



D.1.2.1 Policy Framework

01.2 — Action Plan on Attracting Remote Workers to Rural Areas

Smart Village Knežica

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Activity Lead
Smart Village Knežica (SVK)

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Table of Contents

1. Executive Summary	5
2. Introduction & Strategic Rationale	7
2.1 Rural Depopulation Trends in the Danube Region	7
2.2 Urban–Rural Disparities	9
2.3 Governance Gaps	10
2.4 Strategic Positioning within EUSDR and EU Policy Context	11
3. Methodological Framework & Evidence Base	13
3.1 Analytical Framework	14
3.2 Data Sources and Evidence Integration	15
3.3 Partner Questionnaire Structure and Objectives	17
3.4 Multi-Scalar Analytical Approach	18
3.5 Scope and Limitations	19
4. Key Analytical Findings	20
4.1 Territorial Determinants of Remote Work Attraction	21
4.2 Institutional Capacity and Governance Landscape	24
4.3 Comparative Territorial Assessment	27
4.4 Typology of Pilot Territories	32
4.5 Barriers and Enablers for Policy Intervention	34
5. Policy Framework – Thematic Policy Packages	38
5.1 Quality of Life Package	40
5.1.1 Rationale	40
5.1.2 Hub Evidence	41
5.1.3 Policy Directions	42
5.2 Financial Incentives Policy Package	47
5.2.1 Rationale	47
5.2.2 Hub Evidence	47
5.2.3 Policy Directions	48
5.3 Regulatory Framework Policy Package	52
5.3.1 Rationale	52
5.3.2 Hub Evidence	53
5.3.3 Policy Directions	54

5.4 Action Plan on Testing Directions	58
6. Governance Architecture Contributing to the Final Governance Model.....	60
6.1 Purpose of the Governance Architecture	61
6.2 Common Governance Architecture (Three Levels).....	63
6.3 Selection & Implementation Pathway (Testing Logic).....	64
Phase Narratives	66
6.4 Testing Readiness Criteria (Early Stage)	67
6.5 Monitoring & Feedback Framework	68
6.6 Transferability Framework	70
7. Risks & Mitigation Measures	71
8. Conclusions & Strategic Outlook.....	75
References	77
Annexes	80

1. Executive Summary

This Policy Framework (Deliverable D.1.2.1) constitutes the analytical and strategic foundation of the Danube4Rural.com project. Developed under Activity 1.2 and led by Smart Village Knežica (SVK), it translates the evidence gathered through partner questionnaires, Remote Workers Policy Hub member submissions, and macro-regional analysis into structured, actionable policy directions ready for pilot testing in WP2. It serves simultaneously as a reference document for project partners, an evidence base for the three policy packages of Specific Objective 2, and the analytical bridge from which the Final Governance Model (Output 3.1) will be built in Period 5.

The Challenge

Rural depopulation is the defining structural challenge of the Danube Region. The nine pilot territories covered by this Framework — spanning Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Montenegro, Romania, Serbia, Slovakia, and Slovenia — collectively lose approximately 3,530 residents per year. Youth out-migration is the most acute dimension, with the 15–29 age cohort recording net annual losses of -1.3%. Governance decision-making is concentrated at the national level, local institutional capacity is limited, and no financial or regulatory instrument specifically targeting remote worker attraction exists anywhere in the project area. At the same time, rural areas possess genuine and distinctive assets — natural environment quality rated near-universally as a primary pull factor, available vacant housing stock, established cultural life, and a growing national and EU-level policy landscape that provides legitimacy and co-financing channels for rural revitalisation.

Three Policy Packages

The Framework develops policy directions across three interconnected packages, each addressing a distinct dimension of the challenge:

The Quality of Life Package (5.1) addresses the gap between rural aspiration and rural reality. It identifies housing activation, coworking and digital infrastructure development, public service strengthening, and the complete absence of integration and welcome programming as the four priority intervention areas. Across all nine territories, healthcare access and digital public services are the worst-rated quality-of-life dimensions — the structural deficits that most directly undermine the genuine natural and community assets that rural areas already possess.

The Financial Incentives Package (5.2) develops the financial mechanisms needed to accelerate relocation decisions and offset the costs and risks of rural settlement. It addresses relocation and housing grants, tax incentives for remote workers and employers, and low-interest loans for entrepreneurial engagement — all of which are currently absent or insufficiently developed. The 47 financial instruments available across the project area average 5.22 per territory, but are predominantly not targeted at remote workers and are underutilised locally relative to their availability.

The Regulatory Framework Package (5.3) addresses the institutional enabling conditions without which quality-of-life improvements and financial incentives cannot be sustained. Administrative complexity is cited as a barrier in all nine territories. The Framework develops directions for digital connectivity standards, administrative simplification, and the formal embedding of remote work attraction as a governance objective — building on the significant gap already identified between restrictive national legislation and the practically simplified administrative procedures that local authorities have developed in response to real need.

Governance Architecture

Chapter 6 defines the **three-level governance architecture** through which these **policy directions will be tested, refined, and ultimately consolidated into the Final Governance Model**. The architecture operates at the local pilot level (Level 1), project coordination level (Level 2), and transnational learning level (Level 3), drawing on Multi-Level Governance principles, the EU Rural Pact, and the LEADER/CLLD community-led development methodology. Seven structured implementation phases map the progression from the analytical foundations of this Framework through WP2 pilot testing to Period 5 consolidation. A transferability framework (Section 6.6) distinguishes the invariant core of the governance model — the three-level architecture, three-package structure, and evidence generation logic — from the context-specific local adaptation parameters that will vary across territories and replication contexts.

Status and Next Steps

This Framework is a living document. Policy directions marked as placeholders will be updated upon delivery of the Activity 1.1 comparative research report (D.1.1.4, Period 4) and the outputs of WP2 public consultations (D.2.3.1, D.2.3.2). **The iterative project logic — Framework → Pilot → Governance Model** — is the mechanism through which the directions presented here will be validated, refined, and transformed into the evidence-based governance recommendations that constitute Output 3.1.

2. Introduction & Strategic Rationale

This chapter provides the macro-level analytical and policy context that justifies the development of the Policy Framework. It presents structural challenges affecting rural areas across the Danube Region — demographic decline, urban-rural disparities, and governance fragmentation — and establishes the strategic foundation for the analytical and policy sections that follow. Territorial comparisons and partner-specific findings are addressed in Chapter 4.

2.1 Rural Depopulation Trends in the Danube Region

Rural depopulation is the defining territorial challenge of the Danube Region and the primary structural context within which this Policy Framework is developed. Demographic decline in rural and peripheral areas reflects deep-seated structural imbalances that have intensified across the region over the past three decades.

4 in 5
Rural EU regions
projected to decline
by 2050

311K
People lost per year
from EU rural regions
(2021-2051)

45.1%
Of rural EU regions
projected to lose
>10% of population

25%+
Rural population loss
projected in LT, LV,
RO, BG by 2050

According to Eurostat projections, the population of predominantly rural regions across the EU is projected to decline at a rate of 264,000 to 311,000 people per year between 2021 and 2051, while urban regions are expected to continue growing over the same period. Expressed in structural terms, population growth is projected in almost three out of five urban regions, while four out of five rural regions face decline by 2050 (Eurostat, EUROPOP2019). The scale of the challenge in eastern Europe is particularly acute: across Lithuania, Latvia, Romania and Bulgaria, rural population losses exceeding 25% are projected by 2050. By that point, one in three people in rural areas is projected to be aged 65 or over — a structural shift that compounds demographic decline with accelerating ageing, further eroding the working-age population base on which rural economic viability depends.

Two Compounding Migration Dynamics

EAST -> WEST MIGRATION		CENTRE -> PERIPHERY MIGRATION
Working-age and educated populations leave the Danube Region entirely, moving to Western European labour markets. > Danube Region is a "sending" region (ESPON)	+	Within each country, population flows from rural and peripheral areas towards capital cities and larger agglomerations. > Central-periphery dichotomisation (EUSDR, AF p.80)

Combined Effect: Rural areas lose people to national cities, which simultaneously lose them to Western Europe — compounding demographic decline at every territorial level

Evidence from the Project's Pilot Territories

The scale and diversity of depopulation challenges across the nine pilot territories illustrates both the severity of the shared challenge and the variation in local contexts that the Policy Framework must address.

Country	Pilot Territory	Key Demographic Evidence	Source
Slovenia	Moravske Toplice / Pomurje	-4.8% population (Pomurje, 10 yrs); highest loss of tertiary-educated residents in country; national surplus (+2.1%) masks regional decline	AF, p.81
Bosnia & Herzegovina	Prijedor region	2nd largest diaspora (% of population) globally; approx. 25,000 people lost per year (2013-2020)	AF, p.81
Serbia	Babusnica region	-25.39% population (2011-2022); highest concentration of abandoned agricultural land nationally	AF, p.81
Montenegro	Cetinje area	-8,000 residents since 1990 (from 23,000); sustained long-term demographic erosion	AF, p.81
Croatia	Sisak-Moslavina County	-19% population (2011-2021); one of the fastest-declining counties in Croatia	AF, p.81
Hungary	Baranya region	Most rural county nationally; 154 settlements under 250 inhabitants; 11 settlements under 25 inhabitants	AF, p.81
Romania	Tara Dornelor / NE Region	Highest recorded marginalisation levels; continuous labour migration abroad; rural poverty exceeds urban by 20%	AF, p.81
Bulgaria	Gotse Delchev area	-21.6% population (2001-2021); up to 25% of settlements projected without population by 2040; only 13% tertiary education (vs. 23% national)	AF, p.81
Slovakia	Stropkov region	Smaller settlements struggling to maintain viable population; closure of schools and local services ongoing	AF, p.81

As the Territorial Agenda 2030 affirms, growing inequalities between places and people must be addressed across all geographical and governance levels.

Smaller settlements possess underexploited potential that, if activated, could contribute meaningfully to regional economic development and social well-being.

What is required is a new governance logic: one that activates rural assets, introduces new models of territorial attractiveness, and positions rural communities as viable destinations for mobile, highly skilled workers.

2.2 Urban–Rural Disparities

Depopulation in the Danube Region does not occur in isolation — it is both a consequence of and a driver of deep structural disparities between urban and rural territories. These disparities are multidimensional, manifesting in employment structures, digital connectivity, access to public services, and local infrastructure quality. Understanding their interrelationship is essential to designing policy responses that make rural areas genuinely competitive destinations for mobile, skilled workers.

Employment Disparities

Rural areas concentrated in agriculture, traditional manufacturing, and low-productivity services. Knowledge-intensive sectors with remote work potential have minimal footprint. Skilled workers leave, human capital depletes, creating a structural feedback loop.
> Remote work uptake significantly higher urban vs. rural (OECD, 2023)

Digital Infrastructure Gap

Rural and peripheral territories consistently lag in fixed broadband penetration, mobile data quality, and next-generation network access. Digital divide operates as both symptom and reinforcing cause: poor connectivity deters remote workers; absent remote workers reduce economic case for investment.
> EU Digital Decade 2030: universal high-capacity targets not yet met in rural areas

Public Services Access

Healthcare, education, public transport, childcare, and cultural services face viability challenges as populations decline below service-threshold levels. Service closures trigger further outmigration, creating a self-reinforcing downward cycle.
> Rural poverty exceeds urban poverty by 20% in Romania (AF, p.81)

Rural Assets - The Other Side

Rural areas offer natural environment, open space, affordable housing, lower cost of living, and community cohesion. Remote workers consistently cite quality of life, proximity to nature, and reduced urban stress as primary relocation motivators.
> Structural opportunity: remote work can rebalance the urban-rural equation

The Strategic Opportunity

The challenge is not that rural areas lack inherent attractiveness — natural environment, open space, affordable housing, lower cost of living, and community cohesion are genuine and distinctive assets. The challenge is that structural disadvantages have historically outweighed these advantages in the calculations of mobile workers. The expansion of remote work creates a structural opportunity to rebalance this equation: if connectivity and service gaps can be addressed, and if appropriate governance and incentive frameworks can be established, rural areas in the Danube Region possess genuine potential to attract and retain skilled remote workers. Addressing urban-rural disparities is thus not only a social equity imperative but a strategic precondition for the Policy Framework's ambitions.

2.3 Governance Gaps

Rural depopulation in the Danube Region is not solely a demographic or economic challenge — it is, fundamentally, a governance challenge. The absence of effective, integrated, and multi-level governance frameworks represents a structural gap that limits the capacity of local and regional authorities to design, implement, and sustain meaningful responses to demographic decline. Four principal dimensions of this governance gap are identified.

GAP 1

Institutional Fragmentation

Rural development policy distributed across multiple governance levels and policy domains with limited coordination. Policies individually coherent within their sector but collectively incoherent at territorial level.

Evidence: DRP: highly fragmented political/administrative structure is a real hindering factor (AF, p.80)

GAP 2

Limited Local Institutional Capacity

Municipalities in peripheral territories operate with restricted administrative resources, small teams, and limited experience of multi-partner policy processes. Political will exists but institutional infrastructure to act on it often does not.

Evidence: Local authorities have limited capacity to develop innovative policy solutions (AF, p.82)

GAP 3

Absence of Cross-Sector Engagement

Policy development dominated by public sector actors. Employer organisations and private sector stakeholders rarely integrated into design processes systematically. No established multi-stakeholder co-creation platforms.

Evidence: Remote work policies cannot be developed without active employer involvement (AF, p.82)

GAP 4

Knowledge and Evidence Gap

Macro-regional data available but inconsistently translated into place-specific, actionable policy directions. Rural authorities lack access to tailored analytical tools, comparative assessments, or structured methodologies for evidence-based policy design.

Evidence: TA2030: place-based policies require coordinated evidence infrastructure across governance levels (AF, p.80)

Taken together, these governance gaps explain why demographic decline in the Danube Region has persisted despite significant public investment in rural development over recent decades. They also define the core logic of the Policy Framework: the challenge is not simply to identify good policies, but to build the governance architecture through which effective policies can be co-developed, tested, refined, and sustained over time.

The Policy Framework Response

These governance gaps define the core logic of the Policy Framework: the challenge is not simply to identify good policies, but to build the governance architecture — the platforms, procedures, competences, and relationships — through which effective policies can be co-developed, tested, refined, and sustained over time. The Danube4Rural.com approach is designed to address each of these gaps directly, through the Remote Workers Policy Hub, the structured policy package development process, and the transnational pilot testing framework.

2.4 Strategic Positioning within EUSDR and EU Policy Context

The Policy Framework is primarily positioned within the European Union Strategy for the Danube Region (EUSDR), specifically under Priority Area 10 - Institutional Capacity & Cooperation, in line with the Application Form (AF, p.92), which references alignment with PA10 Action 5 and Action 7. Beyond this primary alignment, the Framework is situated within four complementary EU-level policy frameworks that collectively define the strategic architecture within which it operates.

PRIMARY
AF, p.92

EUSDR Priority Area 10 Primary *Alignment*
Institutional Capacity & Cooperation. PA10 Action 5 (governance structures and institutional performance) and Action 7 (cooperation mechanisms, knowledge exchange, coordinated policy approaches). The Policy Framework operationalises PA10 by translating territorial diversity into structured, comparable governance pathways.

COMPLEMENTARY
*European
Commission, 2021*

Digital Decade 2030 Digital *Transformation Alignment*
Universal high-capacity connectivity, digital skills, and uptake of digital services. Framework contributes by mapping digital readiness and connectivity gaps across pilot territories, supporting understanding of how targeted digital investment enables territorial rebalancing.

COMPLEMENTARY
*Regulation (EU)
2021/1060*

EU Cohesion Policy 2021-2027 Territorial *Cohesion Alignment*
"A more connected Europe" and "A Europe closer to citizens". Framework aligns with cohesion principles through infrastructure assessment, governance capacity mapping, and service accessibility analysis. Pilot concentration in most-deprived territories consistent with cohesion targeting logic.

COMPLEMENTARY
*European
Commission, 2021
/ AF, p.94*

EU Long-Term Vision for Rural Areas Rural *Resilience Alignment*
Stronger, connected, resilient, and prosperous rural areas by 2040. Ten shared goals including digital connectivity, service accessibility, demographic resilience, and community development. Framework contributes directly to goals on unlocking rural potential, multi-level governance, and dynamic communities.

COMPLEMENTARY
AF, p.93

Territorial Agenda 2030 Territorial *Justice Alignment*
Growing inequalities between places and people must be addressed at all geographical and governance levels. Diversity of places is an underused potential. Framework operationalises TA2030 by developing governance tools designed for territorial adaptation rather than uniform application.

The Policy Framework as Operational Bridge

Importantly, the Policy Framework does not duplicate existing strategies nor attempt to substitute for national or EU-level policy instruments. Instead, it acts as an operational bridge — connecting macro-regional objectives, EU-level digital and cohesion policies, and territorially grounded pilot experimentation into a coherent, implementable governance pathway.



By integrating analytical evidence (Activity 1.1), structured territorial mapping (questionnaire), and coordinated WP2 preparation, the Policy Framework translates strategic EU ambitions into implementable, testable governance directions that can be validated at the local level and subsequently scaled. Through this positioning, the Framework demonstrates clear alignment with EUSDR PA10 as defined in the Application Form, while situating the project within the broader European policy architecture addressing digital transformation, territorial cohesion, and rural resilience.

3. Methodological Framework & Evidence Base

The credibility and policy relevance of the Danube4Rural.com Policy Framework depend directly on the quality, coherence, and transparency of its analytical foundations. This chapter presents the methodological logic underlying the Framework: the evidence streams it integrates, the sources it draws on, the tools through which territorial evidence was collected, the multi-scalar approach that ensures analytical robustness, and the scope boundaries and limitations that honest analytical practice requires acknowledging. Together, these elements constitute not just a description of methods, but a justification of the Framework's claim to be genuinely evidence-based.

