

## **SPECIFICATION**

### **ESPON Applied Research Project 2013/1/23**

#### **Small and medium sized towns in their functional territorial context (2012 – 2014)**

##### ***(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 more options for regions and larger territories in deciding on their development path as development is no longer a zero sum game for Europe.
- Interaction is growing between the EU territory and the surrounding neighbour countries as well as the other parts of the world, becoming apparent by 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 are supporting a geographical concentration of activities. The current economic downturn is having asymmetrical impacts on regions and cities, often mostly related to their national context and more local economic base.
- The ongoing demographic change with an ageing European population and migration is affecting the regions differently and boosts the competition for skilled labour.
- The occurrence of hazards is increasing due to climate change while 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, some of which have particular potential for production of renewable energy sources.
- The enlargement of the EU to 27 Member States, and soon with additional countries, 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 into different positions for contributing to the achievement of the Europe 2020 Strategy as well as to EU Cohesion Policy. Territorial diversity, particularly in the economic base, implies the need for tailor-made regional strategies building on endogenous potentials and synergies through

cooperation in order for regions, cities and larger territories to achieve smart, sustainable and inclusive growth.

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 produced by ESPON 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. Therefore, interest is growing among policy makers and practitioners for the information, knowledge and understanding ESPON can offer.

The ESPON 2013 Programme shall bring this knowledge base one step further by carrying out 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 2007-2013 Programme will potentially benefit stakeholders all over Europe at all levels. Policy makers dealing with territorial development require sound evidence and comparable regionalised information as well as medium and long-term development perspectives in order to draw up sustainable and efficient integrated policy responses for their territories.

All in all, the European process moves towards a more integrated approach to policy making which makes the territorial dimension important for policy makers. The aim of territorial cohesion proposed by the Commission supports this approach by taking the territory as an element in the framework for policy making. Due to its provision of evidence based on analyses of territorial units the ESPON 2013 Programme is of strategic importance for the European policy development and cooperation.

By further extending and deepening the existing knowledge and indicators, the ESPON 2013 Programme will play a strategic role in supporting the policy process of the current period 2007-2013, namely by contributing 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 counter balancing 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 Boards<sup>1</sup>.
- Supporting the use of and dissemination of results to an audience of policy makers, practitioners, scientist 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:

#### **a) 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 for 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.

#### **b) Targeted analysis based on user demand: European perspective to 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.

#### **c) 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 the indicators, data and tools.

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<sup>1</sup> 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 task will consist of assessing project proposals, giving continuous feedback to TPGs and commenting on their reports.

**d) Capitalisation, ownership and participation: Capacity building, dialogue and networking**

Under this priority, actions are foreseen that will be aiming at making the evidence and knowledge developed operational through measures raising awareness and involving stakeholders in the results and their practical use.

This project belongs to the first priority and holds a key position in developing evidence and awareness on small and medium sized towns in their urban functional area. Profound knowledge on small and medium sized towns is vital for targeted policy development in the light of Cohesion Policy aiming at improved regional competitiveness and sustainable and balanced growth of the European territory. The project builds further on knowledge developed by former and other ongoing ESPON projects.

Therefore a strong coordination and inter-linkage with other ongoing ESPON projects is crucial for achieving comprehensive results. A close cooperation with the Sounding Board set up for following and advising the project and the Coordination Unit shall as well be established as part of the project implementation.

***(iii) Thematic scope and policy context***

Balanced and polycentric development of the European territory is a key challenge of territorial development and cohesion policy. ESPON has already paid considerable attention to the geographical spread of urban and economic activity throughout the European territory. This includes among else the ESPON 2013 applied research projects on cities and urban agglomerations, the roles of cities in territorial development, secondary growth poles, development potentials in different types of areas and European territorial cooperation bringing in the larger context.

However, the results and evidence from these projects needs to be complemented with further research and additional evidence on *the functional roles of small and medium-sized towns and how they contribute to the development of their territorial context and bring added value to the Europe 2020 strategy for smart, sustainable and inclusive growth*. This is the key question and main focus for the proposed project, which shall deliver data and evidence on the development and functions of small and medium-sized towns.

The evidence and conclusions from the project should bring to the fore relevant policy considerations and recommendations, that can strengthen the contribution of small and medium-sized towns in their various territorial contexts to balanced development and territorial cohesion of the European regions.

