

ESPON

TERMS OF REFERENCE PROJECT 2.4.2

Integrated territorial analyses based on ESPON results (2004-2005)

o) Political challenges for the ESPON projects

The Second and Third Report on Economic and Social Cohesion, published in January 2001 and February 2004 respectively, presented for the first time a third territorial dimension of cohesion (beside the economic and social cohesion), which calls for a better co-ordination of territorially relevant decisions. Stressing the persistence of territorial disparities within the Union, the report stated the need for a cohesion policy not limited to the less developed areas as well as the need to promote a more balanced and more sustainable development of the European territory.

The Cohesion Reports represent in that respect a follow up of the European Spatial Development Perspective (ESDP), adopted at ministerial level in May 1999, calling for a better balance and polycentric development of the European territory. The projects launched under the ESPON programme shall follow an integrated approach and, seen together, cover a wide range of issues, such as:

- Identifying the **decisive factors relevant for a more polycentric European territory**; accessibility of a wide range of services in the context of enlargement; integration of wider transnational spaces¹; promotion of dynamic urban growth centres; linking peripheral and disadvantaged areas with those centres; etc.

- Developing **territorial indicators and typologies** capable of identifying and measuring development trends as well as monitoring the political aim of a better balanced and polycentric EU territory

- Developing **tools supporting diagnoses of principal structural difficulties as well as potentialities**, such as disparities within cities and regenerating deprived urban areas; structural adjustment and diversification of rural areas; strategic alliances between neighbouring cities at transnational, national and regional scale; new partnerships between rural and urban areas; potential support from infrastructure networks in the field of transport, telecommunication, energy; etc.

¹ Please be aware that the term “transnational” in this Terms of Reference should not be interpreted as Interreg III B transnational spaces. In this Terms of Reference the word “transnational” indicates contiguous spatial patterns or territories across national borders, which the analysis at transnational scale will display, and which might be different for different indicators and analytical contexts.

- Investigating **territorial impacts of sectoral and structural policies** in order to enhance synergy and well-co-ordinated decisions relevant for territorial development within policy fields such as Structural Funds, agriculture, transport, fisheries, environment, research and development as well as impacts to be taken into account in Integrated Coastal Zone Management activities; developing methods for measuring the territorial impact of sectoral and structural policies; etc.
- Developing **integrated tools in support of a balanced and polycentric territorial development**; approaches to enhance the potential of cities as drivers of regional development, new tools for integrated urban-rural development and planning, etc.

The Third Report on Economic and Social Cohesion included new scientific knowledge and information from a series of ESPON projects. As such the ESPON programme has met one of its objectives by delivering new scientific knowledge and information on European spatial issues as basis for future policy development at EU-level and within Member States.

With the results of all ESPON projects, the Commission and the Member States expect in particular to have at their disposal: **a diagnosis of the principal territorial trends** at EU scale and of the difficulties and potentialities within the European territory as a whole; **a cartographic picture of the major territorial disparities** and of their respective intensity; a number of **territorial indicators and typologies assisting a setting of European priorities** for a balanced and polycentric enlarged European territory; some **integrated tools and appropriate instruments** (databases, indicators, methodologies for territorial impact analysis and systematic spatial analyses) to improve the spatial co-ordination of sector policies.

In this respect, the ESPON projects will serve as a strong scientific basis for the propositions of the Commission in view of the reform of post-2006 Structural Funds.

A major objective with project 2.4.2 the ESPON programme in this respect will be to contribute with integrated scientific analyses to considerations of the Commission on territorial cooperation and transnational cooperation programmes within Structural Funds after 2007. The Commission has launched a study² with this objective to which the integrated scientific analyses of ESPON project 2.4.2 should be complementary. The ESPON CU will together with the forthcoming Lead Partner opt for a close coordination and synergies in that respect.

i) Relation to the ESPON 2006 Programme

The priorities describing the work-programme of the ESPON 2006 Programme are structured in four strands:

1. **Thematic projects** on the major spatial developments on the background of typologies of regions, and the situation of cities.

² Pre-information published in the Official Journal of the European Communities (2004/S 134-113882) for a study called "Territorial cooperation and transnational cooperation programmes within Structural Funds".

2. **Policy impact projects** on the spatial impact of Community sector policies and Member States' spatial development policy on types of regions with a focus on the institutional inter-linkages between the governmental levels and instrumental dimension of policies

3. **Co-ordinating and territorial cross-thematic projects** represent a key component of the programme. These projects evaluate the results of the other projects towards integrated results such as indicator systems and data, typologies of territories, spatial development scenarios. The cross section projects help to thematically co-ordinate the whole programme and add value to the results and to fill gaps, which are unavoidable when different themes are dealt with in different projects.