3.1 Analytical Framework

The Danube4Rural.com Policy Framework is built on a deliberately integrated analytical architecture, combining three distinct but complementary evidence streams into a coherent policy development pathway. This integration reflects a core methodological position: rural development policy that relies on a single evidence source risks reproducing the limitations of that source.

01 Partner Questionnaire Territorial Evidence	02 Hub Member Policy Suggestions Demand-side Intelligence	03 WP2 Operational Structuring Implementation Logic
Structured institutional mapping tool completed by all Project Partners. Covers demographic trends, existing policies, digital readiness, governance conditions, and pilot testing potential across 9 pilot territories. ► Supply-side: What exists in the territories	55 structured submissions from employer organisations, experts, and local stakeholders across 10 partner countries. 32 included substantive concrete policy suggestions. Covers all three policy package themes. ► Demand-side: What stakeholders need	Policy directions mapped against pilot territories and structured into testable interventions. Creates direct progression from evidence to policy to implementation, aligned with Activity 2.1, 2.2, and 2.3. ► Action-side: How it gets tested

By combining these streams, the Framework ensures that each compensates for the limitations of the others. Macro-level databases establish structural context but miss place-specific conditions. Expert opinion without stakeholder grounding risks disconnection from implementation realities.

Stakeholder input without analytical structuring generates useful suggestions but lacks the comparative framework needed to translate them into transferable policy directions. The integration of all three streams produces policy directions that are simultaneously grounded in evidence, contextually sensitive, and operationally viable.

Questionnaire + Hub Suggestions + WP2 Structure = Coherent Policy Pathway

3.2 Data Sources and Evidence Integration

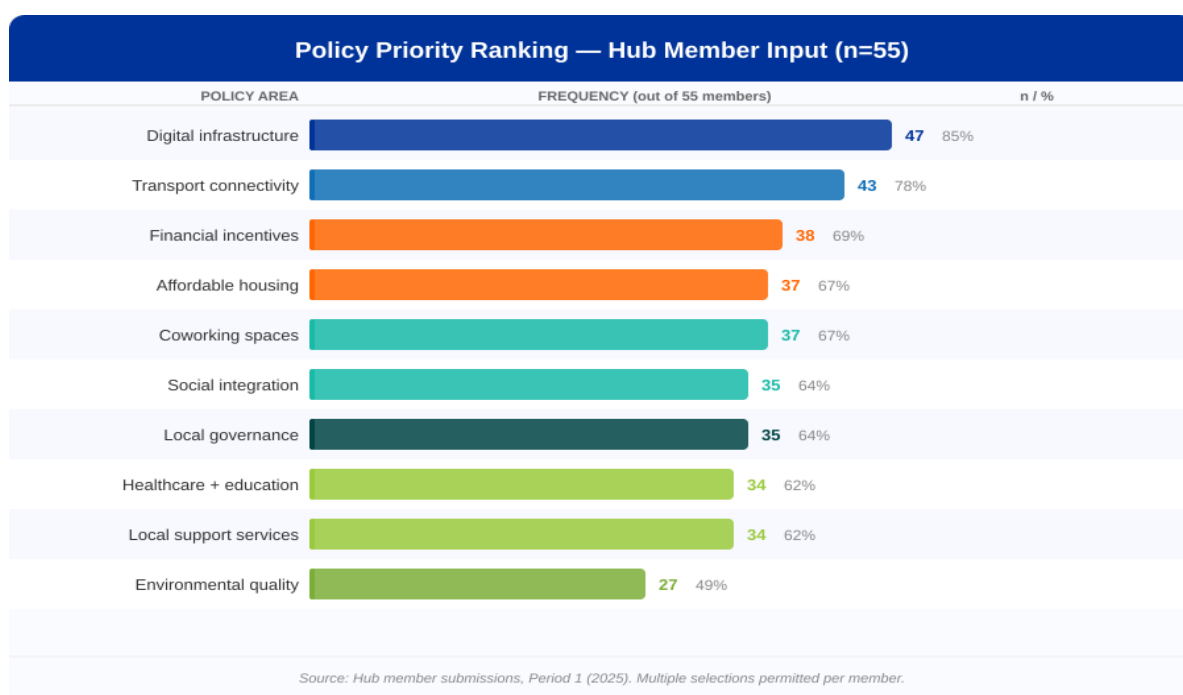
The evidence base of this Policy Framework draws on three categories of sources, each serving a distinct analytical function: macro-regional and international databases that provide structural context; partner questionnaire data that constitute the primary source of territorial evidence; and Hub member policy suggestions that constitute the primary source of policy ideation and demand-side intelligence.

Hub Member Submissions — Overview



Policy Priority Ranking — Structured Member Input

Analysis of the structured questionnaire responses reveals a clear hierarchy of policy priorities across the partnership. The table below presents the frequency with which each of the ten standardised policy categories was selected as a priority need by Hub members (n = 55).



Digital infrastructure — high-speed internet and 5G connectivity — was selected by 47 of 55 members (85%), making it the most universally identified prerequisite for rural remote work attraction. Transport connectivity ranked second at 78%, reflecting the importance of physical accessibility even in a remote work context. Financial incentives, affordable housing, and coworking spaces formed a closely ranked second-tier cluster (67–69%), while social integration, local governance, healthcare access, and local support services each registered 62–64%, confirming that the governance and community dimensions of remote worker attraction are considered as important as the infrastructural and financial ones.

Macro-Regional and Strategic Sources

Key macro-regional sources include Eurostat regional demographic projections (EUROPOP2019; Rural Europe 2024), ESPON transnational observation documents on rural depopulation, OECD research on remote work patterns and sectoral distribution (OECD, 2023), and strategic documents including the EUSDR Action Plan, the EU Long-Term Vision for Rural Areas, the Territorial Agenda 2030, and the EU Cohesion Policy 2021–2027 framework.

These sources establish the macro-level context described in Chapter 2 and provide the benchmarks against which territorial conditions are assessed in Chapter 4.

3.3 Partner Questionnaire Structure and Objectives

The partner questionnaire is not a survey instrument in the conventional sense. It is an institutional analytical mapping tool, completed exclusively by Project Partners on the basis of desk research, official statistics, and accumulated institutional knowledge of their territories. Its purpose is not to capture individual perceptions or preferences, but to produce structured, comparable territorial intelligence that can be analysed across the nine pilot areas to identify patterns, disparities, and policy entry points.

The questionnaire collects information across five thematic domains:

D1 Demographic Trends	• Population change trajectories • Age structure and ageing patterns • Migration flows (internal & international) • Educational level and brain drain indicators
D2 Policy & Incentives	• Existing national/regional/local measures • Relocation incentive schemes • Remote work policy frameworks • Prior experience with rural attraction programmes
D3 Infrastructure & Digital Readiness	• Broadband coverage and quality • Coworking facility availability • Quality of life dimensions (housing, healthcare, education, cultural offer) • Transport connectivity to urban centres
D4 Governance & Regulatory Conditions	• Coordination mechanisms across levels • Administrative capacity of local authorities • Regulatory barriers to remote work • Multi-stakeholder engagement practices
D5 Pilot Testing Potential	• Feasible testing directions per territory • Available local partners • Enabling and constraining conditions • Local readiness for WP2 engagement

Note on Comparability

The questionnaire ensures thematic comparability across diverse governance contexts — all partners respond to the same analytical categories. However, strict statistical harmonisation across nine territories spanning ten countries is not always achievable: data availability, territorial scale, and institutional capacity vary. Where partners provided data at national rather than local level due to the absence of disaggregated statistics, this is noted in Chapter 4 and taken into account in the interpretation of findings. The analytical approach therefore prioritises structured thematic comparability over false statistical precision, treating questionnaire outputs as institutional assessments rather than statistically equivalent datasets.

Questionnaire results are synthesized comparatively in Chapter 4 and presented in full territorial detail in Annex I.

3.4 Multi-Scalar Analytical Approach

The analytical framework operates simultaneously at three distinct levels of analysis. The combination of these levels is essential to the methodological coherence and policy relevance of the Framework — each level contributes something that the others cannot provide alone, and the integration of all three is what gives the Framework its analytical depth and operational applicability.

MACRO-REGIONAL LEVEL [Danube Region]	TERRITORIAL LEVEL [9 Pilot Areas]	INDIVIDUAL LEVEL [Remote Workers]
DATA SOURCES <i>Eurostat · ESPON · OECD · EUSDR · Territorial Agenda 2030</i> ANALYTICAL PURPOSE Establishes shared structural context. Justifies transnational approach. Identifies common drivers of depopulation applicable across the region. ► Structural justification + macro benchmarks	DATA SOURCES <i>Partner questionnaire · National statistics · Institutional assessments</i> ANALYTICAL PURPOSE Maps specific conditions, assets, and constraints of each pilot territory. Enables comparative analysis that identifies patterns and significant variations. ► Contextual grounding + feasibility evidence	DATA SOURCES <i>Activity 1.1 research · Hub member suggestions · Survey data</i> ANALYTICAL PURPOSE Captures motivations, preferences, barriers, and decision-making of actual and potential remote workers. Provides demand-side calibration for supply-side policy directions. ► Demand-side validation + behavioural evidence

Relying on macro-regional data alone would produce structurally accurate but territorially generic recommendations — relevant to the Danube Region as a whole but insufficiently adapted to the specific conditions of each pilot territory. Relying on territorial data alone would produce locally grounded but potentially idiosyncratic conclusions, without the comparative framework needed to identify transferable lessons. Relying on individual-level data alone would provide rich demand-side intelligence but no structural anchor for understanding why certain territories is better positioned to respond to that demand than others.

The multi-scalar integration prevents each of these failure modes. It is this combination that gives the Policy Framework its claim to being genuinely evidence-based rather than merely evidence-informed.

◆ Analytical Robustness

Cross-validating findings across sources and scales prevents any single evidence stream from producing misleading conclusions.

◆ Policy Relevance

Grounding recommendations in both structural context and individual behaviour ensures they address the right problems in the right ways.

◆ Operational Applicability

Connecting macro-level ambitions to territorial realities and individual preferences produces directions that are feasible, not just aspirational.

3.5 Scope and Limitations

Analytical transparency requires explicit acknowledgement of the Framework's methodological boundaries and the decisions taken to manage them. The following table presents the four principal scope and limitation considerations and the methodological position taken in response to each.

Methodological Position	Thematic Comparability Over Statistical Harmonisation The nine pilot territories are assessed against the same analytical categories and conceptual framework, but not necessarily using data from equivalent territorial scales. Where partners provided national-level data due to absence of local statistics, the territorial scale is noted. Comparative assessments in Chapter 4 should be read as structured institutional analyses, not statistically equivalent measurements.
Data Gap Response	Qualitative Interpretation Complements Quantitative Gaps Where quantitative data were not available or applicable, qualitative institutional interpretation — based on partners' accumulated knowledge of their territories — complements and contextualises the quantitative evidence. This is consistent with

	the Framework's purpose as a policy development instrument, not a statistical report.
Temporal Limitation	Activity 1.1 Research Integration The individual-level evidence layer (Activity 1.1) was still in progress at the time of this Framework's development. Where findings were not yet available, Hub member policy suggestions and territorial questionnaire data serve as proxy indicators. Full integration of Activity 1.1 findings will be incorporated in a revised version of this Framework upon delivery of the comparative research report (D.1.1.4, Period 4).
Scope Boundary	Policy Directions as Hypotheses, Not Proven Solutions The Framework presents well-grounded, analytically coherent, and operationally viable policy directions that are ready for structured testing — not proven solutions. The iterative logic embedded in the project design — from Framework to pilot to Governance Model — is the mechanism through which preliminary directions will be refined into validated recommendations.

Methodological Purpose of this Framework

The Framework presents well-grounded, analytically coherent, and operationally viable policy directions ready for structured testing — not proven solutions. Its purpose is policy-relevant insight that guides WP2 pilot design and targeting, not statistical exhaustiveness. The iterative project logic — Framework → Pilot → Governance Model — is the mechanism through which preliminary directions become validated recommendations.

4. Key Analytical Findings

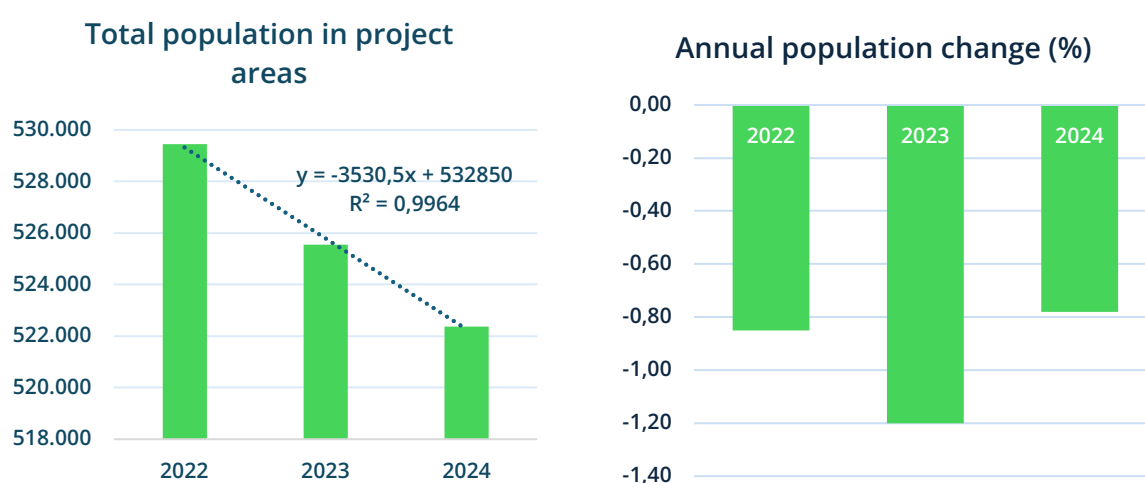
The analytical findings presented in this chapter are derived from a structured questionnaire administered to all nine pilot territories: Prijedor region (Bosnia and Herzegovina), Gotse Delchev area (Bulgaria), Sisak–Moslavina County (Croatia), Baranya region (Hungary), Cetinje area (Montenegro), Tara Dornelor / NE Region (Romania), Stropkov region (Slovakia), Babušnica region (Serbia), and Municipality of Moravske Toplice / Pomurje (Slovenia). The questionnaire was designed to collect harmonised, comparable data on demographic trends, digital infrastructure, institutional capacity, quality-of-life conditions, and financial and regulatory frameworks relevant to remote worker attraction.

The findings are presented at the level of the project area as a whole rather than as individual territory profiles. They establish the empirical foundation for the three policy packages developed in Chapter 5, and are explicitly structured to feed into the Quality of Life, Financial Incentives, and Regulatory Framework directions identified therein. Each sub-section concludes with a Policy Implications note that makes this connection explicit.

4.1 Territorial Determinants of Remote Work Attraction

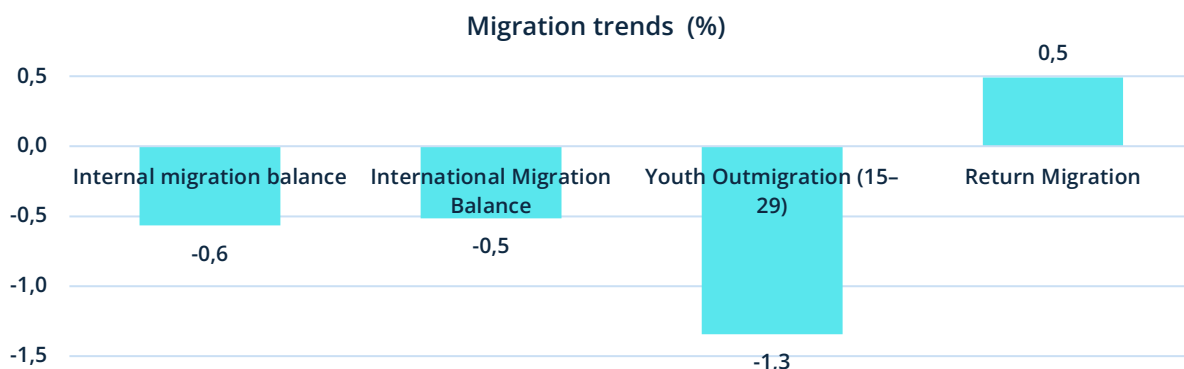
The most pervasive and structurally determinant threat to the project's pilot territories is demographic decline — driven by both negative natural growth rates and multiple forms of out-migration. Population loss is universal across all nine pilot areas, constituting the primary structural context within which all quality-of-life and governance interventions must operate.

Demographic Trends Across the Project Area — Key Data Points

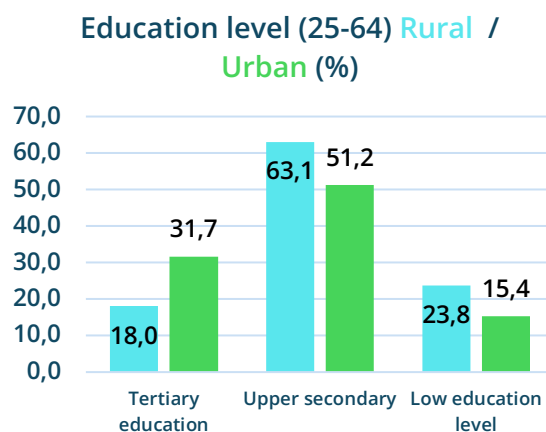
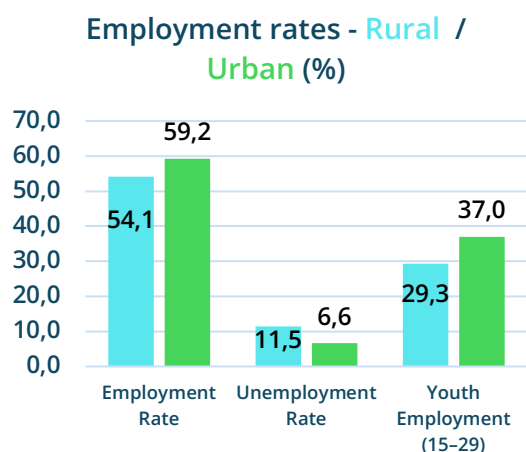


The project area as a whole loses approximately 3,530 residents per year, with high statistical significance. On average, the project area loses just under 1% of its population annually. The sharpest recorded decline was in 2023, at 1.2%, moderating slightly to 0.78% in 2024. This trend is driven by negative natural growth (higher mortality, lower birth rates) compounded by adverse migration effects.

