

SPECIFICATION

ESPON Applied Research Project 2013/1/7

Attractiveness of European Regions and Cities for Residents and Visitors (2010-2012)

(o) Territorial challenges relevant for ESPON 2013 projects

The development of the European territory is facing several ongoing mega trends and impacts of policies:

- The integration of the EU in global economic competition is accelerating, offering regions and larger territories more options to decide their development path, as development is no longer a zero sum game for Europe.
- Interaction is growing within the EU territory and between the surrounding neighbour countries and other parts of the world. This is apparent through e.g. migration pressure on more developed countries, which are themselves confronted with population decline, and by access to and investment in new markets.
- Market forces and the evolution of society in general support a geographical concentration of activities.
- The ongoing demographic changes with an ageing European population, in addition to migration, affect regions differently and increase the competition for skilled labour.
- The occurrence of hazards due to climate change is increasing and different parts of Europe experience different types of hazards.
- Increasing energy prices and the emergence of a new energy paradigm have significant territorial impacts, some regions being more affected than others. This presents particular development opportunities for the production of renewable energy sources.
- The enlargement of the EU to 27 Member States, and potentially more, presents an unprecedented challenge for the competitiveness and internal cohesion of the Union.

ESPON results have revealed that territorial capital and opportunities for development are inherent in the regional diversity that is a characteristic of Europe. Consequently, different types of territories are endowed with diverse combinations of resources, putting them in different positions for contributing to the achievement of the Lisbon and Gothenburg Agendas, as well as to Cohesion Policy. Territorial diversity, especially in

the economic base, implies that strategies other than opting for a knowledge-based economy might be more appropriate and viable for some regions.

The ESPON 2006 Programme provided integrated analysis and long-term spatial scenarios which enriched the European policy debate and knowledge base. The results and observations on territorial structures, trends, perspectives and assessment of EU policy impacts had not been fully evident before and supported a better understanding of the European dimension of territorial dynamics. This has prompted interest among policy makers and practitioners for even more information, knowledge and understanding that ESPON can offer.

The ESPON 2013 Programme shall bring this knowledge base one step further through applied research and targeted analysis, indicator development and data collection, capitalisation events presenting results, etc. All these actions will be related to an improved understanding of territorial structures, development trends, perspectives and policy impacts.

The European-wide evidence provided by the ESPON 2013 Programme will potentially benefit stakeholders at all levels throughout Europe. Policy makers dealing with territorial development require sound evidence and comparable regionalised information in addition to medium and long-term development perspectives, in order to create sustainable and efficient integrated policy responses for their territories.

Given that the European Union is moving towards a more integrated policy approach, the territorial dimension is particularly important for policy makers. The aim of territorial cohesion proposed by the Commission supports this approach by taking the territory as an element within the framework of policy making. Due to the provision of evidence based on analyses of territorial units, the ESPON 2013 Programme is of strategic importance for European policy development and cooperation.

By further developing and expanding the existing knowledge and indicators, the ESPON 2013 Programme will play a strategic role in supporting the policy process of the 2007-2013 period, and contribute to the development of Cohesion Policy.

(i) General objectives of applied research projects under Priority 1

The general objectives of applied research projects within the ESPON 2013 Programme are the following:

- Building new evidence based on comparable information about European regions and cities, including information on dynamics and flows, and covering the entire territory of EU 27, Iceland, Liechtenstein, Norway and Switzerland.
- Addressing major territorial challenges and political priorities providing comparable information covering the entire European territory, its regions and cities.

- Providing comparable regionalised information and possible policy options for making use of opportunities inherent in territorial structures; anticipating and counterbalancing negative trends and structures, taking into account the diversity of the ESPON territory and considering institutional, instrumental and procedural aspects.
- Identifying types of territories, regions and cities that share common development challenges and are affected most (positively or negatively) by the identified structures, trends, perspectives and / or policy impacts.
- Contributing to the further identification of structures within the EU territory that represent options for exploring comparative advantages and provide synergy through territorial cooperation arrangements, involving regions and/or cities.
- Contributing to the improvement of the scientific platform for European applied territorial research by refining existing concepts, methodologies, indicators, typologies, European maps and models and by defining new ones.
- Providing the knowledge and competence capabilities needed to ensure scientifically validated results of the applied territorial research with the support of Sounding Boards¹.
- Supporting the use and dissemination of results to an audience of policy makers, practitioners, scientists and experts.

