

SPECIFICATION

ESPON Targeted Analysis Based on User Demand 2013/2/4

SUccess for convergence Regions' Economies (SURE) (2009-2010)

(o) Targeted analyses within the ESPON 2013 Programme

The ESPON 2006 Programme provided integrated analysis and long-term spatial scenarios which enriched the European policy debate and knowledge base. Tying in with the achievements of the previous programme period, the ESPON 2013 Programme continues conducting applied research on European territorial development, competitiveness and cohesion. At the same time, a new type of projects is carried out in the form of targeted analyses based on specific demands expressed by stakeholders and making use of existing ESPON results.

The priorities describing the work-programme of the ESPON 2013 Programme are structured in four strands:

- 1. Applied research on territorial development, competitiveness and cohesion: Evidence on European territorial trends, perspectives and policy impacts**
The applied research projects will create information and evidence on territorial challenges and opportunities for success in the development of regions. Cross-thematic applied research will be a major activity integrating existing thematic analysis and adding future analysis of new themes. Territorial impact studies of EU policies will be another focus under this priority.
- 2. Targeted analysis based on user demand: European perspective on development of different types of territories**
This priority responds to a clear demand of practitioners for user and demand driven actions within the ESPON 2013 Programme. By convening an analytical process where ESPON findings are integrated with more detailed information and practical know-how, new understanding of future development opportunities and challenges may arise, which could be transformed into projects and actions.
- 3. Scientific platform and tools: Territorial indicators and data, analytical tools and scientific support**
The scientific platform and analytical tools built up within the ESPON 2006 Programme will be maintained and further expanded. New actions shall be undertaken to develop current achievements and make use of existing indicators, data and tools.

4. Capitalisation, ownership and participation: Capacity building, dialogue and networking

Under this priority, actions are foreseen that will make the evidence and knowledge already developed operational through raising awareness and involving stakeholders in the results and practical application of them.

Targeted analyses under Priority 2 enable stakeholders to obtain customised and up-to-date information on their particular territorial context and opportunities for development which can be used for policy development. Given the targeted focus of these projects on specific territorial entities, targeted analyses will contribute to the use of ESPON results in practise and to the involvement of policy makers, practitioners and scientists in a joint synergetic process.

(i) General objectives of targeted analyses under Priority 2

The general objectives of targeted analyses within the ESPON 2013 Programme are the following:

- Provision of evidence and knowledge based on ESPON results on the strengths and weaknesses of individual regions and/or larger territories seen from a European perspective, or a global context, giving European regions the option to compare themselves to other regions and hereby finding competitive advantages for development and cooperation.
- Improvement of the usefulness of ESPON results by testing new, experimental and innovative options such as (1) analysis of themes of interest for groups of regions, partly based on case studies, (2) methodological frameworks for translating territorial development goals and policy aims into concrete actions and (3) technical, methodological and analytical support to territorial planning processes and spatial programming and visions.
- Provision of analytical support and evidence based on ESPON results on thematic priorities in cooperation with other Structural Funds Programmes.

The aim is to carry through targeted analyses in partnership with policy makers and/or practitioners showing an interest in gaining awareness of European evidence, information, experience and/or knowledge on common challenges related to their territorial and/or urban development.

The individual targeted analysis shall support better informed policy decisions by:

- Integrating ESPON findings with more detailed information and practical know-how, either from a territorial part of Europe or from a sector authority.
- Contributing to a sound knowledge of territorial development perspectives/trends through new understanding of future development potentials and challenges for the respective territorial and/or urban development.

This project shall contribute to these objectives during its implementation by ensuring a close cooperation and partnership with the stakeholders who expressed their need for this targeted analysis.

(ii) Types of Action under Priority 2

Projects under Priority 2 can have different foci and accordingly vary in their content. In order to have a clear distinction between the various possible project orientations, each project needs to be clearly allocated to one of the following types of action:

1) Integrated studies and thematic analysis

This type of action is foreseen to follow a “traditional” analytical approach using existing results of ESPON applied research and other studies. The analysis can integrate several themes relevant for certain types of territories, regions and/or cities or they can be less comprehensive in the approach by focusing on one or a few themes.