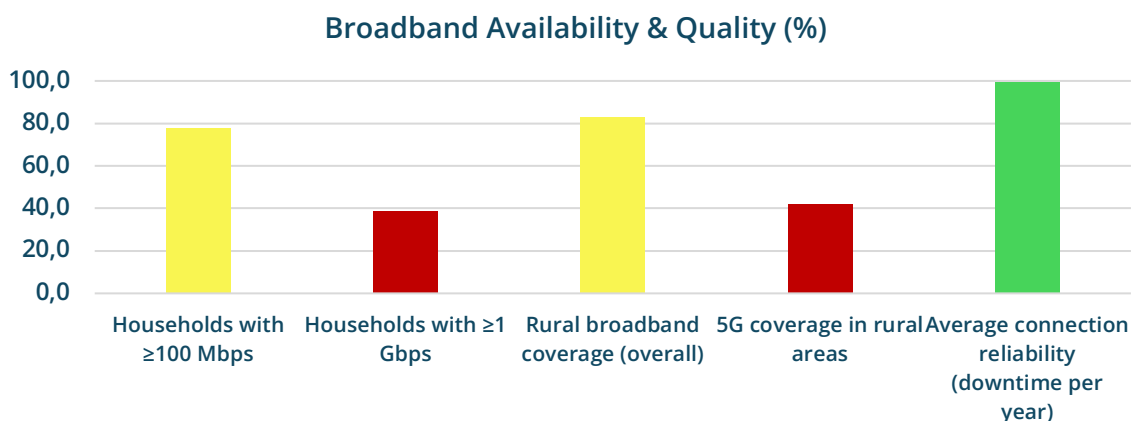
Internal migration — movement from rural areas to larger national cities — shows a negative balance of -0.6%, meaning rural-to-urban relocation within each country is the dominant first step. International net migration balance stands at -0.5%, with approximately 1 in 200 rural residents emigrating abroad annually.



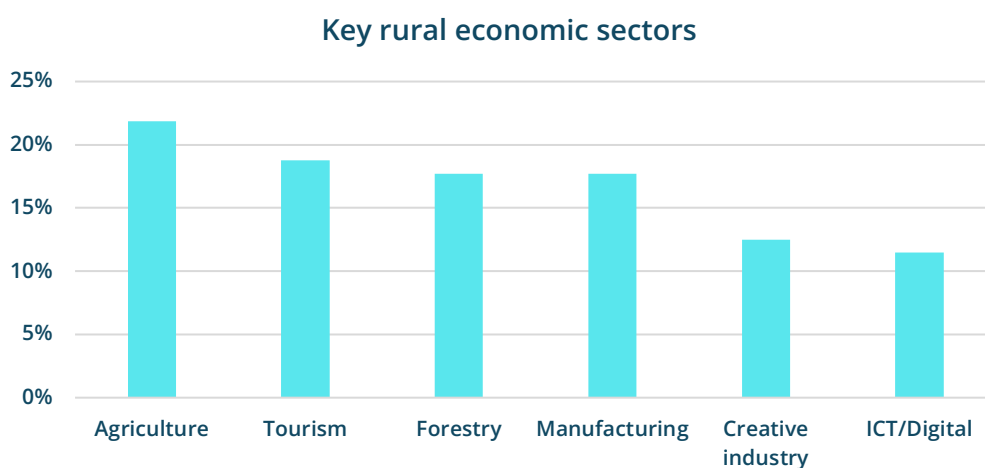
Youth out-migration is the most acute dimension: the 15–29 age cohort records a net loss of -1.3%, while the return rate across all migration categories represents only 0.5% of the total population — insufficient to offset ongoing outflows at any level.



The urban-rural employment and education gap reinforces demographic pressure. Across all nine territories, employment rates, youth employment, and tertiary education attainment are consistently higher in urban areas. Tertiary-educated residents represent approximately one-third of the urban population, compared to less than one-fifth in rural areas — a differential that both reflects and perpetuates the outmigration of qualified workers.



Digital infrastructure shows a divided picture. Rural broadband coverage exceeds 80% of households, and average connection reliability is near-universal. However, 5G penetration stands at 42% and gigabit-capable connections reach only 38.5% of households — significantly below the EU Digital Decade 2030 targets. Connectivity quality therefore presents a partial and uneven asset rather than a competitive strength, with significant variation across pilot territories.



The sectoral composition of rural economies across the project area reflects a structural pattern with direct implications for remote worker attraction strategy. Assessment of sector significance — based on employment share, contribution to rural income, development potential, role in local identity, and value chain position — reveals that agriculture carries the greatest weight across all nine territories. Tourism, forestry, and manufacturing follow as sectors of secondary significance. Creative industries are present but limited in scale. Most notably, the ICT and digital sector is ranked as both the least significant and the least-present economic activity across the project area.

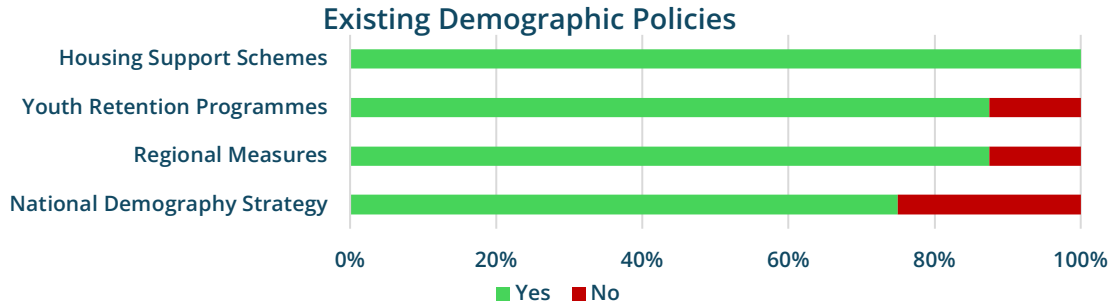
This absence is not a constraint on remote worker attraction — it is its fundamental rationale: introducing remote workers constitutes the primary mechanism through which a digital economy footprint can be established in rural territories that currently lack one entirely.

Policy Implications for Chapter 5

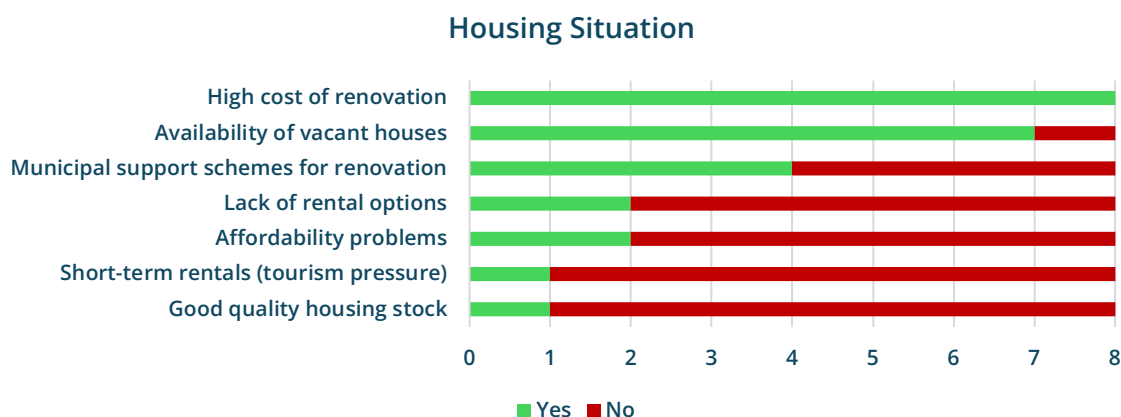
The demographic data above directly ground the Quality of Life package (5.1): rural areas cannot compete for remote workers by matching urban conditions — they must leverage genuinely distinctive assets (nature, space, affordability, community) while addressing the specific structural deficits (internet quality, services, integration infrastructure) that convert aspiration into sustainable long-term residence. The digital infrastructure gap justifies the infrastructure policy direction within 5.1, and the near-absence of an ICT sector baseline underscores the transformative potential — and the ambition required — of remote worker attraction as a rural development strategy.

4.2 Institutional Capacity and Governance Landscape

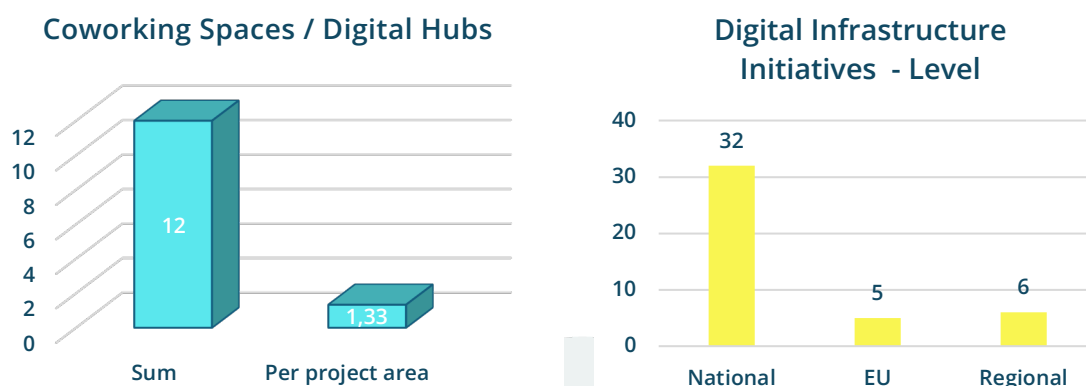
This section analyses the policy and legislative frameworks, administrative readiness, and coordination capacities present across the pilot territories. It maps the governance landscape within which policy interventions will be implemented, identifying both enabling conditions and structural constraints.



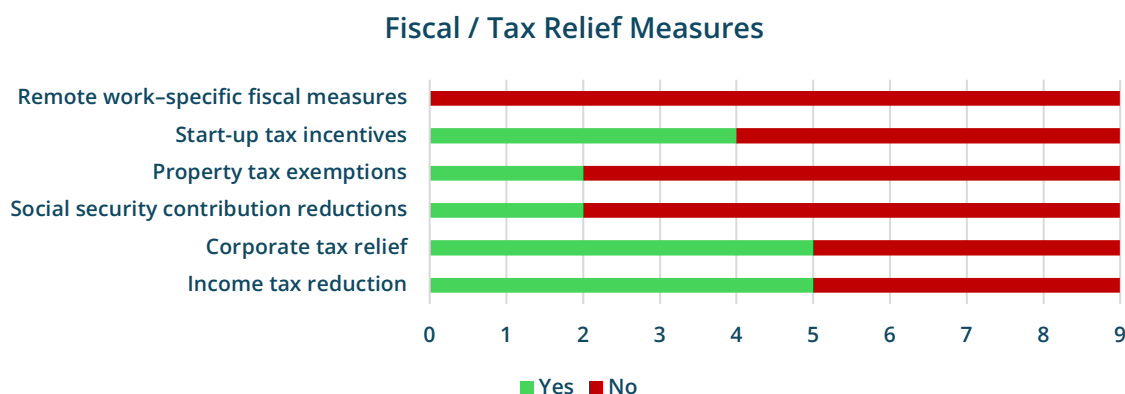
Across analyzed territories, housing support schemes exist in some form. Municipal authorities frequently deploy proactive housing and spatial planning policies — including land sales for young families and vacant house renovation programmes — as primary tools for population retention. Youth retention strategies, including stipends, youth strategies, and indirect support for entrepreneurship and smart village development, are active in eight of the nine pilot areas. One territory has no youth retention programme. Regional demographic policies are absent in only one area; national demographic strategies exist in six of the nine partner countries.



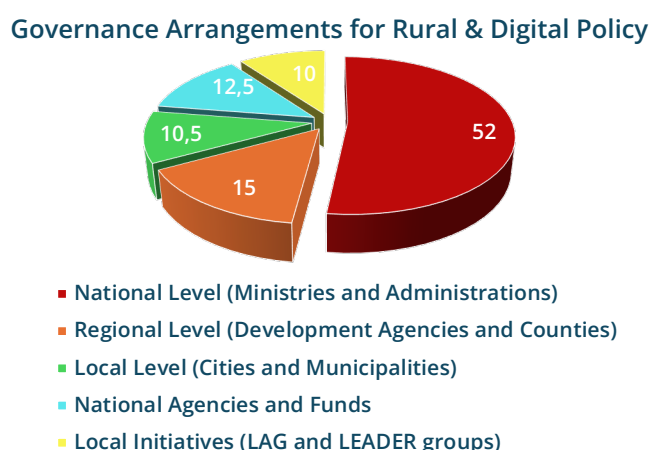
Housing conditions across the nine pilot territories present a structurally consistent picture of constrained supply alongside underutilised assets. The primary challenges identified across all pilot areas are: high renovation costs for existing — predominantly older — housing stock; poor housing quality in a significant portion of available units; and limited affordability combined with a shortage of rental and letting options. These barriers operate simultaneously, making it difficult for prospective remote workers to find adequate accommodation at accessible cost even where housing units physically exist. The available assets are equally consistent. Vacant housing stock represents the most significant opportunity across the project area — rural depopulation has left a substantial number of empty residential units that could, with appropriate incentives, be made available to incoming remote workers. Short-term tourist accommodation options exist in most territories, providing transitional housing flexibility, though this asset carries a dual character: tourist rental pressure in some areas creates affordability constraints and community tensions that complicate long-term residential use. Municipal support for housing renovation is present in approximately half of the pilot territories, demonstrating that local institutional will to activate the vacant housing asset exists — but is unevenly distributed and insufficiently scaled.



Digital and coworking infrastructure: 12 coworking spaces or digital hubs are operational across the nine territories (average 1.33 per territory). A total of 43 digital infrastructure initiatives have been identified — predominantly national-level (32), with 6 regional and 5 EU-level initiatives. Local-level initiatives are largely absent, suggesting that digital development impulses currently flow top-down.



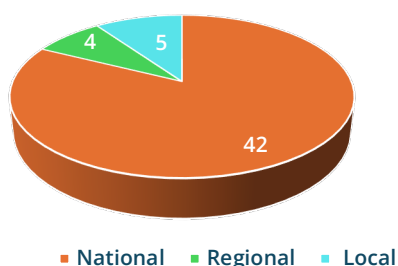
Financial and tax instruments: no tax exemption specifically targeting remote workers exists anywhere in the project area. Property tax exemptions and social security contribution reductions are present but limited. Start-up tax incentives, corporate tax relief, and income tax reductions are available in approximately 50% of pilot territories.



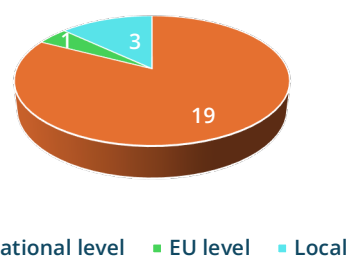
Governance decision-making in the pilot territories is heavily concentrated at the national level. National ministries and central administration account for 52% of influence on rural and digital governance decisions, followed by regional authorities (15%) and national agencies and funds (12.5%).

The combined influence of local authorities, municipalities, and Local Action Groups amounts to only 20.5% — a structural imbalance that limits local responsiveness and points to a significant governance capacity gap at the territorial level most relevant to implementation.

Strategic Environment - National / Regional / Local Strategies



Strategic Environment - Remote Work / Telework Policies and Laws



A large body of national, regional, and local strategies relevant to remote work, digital transformation, rural revitalisation, and demographic challenges exists across the project area (predominantly national, 42 strategies). Remote work-specific legislation is present in some form in the majority of partner countries, with 19 national-level policies identified and a small number at local level. EU-level regulatory input on remote work remains minimal — only one EU-level policy instrument was identified.

Policy Implications for Chapter 5

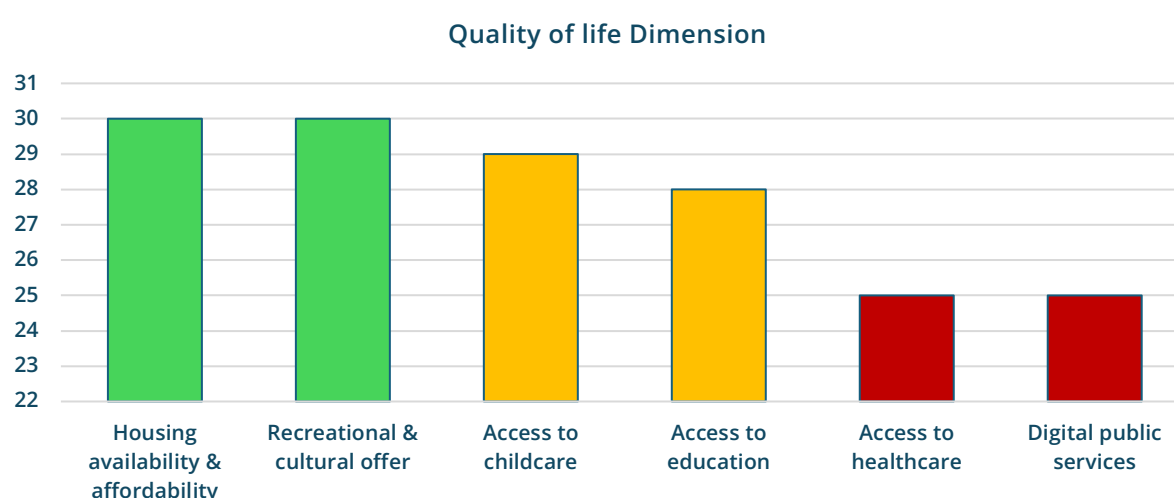
The governance concentration at national level, combined with the limited fiscal and regulatory tools available locally, directly justifies both the Financial Incentives package (5.2) — which must work with and around existing national-level instruments — and the Regulatory Framework package (5.3), which must address the structural gap between national policy intent and local implementation capacity. The near-absence of remote work-specific financial instruments at any level represents a clear policy direction gap that the Financial Incentives package is designed to fill. The housing data directly inform the Housing direction of the Quality of Life package (5.1) and the housing subsidy and low-interest loan instruments of the Financial Incentives package (5.2): the vacant housing asset is real and widespread, but requires targeted financial and regulatory activation to become accessible to remote workers.