The European Commission as well as the countries and regions within the ESPON territory have paid increasing attention to the role of the small and medium-sized towns for territorial development in Europe. The European Spatial Development Perspective (1999) makes several references to the role of small and medium-sized towns, especially in relation to the policy objective of “a balanced and polycentric urban system and a new urban-rural relationship”, and highlights their potential for achieving a more balanced spatial structure of the European continent. However, the ESDP does not suggest any policy options directly for small and medium-sized towns, but stresses their importance for structuring urbanised regions or less-favored regions and their role as a ‘natural’ attribute to the metropolitan regions.

More specifically, the ESDP emphasizes, on the one hand, the specific territorial contexts of these areas as the hinterland of the metropolitan regions, and their role for developing city-networks, fostering complementarities and co-operation between cities. The potential for economic development of the small and medium-sized towns lies in their ability to benefit from these interdependencies. On the other hand, the ESDP stresses the relations to rural regions, highlighting their potential for structuring the development of regions that are either less-densely populated or economically weak and describe them as “active regional centres revitalising rural regions in decline”. This is particularly the case regarding development of industry, research and technology, tourism and the public service provision.

The Green Paper on Territorial Cohesion (2008) further emphasises the role of small cities and towns for a balanced territorial development of the EU, particularly for the intermediate and rural regions. By providing essential services for the surrounding rural areas, the small and medium-sized towns “often play a more important role than their size might suggest” and contribute to “avoiding rural depopulation and ensuring that these areas remain attractive places to live.”

The key for the development are related to the challenges arising from issues of concentration, connectivity and collaboration. In terms of concentration, the Green Paper points to the need for attaining a balance between the economic competitiveness and capacity for growth in these areas and their natural assets and ensuring social cohesion. Excessive concentrations of growth should be avoided while access to the returns of agglomeration in all territories should be facilitated. The issue of connectivity concerns the need to ensure access to services of general interest in the rural areas, such as health care and education.

To address the challenges of concentration and connectivity facing small and medium-sized towns in intermediate and predominantly rural regions, cooperation at various levels is imperative. This is further underlined by the fact that other pressing issues, such as environmental problems associated with climate change, flooding, pollution or commuting, disregard borders and require cooperation. In particular the Green Paper stresses the importance of cross-border cooperation on these issues.

The 5<sup>th</sup> Cohesion Report of the European Commission (2010) emphasis that in order to reach the objective of Territorial Cohesion it is necessary to develop the new programmes with a particular focus on “the role of cities, functional geographies, specific geographical or demographic problems and macro-regional strategies”. It calls for an ambitious urban agenda, macro-regional strategies as well as a greater flexibility in organising operational programmes allowing them to be designed and managed at “not only at national and regional levels, but also at for instance the level of groups of towns ...” It is especially noted that urban-rural linkages should be addressed in terms of access to affordable and quality infrastructures and services. Furthermore, local development approaches should be reinforced with a particular focus on strengthening local and regional partnerships.

The territorial priorities outlined in the Territorial Agenda of the European Union 2020 - Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions (May 2011), stress the importance of reducing the strong territorial polarisation of economic performance between capitals, metropolitan areas and medium sized towns on the national scale. In the efforts to reduce the large regional disparities, the small and medium-sized towns can play a crucial role at regional level, particularly in predominantly rural areas by ensuring the necessary availability of job opportunities and services of general interest.

Against this policy background and agenda, the project should strive for a better understanding with regards to the following key policy questions for which it is expected to provide supporting knowledge and evidence:

- What kind of roles and functions do small and medium sized towns perform in the European territorial structure, e.g. as providers of employment, growth and services of general interest, that contribute to the Europe 2020 Strategy for smart, sustainable and inclusive growth?
- What are the potentials and barriers for development of small and medium sized towns in different territorial contexts, and how can policy at different levels unleash the potentials and diminish the barriers in ways that strengthen their functional character?
- What type of governance and cooperation arrangements exist at various levels aiming to support the development of small and medium-sized towns and their territorial context, and how can policy further support these types of arrangements in order to strengthen their contribution to a more balanced territorial development of the European regions?