The main objectives are:

- a) To provide added value for territorial development of specific types of territories¹ by offering new comparative insight and understanding on territorial potentials and challenges from a European perspective;
- b) To ensure that other (similar) types of territories/regions can benefit from the output of the analysis.

2) Knowledge support to experimental and innovative actions

This type of action clearly allows for the implementation of projects that differ from the mainstream of the ESPON 2013 Programme by being more experimental and/or innovative in character. It is in a way a laboratory for developing ways of meeting main territorial challenges that Europe is confronted with.

The objectives are:

- a) To support experimental and innovative actions carried through in partnership with stakeholders with European knowledge on territorial structures, trends, perspectives and policy impact;
- b) To provide methodological support to experiments and innovative efforts.

3) Joint actions related to other Structural Funds Programmes

The joint actions related to other Structural Funds Programmes take a geographical starting point in the area covered by these programmes, be it transnational, cross-border, interregional, regional or urban territories. The content of these actions can be integrated and thematic analyses or they can be experimental and innovative of nature

¹ Types of territories codified for the territorial dimension, include urban, rural-mountains, rural-islands, rural-area (sparsely and very sparsely populated), rural-other, former external border, area dependant on fisheries, outermost regions, transnational cooperation areas, cross-border cooperation areas and interregional cooperation areas (as listed in the ESPON 2013 Programme, p. 9).

(as described above). A main prerequisite is that they are justified by supporting Structural Funds Programme implementation.

The objectives are:

- a) To provide information and analyses on the European position of these areas, their comparability with other similar areas, and their potentials and challenges, useful for Structural Funds Programmes (regional, cross-border, transnational, interregional and urban);
- b) To provide methodological support for strategic processes, including visions and scenarios for spatial development and planning.

Independent of the type of action, each project should have a European perspective (i.e. supporting the understanding of the wider European context), a clear transferable character and a concrete implementation part, focusing on specific territories.

The analytical approach can provide integrated, cross-thematic analyses, study individual themes or sectors, or focus on a specific type of territories. At any rate, ESPON findings shall be integrated and supplemented with more detailed information and practical know-how, either from a territorial part of Europe or from a sector authority. Analysis can include/be based on case studies. The geographical coverage will normally have a more limited territorial coverage than the entire European territory.

This project belongs to the first type of action. By using, inter alia, existing ESPON results, the project will analyse selected European convergence regions and their potential to improve economic performance and competitiveness.

(iii) Scope and rationale of the targeted analysis

It is commonly accepted that convergence regions within the EU do not only suffer from far below average GDP per capita, but are also forced to grow faster than other regions. In order to tackle this reality, many EU-funded projects aim at accelerating regional performance of these regions.

The SURE project will seek to understand why convergence regions are unable to improve economic performance and competitiveness. This will be achieved by a systematic comparison of factors relevant for economic growth and successful cohesion projects over the last 15 years in convergence regions with both high and low growth rates. By using bench learning models², particular attention will be given to possible policy actions for the implementation, and eventually adjustments will be provided for the interventions during the current programming period (2007-2013) in the stakeholders' regions. This approach will also have a wider EU relevance for all convergence regions within the European territory.

² A bottom-up learning process that will build transformative capacity for regional stakeholders and policy decision makers following the in depth interviews and analysis

Hence this project will seek to provide new ways of conceptualising and measuring imbalances within lagging European regions. In doing so, it shall contribute to alerting public stakeholders on the regional, national and EU-level of similarities in the physiognomy of these regions and what relevant success factors can efficiently address the goals of Cohesion Policy to improve the implementation of the Structural Funds.

Main characteristics of the territory to be addressed

The SURE targeted analysis focuses on convergence regions of which most are in the new EU member states. However, there are also still some convergence regions in the old EU member states, e.g. in Southern Italy, East Germany, Spain, Portugal and Greece.

Convergence regions are European Union areas whose development is lagging behind and where per capita GDP is below 75% of the Community average. These least-developed regions need to catch up more quickly with the EU average by improving conditions for growth and employment. This is why they have access to Funds from the Convergence Objective, to stimulate the development and helping to strengthen the regional capacity in the fields of physical and human capital, innovation, knowledge-based society, adaptability to change, the environment and administrative effectiveness.

