ESPON
EUROPEAN SPATIAL PLANNING OBSERVATION NETWORK

ESPON Seminar in Manchester on 7-8 November 2005

Workshop reports

1. Cross project dialogue

1.a. Approaches and methodologies for integrated spatial analysis

- *Chair: Jean Peyrony*
- *Rapporteur: Klaus Spiekermann*
- *Main questions addressed:*
  - *How to carry out integrated spatial analysis (at NUTS3 level)?*
  - *What are the advantages and disadvantages of the methodologies used within ESPON so far?*
  - *Which recommendations can be given to future projects approaching integrated analysis?*

[Report will be inserted as soon as it has been received from the rapporteur]

1.b. Territorial factors for knowledge society and economic

- *Chair: Peter Schmeitz*
- *Rapporteur: Christian Muschwitz*
- *Main questions addressed:*
  - *Which are the main factors for knowledge society and economic growth?*
  - *How can we translate those factors for territorial analysis (both in terms of territorial thinking and measuring)?*
  - *Which recommendations can be given to future projects approaching these questions?*

Summary of the discussion:

In their introduction the panel highlighted different poles of the actual debate around the knowledge society and economic growth. Moritz Lehnert started with some of the findings of ESPON project 3.4.2 which can be summarized in few main hypothesis:

- Europe is in a slow growth cycle and shifts toward a knowledge based economy
- their is a rising importance of the metropoles / which contradicts the demands for polycentricism
- profits of enterprises and companies are, so to say, decoupled from public welfare or economic development of national states, this trend got more and more visible during the last decades
- average salaries have gone down slowly but steadily during the last decades in Europe
- enterprises and companies are investing less but are 'playing' with their resources in the financial markets

As a contrast the example of the USA was shown: the US has a strong economic growth but foremost we find a clear reorganisation of work processes, the productivity was increased, and not so much the number or the status of the machines. Nevertheless there was and is a strong demand for expensive investments. The experiences show, that knowledge is often tacit and personal, moreover knowledge is cumulative.
As a consequence, the challenge of further analysis can be seen in isolating and identifying the indicators and impacts of the drivers of the knowledge society.

In the end Moritz Lehnert wanted to provoke by saying: ESPON can not solve a decades long discussion with a one year underfinanced project. The focus of further research can be seen in identifying the fundamental understanding of the regional factors and interdependencies of knowledge and economy.

Another perspective was shown by Grzegorz Gorzelak, he pointed out that there is a clear need for a new understanding of cohesion in the light of the Lisbon strategy. He suggests:

- to invest in areas of high growth potential
- to invest in the drivers of growth employment
- to support coherent strategies over medium and long term
- to develop synergies with other community policies

His final postulation was, that existing understandings in research as well as in political guidance should not be prolonged instead the main orientation in this field should shift from static examination to network patterns.

The last position in the row of the three speakers was marked by Maria Prezioso. She first of all tried to identify the territorial factors and dimensions that are crucial for the knowledge society. She logically than asks about the links between the territorial factors and the knowledge society and economic growth. She shows territorial patterns of innovation and research, breaks them down to the regional level and goes even as far as mentioning a methodology to tackle these factors and their impact on territory. Her conclusions:
there is not one clear direction of the innovation and creational process, but many different forms of interchange and spill over of knowledge and economy. So it is maybe even more important to focus on the agents and protagonists of these interchange processes. It is necessary to create an atmosphere of dynamic competition advantages for these agents, so that innovation can be easily be generated and exchanged. Therefore it is essential to support areas where this atmosphere is given. In such regions, the specific location itself becomes a knowledge generator.