#### ***(iv) Analytical Framework and deliveries expected***

##### *General framework and key research questions*

The first objective of this project is to create a methodology to identify small and medium-sized towns. This methodology should be compatible with the recently revised urbanisation classification at EU scale identifying all cities as places with a centre of at least 50 000 inhabitants, which then covers the top half of the urban hierarchy in Europe.<sup>2</sup> Accordingly, this project should cover the bottom half of the European urban hierarchy or system, and identify all small and medium-sized towns as places having an urban centre with a population between 5 000 and 50 000 inhabitants.

The second objective is to create a deeper understanding of and provide evidence on the roles and functions that small and medium sized towns perform taking into account the different territorial contexts. A key element of the project concerns the relations and interactions between the small and medium-sized towns and their surrounding area, which range from being nearby to a much larger urban centre to having a sparsely populated rural hinterland. The conditions for development and the functions that the small and medium-sized towns perform in these territorial contexts are significantly different. How can these different territorial contexts be taken into account? What is the relevant functional area of a small or medium-sized town? Is commuting the most pertinent indicator to define a functional area for a small and medium-sized town? Should other indicators be used to define the hinterland of a small and medium-sized town?

In analysing the territorial context of small and medium-sized towns, the project should take into account the nine standard ESPON Territorial Typologies: urban-rural; metropolitan regions; border regions; islands regions; sparsely populated regions; outermost regions; mountainous

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<sup>2</sup> Joint Research Center & European Environmental Agency: Population density disaggregated with Corine land cover 2000. (2009) Directly related to the urbanisation classification is the new harmonised definition of a city developed by the OECD and the European Commission. This new definition has also been adopted by the revised Urban Audit.

regions; coastal regions; regions in industrial transition. These typologies should be used in order to test whether significant results related to specific types of regions are present. The first six were developed by DG Regio and the remaining three were proposed in the ESPON project on Typology Compilation. In addition and where relevant, the influence of internal and external borders on the small and medium-sized towns should also be analysed.

Concerning the different roles and functions that small and medium sized towns perform, the project is expected to reflect the diversity deriving from their location in different territorial contexts. However, particular attention should be paid to the economic, governance, social and environmental dimensions.

The third objective is to assess the different governance and cooperation arrangements used in ESPON countries to improve the effectiveness and efficiency of public policies and public services. In particular, policies aimed to increase critical mass, which range from promoting cooperation between local authorities to the merger of small local authorities, should be considered in this study.

The project is expected to address the following key themes and research questions:

### **1. Small and medium-sized towns in the territorial structures of Europe**

- How can small and medium sized towns which have an urban centre between 5 000 and 50 000 inhabitants be identified using a methodology that is compatible with the new classification of cities and towns at European scale developed by the European Commission and the OECD.
- How are the small and medium-sized towns distributed throughout the territory of the ESPON space?
- How are small and medium-sized towns distributed in different territorial contexts and the ESPON Territorial Typologies?
- How have small and medium-sized towns performed over time with regards to demographic and economic development? How has their development been comparative to the European and the national situation?

### **2. The roles and functions of small and medium-sized towns**

- What roles and functions do small and medium-sized towns perform in their different territorial contexts? For example, what are the specific functions that can be identified for small and medium-sized towns in rural areas, metropolitan areas or in cross-border areas?
- In which type of territorial contexts do small and medium-sized towns play a particularly important function?

### **3. Governance and co-operation for development of small-and medium-sized towns**

- What type of governance and cooperation arrangements exist at various levels aimed at improving public policies and service delivers in small and medium-sized towns and their surrounding?
- What kind of good practices exist with regard to governance and cooperation arrangements aimed at increasing critical mass through cooperation arrangements or

the merging of small local authorities? What practices have not worked well for small and medium-sized towns?

### *Analytical approach*

The project is expected to develop an analytical approach and appropriate methodology that can identify small and medium-sized towns in their various territorial contexts at European and regional level. In developing the conceptual and methodological framework, the project should take into account relevant research, including existing and ongoing ESPON applied and targeted analyses projects, and where appropriate build and expand on this research.

Regarding the definition and concept of small and medium-sized towns, the project is expected to ensure an approach that builds on the new classification of the degree of urbanisation mentioned above. One of the outcomes should be a list of small and medium-sized towns and a layer with their administrative boundaries that do not overlap with the cities identified by the same European classification of urbanisation.