All these regions have a common goal: They want to grow faster than the average and ensure that this growth is consistent. The challenge is to accelerate GDP growth rates to catch up with the EU's mean welfare and sustain average growth rates. The gap between the current situation and the average GDP per capita is the potential gain in welfare for each region.

Convergence regions can be split virtually into two subgroups: (1) 'weak regions' and (2) 'catching up regions'. The weak regions are those that despite Structural Fund assistance for at least one programming period (and in many cases two programming periods) have not grown faster than the EU average, have a low level of human capital, limited accessibility, limited infrastructure, lack of transformation into a knowledge-based society or have been hampered by consistent structural problems. In 'catching up regions' these problems have been addressed during the past Programming periods and the regions are on a positive trajectory to reach the EU average and maintain their growth patterns.

Although both subgroups have an economic performance below average GDP per capita, some potential factors can explain differences on GDP growth. The common goal for these regions is to grow faster than the EU average or, alternatively, the national averages, and ensure that their growth is consistent. The gap existing between 'weak regions' and 'catching up regions' will allow participating stakeholders in this project to determine what potential factors can explain differences in economic performance.

Campania, a convergence region, is a key maritime region in the South of Italy with a large urbanised coastal strip around a major city port and also a large rural and mountain

area. The region was dependent on industry in the past and is now developing its service sector and tourism as well as innovation policies.

Podlaskie is a landlocked region in North-Eastern Poland with a large rural population, which is heavily dependant on agriculture, and is now facing many challenges in its modernisation and development. It is characterized by the low level of human capital, limited territorial accessibility (both transport and IT), low infrastructure level and a low income - 38% of EU average (2005).

East Macedonia and Thrace is a primarily rural region and one of the thirteen peripheries of Greece, bordering Bulgaria and Turkey. It is investing in innovation and modernisation of its traditional economy.

Valencia is a clear example of a success story which can provide a bench-learning model to some extent, but also has to ensure that its growth is consistent and sustainable in the long term.

Thematic scope for the targeted analysis

The EU Cohesion Policy seeks to reduce economic regional disparities and, by doing so, improve the economic performance of European lagging regions. The success of Structural Funds varies according to the traditional indicators used for regional policy, such as GDP and unemployment which, sometimes, do not fully capture the territorial diversity associated with structural imbalances. Factors like demography, accessibility or urban-rural relations are critical to understand different development opportunities. Hence, the capacity to perceive the similarities in the physiognomy of lagging regions and the relevant success factors for economic growth in lagging regions will improve the implementation of Structural Funds.

The definition of weak and catching up regions can be transposed to any country. From this perspective, the challenge is to reach at least national averages. The fact that not all Convergence Regions suffered from low growth rates shows that being below average is not just fate. Some have performed better than others. The former should know why to be able to do so. The latter should know in future why they have not done better. New ways of conceptualising and measuring peripherality and imbalances as well as potentials must be sought. Experts and policy makers have to complement some of the traditional indicators used for regional policy, such as GDP and unemployment, which do not fully capture the territorial diversity associated with structural imbalances. Factors like demography, population density, accessibility, urban-rural relations, accesses to services, public administration organisation and risks from hazards are critical in understanding territorial differentiation.

The purpose of this project is to focus on convergence regions within EU that suffer from far below GDP per capita. Despite the fact that these regions have been awarded with

extensive funds, not all have taken advantage to the same extent and therefore are still unable to improve their socio-economic performance and competitiveness.

Objectives of the targeted analysis

The rationale of the proposed action is to focus on systematic analysis of comparable data (the components of the analysis detailed below) on EU lagging regions, by using a benchmarking approach to demonstrate which aspects are relevant to be considered as best practices. This integrated approach will be based on ‘bench learning models’ (namely a bottom-up learning process that will build transformative capacity for regional stakeholders and policy decision makers following the in depth interviews and analysis envisaged by the action) capable of producing significant results in the participating regions that could be considered in relation to Structural Funds Policy for 2007-2013.

The involvement of convergence regions in the project is critical to promote mutual learning. This will allow regions to learn from each other. Thus, some reflection on the two periods of EU Cohesion Policy (1994-1999 and 2000-2006) will create a longer-term perspective for key stakeholders and could indicate which aspects are relevant to boost the economic performance in their regions.