In the following discussion Andrew Gillespie also added some very useful thoughts. In his view, the main conclusion about ESPON 3.4.2 was, that in terms of the knowledge society and economic development, proximity matters, but there is the need to handle the complexity of the economy, so delocalisation also matters. He sees the huge dynamic in India and raised the question, how this major restructuring of the world will end up. He asks what the role of the EU, or the different parts of the EU will be, since there won't hardly any manufacturing being left over, in two decades time. Also he is uncertain about the protagonists behind the development: who defines the roles? Are the big international companies in the end the ones that form the new order, or is it still the EU Commission or the national governments. He added a slight critic: ESPON, so is his perception, says nothing about multinational decisions made by big companies. So the question is still open: how can we consider Europe in the global economy, do we have a clear understanding of the change of EU -knowledge economy?
Thiemo Eser is more or less in line with that, for him it is still not clear what the characteristics of a knowledge economy are, from a spatial point of view. Is it all about focal points, which can not be located all in the urban but also in the rural spheres? And it is still unclear whether the whole discussion is all about ICT technology or about the spread of knowledge about ICT, so maybe the internet users? And even more unclear: what are now the factors for the economy? Also is still open, what governments can do, to provoke the so called "knowledge society". Is it in the end more by international companies provoked? And if, what can governments do? It seems that the technological part is not the decisive factor, more the reorganisation of work. So the question is, should governments provoke reorganisation?

In the open discussion from the audience several interesting aspects were mentioned as well. So it was doubted, that there is just one regional economic support policy valid for the whole of the EU. And since there are extreme national and regional differences, it is clear that national policies which all follow the same principles and the same patterns, may end up without a clear idea what they are doing in the end. If every region follows the same recipe, one may end up as second best.
Another point which was addressed, was the long term economic development, that may appear as "background noise" in all the analyses undertaken. One must be aware of the fact, that these long term economic developments are also driven by something.
Last it was critized, that the demand side is so far hardly adressed in the ESPON context of knowledge and economy research efforts.

1.c. Beyond Europe, MEGAs and rural development poles/zones growth

- *Chair: René van der Lecq*
- *Rapporteur: Heikki Eskelinen*
- *Main questions addressed:*
  - *How to put Europe in a wider context, not only in a single project?*
  - *How to better approach areas outside the metropolitan regions, such as small and medium sized towns, rural development poles and rural areas?*
  - *Which recommendations can be given to future projects approaching these questions?*

The workshop was introduced by the presentation by Clarisse Didelon on Europe in the World project (3.4.1.). Its focus was on the spatial forms that globalisation takes in the ESPON Space, and on the spatial impacts of global structures and flows at macro, meso and micro levels. In general, the presentation highlighted the importance of outward-looking approach in the ESPON programme, and elaborated it from several perspectives at the aforementioned levels.

The discussant pointed out to the fact that it is actually impossible to study some key issues such as migration and demographic trends in the ESPON programme without a global perspective. Typically, these analyses deal with network-type links, not on connections based on geographical proximity and neighbourhood. In general, the ESPON in the world project raises two important questions: 1) How should ESPON study regional development in Europe in a global context? 2) What kind of projects are needed to study these issues?

The views presented from the floor:

Clearly, globalisation has implications for the stability of trade and other flows, and also on attitudes. One example is the banking sector which has been influenced by internationalisation and globalisation. However, historical continuities are also obvious, as stated by one commentator: “nation-states still matter more than the standard globalisation idea suggests”.

The methodological problems in Europe in the World -type studies are challenging: Data on flows are largely lacking. Long-term perspective is important but in practice especially difficult. Interaction should be analysed as a two-way process. Many details are interesting but they do not cover of the whole pattern of relevant relations.

Conclusions: Global aspects should be included in the ESPON 2 (but it remains open whether in terms of one (major) project, or whether global aspects should be included in several projects). Focus on a few key indicators preferable. Even if case studies are useful, the investigation should not be limited to measuring the role of Europe in the world in terms of various details. The concluding policy perspective into research challenges: identify Europe’s interests first, and elaborate relevant methodologies for the analysis of relevant issues.