4.3 Comparative Territorial Assessment

This section provides a comparative assessment of quality-of-life conditions, infrastructure development, environmental sustainability, and integration readiness across the nine pilot territories, drawing directly on questionnaire data to map the lived conditions that remote workers would encounter.

The quality-of-life profile of rural pilot areas presents a structurally consistent pattern: genuine and distinctive natural and community assets are undermined by service and infrastructure deficits. The primary advantages cited across all territories are housing affordability, clean natural environment, social cohesion and community belonging, and cultural and recreational life. The primary disadvantages are poor internet and network coverage, lower incomes and employment challenges, insufficiently developed public services, and poor road, utility, and energy infrastructure alongside severe demographic challenges.

Quality of Life Ratings — Key Findings



Best-rated QoL dimensions across the project area: housing availability and affordability; cultural and recreational offer.

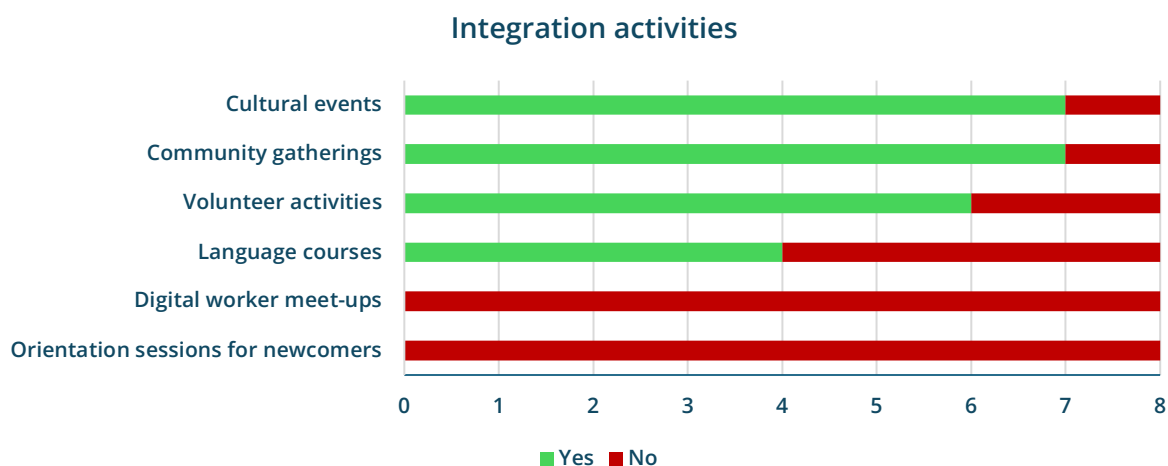
These represent the genuine competitive assets of rural pilot territories relative to urban alternatives.

Mid-rated: access to childcare; access to education.

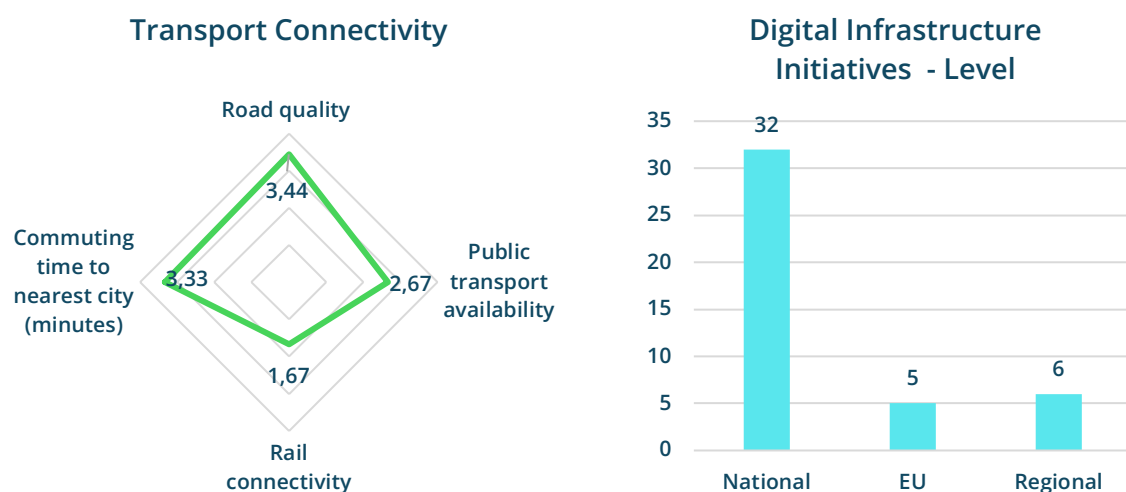
Present but not reliably available across all areas — a deterrent particularly for families with children.

Worst-rated: access to healthcare; digital public services.

These constitute the most significant structural barriers to remote worker attraction and retention.



Integration infrastructure for incoming residents is notably absent across all nine territories. Cultural events, community gatherings, and volunteer activities are broadly available. Language courses are offered in 50% of pilot areas. However, digital worker meet-ups, organised networking sessions, or structured welcome programmes for incoming residents are entirely absent across the project area. Integration activities are currently designed for long-established residents rather than for new arrivals — a critical gap given that the project's target group consists precisely of individuals who have never previously lived in rural areas.

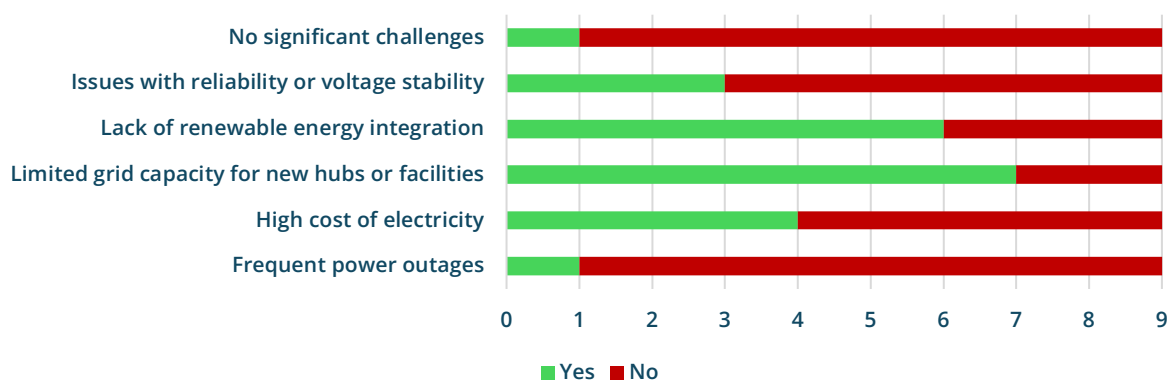


Transport infrastructure represents one of the most consistently cited structural disadvantages of rural areas relative to urban centres across all nine pilot territories. Road quality is rated as average (3.44/5), and proximity to the nearest larger settlement is similarly average (3.33/5).

Public transport availability and organisation, however, is rated very poorly — a finding with direct practical consequences: rural residents are structurally dependent on private vehicles for all daily mobility needs, including commuting, healthcare access, and basic services. This dependence imposes a measurable cost and accessibility disadvantage relative to urban populations. Rail connectivity is rated very poorly across the board. For remote workers considering rural relocation, the absence of reliable public transport is not merely an inconvenience — it is a structural constraint on the independence and flexibility that define the remote work lifestyle.

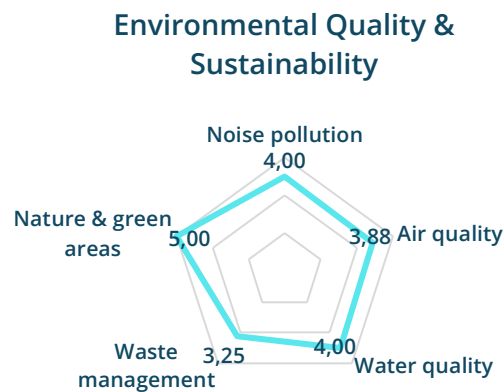
Digital infrastructure development, by contrast, shows a more active policy landscape. A total of 43 initiatives targeting digital infrastructure improvement have been identified across the project area, originating from multiple governance levels: 32 national-level initiatives — primarily strategic frameworks for digital transformation and broadband and 5G rollout — alongside 6 regional and 5 EU-level initiatives. The dominance of national and EU-level impulses confirms the pattern identified in Section 4.2: digital development in rural areas is driven from above rather than generated locally. The initiatives are real and constitute a policy foundation, but their translation into territorially specific infrastructure improvements remains uneven — a gap that the Infrastructure direction of the Quality of Life package (5.1) must account for.

Energy Infrastructure & Challenges



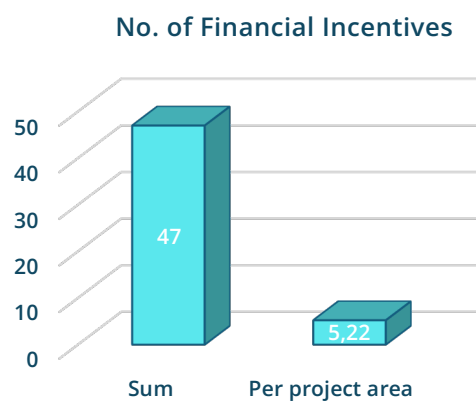
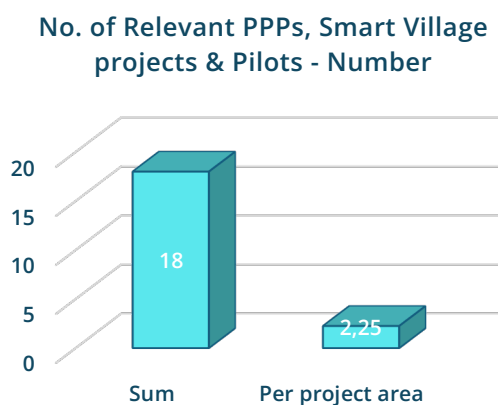
Energy infrastructure presents a consistent pattern of constraint. The primary challenge is limited power grid capacity for new coworking or digital facilities — a direct barrier to infrastructure development. Weak integration of renewable energy sources and intermittently high electricity costs are secondary concerns.

Frequent power outages are not a universal issue, though where they occur they are cited as a fully eliminating factor for remote work viability. The consistent presence of some energy-related challenge across all territories indicates that grid modernisation is a prerequisite for long-term remote worker retention in most pilot areas.



Environmental quality emerges as the clearest and most consistent rural asset across all nine territories: preserved nature, clean air, and absence of urban noise are the highest-rated attributes. Waste management and water quality are the lowest-rated environmental dimensions — an important qualification on the environmental asset narrative, as these deficits directly affect the quality of the nature-based offer that is central to remote worker attraction.

Smart Village and Financial Initiative Landscape



There is 18 relevant public-private partnerships and smart village pilot projects active across the nine territories (average 2.25 per area). These initiatives focus on digital spatial planning, biodiversity protection, village core revitalisation, and energy efficiency grants.

A total of 47 financial support measures directly targeting rural settlement, entrepreneurship, or remote work are available across the project area (average 5.22 per territory). However, the data indicate that while financial incentive availability is adequate, the number of concretely implemented infrastructure and technology projects significantly lags — creating a gap between the availability of funding instruments and their actual deployment at the local level.

Policy Implications for Chapter 5

The comparative assessment confirms the rationale for all three dimensions of the Quality of Life package (5.1): housing and environment as assets to be activated; healthcare, digital services, and transport as deficits to be addressed; and integration and welcome programming as a structural absence to be filled. The smart village project data and financial initiative landscape inform the Financial Incentives package (5.2) by showing that instruments exist but are underutilised locally — suggesting that the policy direction should emphasise activation and coordination of existing instruments alongside design of new ones.

4.4 Typology of Pilot Territories

Based on the comparative assessment in Section 4.3 and the institutional capacity analysis in Section 4.2, the nine pilot territories can be grouped into three analytical typologies. These typologies are not evaluative rankings — they are analytical categories that reflect different starting positions relative to remote worker attraction and that justify differentiated pilot approaches within the shared three-package framework.

Type A — Structurally Ready

Territories with above-average digital infrastructure, existing coworking facilities, active housing support schemes, and demonstrated institutional capacity for remote work governance. Policy intervention can focus on activation, marketing, and fine-tuning of existing instruments rather than baseline infrastructure development. Pilot activities can test more sophisticated QoL, financial incentive, and regulatory innovations.

Type B — Emerging

Territories with adequate basic infrastructure but gaps in service provision, integration programming, or local governance capacity. Digital connectivity is partially developed; some financial instruments are available but not coordinated; housing assets exist but are not actively deployed for remote worker attraction. Policy intervention must address both infrastructure gaps and institutional coordination deficits simultaneously. Pilot activities are best suited to the core QoL and Financial Incentives directions with moderate regulatory complexity.

Type C — Structurally Constrained

Territories where multiple structural barriers are present simultaneously: severely limited digital infrastructure, minimal coworking provision, absence of remote work-specific financial instruments, high regulatory complexity, and limited local institutional capacity. Policy intervention must prioritise baseline conditions before more sophisticated measures can be piloted. Pilot activities in these territories provide the most valuable evidence on barriers and on the minimum enabling conditions required for remote worker attraction to be viable.

These assignments are treated as preliminary within this Framework and will be refined through WP2 pilot engagement as additional territorial evidence becomes available.

The typology is introduced here as the analytical framework that underpins the differentiated local adaptation parameters embedded in the WP2 pilot design logic described in Chapter 6.

Based on the comparative evidence assembled in Sections 4.1–4.3, the following preliminary typological assignments are proposed.

Type A — Structurally Ready: Municipality of Moravske Toplice / Pomurje (Slovenia); Baranya region (Hungary). Both territories combine above-average institutional capacity, active EU co-financing experience, existing rural development networks, and a regulatory environment that — while challenging — is more amenable to rapid local innovation than the non-EU contexts.

Type B — Emerging: Sisak-Moslavina County (Croatia); Gotse Delchev area (Bulgaria); Tara Dornelor / NE Region (Romania); Stropkov region (Slovakia). All four are EU member state territories with foundational institutional frameworks and access to EU instruments, but face significant infrastructure, service, or capacity gaps that require targeted investment before more sophisticated pilot measures can be implemented.

Type C — Structurally Constrained: Prijedor region (Bosnia and Herzegovina); Babušnica region (Serbia); Cetinje area (Montenegro). All three are non-EU territories facing the most severe demographic decline in the project area, the most limited local institutional capacity, and regulatory environments shaped by national frameworks that do not yet recognise remote work attraction as a policy objective. Pilot activities in these territories will generate the most critical evidence on minimum enabling conditions and on what governance innovation is achievable in the most constrained contexts.

The typology is analytical, not evaluative. Type C territories are not less important to the project — they are strategically essential, as they represent the majority of the rural Danube Region's most vulnerable communities.

4.5 Barriers and Enablers for Policy Intervention

Drawing on the full analytical picture established in Sections 4.1–4.4, this section synthesises the recurring barriers and enabling conditions that must be taken into account in the design of the three policy packages. This synthesis constitutes the direct analytical bridge to Chapter 5.

Common Barriers Across Pilot Territories

REGULATORY AND ADMINISTRATIVE: Complex administrative procedures and bureaucracy are present in all nine territories and constitute the single most universally cited barrier. More than half of territories face slow permit-issuance processes and restrictive labour legislation. Absence of a clear legal framework for remote work and barriers to business tax registration are present in approximately half of territories. Cross-border working arrangements and land-use regulations are least problematic.

INFRASTRUCTURE: Limited electricity grid capacity for new digital facilities; uneven broadband quality and 5G coverage; inadequate or absent public transport; energy infrastructure modernisation requirements.

INSTITUTIONAL: Governance decision-making concentrated at national level; limited local institutional capacity; absence of coordination mechanisms for remote worker attraction; no integration or welcome infrastructure for incoming residents.

FINANCIAL: Absence of remote work-specific tax instruments; gap between availability of financial instruments and local deployment capacity; high renovation costs for existing housing stock.

Common Enablers Across Pilot Territories

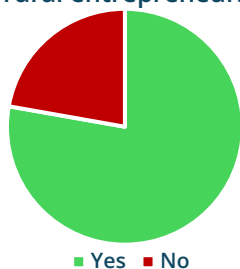
ASSET BASE: Near-universal availability of natural environment quality as a genuine pull factor; housing stock availability (vacant units) in most territories; established cultural and community life; existing smart village project infrastructure in many areas.

INSTITUTIONAL: Proactive municipal housing and spatial planning practices; active youth retention programmes in 8 of 9 territories; existing national and regional strategies providing policy legitimacy; established EU co-financing channels (LEADER, Cohesion Policy) accessible to most territories.

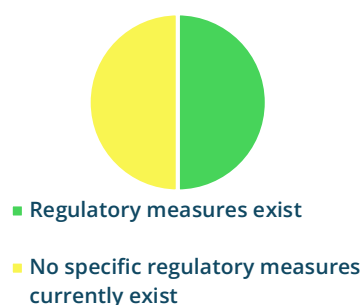
PRACTICAL: Near-universal basic broadband availability providing a workable baseline; existing entrepreneurship support centres reducing business registration barriers; short-term rental accommodation providing transitional housing options; financial incentive availability averaging 5+ instruments per territory.