In particular, the project should address the following questions:

- Which factors and characteristics are common for all Convergence Regions in the EU?
- Which factors and characteristics are common for the weak regions but different for the catching up regions?
- Which of these common and different factors and characteristics can be verified by statistical and econometric methods?

To evaluate the cause-effect relation of the economic performance and competitiveness capacity of lagging European regions three different methods are envisaged:

- Interviews with stakeholders and experts (at least five per Region and two per relevant Member State covering policy-makers and socio-economic stakeholders) to determine potential factors that influence economic performance.
- Analysis based on existing ESPON results and making use of econometric analysis
 - To evaluate the impact of the potential factors on the overall economic performance of the regions.
 - To evaluate the impact of EU co-funded projects on the overall economic performance of the regions.

This approach shall give the maximum amount of information about any factors and their qualitative and/or quantitative effects on the impact of EU co-funded projects in convergence regions.

Once relevant factors are known, participating stakeholders will ensure a dissemination of the results amongst EU Member States and Regional and Local Authorities and, by doing so, improve success factors, reduce constraints and focus attention on the consistency of the results.

It is important to ensure that all potential audiences are effectively reached. This means not only policy-makers and experts, but also general development actors and practitioners. The Comunidad Valenciana-Región Europea has expressed its commitment in developing the Dissemination Plan on behalf of the Stakeholder Regions.

(iv) Implementation methodology and project governance

Partnership in the project implementation is vital in order to achieve useful results. This applies to both, the partnership between the ESPON Programme and stakeholders, as well as between the team of experts and the stakeholder representatives. The experts should be able to prove their local knowledge of the stakeholder regions which will provide the background for a bottom-up bench-learning approach.

Stakeholder involvement is essential throughout the project's life-cycle and starts off with the definition and development of the specific theme for the targeted analysis. During the implementation phase of the targeted analysis, stakeholders play an active role by providing and giving access to information relevant for the project, as well as by steering and guiding the work of the experts.

The Lead Stakeholder will be Campania Region that is also vice-President of the CPMR Mediterranean Commission, and as such will be able to facilitate interaction and dissemination in the Mediterranean area, where many Convergence Regions are located.

Other partners in the stakeholder consortium are:

- Podlaskie Voivodship Marshal's Office (Poland)
- Fundacion Comunidad Valenciana-Region Europea (Spain)
- Region of East Macedonia – Thrace (Greece)

A Steering Committee will be set up to gather all the regions directly involved in the project and to act as a supervising and decision body. The ESPON CU will participate in the steering of the project, being responsible on behalf of the ESPON Monitoring Committee for the contract with the team of experts carrying through the targeted analysis.

The Lead Stakeholder will be responsible for coordinating the Steering Committee. Each participating region will designate a member of the Steering Committee, and the responsible ESPON CU Project Expert will also be a member.

The Steering Committees will meet with the experts four times during the project implementation. Meetings are envisaged at key stages of the activities and outputs of the targeted analysis (please see indicative timetable).

The Steering Committee will establish and approve partial deliverables, provide key input on the methodology, implementation and dissemination of the action and provide the focus for first level discussion of the targeted analysis. The Steering Committee will also identify appropriate categories of interviewees at national and regional level.

The participating regional stakeholders will contribute in various ways to the successful implementation of the action by:

- Participating in the project Steering Committee;
- Helping to find adequate interview partners and supporting the interview partners;
- Collecting and gathering data about their region and their country;
- Actively contributing to the discussion of the results;
- Creating a focus group of relevant practitioners to be agreed by the Steering Committee (according to the regional organisation this may include other levels of local administrations, business community intermediaries, sector representation, relevant ministerial agencies etc);
- Participating in dissemination meetings, also meetings organised at project or transnational level;
- Disseminating project results locally and through umbrella organizations.

In all participating regions, the following stakeholders will be directly involved in the project:

- Policy makers: as interview partners and final beneficiaries of Structural Funds Programmes;
- Regional employees: offering general support, participating in the steering committee meetings, finding interview partners, gathering data, discussing the results;
- Academic experts: as interview partners, participating in discussion of the results;
- Socio-economic development practitioners: as interview partners, participating in discussion of the results;
- Local authorities, public agencies: discussion of the results.