However, it should be taken into account that the position and functionality of towns within a particularly country depends on the population density and the structure of the national urban system, i.e. in some countries a town with 50 000 inhabitants is equipped with important functions, while in others it will be a town with more limited functionality. This should be reflected both in the overall identification of the small and medium-sized towns and in the case-studies.

The pre-study “Small and medium-sized towns” carried out in the ESPON 2006 Program (project 1.4.3) should be taken into account. The distinction made between dynamic/growing, declining, restructuring, and potential developing small and medium-sized towns, is one example of an approach that could be considered.

Thus, the project is expected to present results that, on the one hand, describe the general development of small and medium-sized towns at a European and regional level, and on the other hand, it should provide concrete analysis of the functions and roles that these towns play in various types of territorial contexts. The concept of functional area has been applied to the metropolitan and urban context from the outset of the ESPON programmes, initially in the extensive and conceptual study on polycentricity (ESPON 2006 project 1.1.1 "Potentials for polycentric development in Europe").

The concept of Functional Urban Areas (FUA) that was developed within this project was further elaborated by the Study on Urban Functions (ESPON 2006 project 1.4.3). Besides the conceptual contributions of the project, it defined and collected data for five major functions.

- Administrative functions, consisting of the national functions and international functions,
- Decision functions, consisting of the localisation of the HQs and their subsidiaries of national and international important companies,
- Transport functions that measure the connectivity of a city with the others, consisting of the road and rail connectivity as well as the air traffic and the sea transport,
- Knowledge functions, consisting of the localisation of the most important universities, research centres and high-technology production
- Tourism functions, consisting of a measure of the touristic activities.

The project should consider and where relevant build on these types of functions. However, as the territorial contexts that will be analysed in this project differ significantly from cities and larger urban areas, it is expected that the analysis of the functions of small and medium-sized towns will be developed accordingly, including in particular the provision of services of general interest.

Due to their limited size, these towns and their functional territorial contexts are difficult to measure with indicators and data allowing for a comparative perspective at European level over time. The project should consider the work carried out in the ESPON 2013 Database I and II projects as well as the European-wide population disaggregation grid developed by the Joint Research Centre<sup>3</sup>.

In order to go beyond the challenges related to statistically measuring the small and medium-sized towns, the project should carry out **ten in-depth case-studies**, capturing the position of and development in small and medium-sized towns, and identifying the various roles and functions they perform in their diverse territorial contexts both in quantitative and qualitative terms. The case-studies should be based on an integrated approach and cover, in particular, the *economic, governance, social and environmental dimensions* of the functions that the small and medium-sized towns perform. More concretely this implies for:

- The economic dimension: Economic exchanges, commuting (labour market), comparative advantages, networks and cluster development.
- The governance dimension: multi-level governance arrangements and (trans-) regional cooperation and networks.
- The social dimension: Provision of public and private services, as well as regional cultural functions, which in some cases are quite significant.
- The environmental dimension: Issues related to transport, climate change and natural hazards.

Finally, the project is expected to use the case-studies to analyse the role of policies at various levels with relevance for the development of small and medium-sized towns in their territorial context. In doing this, the project should identify the role of governance and co-operation at different levels (local, regional) and in different contexts (cross-border, trans-regional). Policy considerations and recommendations should be developed following this analysis addressing in particular the optimisation of public service provisions and cross-border co-operation.

#### *Elements of the research process*

The TPG (Transnational Project Group) is expected to present an appropriate methodology and research approach that allows the project to answer the key policy and research questions outlined above. The project is to be purposeful for policymakers that expect strong and convincing narratives on how to build good evidence-based policy decisions and corresponding governance arrangements, how to increase the institutional capacity and how to use territorial development instruments more effectively. The methodology should take into account possible limitations in data availability. Limitations in data availability might require an innovative research approach.

