



Thematic Action Plan 'Places Resilient to Crises'

Context

Over the past decade, the European territory has been buffeted by multiple crises. The global financial crash and subsequent period of austerity and recession had profound implications, especially for peripheral countries and regions, the aftereffects of which are still reverberating today. The Arab Spring and ensuing uprisings in the European Neighbourhood subsequently triggered mass flows of refugees into Europe, and an accompanying rise in political discontent and anti-EU sentiment in many countries. More recently, Europe, like the rest of the world, has experienced the dramatic effects of the COVID-19 pandemic and, no sooner had we emerged from this unprecedented health crisis where large sectors of society were locked-down, a major war broke out in Europe for the first time since World War 2 with accompanying further mass movement of refugees and initiating another period of profound instability and risk, including acute energy insecurity and a cost-of-living crisis. Overlaying all of this is the existential threat of climate change and the collapse of the natural world, which will intensify in the coming decades. We are truly in an age crisis which, according to the Intergovernmental Panel on Climate Change, requires "fundamental changes in how societies function, including changes to underlying values, worldviews, ideologies, social structures, political and economic systems, and power relationships".

In the aftermath, of the Eurozone sovereign debt and banking crisis, the term 'resilience' entered into policy discourse as popular slogan. Indeed, given the heightened sense of crisis, some authors suggested that 'resilience' was fast replacing sustainability as the up-and-coming policy buzzword. In the ESPON Economic Crisis: Resilience of Regions (ECR2) project, resilience was defined as "the ability of a regional economy to withstand, absorb or overcome and internal economic shock". This project aimed to understand why some regions proved to be more resilient to economic crises than others, and what influences the ability to withstand, and respond to, external shocks. The project concluded that resilience is a long run phenomenon and policy decisions taken years, even decades, in advance shape the adaptive capacity of a region to cope with shocks, pointing to a clear role for place-based policy actions and territorial development policies in enhancing regional resilience. However, as the immediacy of the financial crisis faded from policy consciousness and economies recovered, the prominence of the concept progressively receded. However, notwithstanding this, following the 'first wave' effects (i.e., unemployment, migration etc) the 'second wave' aftershocks of the economic crisis continued, and continue, to be felt, with growing regional disparities, geographies of discontent and, most notably, the secession of the United Kingdom from the EU. Policymakers, however, still tend to think of these crises as separate events rather than a hysteretic consequent chain of events.

Following the pandemic, and the deep dislocation this has had on many regional economies, the resilience concept has come back into fashion as a policy paradigm amongst scientists, professionals and policymakers, including its definition, measurement and policy implications. However, as argued in the open consultation on the TAP theme, to be useful as a policy concept over the longer term, it is important that, unlike the previous experiences, an enduring understanding of resilience is developed which can withstand the inevitable variable up-and-down fluctuations, creeping normalcy and landscape amnesia of transient crisis conditions. Within the academic literature, scholars are therefore converging on an evolutionary perspective of resilience where it is defined, not only the ability of systems to withstand and adapt to volatile crises, but also to undergo transition processes in the longer term in response to chronic instability by strengthening three different capacities:

1. Absorptive capacity, includes coping strategies to restore essential basic structures and functions and prevent or mitigate the negative impacts of shocks;
2. Adaptive capacity, intended as the ability to adjust or change characteristics and actions to potential damage and to take advantage of opportunities; and,

3. Transformative capacity, related to the ability to reconfigure the system so that the shocks will no longer have any impact.

Challenges specific to the TAP theme

Depending on local characteristics and development potentials, the accumulated ESPON evidence and other research on the subject (e.g., by the Joint Research Centre and OECD) display that the territories covered by the ESPON Programme show a diverse sensitivity to shocks resulting from the interplay of internal and external circumstances. Also, their recovery paths will not look alike as territorial assets, capacities of public services to react to the crisis and implement mitigation measures differ. The latest virus pandemic of COVID-19 has shown how the exposure trajectories of European places changed over time (e.g., between the first and second wave), and the range of public responses – either circumventing (doing things differently), mitigating (limiting negative effects), compensating (restoring the pre-crisis balance) or exploiting (taking advantage of the effects of the crisis). The ability of places to withstand the whole range of natural and man-made hazards and to absorb their outcomes is strained by a number of challenges and results in a diverse pattern of impacts.