The second part of the workshop, “Beyond MEGAs”, was introduced by *Niels Boje Groth*. His template provided an alternative to the established ESPON (1.1.1.) approach to the analysis of medium-sized cities (SMCs):

Key idea: SMCs should be seen as agents, not territories (transforming theirs roles "from mediators to initiators"),
Barrier: the ESPON geographical approach ("hides the varities of polycentricity"),
Solution: requires widening the framework for local action ("risky and entrepreneurial decisions").
An investigation of urban transformation presupposes a contextual analysis: a SMC's scope of development, role and identity, as well as strategies are influenced by its position in regional dynamics and its locational context (metropolitan - self sustaining - peripheral). This argumentation was illustrated and elaborated by results from Nordic case studies. In metropolitan regions, the key issue is strategic polycentricity, in independent (self sustaining) regions economic polycentricity, and in rural regions project polycentricity.
Peter Schneidewind gave the second introduction to the topic "Beyond MEGAs". According to him, SMESTOs (small and medium-sized towns) form a useful category for policy making in the EU, and this approach may lead to a different way of conceptualising the spatial structure of the EU. Secondly, there is a certain analogy between SMESTOs and SME (small and medium-sized enterprises). Thirdly, sustainability is probably the most useful concept when analysing SMESTOs. Fourthly, the focus should be put on flow data in analysing SMESTOs.
The discussant summarised the main arguments on the analysis SMCs/SMESTOs, linking the argumentation to the morphological and relational aspects of polycentricity. SMCs/SMESTOs are located between MEGAs, and they should not seen only part of a polycentric region.

The views from the floor:
The need to investigate SMCs/SMESTOs in general, and in the ESPON 2 in particular, was emphasised: 1) It is also important to study SMCs/SMESTOs in metropolitan areas and rural regions. 2) In the analysis of regional dynamics, a definition of a SMC/SMESTO is not the first priority, but the focus should be put on the drivers of their development. 3) Regions are still rather weak policy actors in most countries, and this emphasises the importance to analyse cities of different size as partners in sustainable policies.

1.d. Integrated analysis of transnational and cross border spaces

- *Chair: Ulrike Hiebl*
- *Rapporteur:Christabel Myers*
- *Main questions addressed:*
  - *What do we actually want to know when we analyse INTERREG in ESPON projects?*
  - *How can one best analyse the territorial dimension (and effects) of INTERREG cooperation?*
  - *Which recommendations can be given to future projects approaching these questions?*

The aim of the workshop was to exchange experience and explore how progress can be made in methodology for defining areas for cross border and transnational co-operation in terms of their actual and/or potential for co-operation.

Three introductory talks were given on present methodologies or approaches and their limitations:

Lisa Van Well described the ESPON 1.1.3 study on "Enlargement". This first of all defined characteristics of borders: potential economic, administrative, legal, cultural and psychological barriers; bridges for capacity building; potential for economic and political opportunities; and symbols of identity. The study then tried to apply a typology to border areas to try to define those which might more easily be able to overcome barriers and realise socio-economic opportunities. Factors in the typology included: density of border crossing points & geographic type of border – and intensity of transnational activities & economic disparities. A case study on the Hungarian Slovakian border region identified high integration potential since both were new Member States, with a common recent history and little language difference in their respective border regions.

Limitations to the study overall included: that it didn't reflect water borders, some criteria on multi modal transport was missing, there were different classifications for long borders, differing neighbourhood regions fell into different classes and it was difficult to draw policy relevant conclusions.

Sabine Zillmer described the transnational analysis which had been carried out in the ESPON 2.2.2 and 2.4.2 studies. The first had carried out an assessment of the impact of policies for transnational and cross border co-operation.. The second attempted to identify transational spatial patterns (structures and flows) with high potential for value added through cooperation. Both studies undertook desk research and in addition, the first carried out some case studies. Project 2.4.2 applied three elements: cluster analyses of transnational spatial patterns to identify homogeneity or heterogeneity; a review of actual spatial and thematic patterns to co-operation under INTERREG IIIB; and multi criteria analysis to identify important thematic or strategic orientations of groups of regions. The results of this showed that collaboration was sometimes at odds with common characteristics.

Limitations to the studies included: too brief a time period and short project and programme duration; difficulty in distinguishing project and programme impacts; the

need to consider institutional impacts on spatial socio-economic development and different kinds of programmes under varying conditions.

Ivan Iles described a Commission study to identify areas and topics for transnational cooperation in the next structural funds period. Under INTERREG IIIB there are 11 transnational co-operation areas with a great deal of overlap between them. 80% of the EU is eligible for funding from at least two of these programmes. There is a great variation in the number and size of projects in each programme. The budget per project in the South West is €7m; in the Northern Periphery it is €0.5m. Generally, there are more partners per number of inhabitants in the North of Europe, fewer in the south and least in the middle.