STRUCTURAL OPPORTUNITY: The regulatory analysis reveals a significant and consistent gap between national policy intent and local implementation practice — three-quarters of territories have simplified administrative procedures in practice, even where formal remote work legislation is absent. This practical flexibility constitutes an implementation enabler that the Regulatory Framework package (5.3) can build on and formalise.

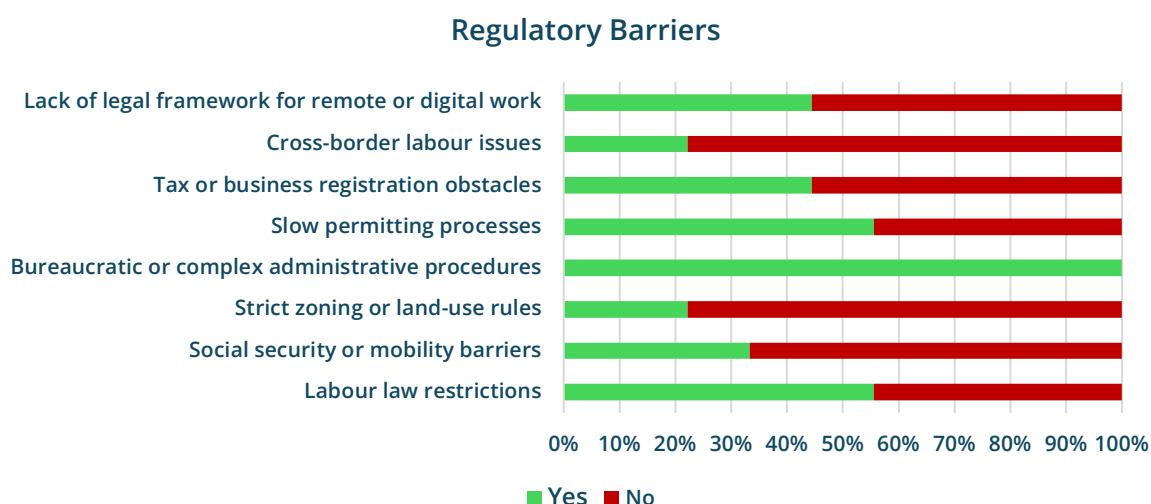
Existing procedures for newcomers, remote workers, or rural entrepreneurs



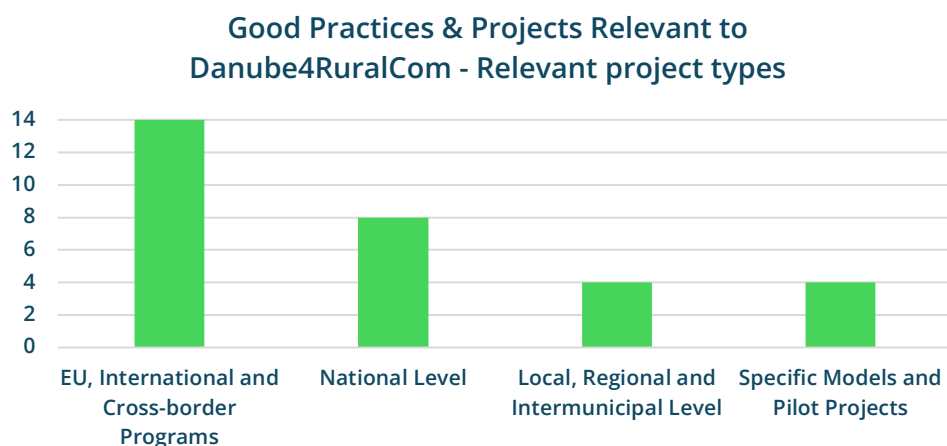
Regulatory Enablers



The regulatory landscape across the project area presents a divided picture. Approximately half of the pilot territories have enacted formal legislative measures relevant to remote workers — including visa instruments and tax relief provisions — while the remaining half lack any systemic legal framework. In practice, however, the situation is considerably more functional: more than three-quarters of territories have simplified administrative procedures for newcomers, with entrepreneurship support centres directly reducing business registration barriers.



Complex administrative procedures and bureaucracy are cited in all nine territories as the single most universally present obstacle. More than half face slow permit-issuance processes and restrictive labour legislation. Absence of a clear legal framework for remote work and barriers to business tax registration are present in approximately half of cases. A consistent and significant gap between national legislative intent and local administrative practice emerges as the defining regulatory characteristic of the project area — one that represents both the primary barrier and, given the practical workarounds already in place, the most tractable policy opportunity.



The distribution of good practices and development projects across the pilot territories reveals a pronounced structural pattern: EU programmes, international cooperation frameworks, and cross-border initiatives dominate the landscape, followed by national-level projects. Local, regional, and inter-municipal initiatives — as well as territory-specific pilot models — are significantly underrepresented. The developmental impulse is currently flowing predominantly top-down. While this systemic foundation is substantial, the long-term success of remote worker attraction strategies requires a significant strengthening of local capacities. Translating broad strategic objectives into concrete outcomes demands a shift towards locally designed initiatives that are directly tailored to the specific conditions and assets of each community.

Synthesis: Evidence → Policy Package Alignment

Quality of Life Package (5.1) — Grounded in: near-universal environmental and housing assets requiring activation; healthcare and digital service deficits requiring targeted investment; complete absence of integration and welcome programming requiring new institutional mechanisms.

Financial Incentives Package (5.2) — Grounded in: absence of remote work-specific tax instruments at any governance level; gap between financial instrument availability and local deployment; housing renovation cost barriers requiring subsidy mechanisms.

Regulatory Framework Package (5.3) — Grounded in: universal presence of administrative complexity as the most frequently cited barrier; existing practice-policy gap that can be formalised; national-level governance concentration that requires coordinated multi-level regulatory reform to address effectively.

5. Policy Framework – Thematic Policy Packages

The three policy packages developed within the Danube4Rural.com framework — Quality of Life, Financial Incentives, and Regulatory Framework — constitute the operational core of the Policy Framework. They translate the analytical evidence presented in Chapters 3 and 4 into structured, actionable policy directions that are ready for pilot testing in WP2. Each package addresses a distinct but interconnected dimension of the challenge of attracting and retaining remote workers in rural areas: the lived conditions that make a territory genuinely attractive, the financial mechanisms that offset the costs and risks of relocation, and the regulatory and institutional environment that enables remote work to be sustained over time.

5.1 Quality of Life QoL	5.2 Financial Incentives FI	5.3 Regulatory Framework RF
Housing · Coworking · Healthcare Education · Community · Nature	Relocation grants · Tax benefits Housing subsidies · Loans	Digital standards · Admin simplification Residency · Governance tools

Package Complementarity Logic

Quality of life conditions determine whether remote workers choose to relocate and remain. Financial incentives can accelerate that decision and reduce barriers for specific groups. Regulatory frameworks determine whether the institutional environment can support and sustain what individual decisions initiate. A territory that invests in quality of life without addressing regulatory barriers will attract workers who cannot navigate administrative complexity. A territory that offers financial incentives without adequate digital infrastructure will attract workers who quickly leave. Effective governance for remote worker attraction requires all three packages to be developed and implemented in a coherent, mutually reinforcing way.

Quadruple Helix — Stakeholder
Architecture of the
Danube4Rural.com Policy Framework

I	Public Sector	Key Actors: Local authorities · Municipal coordinators · Regional development agencies · National government bodies	Role in Framework: Regulatory authority, public service provision, policy mandate, infrastructure investment
II	Private Sector & Employers	Key Actors: Employer organisations · SMEs · Digital businesses · Coworking operators · Housing providers	Role in Framework: Employment creation, remote work facilitation, co-investment, business ecosystem development
III	Civil Society & Communities	Key Actors: NGOs · Community organisations · Cultural bodies · Local residents · Remote workers themselves	Role in Framework: Community integration, social cohesion, needs articulation, pilot validation, local ownership
IV	Knowledge & Research	Key Actors: Universities · Research institutions · Think tanks · Policy experts · Hub expert network	Role in Framework: Evidence generation, methodology, evaluation, best practice transfer, innovation support

The policy directions presented in each package draw on three evidence streams: the structured policy suggestions collected from 55 Hub members across all ten partner countries during the first project period; the territorial mapping conducted through the partner questionnaire; and the macro-regional analytical context established in Chapter 2. Where individual-level evidence from Activity 1.1 research is relevant, this is indicated with explicit placeholders to be completed upon delivery of the comparative research report (D.1.1.4, Period 4).

It is important to emphasise that the policy directions in this chapter are not prescriptive mandates.

They are evidence-grounded, analytically coherent directions for pilot testing — hypotheses about effective governance interventions that require validation through the WP2 pilot process. The iterative project logic established in Chapter 6 is the mechanism through which these preliminary directions will be refined into the validated policy recommendations that constitute the Final Governance Model.

● Locally implementable — within municipal or project partner competence, actionable in Period 3–4 ● Requires regional/EU support — depends on co-financing instruments or regional policy alignment ● Requires national change — dependent on national legislation or regulatory reform; long-term advocacy direction

5.1 Quality of Life Package

5.1.1 Rationale

Quality of life is the primary driver of remote worker relocation decisions. Research consistently demonstrates that remote workers who choose to relocate from urban to rural areas are not primarily motivated by financial incentives — they are motivated by a fundamental change in how and where they want to live. Natural environment, community belonging, reduced stress, access to space, and a slower pace of life consistently rank among the top factors cited by actual and potential rural relocators. This means that rural areas possess a genuine and distinctive competitive advantage over urban territories in the quality of life dimension — but one that is undermined by structural deficits in services, infrastructure, and community integration that make rural life difficult in practice even when it is attractive in aspiration.

The Quality of Life package therefore addresses the gap between rural aspiration and rural reality. It does not seek to make rural areas into urban substitutes — it seeks to make them genuinely liveable on their own terms, by addressing the specific barriers that prevent remote workers from translating the intention to relocate into a sustainable long-term commitment.

5.1.2 Hub Evidence

Coworking spaces and
community hubs
37 of 55 Hub members
(67%)



*Priority identified across all 10 partner territories —
most frequently alongside digital infrastructure*

Access to quality
healthcare and
education
34 of 55 Hub members
(62%)



*Particularly critical for families with children —
cited as key deterrent in rural relocation decisions*

Social integration
support
35 of 55 Hub members
(64%)



*Third-ranked non-infrastructure priority — reflects
demand for structured community onboarding*

Local support services
34 of 55 Hub members
(62%)



*Business advice, networking, cultural and
recreational offer*

Environmental quality
and nature access
27 of 55 Hub members
(49%)

*Identified as primary pull factor — already present,
needs to be leveraged*

Hub member concrete suggestions in the quality of life domain concentrated around four recurring themes: structured welcome and onboarding programmes combining practical relocation assistance with social and professional integration; the development of coworking spaces that serve as community anchors rather than merely workspaces; innovation residencies and co-living models that connect remote workers with local communities and industries; and regional digital nomad networks linking pilot areas to share resources, attract mobile workers, and build collective marketing capacity.

5.1.3 Policy Directions

QoL 1 Integrated Remote Worker Welcome and Onboarding Programmes

→ ● Locally implementable

The transition from urban to rural life involves practical, social, and professional adjustment challenges that, if unaddressed, lead to early departure even when the initial relocation decision was positive. Structured onboarding programmes that combine relocation assistance with community integration and professional networking are identified as a high-priority intervention across the partnership.

Hub Evidence:

Multiple Hub members across Slovenia, Serbia, Croatia, Slovakia, and Bosnia and Herzegovina identified the need for 'welcome package' initiatives combining housing information, local service navigation, language or cultural orientation where relevant, and connection to local employer networks and community organisations.

Policy Directions:

> Develop municipal 'Remote Work Welcome Packages' combining practical information on housing, services, schools, healthcare, and local administration with structured social integration events

- > Establish mentoring schemes pairing incoming remote workers with established local residents or previous relocators
- > Create digital platforms (or adapt existing platforms) providing pre-arrival and post-arrival information in accessible formats and relevant languages
- > Partner with local NGOs and community organisations to deliver integration programmes, reducing dependency on municipal administrative capacity

Territorial Evidence: The partner questionnaire confirms that structured integration and welcome infrastructure for incoming residents is entirely absent across all nine pilot territories. Cultural events, community gatherings, and volunteer activities are broadly available, and language courses are offered in 50% of territories — but digital worker meet-ups, organised networking sessions, and structured welcome programmes targeting new arrivals do not exist anywhere in the project area. This gap is not incidental: existing community activities are designed for long-established residents, not for individuals relocating from urban environments who have no pre-existing local networks. The policy direction above addresses this structural absence directly.

QoL 2 Coworking Spaces and Community Hubs as Territorial Anchors → ●
Requires regional/EU co-financing

Coworking facilities are not merely workspace solutions — they function as community anchors that address social isolation, create professional networks, and provide a physical infrastructure for the remote work ecosystem. Their development in rural areas requires both capital investment and operational models that ensure sustainability beyond initial funding.

Hub Evidence:

Coworking spaces were identified as a priority by 37 of 55 Hub members (67%). Concrete suggestions included repurposing underutilised community buildings, developing 'coworking plus childcare' hub models, creating satellite offices for larger employers, and establishing co-living spaces that combine workspace with accommodation for temporary or longer-term stays.

Policy Directions:

- > Map underutilised public or community buildings in pilot territories suitable for conversion into coworking and community hub facilities

- > Develop public-private partnership models for coworking hub operation, including employer contributions, municipality co-investment, and potential EU co-financing through LEADER or Cohesion Policy instruments
- > Design hub facilities to serve multiple functions: professional workspace, community meeting space, cultural and recreational activities, childcare co-location where feasible
- > Establish 'satellite office' models in partnership with larger employers whose staff work remotely in the pilot territory, providing a company-affiliated space that maintains connection with organisational culture
- > Connect coworking facilities across pilot areas into a regional network enabling cross-territory professional exchange and collective marketing

Territorial Evidence: Across the nine pilot territories, 12 coworking spaces or digital hubs are currently operational — an average of 1.33 per territory. Coverage is uneven: some territories have established facilities while others have none. A total of 43 digital infrastructure development initiatives have been identified, the large majority originating at national level (32), with 6 regional and 5 EU-level initiatives. Local-level digital initiatives are largely absent, indicating that coworking development has not yet been internalised as a local governance priority in most territories. Available buildings for repurposing exist in most areas given the stock of vacant and underused rural properties.

QoL 3 Strengthening Access to Public Services for Remote Workers and Their Families → ● Requires national framework alignment

Access to healthcare, education, childcare, and cultural services is a decisive factor in remote worker relocation decisions — particularly for families. The challenge in rural areas is not only the availability of services but their perceived and actual quality, accessibility, and compatibility with the needs of incoming workers who may have higher expectations shaped by urban service standards.

Hub Evidence:

Healthcare and education access was identified as a priority by 34 of 55 Hub members (62%). Hub suggestions highlighted childcare as a specific deterrent, with proposals for childcare subsidies, free nursery provision, and school quality investments as targeted instruments for attracting young families.

Policy Directions:

- > Assess current service provision gaps in each pilot territory against the specific needs profile of target remote worker groups (families with children, single professionals, older workers)
- > Develop targeted service enhancement measures addressing identified gaps, prioritising high-impact interventions: childcare capacity and affordability, healthcare accessibility for non-national residents, digital public service access
- > Explore inter-municipal service sharing arrangements where individual municipalities lack the population base to sustain services independently
- > Develop 'Remote Work Friendly Municipality' service standards that signal to potential relocators the minimum quality and accessibility of key services

Territorial Evidence: Quality of life ratings from the partner questionnaire show healthcare access and digital public services as the worst-rated dimensions across all nine territories — significantly below the best-rated dimensions of housing availability and cultural/recreational offer. Access to childcare and education are rated as mid-level, with variation across territories. These ratings confirm that service deficits are real, not merely perceived, and represent genuine barriers to remote worker attraction particularly for families. Inter-municipal cooperation on service provision is present in some territories but inconsistent across the project area.

QoL 4 Leveraging Rural Natural and Cultural Assets as Competitive Advantages → ● Locally implementable

Rural areas possess distinctive natural and cultural assets that urban territories cannot replicate. These assets are consistently cited by remote workers as primary pull factors — yet rural authorities often underinvest in their activation, accessibility, and marketing. The quality of life package includes a direction specifically focused on transforming existing rural assets from passive background features into active components of the territorial attractiveness offer.

Hub Evidence:

Environmental quality and nature access was identified by 27 of 55 Hub members (49%). Hub suggestions included 'local experience packages' connecting remote workers with farms, crafts, and traditional producers; eco-tourism and retreat partnerships; and the promotion of rural lifestyle as a distinctive value proposition rather than a compromise.

Policy Directions:

- > Map and document natural, cultural, and heritage assets in each pilot territory as the foundation for territorial marketing and experience design
- > Develop 'Local Experience Package' programmes connecting incoming remote workers with local producers, cultural organisations, and outdoor recreational opportunities
- > Integrate natural environment and cultural heritage into coworking and community hub programming — 'work from nature' days, local craft workshops, agricultural experience events
- > Develop territorial marketing materials that position the rural environment as a premium lifestyle asset rather than an absence of urban amenities

Territorial Evidence: The partner questionnaire confirms near-universal availability of high-quality natural environment as a genuine competitive asset: preserved nature, clean air, and absence of urban noise are the highest-rated quality-of-life attributes across all nine territories. Cultural and recreational offer — including cultural events, festivals, and community activities — is also consistently available. Environmental quality ratings are strong, with the important qualification that waste management and water quality are the least well-rated environmental dimensions, requiring attention to avoid undermining the overall environmental asset narrative. The primary gap is not asset availability but asset activation: natural and cultural assets exist but are not packaged, marketed, or made accessible in ways that signal rural territorial attractiveness to potential remote worker relocators.