4. **Scientific briefing and networking** in order to explore the synergies between the national and EU source for research and research capacities.

Project 2.4.2 belongs to the second strand of projects and holds an important position in deepening and integrating results of already existing ESPON projects and relate them to different European territories (at macro, meso and micro scale).

Particular close links will be required with the coordinating and cross-thematic projects under priority 3 providing for a scientific coherence within the ESPON programme. The work of project 2.4.2 shall in particular relate to final results delivered by project 3.1.

Project 3.1 presenting their draft final report in September 2004 will provide important cross-analysis and results, which should be developed further and deepened within project 2.4.2., such as the envisaged Regional Classification of Europe. These results should be considered as the starting point of the integrated analyses and research to be undertaken.

In order to include a forward looking element and the relation to territorial considerations in relation to the Lisbon/Gothenburg agenda in the analyses of project 2.4.2 a strong coordination with ESPON projects 3.2 and 3.3 shall be ensured. First of all to avoid any possible overlaps, but in particular to include, as far as possible, available results of the cross-thematic ESPON projects 3.2 on "Spatial scenarios" and project 3.3 "Territorial Dimension of the Lisbon /Gothenburg Process".

Necessary networking and cooperation would also involve projects under strand 1 and 2 on methodological aspects of the territorial impact analysis, e.g. project on ESDP and impact of Structural Funds. A close contact should be envisaged with these projects as well in order to benefit the maximum from their findings.

A number of projects of the ESPON programme are ongoing; some of them providing final results by August 2004. Project 2.4.2 shall contribute to scientific cohesion and consistent projects results within the ESPON programme. The project is supposed to be based on final and interim results obtained by the other ESPON projects and to base its work on the scientific platform developed so far.

Finally, a close coordination will be required with both the ESPON Co-ordination Unit and the Monitoring Committee of the programme.

iii) Thematic scope and context

Nine projects of the first round of the ESPON programme will in the following months present their final report and conclusions on a certain number of important territorial trends and policy impacts affecting the European territory. These results are expected to complement, detail and apply the policy orientations set out in the ESDP and will provide strategic and policy recommendations on how to achieve spatial objectives in the enlarged European territory. These strategic and policy recommendations have been set out on a three scale approach, European, transnational and national scale, however always looked at from a European perspective.

The Third Cohesion Report and the adopted Constitution (still to be ratified by Member States) has reviewed the approaches of the European Cohesion policy and proposed a territorial dimension to cohesion. The Third Cohesion report is opting for more concentration and more effective cohesion policy via more targeted interventions; cohesion policy should in the future programming periods focus on a limited number of priorities, reflecting mainly, but not exclusively, the Lisbon and Gothenburg agendas.

It is the intention of the Commission to organise these priority themes around a framework comprising the following three headings, valid for the strategic frameworks that will need to be established both at national and transnational scale:

1. convergence
2. regional competitiveness and employment
3. territorial cooperation

In general, Cohesion policy by aiming at reducing economic and social disparities can strongly contribute to the successful implementation of the Lisbon and Gothenburg agendas and boost growth employment and competitiveness. There is a need to further increase the effectiveness of intervention at European, transnational and national levels, which will demand clear objectives and strategies and, in particular, coherent policy objectives at these three different scales. Policies for competitiveness and growth are considered to become more efficient the more sectoral actions are territorially coordinated and the more design and delivery from sector interventions takes place via multi-level governance.

Convergence and growth, solidarity and competitiveness are not separate objectives and policies should aim at increasing the growth potential of regions, while not detracting from the growth and potential of other regions, which is a logic option as globalisation and international competition develop. Succeeding in such approach would enhance both convergence and overall European Competitiveness.

In order to implement the Lisbon and Gothenburg agendas there is the need for high-level long terms objectives at Community level which should then be translated into coordinated objectives at transnational and national scale. The high diversity of economic, social, technological and territorial conditions within member states of the EU and Rumania, Bulgaria, Norway and Switzerland requires implementing instruments and further specific targets to be region-specific (for regions, national and transnational territories).

In the Third Cohesion report the Commission has already proposed a core list of European priorities consisting in a number of key thematic orientations:

- innovation and the knowledge economy
- environment and risk prevention
- accessibility and services of general economic interest.

Territorial disparities are often the reflection of strong inequalities in the endowment of these territories in terms of competitiveness factors and structural intervention. Sectoral policies and instruments can have a significant impact on these elements and act as a factor of re-equilibrium among territories.