This project shall contribute to these general objectives during its implementation, and in doing so make best use of existing ESPON results, new results in other ESPON projects as well as other research results and relevant studies.

(ii) Relation of this project to the ESPON 2013 Programme

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

¹ For each applied research project a Sounding Board will be set up, accompanying the project throughout its life cycle and giving advice to the TPG on both, scientific issues as well as relevance for policy makers. Sounding Boards will normally be made up of one scientist and one practitioner. Their tasks will consist of assessing project proposals, giving continuous feedback to TPGs and commenting on their reports.

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.

This project belongs to the first priority. It holds a key position in developing a common understanding of the relation between attractiveness and competitiveness of European regions and cities. Knowledge on these issues is vital for targeted policy development in the light of Cohesion Policy aiming, inter alia, at job creation and supporting cities and regions in becoming competitive and attractive for residents and visitors.

Therefore a strong coordination and interlinkage with other ongoing ESPON projects is crucial for achieving comprehensive results. A close cooperation with the appointed Sounding Board and the ESPON CU must also be established as part of the project implementation.

(iii) Thematic scope and policy context

Economic analysis often focuses exclusively on the sites of production. This project focuses on the sites of consumption. Instead of looking at large manufacturing plants producing for export or at multinational headquarters, this project will look at the impact of shops and restaurants, hotels and hospitals, doctors and post offices. The attractiveness of European regions and cities for residents and visitors alike depends on the quality, cost and availability of specific services and goods.

In the context of updating the ESPON Demography/Migration Typology Map (2008) it became clear that migration is a driving force for the development of human resources in regions and cities. The attractiveness of living conditions thus becomes an important issue. The efforts of a region and/or city, especially in the European periphery, in becoming attractive for people wanting to move there are apparently intertwined with the efforts trying to achieve balanced territorial development.

Attractive, competitive and dynamic regions and cities have been a major issue for the development of respective policies. The ESDP (1999) already underlined the need to support regions and cities in becoming more competitive and attractive.

The Territorial Agenda of the EU (2007) builds upon this notion and introduces a new aspect, emphasising that a continuous dialogue is necessary in order “(...) *to secure better living conditions and quality of life with equal opportunities (...) irrespective of where people live. (...)*”. It states, that “(...) *the private sector (especially locally and regionally based entrepreneurship), the scientific community, the public sector (especially local and regional authorities), non-governmental organisations and different sectors need to act together in order to make better use of crucial investments in European regions. (...)*”

In that context, the Leipzig Charter on Sustainable European Cities (2007) underlines the role of the local economy, especially in deprived urban neighbourhoods, stating that “(...) *in this context, labour market and economic policies which are tailored to the needs of the individual neighbourhoods will be appropriate instruments. The objective is to create and secure jobs and to facilitate the start-up of new businesses. (...)*”

The Green Paper on Territorial Cohesion (2008) brings all aspects together in stating that “(...) *increasingly, competitiveness and prosperity depend on the capacity of the people and businesses located there to make the best use of all of territorial assets. In a globalised and interrelated world economy, however, competitiveness also depends on building links with other territories to ensure that common assets are used in a coordinated and sustainable way. Cooperation along with the flow of technology and ideas as well as goods, services and capital is becoming an ever more vital aspect of territorial development and a key factor underpinning the long-term and sustainable growth performance of the EU as a whole. (...)*”

The necessity that the growth performance of the EU shall be sustainable has recently been underlined by the President of the European Parliament (2008), arguing that “(...) *economic growth cannot be measured by GDP alone, but must also reflect social and environmental conditions. In this sense, the EU should not be compared to other fast-growing economies where social values are not respected in the same way. (...)*”

