

# Conference on Interregional Relations in Europe "Places Resilient to Crises"

**Post-event brief** 

24 and 25 November 2022





# 1. BACKGROUND

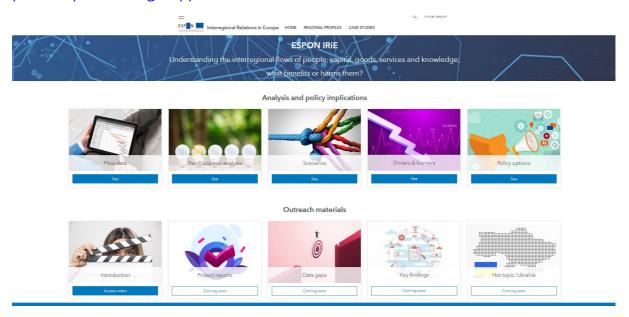
With a duration of two years, the ESPON Applied Research about "Interregional Relations in Europe" (IRIE) came to an end in June 2022<sup>1</sup>.

As a final climax, a conference was hold on the 24<sup>th</sup> and 25<sup>th</sup> of November in Pamplona, where the main findings and policy-implications were shared with a group of targeted policy makers and researchers.

The main objective of IRiE was to study the interregional flows of people, capital, goods, services and knowledge in the EU27 in addition to all the regions of Norway, Iceland, Liechtenstein, Switzerland, UK and candidate countries (NUTS 2 level - more than 270 European regions), and identify what benefits or harms them. Specific project' goals were:

- 1. To propose public policies to the European Commission and national and regional authorities to lower barriers and facilitate these flows;
- 2. To incorporate flows in regional development strategies;
- 3. To evaluate "shock" scenarios such as COVID or the war in Ukraine, that could influence the target fluxes, and give regional understanding of the potential impacts of relevant plans such as the European Green Deal.

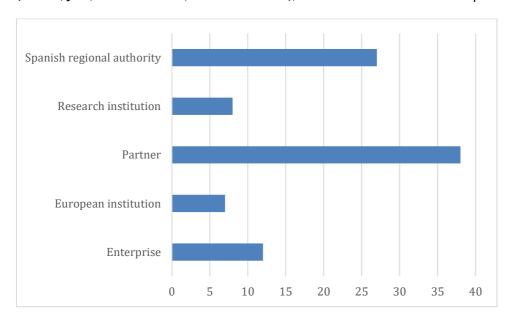
The scope, activities and main findings of the Project are at <a href="https://gisportal.espon.eu/arcgis/apps/sites/#/irie-hub">https://gisportal.espon.eu/arcgis/apps/sites/#/irie-hub</a>



<sup>&</sup>lt;sup>1</sup> More info at <a href="https://www.espon.eu/programme/projects/espon-2020/applied-research/interregional-relations-europe">https://www.espon.eu/programme/projects/espon-2020/applied-research/interregional-relations-europe</a>. The research team has been made up of the following organizations and academic institutions belonging to six European countries: NASUVINSA (Spain), CEPREDE-Centro de Predicción Económica (Spain), University of Eastern Finland (Finland), Spiekermann & Wegener Urban and Regional Research (Germany), University of Thessaly (Greece), Institute of Geography and Spatial Organization – Polish Academy of Sciences (Poland), Delft University of Technology (Netherlands).

# 2. PARTICIPATION

93 people participated during the two days online or in-person. The distribution of participants was: project partners, Spanish regional authorities, European institutions (OCDE, JRC, ESPON EGTC, DG REGIO etc.), research institutions and private companies.



## 3. EVENT DEVELOPMENT

The event was distributed in two blocks

- In November 24th, the new datasets obtained were shared with the audience (interregional flows of goods, services, people, capital and knowledge). These project results were discussed in a round table, linked with the topic of the circular economy.
- In November 25th, the pan-European analysis, scenarios and policy options were shared with the audience. These topics were discussed in a round table linked to the ongoing energy transition in Europe.

To feed the debates, several keynote speakers were invited to present complementary inputs:

- Jorge Rodríguez Vález, Senior Vice President at Moody's Investors Service,
- Iñaki Arto, senior researcher at the BC3 Basque Center for Climate Change
- Giancarlo Carta from BBVA Research
- Dr. Piotr Zuber, Counselor at Ministry of Development Funds and Regional Policy in Poland
- Andrea Conte, JRC Seville
- Eugenia Maruniak, Director of the Institute of Geography, National Academy of Science of Ukraine
- Uxue Itoiz, General Director of Industry, Energy and Strategic Projects S4, Government of Navarra

- Izaskun Goñi, General Director of Business Policy, International Projection and Work, Government of Navarra
- Pablo Muñoz, General Director of the Environment, Government of Navarra

Among the attendees, there has been an outstanding participation of those responsible for public policies at the regional level in Spain, European institutions (ESPON EGTC, JRC, DG REGIO, OECD etc.), universities and companies.