In the 2007 – 2013 period there is likely to be some reduction in the budget, given that national vested interests in transnational activities are less strong than in other cases. The Commission has, therefore, only proposed four activities for transnational co-operation: water management, prevention of risks, transport and accessibility, and science and innovation networks. Important activities recommended in the ESDP – co-operation on polycentric and urban-rural bases and to manage natural and cultural heritage will no longer be eligible. This will mean that a high proportion of activity currently being funded under IIIB eg 57% in the North Sea, 48% in North West Europe, will not be eligible in future. In addition, most of the new proprieties are more resource intensive than in the current round meaning that there will be fewer projects.

With fewer resources and projects in the next round the study undertaken examined whether 11 cooperation areas were needed. Characteristics associated with the new priorities – eg hydrological challenges, river basins, traditional economic trading patterns, were examined and modifications to the current transnational co-operation areas identified.

The Chair, **Ulrike Hiebl** and Moderator, **Cinzia Zincone**, led a discussion on how future approaches to assessment of transnational areas and co-operation might overcome some of the difficulties in the current studies. The following points were made:

- The coexistence of a bottom up approach was a key ingredient missing from the second study. It is one of the key driving forces behind a further round of transnational cooperation.
- Possibly too much emphasis is placed on history of cooperation rather than on potential.
- Both heterogeneity and homogeneity could indicate potential for cooperation.
- The studies tried to assess preconditions for cooperation. Measuring the affects of cooperation could complement this.
- Motivation is important. Particularly the political relevance or willingness to cooperate. This might be assessed by looking at what factors are identified in regional or national strategies. Another motivator might be involvement in polycentric development. Partners in Baltic States are interested in generating new investment. The availability or lack of cofinancing is also a factor in helping or hindering cooperation.
- Sometimes there is a need to change administrative and political levels within a region to enable it to take part in cross border cooperation.

- Analysis of the effect of opening up barriers after Enlargement, eg between Greece and Bulgaria, including problems and strategies for cooperation, would be valuable.
- "Cooperation" is a complex issue. It needs better co-ordination, differentiating what is required at different scales and levels of governance. INTERREG zones are needed for new investment and profit.
- Time constraints and defining categories for projects which are the subject of cooperation hamper analysis.
- Language is a barrier: this might form the basis for another ESPON project.

2. Regional perspective on the scenarios

2.a. Northern Europe

- *Chair: Moritz Lennert*
- *Rapporteur: David Evers*

1. Demography

Validation:
A: Continuing fall in birth-rates
Dk all disagree
B disagreement, Latvia no, Estonia yes
S disagreement in group, 3 agree 4 disagree
N all disagree

B: Continuing extension of life expectancy
Validated

C Increasing, but controlled external migration
Dk disagree relative terms

D Total stable, but ageing population
N all disagree

Summary of discussion
The trends point towards more children in North Europe and growth is currently positive. The assumption of continuing falling is therefore rejected for this region. Continuation is however dependent on continuation of welfare state benefits since this enables you to have kids and a job. If this vanishes, people may choose to have fewer children.

Regional impacts
Trends and policies

- *Finland*: a scarcity of human resources will emerge in rural areas as a consequence of ageing.
- *Sweden*: concentration to metropolitan areas will continue, producing a depopulation of the periphery. There will also be a leveling-out of the age structure due to migration.
- *Norway*: priority is placed on immigration to level-out the age structure, especially in larger urban regions.
- *Denmark*: ageing takes place primarily outside of large metropolitan areas.
- *Baltic States*: there will be a migration to cities, especially of young people from rural areas.

Impacts

- *Finland*: human resources, especially in rural areas will decrease. Retirement communities without workforce will evolve due to ageing, especially in rural east and north part of the country.
- *Sweden*: no response.

- *Norway*: most extreme growth in large cities, especially the capital.
- *Denmark*: ageing outside of larger city regions.
- *Baltic States*: ageing in rural areas (Estonia); external migration is to big cities, young people leave rural areas to cities or go abroad (Latvia).