The diversity of territorial opportunities and development potentials plays an equally important role in providing for a harmonious and balanced European territory. Different territorial contexts entail their specific weaknesses and opportunities, which in project 2.4.2 shall be analysed in a systematic way using the ESPON 'three scale approach' focusing at European scale (macro scale), a diversity of transnational spatial contexts (meso scale) and each national territory (micro scale).

Project 2.4.2 should provide an integrated and structured analysis of the results of the ongoing and finalised ESPON project results, 'zooming' in on different territorial contexts and scales, in order to identify existing spatial patterns and territorial specificities and complementarities.

The integrated analysis should in principle be conducted including all themes covered so far by the ESPON programme and the related core indicators.

The integrated analysis should as well consider and make use of the core typologies developed until now, such as Functional Urban Regions (typology from ESPON project 1.1.1) and Rural-Urban relationships (typology from ESPON project 1.1.2). In addition, other regional typologies from studies undertaken outside the ESPON programme could be included.

The integrated analyses shall at macro, meso and micro scale present cross-analysis based on quantitative information and include as well the use of 'superposition of layers technique', with the aim to identifying territories with particular spatial integration and/or potentials for added value through cooperation.

While the European territory and the national territories are well defined, at meso level, project 2.4.2 should contribute to the understanding of transnational spatial patterns by

examining transnational relations, examining the level of integration indicator by indicator. On that basis integrated transnational analysis, including typologies and/or composite indicators and/or indexes for transnational integration potential, could reveal territories and spatial patterns with a high cooperation potential.

Project 2.4.2 shall, in complementing the above-mentioned Commission study “Territorial cooperation and transnational cooperation programmes within Structural Funds”, provide integrated scientific analyses and map the diversity of spatial patterns at transnational scale.

Project 2.4.2 is requested to reflect national territories of EU Member States, Rumania, Bulgaria, Norway and Switzerland. ESPON results should as far as possible through integrated analysis contribute to a diagnosis of national territorial imbalances, bottlenecks and opportunities seen from a European perspective.

Therefore, at micro level, project 2.4.2 should identify spatial patterns at national scale. However, the analysis have to respect the limits of the existing regionalised information of the ESPON programme and to use already developed knowledge, datasets, indicators and typologies. Taking into account the complexity of this task and the knowledge and data availability, a first test of the level of detail and quality of national diagnosis should be developed for a representative sample of countries identifying main priority areas for cooperation and intervention.

The tender for project 2.4.2 should foresee to cover all countries included in the research within the ESPON programme (all EU-25 member states, Norway, Switzerland, Romania and Bulgaria). However, a test on the sample of countries should be conducted and evaluated preparing for a decision by the Monitoring Committee concerning an extension of integrated analysis at national scale.

iv) General objectives

- At macro scale, based on cross-analyses of ESPON results, identifying main sensitive and prospective territorial issues and areas within an ESPON territory without borders deepening the analysis provided by the ESPON projects, particularly ESPON project 3.1:
 - assessing the European territorial main structures, flows and diversity within the enlarged European territory focusing more in detail on key geographical areas that could be identified for their particular imbalances or potentials (such as functional urban regions, rural territories, islands, mountains areas,...), giving as well attention to the key sectors with major impact on territorial development.
- At meso scale, analysing the European territory in order to identify transnational spatial patterns with a high potential for added value through territorial cooperation. The analysis should for a number of core indicators identify a diversity of spatial patterns linked to territorial structures and flows. These patterns should form the basis for cross analyses pointing at imbalances, opportunities, bottlenecks, barriers

occurring in alternative transnational territories presenting the diversity of development potentials through transnational cooperation.

- At micro scale, a similar integrated analysis should be established for each national territory and, in addition, as far as possible provide:
 - A verification of coherence of identified strategic issues and projects with national policies and priorities.
 - Indicate policy measures in need of strong coordination between European and national level.
 - Ideas for specific measures and strategic projects that could be considered in support of territorial cohesion and cooperation.