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<sup>3</sup> <http://www.eea.europa.eu/data-and-maps/data/population-density-disaggregated-with-corine-land-cover-2000-2>

In developing the appropriate analytical framework, this project is expected to proceed in the following steps:

1. Development of a methodology for identifying and studying small and medium-sized towns from 5 000-50 000 inhabitants taking as a reference framework the classification of the degree of urbanisation and the revised list of cities with an urban centre with at least 50 000 inhabitants.
2. The project should make an up-to-date review of the scientific state-of-art regarding conceptual and methodological approaches (qualitative as well as quantitative) to small and medium sized towns. This should also cover analytical approaches to define the possible functions of smaller urban centres.
3. Presenting a state-of-the art literary review of existing research and studies on small and medium sized towns.
4. In order for the methodological approach and collection of data and indicators allowing for a comparative perspective at European level over time, the project is expected to take into account and make use of the work being carried out in the ESPON 2013 Database I and II projects.
5. Based on steps 1-4, the project shall describe in detail the conceptual and methodological approach to be applied, including:
  - a. Concepts and definitions,
  - b. The use of ESPON Territorial Typologies,
  - c. Quantitative methods, including data and indicators to be collected and used,
  - d. Qualitative methods to be applied in the case studies.
6. The project is expected to describe in detail how the analytical approach will ensure that the evidence and results of the research will cover and can depict the development and roles of small and medium sized towns in their various territorial contexts at both European and regional level. This will include presentation of data and indicators to be considered for the analysis at various levels, which should be based on, as well as complementing the existing ESPON database and indicators.
7. A sample of 10 in-depth case studies of small and medium sized towns should be selected. This selection should be based on and reflect the diversity of territorial contexts provided by the ESPON Territorial Typologies. Each case study should carry out an analysis on the role and functions of the small and medium-sized town in their specific territorial context covering the mentioned economic, governance, social and environmental dimensions. A proposal should describe how the project intends to determine and justify the sample of case studies. The project is expected to bring the most important results and conclusions from the case studies together in a specific chapter of the Final Report.

The project should strive for a comprehensive and integrated research approach, taking into account social, cultural, environmental and economic aspects. In addition a five-level approach to the analysis, commonly used by all ESPON applied research projects, should be applied and

considered in order to support a clear presentation of results, which might vary depending on the geographical scale.

The research shall in general strive to deliver 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 evidence-based 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.

The geographical coverage of the project should encompass all the countries participating in the ESPON 2013 Programme. Furthermore, the TPG should assess the data situation within their field of research for Croatia, for which the accession negotiations were closed, allowing for the signature of the Accession Treaty by the end of 2011, and in the EU Candidate Countries (i.e. The former Yugoslav Republic of Macedonia, Turkey, Montenegro) and/or the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Albania, Kosovo under UN Security Council Resolution 1244), and report their findings in the Inception report (see below chapter (v)). Depending on the respective data situation these countries would then be included in the analysis.

#### *Use of existing ESPON Data*

The project is expected to make use of the existing scientific platform and tools of ESPON which are accessible on the ESPON Website.

Data, indicators and maps of the ESPON 2006 and 2013 Programme are important sources for this project. The project shall in particular be informed and make use of results from the following projects:

- ESPON 2013 Applied Research Project “Cities and Urban Agglomerations” (FOCI)
- ESPON 2013 Applied Research Project “Rural Area Development Opportunities” (EDORA)
- ESPON 2013 Applied Research Project “Secondary Growth Poles in territorial Development” (SGPTD)
- ESPON 2013 Applied Research Project “European Perspective on Specific Types of Regions” (GEOSPEC)
- ESPON 2013 Applied Research Project “Services of General Interest” (SeGI)
- ESPON 2013 Targeted Analysis Project “Cross-Border Polycentric Metropolitan Regions” (MetroBorder)
- ESPON 2013 Targeted Analysis Project “Territorial Diversity” (TeDi)
- ESPON 2006 Project “Potentials for Polycentric Development in Europe” (Project 1.1.1)
- ESPON 2006 Project “Urban-Rural Relations in Europe” (Project 1.1.2)
- ESPON 2006 Project “The Role of Small and Medium-Sized Towns (SMESTO) (Project 1.4.1)

Other ongoing projects under the ESPON 2013 Programme might also produce highly relevant knowledge for this project and should be taken into account where relevant.