Of the four Quality of Life policy directions, QoL 1 (Welcome and Integration) and QoL 4 (Natural and Cultural Assets) are immediately implementable at the local level and should be prioritised in all pilot territories regardless of typological classification. QoL 2 (Coworking) is a high-priority direction for Type A and B territories where co-financing mechanisms are accessible. QoL 3 (Public Services) represent medium-to-long-term directions requiring national framework alignment, and should be pursued through advocacy and inter-municipal cooperation in parallel with locally actionable measures.

Implementation Note

Quality of life interventions require sustained investment and institutional commitment beyond the project period. Pilot actions in this package should prioritise measures that can be integrated into existing municipal programmes and budgets, and that build on established local organisations and networks rather than creating parallel structures. The RWPH Thematic Working Group for Quality of Life, led by PP12, coordinates development and refinement of this package throughout Periods 3 and 4.

The Quality of Life package is not a list of amenities to be provided — it is a governance framework for making rural communities genuinely liveable, welcoming, and competitive for mobile, skilled workers on their own terms. Its effectiveness depends on integration with the Financial Incentives and Regulatory Framework packages, which address the economic and institutional dimensions of the same challenge.

5.2 Financial Incentives Policy Package

5.2.1 Rationale

Financial barriers are among the most significant practical obstacles to rural relocation for remote workers, even when the quality of life motivation is strong. Relocation involves upfront costs — housing search and transition, moving expenses, potential income disruption, and the need to establish new professional networks and local services — that create a structural disincentive relative to remaining in existing urban locations. Financial incentive schemes address this barrier directly by reducing or redistributing the costs of relocation in ways that make the decision economically rational for a broader range of workers.

Importantly, financial incentives work most effectively when they are well-targeted, time-limited, and conditioned on minimum stay commitments that ensure they generate genuine territorial benefit rather than short-term transient activity. The international evidence on relocation incentive programmes — from Italy's village repopulation grants to Estonia's digital nomad visa schemes — demonstrates that financial incentives are necessary but not sufficient: they generate interest and initial movement, but sustained settlement requires the quality of life and regulatory framework conditions to be in place simultaneously.

5.2.2 Hub Evidence

Financial incentives / tax benefits
38 of 55 Hub members
(69%)



Third-highest priority overall — identified across all territorial contexts

Affordable and flexible housing options
37 of 55 Hub members
(67%)



Closely ranked alongside financial incentives — housing cost is primary relocation barrier

Transport connectivity
43 of 55 Hub members
(78%)



Second-ranked priority — physical mobility costs are significant component of rural relocation burden

Hub member concrete suggestions in the financial incentives domain were notably specific and operationally developed.

Proposals included: tax relief packages for remote workers relocating to rural areas; relocation grants conditioned on minimum stay periods; childcare subsidies and free nursery school provision for families; student loan relief or financial support for young people moving to rural communities; low-interest loans for entrepreneurs establishing in rural areas; employer-facing incentives for organisations whose staff relocate to rural territories; and pilot visa or residency schemes modelled on international best practice (Estonia's digital nomad visa was explicitly cited by the Hungarian partner).

5.2.3 Policy Directions

FI 1 Relocation Grant and Support Schemes → ● Requires regional or national co-financing

Direct financial support for the costs of relocation — including moving expenses, housing deposits, and initial establishment costs — is the most commonly implemented and internationally validated form of rural remote worker incentive. Effective schemes combine a clear financial offer with conditionality that ensures long-term territorial benefit.

Hub Evidence:

Multiple Hub members proposed 'welcome packages' with financial components including housing assistance, vouchers for local services, and grants for families with children. The Stropkov partner proposed a comprehensive incentive package combining coworking space discounts, digital skills training, community mentoring, and a municipal welcome package as a bundled offer.

Policy Directions:

- > Design relocation grant schemes conditioned on minimum stay commitments of 12-24 months, calibrated to actual relocation costs in each territorial context
- > Develop family-specific financial packages that address the higher relocation costs and service needs of households with children — childcare subsidies, school transition support, family housing assistance
- > Explore employer co-financing models where employers whose staff relocate contribute to municipal incentive schemes in exchange for talent retention and rural economic development benefits
- > Establish clear eligibility criteria, application procedures, and monitoring requirements that are administratively manageable for rural municipalities with limited capacity

Territorial Evidence: No relocation incentive scheme specifically targeting remote workers exists in any of the nine pilot territories. Financial support measures available across the project area average 5.22 instruments per territory, but these are predominantly oriented towards broader rural settlement or entrepreneurship rather than remote work attraction specifically. Municipal grant-making capacity is limited in most territories, and local financial instruments are contingent on national legal frameworks that currently do not recognise remote work attraction as a specific policy objective. Several partner municipalities deploy proactive housing policies — including land sales for young families and renovation support — that provide a partial institutional precedent for the relocation grant direction.

FI 2 Tax Incentives for Remote Workers and Employers → ● Requires national legislative change

Tax-based incentives — including income tax reductions, employer social contribution relief, and local tax exemptions — represent a higher-impact but more complex instrument than direct grants. Their effectiveness depends on national-level enabling legislation, which varies significantly

across the ten partner countries. The package therefore distinguishes between short-term locally implementable measures and medium-term nationally advocated regulatory reforms.

Hub Evidence:

National tax relief for remote workers was explicitly proposed by the Bulgarian partner (Association of Entrepreneurs Gotse Delchev region) and by Hub members from Hungary and Slovakia. The Hungarian partner cited Estonia's digital nomad visa tax framework as a model worth adapting.

Policy Directions:

- > Map the existing national tax frameworks in each partner country for remote worker-relevant deductions, credits, and employer incentives
- > Identify locally implementable tax relief measures within existing municipal or regional legislative competence (local tax exemptions, business rate reductions, property tax waivers for coworking facilities)
- > Develop policy advocacy positions for national-level regulatory reform where local measures are insufficient, drawing on international best practice and project evidence
- > Design employer-facing tax incentive proposals that reduce the cost to employers of allowing or encouraging their staff to relocate, creating a business case for corporate support of rural remote work

Territorial Evidence: The partner questionnaire confirms that no tax exemption or relief specifically targeting remote workers exists anywhere in the project area. Property tax exemptions and social security contribution reductions are available in limited form in some territories. Start-up tax incentives, corporate tax relief, and income tax reductions are present in approximately 50% of pilot territories, providing a partial foundation on which remote work-specific instruments could be built. The national-level concentration of tax policy — with national ministries accounting for 52% of governance influence over rural and digital policies — means that effective tax incentive development requires national-level engagement beyond what municipal authorities can achieve independently.

FI 3 Low-Interest Loans and Entrepreneurial Support for Rural Settlers → ●
Requires national/regional/EU instrument activation)
Financial incentives for individual remote workers must be complemented by support for entrepreneurial activity and local economic integration. Remote workers who engage with the local economy — through freelance

services, micro-enterprise establishment, or local purchasing — generate significantly greater territorial benefit than those who remain economically disconnected from their host community. Financial instruments that support entrepreneurial engagement therefore multiply the impact of relocation incentives.

Hub Evidence:

The Stropkov (Slovakia) partner and RDAS (Serbia) both proposed loan and entrepreneurial support instruments. The Baranya (Hungary) partner specifically proposed student loan relief linked to rural settlement as a mechanism for retaining young graduates. RDAS proposed 'Work and Live Rural Zones' combining subsidised housing with entrepreneurial support infrastructure.

Policy Directions:

- > Develop low-interest micro-loan schemes for remote workers establishing freelance practices or micro-enterprises in rural pilot territories, in partnership with regional development banks or EU financial instruments
- > Create rural entrepreneurship support packages combining financial instruments with mentoring, networking, and market access support
- > Design student debt relief or grant schemes conditioned on post-graduation settlement in rural areas, targeting recent graduates in remote work-compatible fields
- > Establish 'Talent Exchange Voucher' systems co-funded by municipalities and local employers, enabling remote workers to provide professional services to local SMEs in exchange for community integration support

Territorial Evidence: A total of 47 financial support measures targeting rural settlement, entrepreneurship, or related activities are available across the project area, averaging 5.22 instruments per territory. EU co-financing channels are well-established as a funding foundation, with LEADER and Cohesion Policy instruments accessible to most pilot territories — several of which have active Local Action Groups with LEADER experience. However, the data indicate a consistent gap between instrument availability and local deployment capacity: the number of concretely implemented infrastructure and technology projects significantly lags the number of available funding mechanisms. Strengthening local capacity to identify, apply for, and implement financial instruments is therefore as important as designing new instruments. Note: findings on entrepreneurial intentions and local economic engagement of remote workers from Activity 1.1 research (D.1.1.4) will be integrated upon delivery in Period 4.

Of the three Financial Incentives directions, FI 1 (Relocation Grants) offers the most direct local entry point — particularly in territories where municipal housing policy tools already exist — and should be the primary piloting focus in Periods 3 and 4. FI 3 (Low-Interest Loans) can be activated in territories with established LEADER Local Action Groups or regional development bank relationships. FI 2 (Tax Incentives) is a national-level advocacy direction that will require sustained transnational coordination across partner countries to progress within the project timeline.

Implementation Note

Financial incentive schemes require careful design to avoid creating short-term transient activity without long-term settlement. All FI package measures should incorporate minimum stay conditionality, monitoring of actual settlement outcomes, and evaluation of territorial economic impact. The RWPH Thematic Working Group for Financial Incentives, led by PP3 (PREDA), coordinates development and refinement of this package.

The Financial Incentives package is most effective when layered with quality of life improvements and regulatory simplification. A well-designed relocation grant that is undermined by poor broadband connectivity or complex administrative procedures will generate initial movement but not sustained settlement. Financial incentives are the accelerator — quality of life and regulatory framework are the foundation.

5.3 Regulatory Framework Policy Package

5.3.1 Rationale

The regulatory and institutional environment in which remote workers operate is often invisible until it creates problems — and when it does, the friction it generates can undermine the most attractive quality of life offer and the most generous financial incentives. Administrative complexity, unclear residency requirements, barriers to digital service access, and the absence of governance frameworks that recognise and support remote work as a legitimate economic activity all constitute regulatory barriers that disproportionately affect mobile workers operating across jurisdictions.

The Regulatory Framework package therefore addresses the institutional enabling conditions for remote work — the rules, standards, procedures, and governance mechanisms that determine whether a rural territory is genuinely 'remote work ready' at the administrative and institutional level. It operates across two registers: reducing and simplifying the regulatory barriers that currently discourage or complicate remote worker relocation, and introducing regulatory innovations that actively enable and support the remote work ecosystem.

5.3.2 Hub Evidence

Stronger local
governance involvement
35 of 55 Hub members
(64%)



64% of Hub members — governance capacity seen as precondition for all other interventions

Digital infrastructure
(prerequisite for all
packages)
47 of 55 Hub members
(85%)



85% — highest-ranked priority; digital connectivity is a regulatory as much as an infrastructure challenge

Local support services
incl. administrative
34 of 55 Hub members
(62%)



Includes navigation of administrative systems — language barriers, bureaucratic complexity

Hub member concrete suggestions in the regulatory framework domain included: digital database platforms connecting local craftspeople and service providers with incoming remote workers to address language and administrative navigation barriers (Croatia); 'Remote Work Readiness Standards' for digital infrastructure including gigabit internet, redundant connectivity, and reliable power supply (Bosnia and Herzegovina); administrative simplification for non-national residents; pilot visa or residency schemes for EU and non-EU remote workers (Hungary); and the development of local governance frameworks that formally recognise and support remote work as a development strategy.

5.3.3 Policy Directions

RF 1 Remote Work Readiness Standards for Digital Infrastructure → ●

Requires national/EU regulatory alignment

Reliable, high-quality digital connectivity is the non-negotiable prerequisite for remote work — without it, no other intervention in the package is viable. The Regulatory Framework package includes a direction specifically focused on establishing minimum digital infrastructure standards for territories seeking to attract remote workers, and the governance mechanisms through which these standards can be achieved and maintained.

Hub Evidence:

The BiH partner (Aprolitic d.o.o.) proposed a formal 'Remote-Work Readiness Standard' including gigabit internet, redundant connectivity with defined service-quality guarantees, and reliable power supply. The Bulgarian partner (Association of South Western Municipalities) proposed public-private partnerships for optical network deployment through EU funds as the primary delivery mechanism.

Policy Directions:

- > Define minimum digital connectivity standards for 'Remote Work Ready' designation, aligned with EU Digital Decade 2030 targets and adapted to rural territorial contexts
- > Map current connectivity gaps in each pilot territory against these minimum standards, identifying investment priorities and potential funding mechanisms
- > Develop public-private partnership frameworks for rural connectivity investment, drawing on EU Cohesion Policy, Digital Europe, and national broadband funds
- > Establish service-level agreements with connectivity providers that guarantee minimum standards and provide remediation procedures for outages affecting remote workers
- > Create a 'Remote Work Ready' certification or designation for territories that meet minimum standards, providing a credible signal to potential relocators

Territorial Evidence: Rural broadband coverage exceeds 80% of households across the project area and average connection reliability is near-universal — providing a workable digital baseline. However, 5G penetration stands at only 42% and gigabit-capable connections reach 38.5% of households, significantly below EU Digital Decade 2030 targets. Connectivity quality is uneven across territories, with some areas meeting minimum remote work requirements and others presenting significant gaps. Energy infrastructure limitations — particularly restricted power grid capacity for new digital facilities — represent a secondary but important constraint on coworking space development in several territories. The 43 digital infrastructure initiatives identified across the project area confirm that investment momentum exists, but is predominantly nationally driven and unevenly distributed at the local level.

RF 2 Administrative Simplification for Remote Workers → ● Locally implementable

Administrative complexity — navigating residency registration, tax filing in multiple jurisdictions, accessing public services as a non-local or non-national resident, and understanding local regulatory requirements — represents a significant friction cost for remote workers considering rural relocation. Reducing this friction through administrative simplification, digital service access, and dedicated support is a high-impact, low-cost regulatory intervention.

Hub Evidence:

The Croatian partner (Chamber of Crafts, Sisak-Moslavina County) proposed a digital database platform connecting local service providers who speak English with incoming remote workers to address language and administrative navigation barriers. The Prijedor partner proposed a 'Remote Work Welcome Package' with explicit relocation support and administrative guidance components.

Policy Directions:

- > Conduct an administrative barrier audit in each pilot territory, mapping the key friction points faced by incoming remote workers in registration, taxation, service access, and local governance interaction
- > Develop simplified administrative pathways for remote worker registration and service access, in partnership with national or regional authorities where municipal competence is insufficient
- > Establish multilingual administrative support services — digital guides, translation assistance, dedicated contact points — enabling non-national residents to navigate local systems effectively

- > Create a 'Local Service Navigator' digital platform or directory connecting incoming remote workers with local providers, officials, and support services in accessible formats
- > Advocate for national-level regulatory simplification where administrative barriers originate in national legislation — coordinating across partner countries to develop joint advocacy positions

Territorial Evidence: Complex administrative procedures and bureaucracy are cited as barriers in all nine pilot territories — the single most universally present obstacle across the project area. More than half of territories face slow permit-issuance processes and restrictive labour legislation. Absence of a clear legal framework for remote work and barriers to business tax registration are present in approximately half of cases. Critically, the data reveal a significant gap between national legislative frameworks and local administrative practice: nearly three-quarters of territories have already developed simplified administrative procedures for newcomers in practice, even where formal remote work legislation is absent. This practical flexibility — demonstrated by entrepreneurship support centres that already reduce registration barriers — represents the most immediately actionable starting point for the administrative simplification direction. Note: SWOT analysis findings from D.2.3.1 and public consultation outcomes from D.2.3.2 will be integrated upon delivery.

RF 3 Governance Frameworks for Remote Work Attraction → ● Requires municipal + regional alignment

The most durable regulatory innovation is the institutionalisation of remote work attraction as a formal governance objective — embedded in municipal strategies, regional development plans, and national rural development frameworks. Without this institutional embedding, individual measures remain project-dependent and vulnerable to changes in political leadership or funding availability.

Hub Evidence:

Multiple Hub members identified local governance engagement as a priority. The Gotse Delchev Business Incubator (Bulgaria) proposed that social and economic revival of rural areas requires institutional policies that specifically target remote workers. The RDAS (Serbia) proposed 'Work and Live Rural Zones' as a formal governance and land-use instrument. The

Hungarian partner proposed formal 'Remote Work Friendly Municipality' designation.

Policy Directions:

- > Develop a 'Remote Work Friendly Municipality' governance framework — a set of institutional commitments, policies, and service standards that municipalities can adopt to formally signal their readiness and commitment
- > Integrate remote work attraction objectives into municipal development strategies, spatial plans, and budget allocations, ensuring continuity beyond project funding
- > Establish multi-stakeholder local governance bodies — including employer organisations, community representatives, and remote workers themselves — with formal roles in the design and monitoring of remote work attraction policies
- > Develop a regulatory innovation toolkit enabling municipalities to test and implement new governance approaches — including zoning flexibility for coworking and co-living, simplified building conversion procedures, and local fiscal incentives — within existing legal frameworks
- > Create inter-municipal cooperation frameworks for remote work governance, enabling smaller municipalities to share administrative capacity and coordinate territorial marketing

Territorial Evidence: Governance decision-making across the project area is heavily concentrated at the national level, with national ministries and central administration accounting for 52% of influence over rural and digital governance decisions. Regional authorities account for 15%, national agencies and funds for 12.5%, and the combined influence of local authorities, municipalities, and Local Action Groups amounts to only 20.5%. This structural imbalance means that embedding remote work attraction as a formal governance objective requires action at multiple levels simultaneously — municipal strategy integration is necessary but insufficient without regional and national alignment. A large body of national and regional strategies relevant to rural revitalisation and digital transformation exists across partner countries, providing policy legitimacy for the governance framework direction. Note: public consultation findings from D.2.3.2 will be integrated upon delivery.