Policy recommendation should follow the policy thinking of territorial cohesion and the policy orientations from the ESDP calling for better balance and polycentrism. Recommendations should in particular, contribute to a deeper understanding of the policy options at European level and for the benefits of differentiating European priorities to different territories at meso and micro scale.

v) Primary Research Issues envisaged

- At macro scale, the main territorial structures should be explored setting a framework of understanding for the research focusing on meso and micro scale.
 - The main spatial patterns of the European urban system, rural-urban relations, infrastructure networks and areas with particular handicaps, etc. should be presented strictly seen from a European perspective.
 - The main spatial patterns seen from a European perspective on priority fields for territorial cooperation mentioned in the Commission study as well as for other core indicators related to trends and policy impacts studied within the ESPON programme so far.
 - Cross thematic analysis leading to main spatial characteristics of the European territory.
- At meso scale, the perspective should shift by zooming in on transnational territorial contexts due to their potential for added value through cooperation. Considerations at meso scale should include:
 - The priority fields mentioned for territorial cooperation and other ESPON core indicators identifying spatial patterns of integration at transnational scale.
 - Identification of potential global integration zones, areas with particular potential for partnership between rural and urban territories, imbalances/barriers, missing links in infrastructure networks, specific areas etc. as part of the understanding of main territorial structures.

- For each of the priority themes and identified territories, the development potentials should be clearly identified and described. In addition, possible frameworks of cooperation between them on different sectors should also be identified. The objective is to further strengthen the cooperation between the transnational areas identifying new specific sectors and themes for cooperation at transnational level.
 - Integrated analysis of indicators and typologies, including the use of GIS overlay techniques in order to identify alternative transnational areas with high potential for cooperation. The transnational areas identified should as well be analytically compared to the existing Interreg III B areas.
- At micro scale, regarding integrated analysis of national territories, the following is envisaged:
- Based on ESPON results, a detailed qualitative and quantitative description of major territorial trends, imbalances, and potentials at national level (as well in absolute terms, and in relation to MS and EU average).
 - Identification of complementarities or inconsistencies between national trends and development objectives that could display major incompatibilities or cooperation opportunities, also for successful cross-border cooperation between countries.
 - Identification of major needs for better coordination of national policy objectives, with European and transnational development objectives. Policy recommendations developed so far by ESPON projects should serve as inspiration for eventual ideas for reorientation and better coordination of policies and objectives.

vi) Expected results and timetable

The timing of the reporting from project 2.4.2 shall follow needs from the policy process related to Structural Funds after 2007. In particular, integrated analytical deliveries shall fit into the process of carrying through the Commission study mentioned, which is envisaged to take around 12 months starting in autumn 2004.

This calls for a timing of project 2.4.2 delivering the expected results in accordance with the timetable below.

December 2004: First Interim Report

- (a) Methodology of the research to be undertaken at macro, meso and micro scale.
- (b) Description of supporting core indicators, typologies and data to be used.
- (c) Selection of a representative sample of 3-4 national territories to be analysed testing the feasibility of analyses at micro scale.

March 2005: Second Interim Report

Deepening of elements provided in the first Interim report, and new key elements:

- (d) Draft integrated analysis and characteristics of the European territory at macro level.
- (e) Draft analysis at meso scale including spatial patterns of thematic priority fields and territorial structures as well as draft integrated analysis leading to transnational territories of high potential for cooperation, spelling out their main potentials and common problems, and possible articulation for a better cohesion of the EU territory.
- (f) Draft analysis at micro scale of 3-5 national territories including an assessment of the research undertaken, which can form the basis for a decision to enlarge the analysis to all EU 25 countries, Rumania, Bulgaria, Norway and Switzerland.
- (g) Test of and recommendation concerning the possibility to embark in useful analysis of national contexts, as far as possible, including a focus on needs and elements required for better coordination of national policy objectives, with European and transnational development objectives.

September 2005: Third Interim Report

- (h) Draft analysis at micro scale for the national territories including in the ESPON space (this delivery depends on the decision of the ESPON Monitoring Committee concerning the usefulness of carrying through integrated analysis for all national territories).

December 2005: Final Report

Finalisation of the analyses and recommendations at macro, meso and micro scale, including

- (i) Recommendations in the perspective of the future framework of Structural Funds, on differentiated development priorities/strategies in each of the transnational territories.
- (j) Ideas for strategic projects within each national territory seen from a European perspective.

vii) Rationale and structure

The following text has the role of shaping the mind of thinking in developing a proposal for undertaking the ESPON project 2.4.2. The text is by no means meant to be exhaustive, but to serve the purpose of inspiring the tenderer:

1. Methodological approach

For this specific part of the study, the ambition is to build on methodological progress made by ESPON project, particularly condensed by project 3.1 in relation to the SWOT and RCE analyses developed in cooperation all other ESPON projects. The structure and results of these cross-thematic analyses could serve as a basis for the implementation of integrated analysis at meso and micro scale.

A three-level approach is one of the central elements for policy relevant analysis and recommendations of ESPON projects. This systematic approach is at the basis of the spatial development analysis of the European territory undertaken in the framework of

the ESPON programme. All analysis will make reference to 3 spatial scales: micro level (national); meso level (transnational) and macro level (European).