### *Research output*

As concrete research output the project is expected to deliver:

1. A methodological framework for studying small and medium-sized towns in their functional area contexts, which is compatible with the new classification of the degree of urbanisation and the related city definition developed by the European Commission and the OECD.
2. A literary review of existing research and studies on small and medium sized towns with a particular focus on their functional area contexts, i.e. urban areas, rural and cross-border areas, with key findings and evidence on the economic, social, environmental and governance/cooperation developments in these functional areas.
3. Analysis and empirical evidence on the development and territorial potentials of small and medium sized towns in their respective functional area contexts at both European and regional level. This should include new and updated data and indicators, as well as maps generated and developed for various levels, which will be added to the ESPON database and maps.
4. Evidence on Good Practices based on the 10 in-depth case studies of small and medium sized towns in various territorial contexts. This should describe good practices and examples of policies, methods, tools, cooperation arrangements etc. that support the functional development of small and medium-sized towns in different territorial contexts and contribute to the competitiveness and cohesion of European regions?
5. Policy considerations based on the findings and evidence from the analyses and case-studies on the development and functions of small and medium sized towns in different territorial contexts. This should include considerations on what type of policy options and approaches that could/should be considered in order to strengthen the contribution of the small and medium sized towns towards territorial cohesion and a balanced territorial development of Europe.

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

The results of the project are expected to contribute to the ESPON 2013 capitalisation and communication strategy by providing at strategic moments during the project implementation the following:

- Slideshows explaining the assumptions, the methodology and the results of the project (one for the intermediate, draft and final delivery).
- A selection of 5-10 maps for the communication of project results and to be used for creation of posters, postcards, exhibition materials.

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.

Following the logic of the Territorial Agenda of the EU 2020, orientations for policy makers should refer to the respective territorial development opportunities and the available options to mobilise these for the benefit of the cities, urban agglomerations and surrounding regions 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, the Fifth Report on Cohesion, as well as (the debate on the) Green Paper on Territorial Cohesion.

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 feed 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 indicative<sup>4</sup> timetable and specification of outputs:

#### **May 2012 (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 also presents the selection criteria for the case studies that will be in-depth analysed. It shall also 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 EU candidate countries, the Western Balkans and Turkey and, on that basis, determine the geographical coverage of their research. Finally, the TPG should outline how it envisages making use of existing ESPON and other results that are relevant for this project.

#### **November 2012 (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 at least the following elements:

- a) Main results on the basis of available data, developed indicators, typologies, and European maps, including:
  - An overview on concepts and methodology on analysing small and medium sized towns in their functional area contexts, i.e. urban, rural and cross-border and possible final results.

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<sup>4</sup> 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.

- Detailed description of the methodology to be used to analyse the medium sized towns in their functional area contexts, as well as the methodology to analyse the economic, social, environmental and governance development and potentials of these functional areas.
  - Quantitative facts and draft maps at EU level.
  - Preliminary results from the 10 case studies.
  - First indications on the conclusions and policy relevant options that could be the outcome of the project.
  - Data collection achieved, including an overview on statistical and geographical data collected by EUROSTAT, the Joint Research Programme and national Statistical Institutes etc.
- b) Plan for the applied research towards the draft Final Report as well as the Table of Content envisaged for the Final report.
- c) Additional material to contribute to the ESPON 2013 capitalisation and communication strategy, including:
- A slideshow explaining the assumptions, the methodology and the results of the project so far.
  - A selection of 5-10 draft maps suitable for the communication of project progress and results at the different stages on the ESPON website, but as well suitable to be used for exhibition materials.

### **November 2013 (Draft Final Report and Draft Handbook):**

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 at least the following elements:

- a) Main Report (max 50 pages) that includes:
- Key findings/analysis/diagnosis of the project and bringing together the most relevant outcomes of the case studies.
  - Policy options for future EC Policy related to Territorial Cohesion.
  - Policy options for national, regional and local authorities.
- b) Executive Summary (max 10 pages) that is well elaborated, summarising the main results of the applied research and containing clear messages that can be easily taken up by policy makers and practitioners. This summary should be based on the Report mentioned above.
- c) Draft chapter on Good Practice (max 20 pages) based on the case-studies.
- d) Scientific Report documenting the scientific work undertaken in the applied research including elements such as:
- Literature and methodology/theory used.
  - Typologies, concepts developed and used.
  - Data collected and indicators used, including 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.
  - Models and other tools used or developed.
  - Detailed description of the case studies.
  - Roadmap for policy implementation and on the further research avenue to follow, 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.
- e) Appendices to the Scientific Report including detailed results of the separate case studies.
- f) Additional material to contribute to the ESPON 2013 capitalisation and communication strategy, including:
- A slideshow explaining the assumptions, the methodology and the results of the project so far.
  - A selection of 5-10 maps suitable for the communication of project progress and results at the different stages on the ESPON website, but as well suitable to be used for creation of posters, postcards, and exhibition materials.