The Green Paper on Territorial Cohesion launches a debate on territorial cohesion. In this debate, it highlights the issue of attractiveness and competitiveness but also encourages more analysis on this. One of these issues is environmental policy: “(...) *Environmental policy impacts in many ways on the location of economic activity. Regulatory requirements can have a spatial dimension and influence land use planning. To effectively meet policy objectives and standards, regions and stakeholders work together, for example in the context of the Community Biodiversity Action Plan and the joint management of Natura 2000. (...)*” Another issue is competition policy: “(...) *Competition policy can affect the territorial distribution of economic activity by ensuring that regional aid is concentrated in the most disadvantaged areas and by adjusting the intensity of aid to the nature and scale of problems. (...)*”

Against this background, the project should strive to achieve a better understanding of the following key policy questions, for which it should produce supporting information and evidence:

- How does the attractiveness of European regions and cities for residents and visitors contribute to economic performance?
- What are the key ingredients of attractiveness in different types of territories, from vibrating city centres to tranquil rural settlements, taking into account issues such as access to services, well-being and quality of life?
- How can policy makers improve the attractiveness of their city or region and reconcile the interests of visitors with those of their residents?

The perspective of applied research under this measure shall be guided by the objective to identify perspectives and trends for the attractiveness of European regions and cities for residents and visitors, also in the light of the Lisbon Agenda, the Gothenburg Agenda and Agenda 21.

Coordination should take place with other relevant ongoing ESPON Projects, above all the projects on “Cities and Urban Agglomerations (FOCI), “Rural Areas’ Development (EDORA)”, “Territorial Impact Assessment (TIA)”, “The Case for Agglomeration Economies in Europe (CAEE)”, “The Development of the Islands – European Islands and Cohesion Policy” (EUROISLANDS) and “Territorial Diversity (TeDi)” and particularly with the project on “Services of general interest”, the latter starting in parallel to this project.

(iv) Analytical framework and deliveries expected

Attractiveness of regions and cities is becoming increasingly important for the ability of places to attract residents and visitors. Many regions and cities are already working on improving and marketing themselves as attractive places to settle down and/or to visit for tourist and/or commercial reasons.

The project shall start off with developing an improved methodology to measure the attractiveness of European regions and cities.

Attractiveness comprises a number of issues, amongst others the residential economy, retirement services, conference and tourism facilities, cultural and natural attractions.

The project shall consider existing data and indicators for the analysis. The data, indicators and maps of the ESPON 2006 Programme are one important source in this respect. This project shall in particular be informed and make use of relevant results from the following previous and current ESPON Projects:

- The previous ESPON Project 1.4.5 (“Preparatory Study of Spatially Relevant Aspects of Tourism”) provided an overview over what an attractiveness and competitiveness factor like tourism is and how it can be defined and described and analysed the size of tourism at regional level in Europe.

- The previous ESPON Project 1.1.1 (“Urban Areas as Nodes in a Polycentric Development”) showed that urban nodes are functionally specialised which may contribute to their attractiveness.
- The previous ESPON Projects 1.3.2 (“Territorial Trends of the Managements of the Natural Heritage”) and 1.3.3 (“Impacts of Cultural Heritage and Identity”) outlined that natural and cultural heritage are both assets for economic development, thus showing different territorial patterns.

The project shall strive for a comprehensive and integrated research approach, taking into account social, cultural, environmental, and economic aspects. In addition, a three-level-approach (European, transnational / national, regional) to the analysis, commonly used by all ESPON applied research projects, should be applied in order to support a clear presentation of results, which might vary depending on the geographical scale.

The project shall also strive for delivering innovative results which can support the policy development in the field of territorial development, competitiveness and cohesion. It should demonstrate an inventive approach with regard to the scientific answers to the policy questions and should aim at showing new development opportunities for the European territory. There should be a combination and interrelation of various sectors and territorial insights on the development in order to contribute to the creation of new development paths and visions.

