

# The IDELE Project

## INTRODUCTION

As a part of the European Commission IDELE project, we are inviting practitioners and policy-makers to a seminar at Arktikum, the Provincial museum of Lapland in Rovaniemi, Finland on 16th September 2004 to debate the following theme:

“Stimulating and managing new firm creation and entrepreneurship through local action in remote rural areas with dispersed populations”

## LOCAL EMPLOYMENT DEVELOPMENT

In recent years, employment and economic development has seen a shift of focus towards the local. ‘Local employment development’ rests on the idea that action can be taken locally to identify new sources of demand for labour. The argument is that, left to itself, the market can fail to meet certain gaps in local service provision and local approaches are needed to translate these gaps into real job opportunities. It is also acknowledged that the local level can make a significant contribution to assisting people in accessing local employment opportunities, through overcoming the barriers certain groups face in accessing employment.

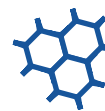
The central question is how, in practice, people working at the local level can transform local gaps in service provision and local training opportunities into job creation. The main tool proposed by policy-makers is the partnership approach; partnerships are felt to combine both creative potential and good access to local knowledge, across a series of thematic areas. They also have the potential to bring key people (from the public, private and voluntary sectors) around the table, which is an important factor in implementing successful projects. There are, however, many different approaches to local employment development across Europe that can be used to tackle a variety of problems and issues at the local level. The identification, exchange and dissemination of such examples is one of the key aims of the IDELE project.

## THE IDELE PROJECT

The European Commission (DG Employment and Social Affairs) has appointed ECOTEC Research and Consulting to implement the IDELE project to “identify, disseminate and exchange good practice in local employment development”. IDELE pays particular attention to identifying and disseminating best practice between localities that share common characteristics.

The IDELE seminars provide a platform for policy-makers and promoters facing similar problems to share a real dialogue about how the local approach can make a difference and thereby strengthen local employment development across Europe. The lessons, principles and tools identified will be disseminated across Europe.





## THE IDELE ROVANIEMI SEMINAR

The seminar in Rovaniemi will be looking particularly at how local employment development activities can create routes into employment by stimulating new firm creation and entrepreneurship in remote rural areas. It will identify good practice lessons, principles and tools that can inform European policy and be disseminated to localities and regions across Europe. The seminar will focus on:

- Demonstrating the effectiveness of local action in creating a climate of entrepreneurship and enterprise, supporting SME growth and job creation in remote rural areas;
- Demonstrating how local authorities can act creatively to stimulate the development of sustainable, good quality jobs, based on the innovative filling of service gaps;
- The role of local partnerships in removing barriers to job and enterprise creation in remote rural areas with a dispersed population;
- The role of 'supportive policy environments': how policy makers at the European, national and regional levels can make it easier for local people to develop and implement local employment initiatives.

## GEOGRAPHICAL CONTEXT: REMOTE RURAL AREAS

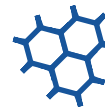
Remote rural areas are generally characterised as having an economic base dominated by agriculture and other primary industries, with a dispersed and often decreasing population. In these areas, physical remoteness combined with a dispersed population and a lack of transport and communications infrastructure, can lead to a comparatively poor range and quality of local services. These areas often suffer from a population drift to towns and cities as the people, and young people in particular, relocate to access education and employment opportunities. As a result many of these areas remain affected by seasonal or under-employment in primary industries with low added value and low incomes, with an aging and under-educated workforce and declining population.

In order to build sustainable communities local partnerships may have to improve education and training opportunities, encourage diversification among existing businesses and stimulate new employment opportunities in the secondary and tertiary sectors, taking advantage of new information communication technology.

## KEY ISSUES AND CHALLENGES

Practitioners and policy-makers tackling employment development in Europe's remote rural areas face a set of major challenges. Rural areas have a higher share of employment in declining sectors than the EU average and rural businesses find it difficult to participate in the main economic channels and networks due to long distances from the main business and employment centres. And, although rural and agricultural communities have a relatively high proportion of self-employed people in the primary industries, these areas are still characterised by a relatively weak entrepreneurial and risk taking culture in comparison to urban areas.

With a long-term shift underway from the current Common Agricultural Policy's output-based price support to farmers towards broader rural development, it is more important than ever to find alternative sources of employment to the agricultural sector. While agriculture is, and will remain, the core primary industry in many rural regions, alternative sources of income and innovative ways of encouraging business creation and employment are urgently required in order to sustain rural communities.



The specific challenges facing small firms in rural areas should be addressed at an early stage of their development. These challenges include:

- Identifying appropriate and accessible training methods to: upskill the workforce in existing industries; improve the skills base in related or new industries and; improve generic business skills such as management and marketing.
- Improving access to existing and new markets, through education and training, business networking for joint product / image branding or improving physical transport and communications infrastructure.
- Reacting to and keeping pace with technological changes in order to remain competitive.
- Coping with an increasing administrative burden and new statutory legislation (e.g. animal welfare and health and safety) which can be extremely time-consuming for SMEs and can even discourage entrepreneurship.
- Overcoming barriers to employment caused by poorer public and business services, for example, in comparison to urban areas rural regions have fewer child care places and travel to work time and distance are often greater.
- Increasing openness to successful ideas and models from elsewhere and exploiting new information and communication technologies to transcend the physical limitations of remote rural areas.

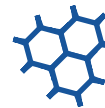
## KEY QUESTIONS FOR DEBATE

### The core question for the seminar is:

How can local employment development initiatives in remote rural areas be tailored to stimulate new business-start ups in new sectors or to build upon local strengths by diversifying into related sectors?

### There are a number of underlying questions related to this theme:

- 1 How can local partnerships encourage small business creation and spirit of entrepreneurship in remote rural areas?
- 2 How can local partnerships address factors contributing to their areas remoteness? Which factors can be addressed locally, nationally or cannot be addressed? How can information and communication technologies contribute?
- 3 How can local partnerships influence / increase education and training opportunities in managing and developing SMEs in remote rural areas?
- 4 How can the role of local policy-makers in creating and managing local partnerships be made more clear, effective and efficient?
- 5 How can local partnerships in remote rural areas better utilise national and EU policies and funding programmes to address the specific employment needs of their local area?



## FURTHER INFORMATION

For further information on the IDELE project please visit our website at:

[www.ecotec.com/idele/](http://www.ecotec.com/idele/)

Alternatively, you can email or write to us at the address below:

IDELE Project  
ECOTEC Research & Consulting  
12-26 Albert Street  
Birmingham B4 7UD  
United Kingdom  
E-mail: [idele@ecotec.com](mailto:idele@ecotec.com).