The ESPON CU will be involved in the project implementation by giving guidance and feedback to the experts conducting the analysis. The responsible project expert of the CU will also be member of the project's Steering Committee.

Each stakeholder region will create a Focus Group of the key actors involved to allow the experts in a continuous interaction with stakeholders working "on the ground".

The Campania Region as Lead Stakeholder will coordinate the partners' Focus Groups and ensure the transmission of information to and from the experts responsible for carrying through the targeted analysis.

To ensure effectiveness and efficiency of the targeted analysis, communication and up-stream/down-stream flow of information from the four regional stakeholders is crucial during the project. The reporting from the experts and regional workshops organised by the stakeholders will facilitate dissemination and capitalisation. A restricted access internet platform will be established by the Lead Stakeholder or the ESPON 2013 Programme allowing stakeholders and Focus Groups to contribute to working documents and to access results and outputs.

Each Region will select topics of particular interest which will be the subject of specific Focus Group input, to be approved by the Steering Committee following a discussion with the experts. In this way, more specific and precise information on experiences and strategies relevant to each regional stakeholder (e.g. public administration, access to the EU Structural Fund impacts) can be furnished and fed into the research as samples or specific case studies. Only topics which are analytically feasible and have a transferable significance for other Convergence regions will be selected and approved by the Steering Committee for case studies. Maximum 4 case studies are previewed.

Policy makers and practitioners will be interviewed to perceive which factors they consider to be relevant for successful and consistent cohesion policies in lagging European regions. At the final stage of the project, the experts shall present the main findings to policy makers and practitioners in order to deepen the relevance of the results.

Another important aspect is to make use of the expertise of umbrella type of organisations (i.e. Assembly of European Regions, Conference of Peripheral Maritime Regions) capable of facilitating interaction and mutual exchange. Their contribution is very valuable to process and filter information. Effective signalling of relevant factors requires them to process and package the information in a meaningful way allowing participating stakeholders to clarify their position and hence contributing towards a possible strategy towards Structural Funds Policy. Moreover, umbrella organisations will play an active role in networking and developing ties with other interest-oriented organisations through which participating stakeholders can disseminate best practices.

The experts will be expected to attend one dedicated meeting of these umbrella organisations in order to achieve their contribution to the targeted analysis.

(v) Envisaged results of the targeted analysis

The project should provide evidence and knowledge capable of clarifying factors that influence the implementation of successful and consistent cohesion policies in disadvantaged European regions. Three types of pre-existing factors will be considered from the interviews: (1) factors that are difficult to measure; (2) factors that can be

measured, but that are statistically insignificant; and finally (3) factors that can be measured and are statistically significant.

This distinction between factors that ensure successful management of cohesion actions and factors that help to understand the differences on general economic performance are particularly pertinent to determine the capacity of ensuring a successful management of cohesion actions. Furthermore, the interaction of pre-existing factors and structural funds is highly relevant.

It is important to bring the results from the interviews, analysis and econometric work together into a single consistent view and derive the policy recommendations from this view. However, not all results may be relevant to the regional level, because some competences will be with the local, national or even supranational (EU) level.

The Final Reporting should include not only a reasoned synthesis of the analytical results but also four synthetically presented case study results that can be used for capitalisation and transfer of best practices in the regional development strategies. These will be based on the indications for specific topics presented by each regional stakeholder and approved by the Steering Committee.

The synthesis of the targeted analysis will be translated into the local stakeholder languages by the stakeholders. The case studies will be presented only in English in a commonly-defined and agreed format.

(vi) Operational use of the targeted analysis

During the Kick-off meeting, the Regional Stakeholders will present the processes and procedures envisaged for the up-stream and down-stream involvement of all relevant public authorities in their Member State.

At regional and local level, Focus Groups will be organised as set out in (iv); the Regional Stakeholders will identify the relevant channels at national level for the involvement of relevant Ministries and national authorities. Regional Stakeholders will also provide an outline capitalisation plan for the use of the targeted analysis when complete. This plan will be discussed with the experts and financed outside the project.

In order to ensure the operational use of the results by all potential actors, it is foreseen to produce accurate reports in English that can be easily understood. The key results shall be provided in the synthetic form according to the indications provided by the Steering Committee, which will then be translated into local languages by the regional stakeholders. The case studies will be available in English and the local language of the relevant region, once translated by the related regional stakeholder.