In the concrete design of the applied research project and its work packages, the project is expected to answer the following key research questions:

- **What are key factors/criteria of attractiveness?**
 - What different types and/or categories of residents and visitors that are relevant for this project can be recognised?
 - What are the key factors/criteria of attractiveness for residents (in terms of e.g. functionality, access to services and higher education facilities, labour market/job availability, the creative economy, land prices, housing markets/mortgage availability, criminality, quality of life, cultural scene, trendsetting, different cultures/ages), and for visitors (in terms of e.g. retail, connectivity, ambience/urban fabric, events, conference facilities, urban and natural heritage)?
 - What are the spatially relevant factors (e.g. territorial and space-time-wise distribution of settlement and transportation networks as well as relations between them, functional and physical efficiency of spatially significant attributes of settlement and transportation nodes, territorial and space-time-wise potentials derived from landscape)?
 - To what extent do all these factors influence the economic development of a region/city?
 - How are these factors distributed among European regions and cities?
 - How can these factors be measured?
 - Are there any conflict patterns visible among these factors (e.g. between regional attractiveness and regional sustainability/quality of life)? Do these factors

influence those criticalities hindering cohesion (if yes, how)? Do some attractiveness factors have counter-effects on social and economic cohesion?

- **What is the role of sectors and trends for attractive regions and cities?**
 - What role in- and out-migration have played and will play, particularly in an historic dimension over time?
 - What is the role of retail/trade as well as cross-border sites of real estate as drivers for attractive regions and cities both in urban and rural settings?
 - What is the role of public sector investments in terms of investment flows, but also in terms of labour market influence?
 - What is the significance of attractiveness in developing and exploiting sustainable tourism?
 - What are the challenges and development opportunities related to natural, cultural and landscape heritage in enhancing attractiveness?

- **Which instruments could be proposed for enhancing attractiveness?**
 - Which regions and cities might face difficulties in ensuring a high level of attractiveness for residents and visitors in the short-term future (taking account of the key factors identified before)? What could be possible policy responses to these difficulties?
 - Which set of tools and instruments can be developed for policy makers in this respect? Do new types of regions occur due to the policy setting which will change current mental maps?

- **Which are attractiveness patterns and future perspectives?**
 - What are the differences in attractiveness patterns when looking at multiple levels, i.e. local, regional, national, European and global level, focusing particularly on correlations between cities and their surrounding regions? What are the differences of these patterns over space and time? What are the territorial dynamics over space and time?
 - What can be possible development paths /future perspectives for both, attractive and still unattractive regions, taking into account current and future global challenges e.g. climate or demographic change?

The project shall include a limited number of targeted case studies in order to receive some more focused and detailed information on the attractiveness of European regions and cities. Different types of regions and cities displaying different levels of attractiveness shall be considered in the selection of case studies.

The geographical coverage of the project shall encompass all the countries participating in the ESPON 2013 Programme. Furthermore, the Transnational Project Group (TPG) should assess the data situation for their field of research in the EU Candidate Countries (i.e. Croatia, the former Yugoslav Republic of Macedonia, Turkey) and / or the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Montenegro, Albania, Kosovo under UN Security Council Resolution 1244) and report on their

findings in the Inception Report. Depending on the respective data situation these countries would then be included in the analysis.

The deliveries of the project should make use of and complement the existing scientific platform and tools of ESPON, which are accessible on the ESPON Website. The project is expected to enhance the scientific platform of ESPON with at least the following deliveries:

- Data input to the development, update and extension of the ESPON Database by additional data on attractiveness and competitiveness gathered within the project, particularly in relation to the new ESPON Partner States (Iceland and Liechtenstein). Indicators need to offer compatibility with a map-making facility, to provide a consistent, homogenous, reliable, and up-datable database.
- Indicators as well as new complex indicators offering – as tools – additional information on the different types of attractiveness and competitiveness.
- Innovative case studies (selected on the basis of a balanced geographical coverage) covering data and best practices which otherwise would not be available.
- European maps (preferably tridimensional) revealing the attractiveness of European regions and cities (including land prices) as well as new types of regions.