2 Socio-cultural

Validation

A Growing socio-cultural polarisation
N all disagree

B Increasing ethnic tensions
B disagree
S 3 disagree, 4 agree
N all disagree
F disagree in group

C Increasing religious tensions
B both do not agree
N all disagree
S 4 dis 3 agree
F disagree in group

D More socio-economic division and tension
N all disagree
F disagree in group

Summary of discussion
Nordic countries are relatively small in terms of population and have a well established welfare state. This contributes to assimilation of minorities because it is easier to carry out intercultural dialogues. At any rate this is on the political agenda. Institutional factors also exist, like a ministry for integration. But not everyone agrees that this is successful; current tensions seen as evidence for lack of success. There is increasing conflict between ethnic groups, mostly outside of Europe, rather than with the indigenous population.

Regional Impacts

Trends and policies
- *Finland*: some problems in bigger cities regarding social exclusion and segregation. Not seen as a burning issue however.
- *Sweden*: increased polarization in larger urban areas, and increased tension between urban areas; difference between large metropolitan areas and other cities, depending on the proximity to larger cities.
- *Norway*: does not see growing socio-cultural polarization.
- *Denmark*: effect primarily visible in larger cities.

- *Baltic States*: increasing disparities between urban and rural areas, and access to services.

Impacts
- *Finland*: local problem (marginalization) for big cities.
- *Sweden*: no comment
- *Norway*: not much effect, peace and quiet. Some social exclusion in cities.
- *Denmark*: relates to large cities.
- *Baltic States*: socioeconomic difference between urban/rural and in the cities.

3 Economy

Validation

A Gradual increase in total activity rate
validated
B Improving R&D expenditure, but constant
technological gap to USA
validated
C Decrease in public expenditure
N all disagree
B both disagree
S 4 disagree 3 agree
F disagreement in group

Summary of discussion
Northern European economies are mixed; public expenditures are part and parcel to this economy. It is moreover politically difficult to cut public expenditure by for example privatization because of creation of private monopolies.

Trends and policies
- *Finland*: decrease in public expenditure due to ageing will be possibly offset by immigration, this is important because many areas are dependent on public finance.
- *Sweden*: concentration of growth in big cities but pockets of growth outside. There will be pressure placed on local labour markets to regroup; public expenditure will rise in peripheral areas.
- *Norway*: will not just maintain, but increase public expenditures. Access to services will therefore remain at a high level.
- *Denmark*: increasing privatization of services and r and d, concentration in efficient areas, which are metro areas.
- *Baltic States*: Economic activity will be concentrated in metropolitan areas, increasing regional disparities. In addition, there will be a concentration of public expenditures. This will occur mainly in metropolitan areas, but some regional spending.

Impacts

- *Finland*: impacts depend on which expenditures are decreased. Pressures to increase public expenditure, especially because of ageing and retirement sector. However, these may decrease anyway.
- *Sweden*: Longer commuting distances.
- *Norway*: pressure to maintain the service structure and level in all regions and municipalities. Regional distribution in whole country, settlement structures. This will affect living standards in the periphery.
- *Denmark*: Large city growth. Increasing privatization and attention for service sector and R&D.
- *Baltic States*: growth in cities. R&D expenditure is concentrated in metropolitan regions, as well as total economic activity.

4 Governance

Validation

A Increase in co-operation between cross-
border regions
validated
B Increase in multi-level and cross-sectoral
approaches, but only specific programmes
Dk all disagree
C Continued competition between policies
for competitiveness and for cohesion
validated

Summary of discussion
No discussion.

Trends and policies

- Finland: more policy focus on urban areas, especially the 4-5 largest towns.
- Sweden: regional governance not in short term, but in long term, takes even longer to filter down to local levels; reduction in number of local areas (municipal mergers).
- Norway: more integrated approach to regional development, but also more autonomous; regional development based on innovation, which can heighten disparities.
- Denmark: cross-border regions increasingly important, there is talk of more decentralization but not necessarily the case in practice.
- Baltic States: there will be a more integrated approach to regional development, resulting in more efficiency.