Of the three Regulatory Framework directions, RF 2 (Administrative Simplification) is the highest-priority locally actionable direction — building directly on practical flexibility that three-quarters of territories have already developed — and should be the primary piloting focus. RF 3 (Governance Frameworks) provides the institutional

embedding that ensures other package measures survive beyond the project period, and should be integrated into municipal strategy processes in all territories from Period 3 onwards. RF 1 (Digital Connectivity Standards) is a long-term advocacy direction best pursued through transnational coordination with national digital agenda processes.

Implementation Note

The Regulatory Framework package operates across multiple governance levels — local, regional, national, and EU — and requires coordination with legal and regulatory systems beyond municipal competence. The transnational public consultation (D.2.3.2) and SWOT analysis (D.2.3.1) are the primary evidence inputs for this package. The RWPH Thematic Working Group for Regulatory Framework, co-led by OMT and PP5, coordinates development and cross-territorial legal review.

The Regulatory Framework package creates the institutional foundation on which quality of life improvements and financial incentives can be sustained. Without appropriate governance frameworks, digital standards, and administrative simplification, even the most attractive rural territory will struggle to convert initial interest into lasting settlement. Regulatory innovation is not a technical exercise — it is a governance challenge that requires political commitment, institutional capacity, and sustained stakeholder engagement.

From Policy Directions to Pilot Testing

The three policy packages presented in this chapter provide the thematic framework within which WP2 pilot activities will be designed, implemented, and evaluated. Each pilot territory will select and adapt measures from across the three packages based on its specific territorial conditions, institutional capacity, and readiness — as established through the testing readiness criteria defined in Chapter 6.4. The governance architecture described in Chapter 6 ensures that the diversity of local testing approaches generates comparable, transferable evidence that can be synthesised into the Final Governance Model. Policy directions marked with [PLACEHOLDER] will be updated upon delivery of the Activity 1.1 comparative research report (D.1.1.4, Period 4) and the Chapter 4 territorial analysis.

5.4 Action Plan on Testing Directions

This section constitutes the Action Plan dimension of Output 1.2 — Action Plan on Attracting Remote Workers to Rural Areas, as defined in the Application Form. It translates the policy directions developed in Sections 5.1–5.3 into structured testing directions for WP2 pilot implementation across the nine pilot territories, organised by policy package and territorial typology. The detailed governance logic, phase structure, and monitoring framework through which these directions will be implemented are set out in Chapter 6.

The testing directions below are not prescriptive implementation plans — they are analytically grounded entry points that each pilot territory will adapt to its specific institutional capacity,

regulatory context, and local assets. Adaptation is expected and methodologically intentional: the diversity of local implementation approaches, within a shared thematic framework, is the mechanism through which the project generates transferable, evidence-based governance directions for the Final Governance Model (Output 3.1).

Policy Package	Priority Testing Direction	Implementation Level	Territorial Typology	Period
5.1 Quality of Life	QoL 1 — Integrated Remote Worker Welcome and Onboarding Programmes	Local (Level 1)	All territory types — priority entry point regardless of typological classification	P3–P4
5.1 Quality of Life	QoL 2 — Coworking Spaces and Community Hubs as Territorial Anchors	Local + Regional co-financing (Level 1–2)	Type A and B territories with accessible co-financing mechanisms	P3–P4
5.1 Quality of Life	QoL 4 — Leveraging Rural Natural and Cultural Assets as Competitive Advantages	Local (Level 1)	All territory types — builds on universally available territorial assets	P3–P4
5.2 Financial Incentives	FI 1 — Relocation Grant and Support Schemes	Local + Regional (Level 1–2)	Type A and B territories with existing municipal housing policy instruments	P3–P4
5.2 Financial Incentives	FI 3 — Low-Interest Loans and Entrepreneurial Support for Rural Settlers	Regional + EU instrument activation (Level 2)	Type A and B territories with established LEADER Local Action Groups	P3–P4
5.3 Regulatory Framework	RF 2 — Administrative Simplification for Remote Workers	Local (Level 1)	All territory types — builds on practical flexibility already present in three-quarters of territories	P3–P4
5.3 Regulatory Framework	RF 3 — Governance Frameworks for Remote Work Attraction	Local + Municipal (Level 1–2)	All territory types — institutional embedding required regardless of typological classification	P3–P4

Note on directions requiring national-level alignment: QoL 3 (Public Services), FI 2 (Tax Incentives), and RF 1 (Digital Connectivity Standards) are identified as medium-to-long-term directions requiring national legislative or regulatory alignment. These are not primary piloting directions within the project timeline but constitute advocacy objectives to be pursued through transnational coordination across partner countries during Periods 3 and 4.

The testing directions above operationalise Output 1.2 by translating the three policy packages into a structured, territorially differentiated implementation framework. Their progression through WP2 pilot testing — coordinated through the three-level governance architecture defined in Chapter 6 — will generate the empirical evidence base from which the Final Governance Model (Output 3.1) will be built in Period 5.

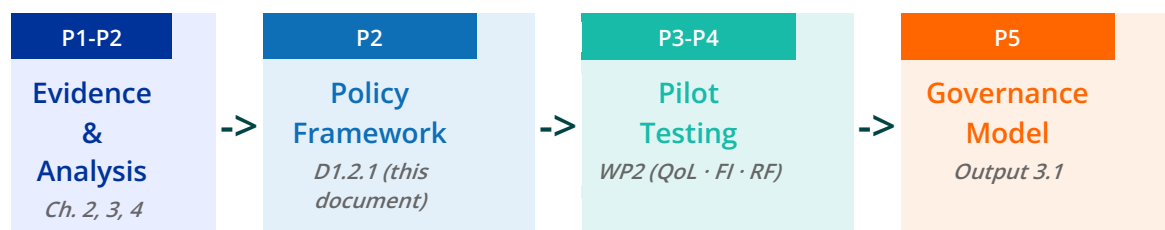
6. Governance Architecture Contributing to the Final Governance Model

The analytical work presented in the preceding chapters — the structural diagnosis of depopulation and urban-rural disparities, the territorial mapping of pilot areas, the synthesis of Hub member policy input, and the development of three policy packages — constitutes a necessary but insufficient condition for change. Evidence and policy direction, however well-grounded, do not translate automatically into effective governance responses. What is required is an institutional architecture: a structured set of roles, processes, coordination mechanisms, and learning loops that enables the transition from analysis to action, from action to evidence, and from evidence to a validated, transferable Governance Model.

This chapter defines that architecture. It establishes how the Policy Framework moves from its analytical foundations into structured pilot experimentation in WP2, and how the lessons generated through that experimentation will be consolidated into the Final Governance Model (Output 3.1) in Period 5. It is, in this sense, the operational and institutional heart of the Danube4Rural.com project — the mechanism through which transnational analytical ambition becomes territorially grounded, implementable, and scalable governance innovation.

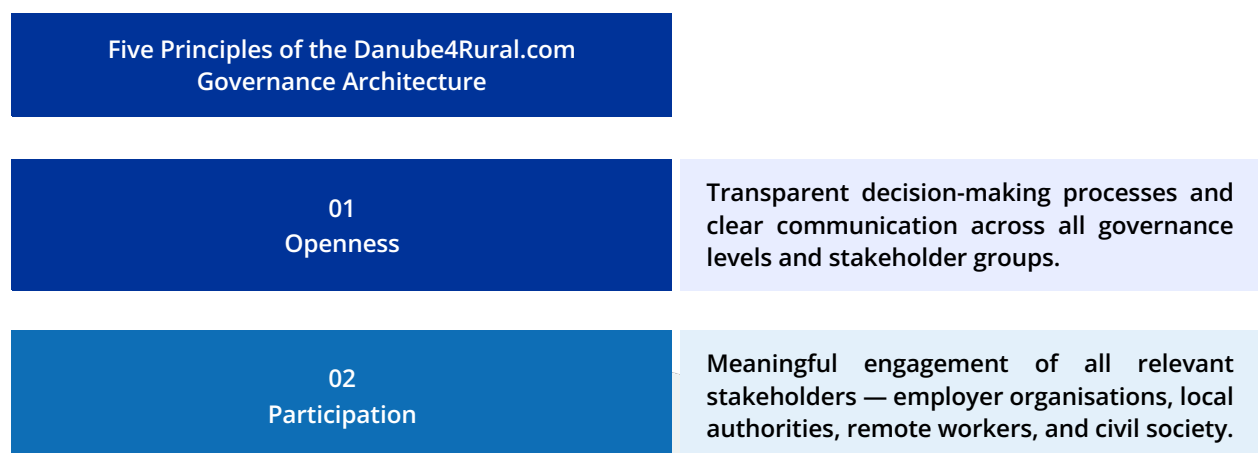
From a macro-regional perspective, this chapter operationalises the project's contribution to EUSDR Priority Area 10: it establishes a structured multi-level coordination mechanism that aligns territorial diversity with shared strategic objectives, applies evidence-based selection logic for testing directions, and ensures that pilot experimentation generates comparable and transferable learning across the Danube Region (AF, p.92). For project partners, this means that proposed measures are assessed not only on local ambition and feasibility, but on their contribution to a shared transnational learning process — one that will ultimately produce a Governance Model grounded in structured pilot evidence rather than isolated local experience.

The governance architecture draws explicitly on the Multi-Level Governance (MLG) framework as its foundational theoretical reference — recognising that effective rural governance requires coherent action across European, national, regional, and local levels, none of which can deliver the required transformation acting alone (Hooghe & Marks, 2003; Cohesion Policy MLG principles). It is directly aligned with the EU Rural Pact (2021), which calls for coordinated, place-based approaches to rural revitalisation that integrate economic, social, and environmental dimensions within a shared governance framework. The LEADER/CLLD methodology — with its emphasis on community-led, bottom-up local development through Local Action Groups — provides a tested operational model for several aspects of the architecture, particularly the activation of local multi-stakeholder processes at Level 1 and the community engagement mechanisms embedded in the WP2 pilot design logic.



6.1 Purpose of the Governance Architecture

The governance architecture defined in this chapter serves four interconnected purposes, each of which addresses a specific risk inherent in transnational, multi-territory policy development.



03 Accountability	Clearly defined roles and responsibilities for each actor, with traceable decision-making and transparent reporting.
04 Effectiveness	Decisions taken at the right level, at the right time, supported by evidence and designed to deliver measurable outcomes.
05 Coherence	Alignment and consistency across the three policy packages, pilot territories, and governance levels — preventing fragmentation.

① Structured Coordination Across Pilot Territories

Nine pilot areas across nine countries will simultaneously test policy directions drawn from the same three packages. Without a shared coordination framework, this risks producing nine parallel but incomparable experiments. The architecture prevents this by establishing minimum coordination standards, shared analytical categories, and common monitoring requirements that preserve local flexibility while ensuring cross-territorial comparability.

② Early WP2 Readiness — Before Pilots Are Finalised

A common failure mode in transnational projects is the loss of momentum between analytical and implementation phases. This architecture addresses that risk by establishing testing readiness criteria (Section 6.4) that allow partners to begin preparation and mobilisation before pilot designs are finalised.

③ Comparability Through Shared Categories and Minimum Criteria

Comparability does not require uniformity. Pilot territories will test different measures in different contexts. What comparability requires is that all pilots address questions that can be meaningfully compared — collecting a minimum common set of indicators, documenting implementation dynamics using shared frameworks, and articulating learning in terms that can be synthesised at the transnational level.

④ Learning That Feeds Into Period 5 Consolidation

The Final Governance Model is not a predetermined output — it is the product of a structured learning process that begins with the policy directions of this Framework, passes through WP2 testing, and culminates in Period 5 synthesis. The governance architecture is the institutional mechanism that makes this learning process systematic, traceable, and productive.

6.2 Common Governance Architecture (Three Levels)

The governance architecture operates at three distinct but interconnected levels. Each level has a defined set of actors, responsibilities, and interfaces with the other levels. The architecture is designed to be simple enough to function across diverse institutional contexts, and robust enough to ensure the coordination and comparability that transnational learning requires.

LEVEL 1 Local Pilot Level	LEVEL 2 Project Coordination	LEVEL 3 Transnational Learning
KEY ACTORS > Local authorities > Local coordinators > Territorial stakeholders	KEY ACTORS > Lead Partner (OMT) > Activity Leaders > Consortium	KEY ACTORS > Remote Workers Policy Hub > Thematic Working Groups > Transnational exchange
RESPONSIBILITIES > Identify testing directions > Mobilise local actors > Collect monitoring data	RESPONSIBILITIES > Consolidate partner inputs > Align with WP2 packages > Ensure comparability	RESPONSIBILITIES > Facilitate cross-territorial exchange > Extract comparable lessons > Feed into Period 5 consolidation

The three levels function as an integrated system: evidence and experience flow upward from the local level through coordination to transnational synthesis, while methodological guidance, strategic alignment, and learning products flow downward to inform and strengthen local implementation. No level operates in isolation — the effectiveness of the architecture depends on the quality of the interfaces between them.

At the local level, designated coordinators serve as the primary interface between territorial reality and project coordination, ensuring that implementation challenges are systematically communicated upward and that methodological guidance is translated into locally applicable action.

At the coordination level, the Steering Committee (SCOM) provides oversight and quality assurance, reviewing strategic alignment and approving major adjustments (RWPH, p.7). At the transnational level, the Hub's Thematic Working Groups synthesise pilot evidence within each policy package, transforming local testing experiences into the validated, transferable policy directions that will constitute Output 3.1 (RWPH, pp.13–16).

The Participation principle (Principle 02) is not merely aspirational within this architecture — it is operationalised through specific mechanisms at each governance level. At Level 1, community engagement events (D.2.1.2) bring citizens, local organisations, and institutional stakeholders into the policy co-design process before pilot solutions are finalised, ensuring that measures reflect genuine community knowledge and local assets rather than externally imposed designs. At Level 3, the Remote Workers Policy Hub includes remote workers themselves as members — not only as the target population of the governance model, but as active co-designers of the policy solutions being developed.

This distinction is deliberate: remote workers possess direct experiential knowledge of what makes a rural territory genuinely workable as a place to live and work, and that knowledge is formally embedded in the transnational learning process through Hub membership and Thematic Working Group participation.

6.3 Selection & Implementation Pathway (Testing Logic)

The pathway from the analytical foundations of this Framework to the Final Governance Model comprises seven structured phases. The table below maps each phase against the project's five reporting periods, the relevant deliverables and outputs, and the level of governance architecture through which each phase is primarily coordinated. This alignment makes explicit how analytical foundations established in Periods 1 and 2 translate into structured piloting in Periods 3 and 4, and ultimately into Final Governance Model consolidation in Period 5.

Phase	Period	Months	What Happens	Key Deliverables	Governance Level
1. Measure Identification	P1 – P2	M1 – M12	Territorial evidence gathered via partner questionnaires; Hub member policy suggestions (55 submissions) collected and analysed; policy directions clustered into three package themes; D1.2.1 Policy Framework developed.	• D.1.1.1 Engagement plan • D.1.3.1 Employer selections • D.1.2.1 Policy Framework • Output 1.2 Action Plan • Output 1.3 RWPH	Level 2 — Consortium consolidates inputs, aligns with WP2 Level 3 — Hub Working Groups activated
2. Consolidation & Feasibility	P2	M7 – M12	Policy directions filtered against territorial determinants, institutional capacity, and enabling conditions. Realistic and testable measures confirmed per territory.	• D.1.2.1 finalised • Output 1.2 Action Plan delivered	Level 2 — Feasibility assessment applied Level 1 — Local coordinators confirm readiness
3. Alignment with WP2 Packages	P2 – P3	M13–18	Confirmed measures mapped to three policy packages (QoL, Financial Incentives, Regulatory Framework). Implementation logic for WP2 established.	• D.2.1.1 QoL policy ideas • D.2.2.1 Financial incentive ideas • D.2.3.1 SWOT analysis • D.2.3.2 Public consultation	Level 2 — Cross-package coherence ensured Level 1 — Territories identify testing directions per package
4. Pilot Design & Selection	P3	M13 – M18	Partners confirm feasible testing directions per territory. Local multi-stakeholder teams convened. Pilot concepts defined. Community events implemented.	• D.2.1.2 Community events • Local stakeholder agreements • Pilot concept outlines	Level 1 — Local pilot level takes primary responsibility Level 2 — Methodological guidance and quality checks
5. Pilot Implementation	P3 – P4	M13 – M24	Selected measures tested in 9 pilot territories across three policy packages. Local coordination structures activated. Real-time monitoring begins.	• Output 2.1 QoL package • Output 2.2 FI package • Output 2.3 RF package • D.2.x.3 Policy meetings	Level 1 — Local implementation Level 2 — Coordination and adaptive management support

Phase	Period	Months	What Happens	Key Deliverables	Governance Level
6. Monitoring & Documentation	P3 – P4	M13 – M24	Minimum common indicators collected across all territories. Qualitative notes documented. Lessons learned briefs prepared after each milestone.	• Pilot KPI monitoring sheets • Lessons learned briefs • Quarterly Hub summaries	Level 1 — Data collection at local level Level 2 — Quarterly synthesis and review Level 3 — Cross-territorial pattern extraction
7. Learning → Period 5 Consolidation	P5	M25 – M30	Pilot evidence synthesised at transnational level through Hub Working Groups. Comparative analysis identifies transferable patterns. Final Governance Model built from structured pilot evidence.	• Output 3.1 Final Governance Model • Output 3.2 Urban-Rural Linkages • International Conference	Level 3 — Hub drives transnational synthesis Level 2 — Ensures coherence and finalisation Level 1 — Contributes final documentation

Phase Narratives

Phase 1 — Measure Identification draws on the three evidence streams of this Framework — Activity 1.1 research findings, partner questionnaire inputs, and the policy package directions of Chapter 5 — to produce a structured pool of potential measures and testing directions for each territory. The output is not a finalised pilot design, but an analytically grounded inventory from which feasible testing directions will be selected.

Phase 2 — Consolidation and Feasibility Assessment applies a pragmatic filter, assessing each proposed direction against territorial determinants, institutional capacity, and enabling conditions. The output is a refined set of realistic, implementable measures ready for WP2 alignment.

