



Support Grant for Village Shops in Finland

Antonia Husberg, Ministerial Adviser, Ministry of Agriculture and Forestry of Finland

Nina Nilsson, Manager, Rautio Village Shop, Finland

Rural Pact Conference 'From vision to action: Empowering rural areas for the future'

Château du Biez (Belgium)

16-17 September



Support grant for Village Shops as Multi-Service Centres in Finland

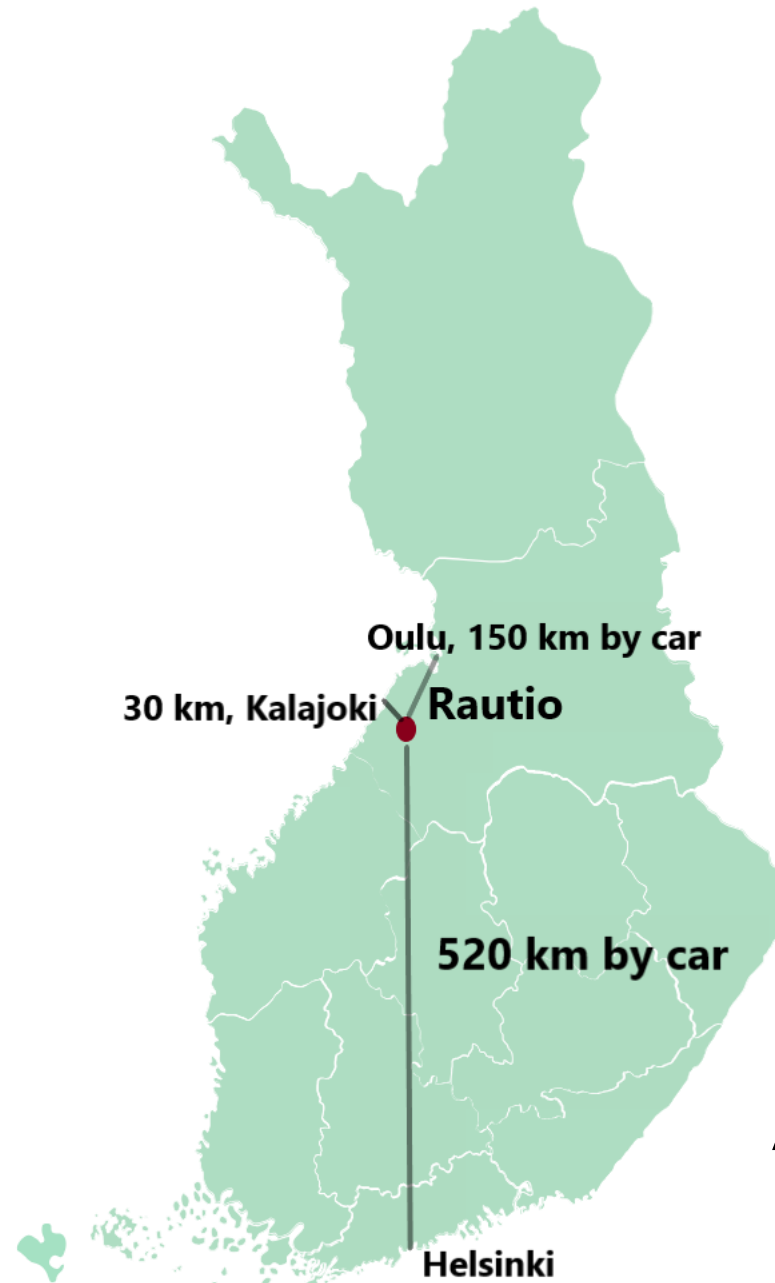
- ▶ A de minimis support grant (~ €10,000 per shop/year) to maintain and develop the village shop as a multi-service centre
- ▶ **123 village shops** are supported in 2025
- ▶ To qualify for the grant, a village shop has to
 - sell a certain variety of groceries
 - co-locate at least one of the following services: postal services, cash withdrawal, pharmacy services or fuel delivery
- ▶ The goal is
 - to **ensure** and **create conditions** for the basic services needed by rural residents and businesses
 - to **develop** the role of the grocery stores as a rural multi-service centres

Because the people and services are scarce

- ▶ The concentration of service production of both private and public services in the rural areas in Finland is challenging. This phenomenon is also reflected as a decrease in the number of village shops.
- ▶ In 2002 there were still 704 village shops in Finland, but by 2024 there were only **177 shops left**
- ▶ Shop closures have considerable negative impacts, as village shops are often the last remaining service providers in large rural areas. Village shops have an important role as retail trade units and as agents and producers for other services.
- ▶ To halt the decline of rural village shops, The Ministry of Agriculture and Forestry of Finland launched a nationwide subsidy instrument for grocery trade services ('village shop support') in 2019. The implementation of the instrument started as a two-stage pilot and it was **regularised in 2023**.

The Rautio Village

- ▶ 650 inhabitants
- ▶ Services: Multi-service village shop, daycare, school (from pre-school till 6th grade)
- ▶ Nearby towns 30 km away
- ▶ Active village association and other associations
 - In 2022 Finland's Village of the Year and bronze medal in European Village Renewal



Airport: 100 km
Railway station: 23 km

The Story of Rautio Village Shop

In 2020 the village shop was closed



The Village Association bought the property with 100 euros and the co-operative to run the shop was founded (207 people and 10 companies)



In 2021 the new shop was opened.



- The turnover is
- 1,5 million euros.
- The staff: 4 full-time + 2 half time workers and 4 young people.

Local people invested 150 000 euros and 6 000 volunteer hours to renovate the shop.



The Rautio Village Shop – a multiservice hub

- ▶ Information centre and the "village living room"
- ▶ Selling products (from food to tire repair set)
- ▶ home transport service
- ▶ Pharmacy services
- ▶ Post office services
- ▶ Fuel and building materials
- ▶ Cash withdrawals and lottery tickets
- ▶ Café with lunch available
- ▶ Apartment and two commercial premises for rent.



The Significance of Village Shop Support

- ▶ We want to serve our community well!
- ▶ The villages are also homes to elderly people, and almost all of them do not have cars anymore.
- ▶ Any investment requires money!
 - The National Village Shop Grant has been very important and enables us to do the necessary investments.
 - This year, the village shop grant was around 9 200 euros.
 - There is no other funding available.
- ▶ Village shop services are critical - we are bigger than our size.



Village shop support is small but effective

- ▶ Finland's village shop support instrument has been evaluated twice and it has been proven to be effective:
 - All shops that received support were already offering other services alongside groceries, but a significant number used or planned to use the grant to further diversification
 - According to feedback applying for village shop support and handling the related bureaucracy has been easy.
 - The use of the support is considered flexible. It can be applied to all costs related to running the shop — including salaries, renovations, equipment, and investments
- ▶ Background legislation for this national support instrument combines SGEI de minimis and Finnish Act on Discretionary Government Grants

Our Message

- ▶ The EU directly affects everyday life in Rautio village and village shop. Equal treatment of large and small actors is often challenging.
Legislation should reflect different ruralities: differences in scale, resources, and daily realities.
- ▶ In the next funding period, it is essential that rural areas also have access to financial support from the EU. Funding should be secured for active villages like Rautio.
 - Earmarked funding **for rural areas** is needed as part of the CAP and NRP in the next funding period.
- ▶ You're warmly **welcome** to visit the Rautio village shop – coffee and Finnish "pulla" is on us!



Thank you!

antonia.husberg@gov.fi
ninahenilsson@gmail.com



Ministry of Agriculture
and Forestry of Finland

ruralnetwork.fi