Impacts

- *Finland*: urban concentration. Promotion of urban growth. More competition between regions. Peripheral areas become more peripheral/polarized regional development.
- *Sweden*: no comments.

- *Norway*: more cross-sectoral policies, more targeted approach to R&D will augment regional disparities. More urban development policies and policy for regional balance. Multilevel specific programmes. Increasing differences.
- *Denmark*: cross-border development. More balance: decentralize incentives however the effect is questionable.
- *Baltic States*: regional development, more active border regions.

5 Energy

Validation

A Steady increase in energy prices
Validated
B Consumption stable/decreasing
N all disagree
Dk all disagree
F disagreement in group
S disagreement in group
C Increase in the use of renewables
validated

Summary of discussion
Development of industry will create more energy demand, but transformation to other sectors will lessen this. However the limits of energy conservation are being reached, which makes it difficult to lower consumption even more.

Trends and policies
- *Finland*: a steady increase in energy prices and impacts on transport costs will impact peripheral regions negatively, since they are largely energy intensive.
- *Sweden*: reduction in energy consumption; fossil fuel consumption could increase in metropolitan areas, but not per capita due to an increase in the use of renewables. There will be a decrease in population in depopulated areas, but these areas also have energy-intensive industries; these will also decline as a result of structural transformation, which will then lessen the demand for energy.
- *Norway*: wind parks and other renewables will affect especially coastal areas, producing possible land-use conflicts.
- *Denmark*: switching to renewables, for example biomass, will affect rural areas positively in economic terms. Further development of locally centralized systems of energy production.
- *Baltic States*: no comments.

Impacts
- Finland: effects on energy intensive sectors; spatial distribution depends on the location of these activities; high energy prices raise transport costs, impacts in east and north, relocation of industry to north
- Sweden: no comments
- Norway: increased use of alternative energy sources windmills at coastal zone
- Denmark: no comments

- Baltic States: natural resources, environmental problems like water pollution, metro areas are more consumers; natural sources are main sources of electricity.

6 Climate change

Validation

A Moderate overall climate change until 2030 (+1°)
Validated
B Increase in extreme local events
Dk disagreement in group; not every year extreme events like storms
B both disagree
C Emission levels continuing with insufficient structural adaptation measures
Dk all disagree
S disagreement in group

Summary of discussion
No discussion.

Trends and policies
- *Finland*: positive effects on forestry, negative impacts on urban environment. Capacity of water networks, risk of flooding an issue; energy consumption may decrease due to warmer winters.
- *Sweden*: effects are hard to determine, could affect tourist industry in northern areas because of less snow for skiing. Stronger impacts in rural areas, agricultural patterns, further pressure on rural economy.
- *Norway*: coastal areas will be affected by extreme events (e.g. landslides and small tsunamis). This will impact industry and households.
- *Denmark*: no comments.
- *Baltic States*: extreme events and climate change can harm tourist industry.

Impacts
- Finland: positive impacts on agriculture, forestry, heating (less energy needed); negative impact on built environment in coastal areas and reindeers;
- Sweden: no comments
- Norway: costal areas most affected; extreme events like storms and floods will affect especially coastal areas
- Denmark: no comments
- Baltic States: coastal areas, winter tourism affected

7 Transport

Validation

A Continued growth of all traffic, but curbed by energy price/possible modal shift
Dk disagreement on growth level being affected by price levels
B Constant growth of infrastructure

F disagreement in group
C Constant congestion levels
N all disagree
D Application of the Kyoto Agreement
Validated

Summary of discussion
No discussion.

Trends and policies
- *Finland*: growth in infrastructure mainly perceptible in urban areas, maintenance problems in rural areas will make them less accessible.
- *Sweden*: growth in urban areas will produce increase in commuting distances, and more demand for infrastructure.
- *Norway*: growth in infrastructure is foreseen; more roads and bridges in Norway will enable increased spatial integration via mobility. Most growth in infrastructure will occur in larger cities, especially to assuage congestion.
- *Denmark*: motorways have attracted much new urban development. A 'linear city' is a possibility even though it was not advocated by previous governments.
- *Baltic States*: transportation related to structure of settlements, urban planning decisions are an important factor. The increased congestion due to current growth in private transport necessitates a stronger role for public transport.