Following the consultation, the screening of EU documents and internal reasoning, the following types of challenges have been found relevant to this TAP theme.

The environmental challenges set a contrasting territorial pattern in coping with biodiversity losses, land degradation and desertification, stresses on fresh water supplies and food production as well as health risks. It spans between the potential positive impacts for some parts of Europe and the high vulnerability of regions in southern and south-eastern Europe, as well as in Outermost Regions and in Scandinavia. The latter are expected to see the highest changes in mean temperatures and, hence, face severe environmental challenges as a result of climate change.

The challenge of social inequalities due to technological and economical changes and demographic trends (e.g., ageing, depopulation and in- and outmigration) has its toll on territorial access to public services, to education, to employment and emerging social exclusion, spatial segregation and marginalisation areas. Again, as demonstrated by the ESPON research, some regions in Europe have proved to be more socially resilient than others (e.g., in the field of poverty or unemployment), with comparatively less risk of sustainable exclusion or a labour market recovering quickly from the downturns.

The powerful drivers of innovation, digitalisation, automation and Artificial Intelligence put the European places under constant pressure of staying competitive and quickly adapting to the market needs. The ESPON ECR2 project concludes that the structure of the economy plays a crucial role. This means that the initial strengths of regions, their industrial legacy, the size and accessibility of the domestic market and their global connectivity have a substantial impact on economic resilience. A diverse economic structure in the region, high levels of innovation performance and efficient transport networks ensuring access to main gateways and corridors are found to be extremely important in this respect. However, there are pathways to innovation, recovery and more generally resilience for all places, no matter what their starting point is, providing territorial assets and potentials are effectively activated.

In particular, finding a right crisis response based on the territorial characteristics is also determined by ability of each place to go beyond administrative boundaries when necessary (developing functional governance models with place-based, participatory and networking approaches). Building the adequate resilience requires policies which promote cooperation and bottom-up initiatives, and which assimilate good practices from frontrunner regions

Purpose and policy use of the TAP

The 'Places Resilient to Crises' TAP has been profiled to target policy response to the challenges named above by facilitating better understanding of their possible territorial consequences and by providing new insights and possible pathways for all places confronted with uncertainties, pressures and 'black swan' events.

This TAP aims to produce territorial evidence on the vulnerability of European territories to different types of crises, such as environmental, economic, social, health and digital disruptions. The new evidence to be created will provide information on the specific strengths of European territories that enable them to withstand crises as well as on their specific development opportunities that can be tapped to better manage the effects of crises. The comparative studies under this TAP can pinpoint vulnerability and risks of different types of territories to crises as well as particular strengths that help to withstand crises and transformative development opportunities (such as geographical specificities and similarities, etc.).

This TAP aims also to stimulate peer learning to inform countries, regions and cities of best practices for developing adaptation, mitigation and recovery strategies. It is intended to promote networking and involvement of civil societies and other stakeholders that could play important roles in terms of elaborating appropriate, place-based resilience actions.

Altogether, territorial evidence and knowledge development activities in this TAP should strengthen the capacities and skills of policy makers on all levels of governance and across policy sectors to further integrate resilience in programming and policy making processes, in order to improve the adaptation potential of the European territories to different risks and shocks.

This TAP corresponds to all five Cohesion Policy objectives for 2021-2027. It connects to the objective of Smarter Europe to make regions better prepared for the digital transformation of the national economic systems and digital connectivity. It also adheres to the objective of Greener, low-carbon Europe by assisting policy actions towards energy transition and circular economy, and also to advice climate adaptation and risk prevention. It links to the objective of a more Connected Europe by addressing people's mobility and a smooth functioning of strategic transport in response to energy shocks. It fosters the objective of a more Social and inclusive Europe implementing the European Pillar of Social Rights by promoting social inclusion and equal access to healthcare and other public services in the context of increasing demand due to natural and manmade crises. Finally, it is in line with the objective of a Europe closer to citizens by providing a rationale for the sustainable and integrated development of all types of territories and local initiatives to produce places more resilient to crises.

