector, without them being regarded as less able and less legitimate than private sector =>
 5. Value system needs to take into account the integrated objectives of SEs, not just the economic benefits – tendency for silo-ed approach from funders, i.e. social v enterprise focuses, with funder focus almost exclusively on which 'half' they are funding/ interested in.

International Policy Roundtable, EU-level (23rd September 2020)

The International Policy Roundtable was jointly organised by the Leibniz Institute for Research on Society and Space, Erkner, Germany, together with the University of the Aegean, Mytilene, Greece. All in all, 45 delegates registered for the Policy Roundtable. However, the number of participants fluctuated during the event, and no more than 35 delegates were present at any one time. The main discussants at EU level were Orsolya Frizon-Somogyi from the Directorate-General for Agriculture and Rural Development (DG AGRI) and Eleftherios Stavropoulos from the Directorate-General for Regional and Urban Policy (DG Regio) in the European Commission. Furthermore, representatives of the member states of the European Union such as from Germany (e.g. Federal Ministry of the Interior, Building and Urban Development; Federal Institute for Research on Building, Urban Affairs and Spatial Development), Ireland (e.g. Ballyfermot Chapelizod Partnership, Dublin; Cork City Council; Cork County Council) and Greece participated in the event. The situation in Greece was highlighted in particular by statements of Anastasios Perimenis (European LEADER Association for Rural Development, representative of Greece) and Professor Leonidas Papakonstantinidis (expert for national rural development programs in Greece), who were part of the Greek policy roundtable integrated in the event.

Main results of the discussion

The discussion was very lively and it turned out that the RurAction Policy Paper found open doors.

- > The representatives of the European Commission reported that currently work is being done on programmes that take up and promote the potential of social innovations and social enterprises in rural areas much more than before. It was emphasised that the European Commission has been focusing on social innovations and social enterprises for a long time, even if they have not yet been taken into consideration so consistently in the context of rural areas. In this respect, the empirical research of RurAc-

tion is useful for them, because they can now also refer to scientific results and can better understand specific requirements of innovation processes in rural areas.

- > The expansion of the „Smart Villages“ initiative in the framework of the European Network for Rural Development, as called for in the policy paper, was also considered important. Work on this would currently be continued. The idea proposed by RurAction of setting up a platform with an overview of existing initiatives in Europe was interesting to the representatives.
- > It was also pointed out that the need was recognised to improve the availability of microfinancing for the often small initiatives (whereby this approach is by no means new in EU funding practice).
- > In the future, it will also be necessary to better monitor how social innovations spread and what effects they have, and how these processes can be better supported. In this context, questions of monitoring and measuring social impact were raised that are still far from being resolved and where policymakers need science.
- > Last but not least, the problem was pointed out that social innovations and social enterprises have long been on the radar of the European Commission, whereas the member states have often not yet recognised their potential. The awareness of this issue differs in the different member states. The EU could provide impulses and is doing so. However, it cannot force the member states to pursue respective funding policies.