Impacts
- *Finland*: increasing urban areas, regional differences related to energy
- *Sweden*: no comments
- *Norway*: roads, bridges and tunnels all increase; increased commuting distances and more mobility; pressure for motorway-city development
- *Denmark*: more motorway development
- *Baltic States*: mobility increase alters settlement pattern

8 Enlargement

Validation

A By 2008 Bulgaria & Romania, 2020 Western Balkans, 2030 Turkey
F disagreement in group
B Continued combination of deepening and Widening
F disagreement in group
C Enlargement of Eurozone
validated
Summary of discussion
No discussion.

Trends and policies
- *Finland*: deepening and widening of EU will occur, stronger interactions with Russia will have far-reaching economic impacts; neighbourhood relationships.
- *Sweden*: deepening may produce a Baltic Sea Integration Zone.

- *Norway*: increased trade and mobility will occur in the Eurozone, Norway will however not join EU within the next 25 years; Norway will still be affected by EU decisions on enlargement however and will need to harmonize policies with EU regulations. Therefore there will be less policy freedom even outside.
- *Denmark*: agrees with Sweden, deepening of relationships in the Baltic region is likely. Enlargement will place pressure on CAP which would not necessarily harm Danish agriculture, in fact can benefit since it is already rather competitive
- *Baltic States*: Eurozone might be joined by the Baltic States around 2009 or 2010; this will be good for the business sector.

Impacts

- *Finland*: cooperation will continue; Russia, impacts on east Finland, problems in SF Objective regions
- *Sweden*: no comments
- *Norway*: Labour markets, more integrated EU, strengthening of pentagon; potentially more pressure on cap policy
- *Denmark*: no comments
- *Baltic States*: migration to city areas, Nordic cooperation; investments in countries joining eurozone, immigration

9 Rural development

Validation

A Further liberalisation of international Trade
N all disagree
B Increased industrialisation of agricultural Production
N all disagree
F disagreement in group
C More diversification of functions of rural areas and dualisation
Validated
D Reduction of CAP budget
Validated

Summary of discussion
No discussion.

Trends and policies

- *Finland*: expects a loss of production capacity and employment in western and southwest areas of the country.
- *Sweden*: urbanization of rural areas around larger cities; this has less to do with agriculture and more to do with urban pressure. This is not necessarily sprawl but new settlements and growth of rural villages into bedroom communities. Pillar 1 promoted expansion of big estates in the south.
- *Norway*: a likely diversification of rural areas will occur, e.g. tourism maintenance of rural landscape, in peripheral areas. New directions for regional and rural

development policy. Norwegian farms cannot compete with foreign ones, which would make it politically very difficult to enter the EU (government wishes to continue to support farmers).
- *Denmark*: Enlargement will place pressure on CAP. This will not necessarily harm Danish agriculture; in fact, it can benefit since it is already rather competitive.
- *Baltic States*: sugar will be put under pressure; more industrialization of agricultural sector is likely.

Impacts
- *Finland*: reduction of cap will have impacts on mainly southern Finland; end of agriculture in south and west; consequences for food production
- *Sweden*: no comments
- *Norway*: more tension, cultural heritage, quality of life; better opportunities to preserve rural areas; possible further industrialization and homogenization of landscape
- *Denmark*: restoration of rural land
- *Baltic States*: lost agricultural land, cities are growing into rural areas

2.b. Southern Europe

- *Chair: Ed Dammers*
- *Rapporteur: Aldert de Vries*

1 Demography

Summary
In general, a continuing fall in birth rates, a continuing extension of life expectancy and a total stable but aging population are expected to be the dominant trends in South Europe. In France and Spain more uncontrolled immigration of people from North Africa is expected.