This TAP also helps implement the Territorial Agenda 2030. It targets the Just Europe objective by enhancing local resilience potentials to achieve a better-balanced territorial development. Responding to a Green Europe objective, it acts for a better safety and resiliency, economic sustainability and connectivity of all places.

In recognition of the increasing vulnerability of regions in the face of external turbulence, the European Commission has established a post-pandemic Recovery and Resilience Fund (RRF) as the centrepiece of NextGenerationEU to make, "European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions". In fact, the entire funding envelope for EU Cohesion Policy 2021-2027 is provided for under Heading 2: 'Cohesion, Resilience and Values' and, as a consequence, the notion of resilience is woven into the policy and programming frameworks within which transnational, national, regional and local actors now operate.

Strategic orientation of the TAP

The comprehensive stakeholder consultation process combined with a state-of-affairs analysis by the ESPON EGTC allowed for determining the specific thematic orientation of this TAP. Due attention has been given to:

- the evidence gaps that ESPON would be suited to fill, while avoiding duplication and enhancing synergies with peer providers of territorial evidence and policy advice;
- the identified general policy needs vis-à-vis the stock of territorial evidence accumulated within ESPON – to justify choosing the types of evidence production activities in this TAP to start with;
- the baseline mapping of stakeholders relevant to this TAP (while the more detailed identification of stakeholders will be carried out at a later stage).

The open consultation revealed high interest among stakeholders, researchers and practitioners to better understand sensitivity and assets of European territories in facing multiple types of crises. Still, some highlighted the need to consider differences in crises resulting from local societal context and narrative on the given critical issue, which calls for more explicit territorial understanding of the resilience concept. Also, many interlocutors suggested to include in this TAP some foresight activities related to the development of ESPON territorial data/indicators and the database.

As the territorial understanding of resilience is relatively new to ESPON as to other providers of territorial evidence, responding to policy needs requires gathering new evidence and data as they are not available elsewhere. For that purpose, the TAP will be initiated with a European research project (see Section 2) to, among others, define the territorial concept of resilience and provide the foundation for other types of evidence production activities.

In addition, following the outcomes of three applied research projects in the ESPON 2020 SO (see Section 5), at the outset of this TAP some knowledge transfer activities will be offered to discuss insights on how to reinforce territorial resilience at the European, national, regional and local level in Europe.

This TAP has a potential to address a wide group of stakeholders, on account of the novel territorial dimension of resilience. It may assist the European Parliament (REGI Committee) through evidence to help enforce articles 174 and 349 of the Treaty of the functioning of the EU with regards to territories with specificities and outermost regions. It may offer the other EU institutions a set of longitudinal datasets and indicators to shape the future EU Cohesion Policy and sectoral EU policies with a distinct territorial dimension. It may also provide policy guidance to macroregional stakeholders as well as stakeholders of the ESPON member countries and partner states to foster resilient territories in the way that they can manage and adapt to different crises and ensure a better territorial management.

The tailoring of specific activities under this TAP requires collaboration with other organisations that examine the concept of resilience in policymaking, such as the Joint Research Centre (JRC) and the OECD. Since 2015, The JRC has been the foremost organisation in putting resilience thinking into policymaking, including the lead role in the development of a conceptual framework on vulnerability and resilience. The ESPON EGTC has already scheduled exchanges with both in order to more precisely scope the research content of the evidence production work, to select directions of further activities, and also to discuss the synergies in knowledge development events planned by each. Other organisations and groupings, like the European Urban Knowledge Network (EUKN), Urbact and Horizon 2020 projects, have also, from time to time, applied resilience thinking to their activities, but not in a systematic manner. The Scoping Note for each European Research Project under this TAP will set out in more detail how each proposed activity sits within the overall 'state of the art' in resilience research and its wider added value to the policy research field. The TAP relevance aspect will also be considered in initiating evidence production and knowledge development activities following policy support proposals by stakeholders.