**April 2014 (Final Report):**

- a) Revision of the Draft Final report on the basis of comments received.

**May – October 2014 (Dissemination):**

- a) 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 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. At transnational level, the Programme is supported in its capitalisation activities by the ESPON Contact Point Network. 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.

The MC and the Sounding Board will address the Draft Final report and eventually ask for clarifications.

***(vi) Budget for the applied research project***

The maximum budget foreseen for this applied research project is 650.000 Euro. 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***

The ESPON Website ([www.espon.eu](http://www.espon.eu)) provides access to all available project results from the ESPON 2013 and 2006 Programmes. Synergies and use of results from outside the ESPON regime also shall be sought.

The 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 2006 Programme**

- “Potentials for Polycentric Development in Europe” (Project 1.1.1)
- “Urban-Rural Relations in Europe” (Project 1.1.2)
- “The Role of Small and Medium-Sized Towns (SMESTO) (Project 1.4.1)

**ESPON 2013 Programme**

- “Cities and Urban Agglomerations” (FOCI)
- “Rural Area Development Opportunities” (EDORA)
- “Secondary Growth Poles in territorial Development” (SGPTD)
- “European Perspective on Specific Types of Regions” (GEOSPEC)
- “Services of General Interest” (SeGI)
- “Cross-Border Polycentric Metropolitan Regions” (MetroBorder)
- “Territorial Diversity” (TeDi)

**Reference Document**

- Joint Research Center & European Environmental Agency: Population density disaggregated with Corine land cover 2000. (2009)

<http://www.eea.europa.eu/data-and-maps/data/population-density-disaggregated-with-corine-land-cover-2000-2>

**European Policy related documents:**

- Europe 2020 – A European strategy for smart, sustainable and inclusive growth ([http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm))

- Fifth Report on Economic, Social and Territorial Cohesion - “Investing in Europe’s future” (October 2010)  
([http://ec.europa.eu/regional\\_policy/sources/docoffic/official/reports/cohesion5/index\\_en.cfm](http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion5/index_en.cfm))
- The Territorial Agenda of the European Union 2020 - Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions (May 2011)  
(<http://www.eu-territorial-agenda.eu/Reference%20Documents/Final%20TA2020.pdf>)
- The OECD Website ([www.oecd.org](http://www.oecd.org)) provides access to the OECD Territorial Reviews.

**Other documents of potential relevance:**

- URBACT <http://urbact.eu/en/header-main/our-projects/list-of-the-projects/>
- Economic Strategies and Innovation in Medium size Cities  
<http://urbact.eu/en/projects/innovation-creativity/esimec/homepage/>
- Options of actions - strategic positioning of small and medium sized cities  
<http://urbact.eu/en/projects/active-inclusion/op-act/our-project/>
- ORGANZA – Network of Medium Sized Creative Cities  
<http://www.organzainetwork.eu/>
- Eurotowns- The Network for medium-sized cities within the INTERREG IIIC and IVC programme  
<http://www.interreg3c.net/sixcms/detail.php?id=6597>

**Scientific publications:**

- Brakes and difficulties faced by small and medium sized cities in the view of developing European cultural networks (Sixth Framework Programme of Research)  
[http://www.picture-project.com/IMG/pdf/499\\_long\\_en.pdf](http://www.picture-project.com/IMG/pdf/499_long_en.pdf)
- Medium-sized Cities in Europe (2005) (EUROFOND)  
<http://www.eurofound.europa.eu/publications/htmlfiles/ef9753.htm>
- Branding medium sized cities in transition (2005) (in the Framework of the Interreg IIIB project Medium Sized Cities in Dialogue around the Baltic Sea (MECIBS))  
[http://www.mecibs.dk/Baltic%20Sea%20Region\\_del2\\_net.pdf](http://www.mecibs.dk/Baltic%20Sea%20Region_del2_net.pdf)
- Spatial Consumer Behavior in Small and Medium-Sized Towns” in Regional Studies (2010)  
<http://www.informaworld.com/smpp/content~db=all~content=a923820117~frm=abslink>