Regarding the development of new data and maps and/or the use of existing data, the TPG is expected to cooperate closely with the TPG in charge of the development of the ESPON 2013 Database and Data Development Project.

The results and conclusions of the applied research within the project should be formulated in relation to policy orientations present at European level and make use of the new typologies – if applicable – and maps resulting from the project.

In order to create coherence with project findings of other ESPON applied research projects, the project should present the main final results in relation to different types of regions and cities, using existing typologies for the urban system, rural areas, mountain areas, islands, coastal areas and outermost regions. The final results should also be presented for transnational cooperation areas under Structural Funds, and – where appropriate and possible – also for cross-border cooperation areas and inter-regional cooperation areas.

Following the logic of the Territorial Agenda of the EU, orientations for policy makers should refer to the respective territorial development opportunities and the available options to mobilise these for the benefit of the regions and cities in question. In this respect, references to future policy options should take account of European Cohesion Policy orientations, in particular expressed in the Community Strategic Guidelines on Cohesion 2007-2013 and the Fourth Report on Social and Economic Cohesion as well as the spring 2009 debate opened by the Green Paper on Territorial Cohesion.

Project findings should make clear which impact the use of the identified development opportunities could have on the competitiveness and socio-economic situation of

European regions and cities as well as on the realisation of economic, social and territorial cohesion in Europe.

Finally, the project should consider avenues for further applied research on the theme.

(v) Outputs and timetable

One of the main objectives of the ESPON 2013 Programme is to focus on research with policy relevance and to contribute to the development of relevant policies. Therefore, the outputs of the research project should be highly operational and coordinated in time, as far as possible, to fit into the relevant political agenda.

The proposal for the project is expected to reveal individual work packages on project coordination, research activities, and dissemination, as well as a schedule for project implementation based on the following indicative² timetable and specification of outputs:

June/July 2010 (Inception Report):

Twelve weeks after the Kick-Off Meeting, a more in-depth concept should be submitted by the TPG allowing for a detailed overview on the research approach to be applied, the methodology and hypothesis for further investigation, as well as a review of the main literature, data sources, etc. The Inception Report shall also inform about the selection of case studies that will be conducted on different types of regions and cities displaying different levels of attractiveness. It shall as well include an overview of more detailed deliveries and outputs envisaged by the project as well as an indication of likely barriers that the project implementation might face. The report shall give clear orientation for the applied research previewed towards the Interim Report. The research team should also report on the findings regarding the assessment of the data situation in the EU Candidate Countries (i.e. Croatia, the former Yugoslav Republic of Macedonia, Turkey) and/or the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Montenegro, Albania, Kosovo under UN Security Council Resolution 1244) and, on that basis, determine the geographical coverage of their research. Finally, the TPG should outline how it envisages making use of existing ESPON results that are relevant for this project.

November/December 2010 (Interim Report):

The content of the Interim Report shall reflect the orientations given in the Inception Report as well as the results of the discussions having taken place with the Sounding Board. The report is envisaged to include elements such as:

a) Preliminary results on the basis of available data, developed indicators, typologies, and European maps, including

² The final timetable for the project will depend upon the exact date of the project's Kick-off Meeting. At this meeting, the exact delivery dates for all project reports will be agreed upon with the Lead Partner.

- Data collection achieved, including an overview on statistical and geographical data collected by EUROSTAT, and National Statistical Institutes, etc.;
 - Draft European maps;
 - First indications on the conclusions and policy relevant options that could be the outcome of the project.
- b) Plan for the applied research towards the Draft Final Report as well as the Table of Content envisaged.