As part of the integrated analysis at meso scale, a methodology for using GIS and techniques for overlaying maps of different spatial patterns has to be developed and presented as part of the entire methodological approach to project 2.4.2. The intention is to complement the integrated analysis and present alternative transnational spaces with high cooperation potential.

Scientific coherence should be ensured by taken inspiration from results of the two cross-thematic projects (project 3.2 and 3.3), which should also serve as basis source of information in relation to the coherence of priorities and ideas for strategic project both at transnational and national level. In particular, project 3.2 could provide information on future trends, and project 3.3 useful insights on the understanding of the territorial implication of the Lisbon and Gothenburg agendas. A contact with project 3.1 in early autumn 2004 is particularly important in order to ensure avoid overlaps and maximise synergies with project 2.4.2.

2. ESPON indicators and data

As far as possible, the entire list of core indicators developed by the ESPON projects should be considered when developing the analyses at all three scales.

Particular attention should be paid to the priority themes mentioned in the Commissions Third Cohesion Report and in the draft Regulation on Structural Funds after 2006, and indicators for themes such as transport, telecommunications, energy, environment, human resources, innovation and research.

No further data collection should be necessary, however, depending on the choice that will be made for the level of analysis (NUTS level) and the availability of the data at that specific level, supplementary data may be needed. For instance, for transnational analyses, it is possible that an analysis at NUTS 3 level would not be recommendable and that an analysis at NUTS 2 level would be more appropriate.

The ESPON Database should contain all the necessary information on indicators and meta-data that will be needed for the analysis.

3. Typologies and particular use of project 3.1 results

Five different core typologies have been developed by the ESPON projects and compiled by the coordinating project 3.1:

1. typology of FUA/ MEGA and urban and rural relationships
2. (inductive) typologies related to specific themes
3. typologies for specific geographical situations
4. typologies directly related to Structural Funds discussions
5. three-level approach of typologies

In addition, tasks carried through by project 3.1 include the identification of regions with specific handicaps and potentials. This analysis should be further deepened in order to

reach the necessary detailed level for the definition of priorities and policy recommendations per transnational and national territories.

Moreover, definitions and typologies from studies outside the ESPON programme should be considered, such the studies commissioned by the Commission dealing with mountain areas, island and outermost regions.

4. Maps

Thematic maps should be elaborated by the project to illustrate the spatial articulation of analytical results. Integrated maps should accompany the findings at macro and micro scale (for each national territory). At meso scale alternative maps should display potentials for cooperation within different transnational territories.

Maps should be structured in order to ease the superposition of different layers (e.g. sectors, geographical division, national borders, etc.) in order to visually represent main project conclusions and stimulate political debate.

5. Orientation for policy recommendations

Policy recommendation should concentrate on potentials for high level of return following territorial cooperation. In addition, ideas for strategic projects etc. could be important for further policy development. The basic thinking should follow the ESDP policy orientations and try to further differentiate options to the diversity of the European territory.

As a platform for conceptualising policy recommendation the recent Lillehammer Guidance paper might be use ful.

Recommendations should be elaborated in order to provide a consistent scientific support that can be used by both Member State and the European Commission in further reflections in relation to priorities for Structural Funds intervention in the next programming period. In particular, micro scale analysis should serve as a base for policy recommendations aiming at supporting Member States in preparing strategic framework documents.

viii) Existing access points

In the process of developing a tender for project 2.4.2 and in carrying through the project the following point of reference can be useful:

(1) At www.espon.lu the following documents are available:

Reports prepared by ESPON projects, including Third Interim Report from project 3.1
Guidance papers from ESPON seminars
ESPON synthesis report on preliminary results by autumn 2003
Final report of project 3.1 (envisaged for October 2004)

(2) At the web page of the European Commission, www.europa.eu.int/info regio you will find a number of supporting documents, in particular:

The Third Cohesion Report
European Spatial Development Perspective
Draft Regulations on Structural Funds after 2006
Terms of Reference for the envisaged study “Territorial cooperation and transnational cooperation programmes within Structural Funds” (envisaged available by August/September 2004).
Studies of Mountains and Islands

(3) Additional information, which might be relevant, could eventually be traced by the tenderer at the homepages of Interreg III B programmes (spatial analyses and visions for different transnational territories) as well as at national level (spatial strategies, spatial development perspectives, etc.) at the ministries responsible for regional policy and/or spatial planning.

ix) Estimated budget

Up to €200.000.