The meetings and events planned to support the use of the targeted analysis are detailed in the table in chapter (vii). The experts must present all analysis in a form to be agreed

with the Steering Committee that can be most useful for the stakeholders and other convergence regions.

(vii) Outputs and timetable

The SURE targeted analysis shall result in the following deliverables:

- Inception Report including
 - Detailed methodology for the targeted analysis, including analytical approach, themes and criteria envisaged
 - Standard formats for interviews and information
 - Previewed plan for interviews on site
 - First ideas on the four case-studies envisaged
 - An updated time plan for the project

- Interim Report including
 - First evaluation and results of the analysis based on existing ESPON results as well as econometric analysis on (1) the evaluation of impact of the potential factors on the overall economic performance of the convergence regions and (2) the evaluation of impact of EU co-funded projects on the overall economic performance of the regions.
 - First results of interviews with stakeholders and experts on potential factors that influence economic performance.
 - Progress envisaged on case studies
 - Progress on a database including detailed information provided by the Regional Stakeholders
 - Planning for the next phase of project implementation.

- Draft Final Report
 - Synthesis of the main results of the targeted analysis including summary tables
 - Main analytical results obtained
 - Four case studies, one covering each of the regional stakeholders

The Draft Final Report shall following a discussion with the Steering Committee be edited, adapted and modified and made into a Final Report.

The total duration of the project is 15 months. The timetable foreseen for the targeted analysis includes the following main steps which shall be further detailed in the process:

- Month 1: Kick-off meeting at the ESPON CU with Stakeholders

- Month 3: Inception Report presented for and discussed with the Steering Committee

- Month 8: Interim Report to be presented and discussed with the Steering Committee
- Month 13: Draft Final Report to be presented and discussed with the Steering Committee, the Focus Groups and at one meeting with an umbrella organisation.
- Month 15: Delivery of the Final Report including synthesis of the key findings as well as the four case studies. Delivery of data generated or being used by the targeted analysis both, to the stakeholder consortium as well as to the ESPON CU in order to be integrated into the ESPON Database.

The coordination of exact meetings and their timing will be ensured with the stakeholder regions according to their communication and dissemination plan.

An event presenting the Final results in Brussels will be strived for, eventually as part of an ESPON event. In addition, during the project implementation the experts shall be available for presenting the targeted analysis at one ESPON Seminar.

(viii) Budget for the targeted analysis

The maximum budget foreseen is 200.000 Euro, including VAT, if applicable. Proposals exceeding this value will not be considered. This amount will include all the costs for completing the targeted analysis including travel expenses and attendance at Steering Committee and the above mentioned dissemination events.

ESPON projects are generally conducted in a partnership of several bodies from at least three EU Member and Partner States (from three different countries taking part in the ESPON 2013 Programme). However this requirement does not apply to projects with a budget up to €200.000 (incl.).

(ix) Existing access points

The study will take into consideration several results of ESPON applied research projects. In particular, thematic projects on the territorial effects of major spatial developments and policy impact projects on sector policies. The list of the main reports is as follow:

- ESPON Synthesis Report III ‘Territory matters for Competitiveness and Cohesion’
- ESPON Project 2.2.1 ‘Territorial effects of Structural Funds’
- ESPON Project 3.2/Spatial Scenarios, partly based on econometric models

Other existing and upcoming ESPON reports to be used shall be considered as the project implementation progresses.

Documents provided by the regional stakeholders include:

- Micro & macro economic figures and data (and information related to the two periods of EU cohesion policy)
- Information regarding spatial planning
- Regional Operational Programmes (1994-1999; 2000-2006)
- 2007-2013 Structural Funds documents
- Policy documents on selected topics of interest for each region

European Policy Documents being particularly relevantly are:

- 4th Report on Economic and Social Cohesion
- 5th Progress report on EU Cohesion Policy (2008)
- Economic survey of the European Union 2007: Making the most of regional cohesion policy
- Communication from the Commission of 25 January 2006 to the Spring European Council - Time to move up a gear - Part 1: The new partnership for growth and jobs COM(2006) 30 final