November/December 2011 (Draft Final Report):

The Draft Final Report will take into account feed-back on the Interim Report from an ESPON Seminar and by the Sounding Board. The report is supposed to include elements such as:

- c) Report (max. 50 pages) on the main results, trends, impacts, projections and options for policy development, including key analysis/diagnosis/findings and the most relevant indicators and maps (any additional information should be included in a Scientific Report). Particularly important are options for policy makers, which could provide the basis for interventions related to opportunities for improving European competitiveness and cohesion.
- d) An executive summary (max. 10 pages) summarising the main results of the applied research that can be communicated to a wider audience of stakeholders. This summary should be based on the report mentioned above.
- e) Scientific Report documenting the scientific work undertaken in the applied research including elements such as:
 - Literature, definitions and methodology/theory used;
 - Methodologies, typologies and concepts developed and used;
 - Data collected and indicators used, including calculation algorithms and tables with the exact values of indicators;
 - Maps produced in support of the results, covering the territory of EU 27, Iceland, Liechtenstein, Norway and Switzerland;
 - Tools and models used or developed;
 - Future research avenues to consider, including further data requirements and ideas of territorial indicators, concepts and typologies as well as on further developments linked to the database and mapping facilities.

April/May 2012 (Final Report):

- f) Revision of the Draft Final Report on the basis of comments received.

May/June – November/December 2012 (Dissemination):

- g) Dissemination of project results by the TPG in the framework of international conferences and seminars, e.g. transnational activities of the ECP Network, events organised by the ESPON CU. These activities need to be reflected in the budget proposed by the TPG for the implementation of the project.

The ESPON 2013 Programme foresees in Priority 4 also capitalisation of project results including events, printed reports, website facility, etc. The Programme includes, in other words, substantial dissemination activities at Programme level which all projects should make use of and support. This means that the project's dissemination activities shall ensure consistency and avoid overlaps with and repetition of respective activities organised at Programme level. The project team shall refer to the objectives of Priority 4 of the ESPON 2013 Programme "Capitalisation, ownership and participation: Capacity building, dialogue and networking" when considering dissemination activities and closely coordinate these with the ESPON CU.

Irrespective of the above mentioned reports to be submitted at certain stages in the project life cycle, the TPG is expected to give presentations on the state of their research or/and the results in the framework of internal and external ESPON Seminars. Therefore, when setting up the project proposal, the TPG should also allow for travel expenses for the attendance of ESPON Seminars.

(vi) Budget for the applied research project

The maximum budget foreseen for this applied research project amounts to € 850.000, including VAT, if applicable. Proposals exceeding this value will not be considered.

All real eligible costs incurred for carrying out the approved project will be refunded 100% by the ESPON 2013 Programme.

(vii) Existing access points

Synergies and use of results from outside the ESPON context shall be sought. In particular, research activities by international bodies like the OECD, the European Commission Joint Research Centre and the European Environmental Agency (EEA) might be valuable sources for this project.

The other access points listed below can serve the purpose of providing the TPG useful information for preparing a proposal. It is by no means meant to be exhaustive, but should be considered as information that can be helpful in tracing additional useful background information.

- ESPON projects results, data, tools and maps (available at www.espon.eu)
- The Territorial Agenda of the European Union (2007)
- The Leipzig Charter on Sustainable European Cities (2007)
- The Green Paper on Territorial Cohesion (2008)
- The Fourth Report and Social and Economic Cohesion (2007)
- CEDEFOP European Centre for the Development of Vocational Training, European Foundation of the Improvement of Living and Working Conditions (2006) "Fostering mobility through competence development"

- Commission of the European Communities, Communication from the Commission COM(2005) 0299 “Cohesion Policy in Support of Growth and Jobs: Community Strategic Guidelines, 2007-2013”
- European Foundation for the Improvement of Living and Working Conditions, (2004) “Quality of life in Europe. First European Quality of Life Survey 2003”
- European Union, Committee of Regions (1999) “Evaluating Quality of Life in European regions and cities”
- European Union, Committee of Regions (2006) “Sustainable Tourism as Factor of Cohesion Among European Countries”
- URBACT, C.H.O.R.U.S Network A good practice charter “Cultural heritage operations for the regeneration of urban sites”
- URBACT, the URBACT Culture Network “Culture & Urban Regeneration. The role of cultural activities & creative industries in the regeneration of European cities”
- EEA (2009) “Quality of life in Europe’s cities and towns”