The event was inaugurated by Izaskun Abril, General Director of Territorial Planning of the Government of Navarra, and Nicolas Rossignol, Assistant Director for Research and Policy at ESPON EGTC. The closure of the event was carried out by Izaskun Goñi, general director of the General Director for Business, International Trade and Labor Relations of the Government of Navarra, representing the Vice President of the Government of Navarra, José María Aierdi.

Nicolas Rossignol highlighted that there was no coincidence that the Government of Navarra, through NASUVINSA, has been at the origin of the IRIE project. This region seems to have scientific and economic resources that exceed its size and make it, in some respects, a truly innovative region in Europe. Representatives of the Government of Navarra emphasized the importance of continuing with such European research projects, due to their contribution to improving decision-making processes in public policies with territorial impact. Especially in regional territorial and sustainability strategies, including Smart and Sustainable Specialization Strategies.

# 4. MAIN CONCLUSIONS

The general purpose of the ESPON IRIE has been to measure the flows between European regions in order to design actions that reduce barriers and facilitate the movement of people, capital, goods and services, including information on these flows within regional development strategies.

And more specifically, to propose public policies to European governments that reinforce the European principles of cooperation and territorial cohesion.

In the last two years, the impact at the interregional level of crisis scenarios, such as the War in Ukraine, Covid-19 or Brexit, has been analysed, and work has been done on the design of public policies for territorial cohesion that stimulate the flow of people, capital, goods and services.

The scope of the ESPON IRIE project includes a total of 276 regions of the European Union 28, in addition to all the regions of Norway, Iceland, Liechtenstein, Switzerland and candidate countries.

### Conclusions linked to IRiE products that may require additional investigations

- Iñaki Arto: It is feasible to complete the databases of interregional flows with information on the generation of the global and European value chain, similar to the example shown in Euskadi. And see how relations between nearby regions can be strengthened, in search of a better application of the principles of the circular economy.

- Jorge Rodriguez Vález: The world economy is on the verge of a very significant economic adjustment, with extraordinarily high levels of uncertainty, more restrictive monetary policy, fiscal challenges, geopolitical changes and volatility in financial markets.
- Giancarlo Carta: credit card usage data provide valuable information for the analysis of tourist flows. This methodology could be used to complete the results of the IRiE Project.
- Carlos Llano: the first year of war in Ukraine could generate in Europe the loss of 3.7 million jobs and a decrease of 1.77% in GDP, while inflation would cause a rise of 3% in inflation on rates existing before the invasion of Ukraine. These data, obtained in June 2022, are currently subject to upward revision. Further research is needed on this issue.
- Izaskun Abril: the need to reinforce the European commitment to a rail freight transport infrastructure that allows us to take advantage of our own export capacities within the continent, limiting the environmental impact caused by greenhouse gas emissions.
- Izaskun Goñi: The IRiE study considers the positioning of the European regions in the European export scheme, in absolute and relative terms per inhabitant, and their linkage to the maps of European metropolises that anchor interregional flows. This is key in regional development strategies, which should seek to strengthen relations between regions with which there are interregional flows, close or not. For example, within the framework of the European regions.
- Daniel Rauhut: regional development strategies must identify the appropriate funding framework for the actions they advocate. Likewise, anchoring development in intermediate hubs that provide services in their functional areas can be effective in counteracting the effect of the market logic that most interregional flows follow.
- Eugenia Maruniak: the latest Russian attacks on Ukraine's energy infrastructure may generate a new wave of refugees in the coming months. In the most unfavorable scenario analyzed (long war with high intensity), it could reach 10 million displaced persons. In the short term, this is key from a refugee management point of view. In the long term, it invites us to think about the European strategy on energy transition, which must accelerate the pace in order to reduce external dependencies.
- Tomasz Komornicki: the territorial cohesion policies of the European Commission must consider not only the nodes, but also, and very especially, the relations between regions.
- Xabier Velasco: The conclusions drawn from this analysis process may have positive implications, for example, in improving tourist flows in the new COVID-19 normality, in the management of trade flows by road in accordance with the guidelines proposed in the Green Pact Europe, or in the treatment of the economic consequences and the flow of refugees as a consequence of crisis situations such as the current war in Ukraine.