Phase 3 — Alignment with WP2 Packages maps confirmed measures against the three policy package themes, establishing a clear implementation logic for WP2 and ensuring that pilot activities across all nine territories are structured within a common thematic framework.

Phase 4 — Pilot Design and Selection translates aligned measures into defined pilot concepts per territory. Partners confirm local readiness and partnerships. Pilots are not expected to be fully designed at this stage — the purpose is to establish conceptual clarity and operational readiness.

Phase 5 — Pilot Implementation is the core operational phase of WP2, in which selected measures are tested in real territorial conditions across all nine pilot areas, generating the primary empirical evidence that will feed into learning and consolidation.

Phase 6 — Monitoring and Documentation runs in parallel with implementation, collecting a minimum common set of comparable indicators alongside qualitative observations. Monitoring is proportionate and learning-oriented, not bureaucratically exhaustive.

Phase 7 — Learning and Period 5 Consolidation closes the cycle. Through Hub Working Groups and cross-territorial exchange, implementation experiences from all nine territories are analysed for patterns, exceptions, and transferable insights, feeding directly into the Final Governance Model (Output 3.1).

6.4 Testing Readiness Criteria (Early Stage)

Since pilot designs are not expected to be finalised at this stage, the governance architecture applies minimum readiness criteria that allow partners to begin preparation and mobilisation while retaining the flexibility needed for local adaptation. These criteria establish what must be in place before a testing direction can be considered ready for WP2 implementation, without prescribing how that readiness is achieved.

① Linked to a Policy Package
Clearly positioned within QoL, Financial Incentives, or Regulatory Framework — ensuring legible contribution to collective evidence.

② Aligned with WP2 Area
Connected to a specific WP2 testing area, ensuring all pilot activities sit within the project's implementation structure.

③ Responsible Actor Identified
The local organisation taking primary coordination responsibility is named before implementation begins.

④ Feasibility Considerations
Enabling conditions, constraints, and risks are explicitly acknowledged so the coordination level can provide targeted support.

⑤ Minimum Indicators Proposed
At least a basic set of measurable signals are identified, ensuring evidence generation starts from day one.

⑥ Clear Learning Question
The specific question the pilot is designed to answer is articulated, focusing monitoring effort and enabling productive synthesis.

These criteria are deliberately light — they can be met by territories at early stages of pilot preparation — but they are also substantive.

They ensure that every testing direction entering WP2 is analytically coherent, operationally grounded, and positioned to generate comparable, usable evidence for the eventual synthesis into the Final Governance Model.

6.5 Monitoring & Feedback Framework

The monitoring framework underpinning this governance architecture is designed around three core principles that reflect its primary purpose: not compliance verification, but evidence generation — producing the structured empirical record from which the Final Governance Model will be built.

PROPORTIONALITY Requirements calibrated to local capacity and intervention complexity. Monitoring must not divert energy from implementation quality.	COMPARABILITY Shared definitions, measurement approaches, and templates across all 9 territories — enabling meaningful cross-territorial synthesis.	LEARNING ORIENTATION Data actively synthesised to inform ongoing implementation. Every monitoring activity serves the Evidence → Learning → Governance Model progression.
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Indicator Framework

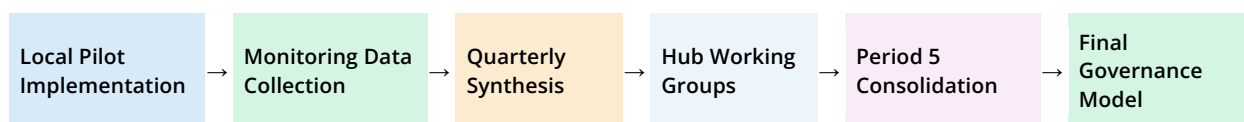
Monitoring distinguishes three categories of indicators, collected across all nine territories using shared templates provided before WP2 implementation commences.

Indicator Type	What It Captures	Examples
Output Indicators	Number of actions undertaken, stakeholders engaged, resources deployed	• No. of pilot measures implemented • No. of stakeholders participating • No. of Hub meetings held
Process Indicators	Coordination effectiveness, barriers encountered, adaptations made, stakeholder engagement quality	• Quality of inter-level coordination • Adaptations to original design • Documented barriers and responses
Early Outcome Indicators	Initial signals of impact where feasible within project timeline	• Remote worker interest levels • Usage of pilot facilities/services • Community attitude indicators • Early behavioural/institutional changes

Monitoring Logic and Evidence Flow

Monitoring data are not simply collected and reported — they are actively synthesised and used to inform ongoing implementation.

At the project coordination level, data feed into quarterly review processes that identify emerging patterns and enable adaptive management decisions. At the transnational level, data are synthesised through Hub Working Group meetings and cross-territorial exchange events, producing the comparative analysis that will form the evidentiary foundation of the Final Governance Model.



All monitoring data, qualitative documentation, and lessons learned materials flow through the Hub's knowledge management infrastructure — the Microsoft Teams-based repository — accessible to all partners according to the access rights established in the RWPH governance framework (RWPH, pp.48–54). Templates for all monitoring instruments will be provided to partners before WP2 implementation commences, ensuring that data collection begins in a standardised form from the outset of pilot activities.

Given that the project's primary target population consists of remote and digitally mobile workers, it is appropriate that the governance architecture itself functions through digital coordination infrastructure. The Microsoft Teams-based knowledge management repository (RWPH, pp.48–54) serves as the digital backbone of the three-level architecture: it hosts monitoring templates, lessons learned documentation, and cross-territorial exchange materials, accessible to all partners according to defined access rights. At the coordination level (Level 2), digital project management tools support asynchronous collaboration across nine countries and facilitate the quarterly synthesis processes that generate adaptive management decisions. At the transnational level (Level 3), digital meeting infrastructure enables Hub Working Group sessions that would be logistically impossible as in-person events, while the shared digital repository ensures that all transnational learning is documented, searchable, and available for Period 5 consolidation. The governance model that emerges from this process will itself include digital coordination tools as a transferable component — recognising that any territory seeking to implement the model will require not only institutional arrangements but also accessible digital infrastructure for multi-stakeholder coordination.

6.6 Transferability Framework

The Final Governance Model (Output 3.1) is designed not only to function within the nine pilot territories of Danube4Rural.com, but to be replicable across the broader Danube region and, in its core logic, across rural territories in other European contexts. Establishing transferability requires a clear distinction between what is invariant in the model — the transferable core — and what is necessarily context-specific.

The transferable core consists of: the three-level governance architecture (local, coordination, transnational); the three-package policy structure (Quality of Life, Financial Incentives, Regulatory Framework); the testing readiness criteria (Section 6.4) as a minimum standard for pilot entry; the monitoring and evidence generation logic (Section 6.5); and the fundamental operating principle that rural remote worker attraction requires coherent, multi-level governance action rather than isolated local measures.

The context-specific adaptation layer consists of: the specific policy measures selected for piloting in each territory, which reflect local assets, institutional capacity, and regulatory context; the precise financial instruments deployed, which depend on national and regional funding landscapes; the regulatory reform directions pursued, which are shaped by national legal frameworks; and the stakeholder configuration at Level 1, which reflects the specific institutional ecology of each pilot area.

For a territory seeking to replicate the governance model, the minimum enabling conditions are: at least one local authority or development agency willing to take coordination responsibility; access to at least one relevant EU co-financing instrument; basic digital coordination infrastructure; and institutional willingness to engage in transnational exchange. These conditions are deliberately modest — the model is designed to be accessible to territories with limited institutional capacity, not only to those already well-resourced. The Danube4Rural.com pilot evidence will be used in Period 5 to validate and refine these minimum conditions based on what was actually required in the nine tested contexts.

The Overall Monitoring Logic

Evidence → Learning → Period 5 Governance Model Consolidation

Every monitoring activity in WP2 is ultimately in service of this progression — generating the structured, comparable, and analytically usable evidence base from which a validated, transferable macro-regional Governance Model can be built.

7. Risks & Mitigation Measures

This chapter identifies the principal risks to the effective implementation of the Policy Framework and the WP2 pilot process, and sets out the mitigation measures embedded in the governance architecture.

Risks are assessed across four categories: institutional, territorial, methodological, and external.

RISK 1 — Uneven Institutional Capacity Across Pilot Territories

Description: The nine pilot territories present significantly different levels of institutional capacity, administrative readiness, and local governance experience. Territories classified as Type C (Structurally Constrained) face compounded barriers — limited local coordination capacity, restricted financial instruments, and complex regulatory environments — that may impede meaningful pilot implementation within the project timeline.

Likelihood: High. The partner questionnaire confirms significant institutional variation across the project area.

Mitigation: The typology of pilot territories (Section 4.4) and the testing readiness criteria (Section 6.4) are designed to calibrate pilot ambition to territorial capacity from the outset. Knowledge partners and the Remote Workers Policy Hub provide technical support to territorially weaker partners throughout Periods 3 and 4. Minimum readiness criteria ensure that no territory enters WP2 implementation without the basic organisational prerequisites in place.

RISK 2 — Loss of Momentum Between Analytical and Implementation Phases

Description: A common failure mode in transnational projects is the gap between the analytical phase (WP1) and the implementation phase (WP2), during which institutional energy and partner engagement can dissipate.

Likelihood: Medium. The period between delivery of the Policy Framework and the commencement of WP2 pilots involves significant coordination demands.

Mitigation: The governance architecture explicitly addresses this risk through the Early WP2 Readiness purpose (Section 6.1) and the Testing Readiness Criteria (Section 6.4), which allow partners to begin preparation and stakeholder mobilisation before pilot designs are finalised. Partnership meetings in Period 3 maintain momentum and alignment across the consortium.

RISK 3 — Incomparable Pilot Outputs Across Territories

Description: If pilot territories implement measures in ways that are not methodologically aligned, the learning generated across nine areas cannot be meaningfully synthesised into transferable governance directions. This would fundamentally undermine the value of the Final Governance Model.

Likelihood: Medium. Territorial diversity is a project asset but also a source of methodological fragmentation if not actively managed.

Mitigation: The monitoring and feedback framework (Section 6.5) establishes shared indicator categories, measurement approaches, and documentation templates across all territories. The three governance levels ensure that comparability is maintained without requiring uniformity of implementation. The Hub's Thematic Working Groups synthesise evidence using shared analytical frameworks throughout Periods 3 and 4.

RISK 4 — National-Level Regulatory Constraints Limiting Local Pilot Ambition

Description: Several policy directions — particularly in the Financial Incentives and Regulatory Framework packages — require enabling conditions at the national level that are beyond the direct competence of municipal and project partners. National legislative inertia or political resistance could limit the scope of what can be piloted locally.

Likelihood: High. The partner questionnaire confirms that governance influence is concentrated at the national level (52%) and that remote work-specific legislation is absent in half of partner countries.

Mitigation: The Framework distinguishes explicitly between locally implementable measures and measures requiring national-level advocacy. The Regulatory Framework package (5.3) includes a dedicated policy direction (RF 3) for governance framework development that builds on practical administrative flexibility already demonstrated at the local level. Transnational coordination across partner countries enables joint advocacy positions on national regulatory reform where individual country influence is limited.

RISK 5 — Dependency on EU Project Funding Without Long-Term Sustainability

Description: Policy measures and governance structures developed within the project may not survive beyond the funding period if they are not embedded in existing municipal strategies, budgets, and institutional structures.

Likelihood: Medium. Project-dependent innovation without institutional anchoring is a well-documented risk in Interreg and rural development programming.

Mitigation: The Quality of Life package explicitly prioritises measures that integrate into existing municipal programmes rather than creating parallel structures. The Regulatory Framework package (RF 3) specifically targets the formal embedding of remote work attraction in municipal development strategies and spatial plans. The transferability framework (Section 6.6) is designed to ensure that governance model components can be adopted by territories with their own resources and without project co-financing.

RISK 6 — Insufficient Remote Worker Demand in Pilot Territories

Description: The governance model's value depends on demonstrating actual or potential demand from remote workers for rural relocation. If pilot activities fail to attract remote worker interest, the evidence base for the Final Governance Model will be weakened.

Likelihood: Low to medium. Hub evidence and macro-regional trends confirm growing remote work adoption, but actual relocation to rural areas requires sustained targeted effort.

Mitigation: The communication activities embedded in each WP2 activity — including local promotional videos, social media campaigns, and media articles — are designed to generate visible demand signals alongside policy development.

The individual factors research (Activity 1.1) provides demand-side intelligence that will calibrate pilot targeting towards the remote worker profiles most likely to consider rural relocation.

Risk	Likelihood	Impact	Primary Mitigation
Uneven institutional capacity	High	High	Typology, readiness criteria, knowledge partner support
Loss of momentum	Medium	High	Early WP2 readiness mechanisms
Incomparable outputs	Medium	High	Shared monitoring framework, Hub synthesis
National regulatory constraints	High	Medium	Local/national distinction, joint advocacy
Post-project sustainability	Medium	High	Institutional embedding, transferability framework
Insufficient demand	Low–Medium	High	Communication activities, A1.1 demand research

8. Conclusions & Strategic Outlook

This Policy Framework has been developed at a moment of genuine strategic opportunity for rural communities in the Danube Region. The structural conditions that have long disadvantaged rural areas relative to urban centres — geographic distance, limited economic diversity, and dependence on declining sectors — are being partially rebalanced by the expansion of remote work as a mainstream employment model. For the first time, a significant and growing population of highly skilled, digitally mobile workers is making location decisions that are not primarily determined by proximity to an employer. Rural areas with genuine quality-of-life assets, adequate digital infrastructure, and supportive governance conditions are positioned to attract and retain a population profile that can reverse decades of demographic decline and diversify the economic base of communities that urgently need both.

The nine pilot territories of Danube4Rural.com represent the full spectrum of starting positions that rural areas across the Danube Region occupy in relation to this opportunity — from territories with emerging institutional readiness to those facing compounded structural constraints. This diversity is the project's most significant methodological asset: by developing and testing governance solutions across this range of contexts simultaneously, the project will generate evidence that is genuinely transferable rather than contingent on the specific conditions of a single favourable territory.

What This Framework Establishes

Three findings from the analytical work of Chapters 2–4 define the strategic context within which the policy packages and governance architecture have been designed.

First, the primary barrier to remote worker attraction in all nine territories is not the absence of assets but the absence of activation. Natural environment quality, housing availability, cultural life, and community belonging are consistently present and consistently valued by remote workers — but are not packaged, marketed, or supported by the governance and service infrastructure that would make rural residence genuinely workable over the long term. The Quality of Life package addresses this activation gap directly.

Second, the financial and regulatory landscape is characterised by a significant gap between what exists nationally and what is deployed locally. Financial instruments average 5.22 per territory but are underutilised.

Administrative simplification has been achieved in practice in three-quarters of territories even where national legislation has not been reformed.

This gap is not a sign of failure — it is evidence of local institutional adaptability that the Financial Incentives and Regulatory Framework packages can build on, formalise, and scale.

Third, governance concentration at the national level (52% of decision-making influence) means that sustainable change requires multi-level coordination, not only local effort.

No single governance actor — municipality, regional authority, or national ministry — can deliver the conditions for remote worker attraction independently. The three-level governance architecture defined in Chapter 6 is designed precisely to align action across these levels within a coherent, transnational framework.

The Path to the Final Governance Model

The policy directions presented in this Framework are hypotheses — analytically grounded, evidence-informed, and operationally ready for testing, but not yet validated governance recommendations. Their transformation into the Final Governance Model (Output 3.1) requires the structured pilot experimentation of WP2, the systematic evidence generation of the monitoring framework, and the transnational synthesis of the Hub's Thematic Working Groups in Period 5.

This iterative logic — Framework → Pilot → Governance Model — is not a methodological formality. It reflects a genuine commitment to building governance solutions that work in practice, across diverse territorial contexts, and that can be implemented by communities with limited resources and institutional capacity. The Danube4Rural.com governance model, when complete, will not be a theoretical framework — it will be an evidence-based, field-tested governance instrument that rural authorities across the Danube Region and beyond can adopt and adapt to their specific conditions.

Strategic Outlook

Three strategic directions define the project's ambition beyond its own pilot territories.

The governance model produced by this project will contribute directly to EUSDR Priority Area 10 by establishing a replicable multi-level coordination mechanism for rural remote worker attraction — demonstrating that macro-regional cooperation can produce territorially applicable governance innovations rather than only strategic recommendations.

The project's approach to community engagement — embedding citizens, local stakeholders, and remote workers themselves as co-designers of policy solutions rather than targets of externally developed interventions — provides a methodological model for participatory rural governance that extends well beyond the remote work domain.

And the transferability framework developed in Section 6.6 positions the project's outputs not as the final word on rural remote worker governance in the Danube Region, but as a validated starting point from which other territories, other programmes, and other governance actors can build — adapting the core architecture to their specific contexts while benefiting from the structured pilot evidence generated across nine diverse rural communities. Rural areas in the Danube Region do not need to wait for demographic trends to reverse on their own.

They need governance frameworks that activate what they already have, address what they genuinely lack, and position them credibly as destinations for the mobile, skilled workers who are increasingly free to choose where they live and work. This is what the Danube4Rural.com Policy Framework is designed to provide.

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Note on citation practice: This Policy Framework is a project deliverable rather than an academic publication. Citations in the document body use abbreviated inline format (author/source, year or AF page reference). Full bibliographic details are provided in this References section. Where documents are referenced generically (e.g. ESPON transnational reports, EUSDR Action Plan), the citation reflects the manner in which they are used as contextual evidence rather than specific page-level attribution.

Annexes

Annex I – Country & Pilot Fiches (Questionnaire outputs)

https://docs.google.com/spreadsheets/d/1uKy8535vBsTIN98_uAp3TZX4uZ0vMjLA/edit?usp=sharing&oid=108935621580684504497&rtpof=true&sd=true