Trends and policies

- Portugal: A continuous fall in birth rates will appear most of all in the south, mainly in the Alenteijo region (not in the Algarve). A total stable but aging population will appear all over the country.
- Greece: Continuing extension of life expectancy, especially in rural areas. At the same time, a continuous fall in birth-rates is expected. In mountainous areas the expectations are different.
- Italy: A total stable but aging population, especially in the south and in rural areas (less in coastal areas). Sardinia has the highest level of people older than 100 years. Very recently, however, an increase in birth rate has been observed. More immigration is expected in the north. There will be more migration from the north to the south.
- France: Continuous extension of life expectancy. The expectations differ for different social groups. Life expectancy will be become higher for higher social groups and stabilize or even decline for lower social groups. More uncontrolled immigration, especially illegal immigration of people from North Africa.
- Spain: Increasing but controlled external migration at least for the next two decades. There will be more people and more diversity of people, not necessarily an aging of the population. There will also be more diversity between large cities, interior areas and also between coastal areas and interior areas. More uncontrolled immigration, especially illegal immigration of people from North Africa.
- Cyprus: A continuing fall in birth rates and a total stable but aging population are expected to be the dominant trends.

Impacts

- In *Portugal* the ageing of the population ageing will concentrate in the cities. Rural areas, especially remote areas, will depopulate. Elderly people will move to the cities, because it will be cheaper to live there. They are also expected to move with their children. Socio-economic division and tensions will increase.
- In *Greece* the groups of aged people and of immigrants (mainly from Albania) will grow. City centres will be more densely populated. Because of that a drastic reorganization of the service system for elderly people is required (maybe at the expense of the education system). The increasing number of elderly people will contribute to the transformation of large cities.
- In *Italy* the increase of external migration is expected to generate a more informal economy. This could cause problems in terms of more criminality, more social exclusion etc. The active part of the population will become more socially isolated.

Retirement schemes will become weaker because of the ageing of the population. There will be more need for medical assistance for elderly people.
- In *France* the expected strong differentiation in the age structure of the population and in life expectancy will create greater social inequalities: young and high life expectancy in Montpellier, young and low life expectancy in the suburbs, old and high life expectancy in gated communities, and old and low life expectancy in old industrial and remote rural areas.
- In *Spain* an uncontrolled arrival of immigrants is expected. The situation, however, will become more diversified per region. Industrial activities attract most immigrants. Public expenditure might be more concentrated on the integration of immigrants (education etc.). This could lead to a different distribution of public means.
- On *Cyprus* inner cities will be most affected by immigrants. After the accession of Cyprus into the EU in 2004 a very high influx of asylum seekers and other immigrants can be observed, especially from South Asia. They mostly affect the inner cities. Rural areas have already been abandoned on Cyprus. No regeneration is expected.

2 Socio-cultural

Summary
All trends are validated, although most of the participants considered ethnic and religious tension not so relevant, being socio-economic developments the important driving force. Most countries see spatial segregation at all levels, both between productive and remote areas, as well as at city level. In all countries, the problem of concentration of migrants in city centres is stressed.

Trends and policies
- Italy: *More socio-economic division and tension* most important. Social tension, but no religious or ethnic tension. It is very localized.
- France: Only *growing socio-cultural polarisation* and *more socio-economic division and tension* are important. The driver for social tension is social.
- Spain: *Growing socio-cultural polarisation*, but this does not necessarily conduct to more division and tension.
- Portugal: idem France.
- Greece: *More socio-economic division and tension,* particularly in metropolitan areas. In peripheral areas more cohesion exists. Disparities in general are less in comparison with other European countries.
- Cyprus: *Increasing ethnic tensions,* due to political tension. Particularly the problem of asylum seekers is big in Cyprus, since it is the entrance port of the EU from Asia. However, Cyprus society as such is highly tolerant, and could therefore continue to be an example of multi-culturality.

Impacts
- Italy: Polarisation will lead to discussions on the maintenance of the welfare state. Poverty rates will rise, this will be particularly felt in the South, in Metropolitan areas and in interior areas.
- France: Reduction of public expenditure will be main driving force. As a result, increasing spatial segregation will take place, on many fields (level of education, age, ethnicity), particularly in cities. Territorial segregation will be voluntary (rich)

and imposed (poor). Furthermore, a dualisation will take place between highly productive areas (high-tech) and rural areas focussing on recreation.

- Spain: There will be very opposite developments in different areas. In rural areas and small cities, some will regenerate with the influx of immigrants, others will further decline. Not much social tension is expected here. In big cities, ghettos arise alongside areas of gentrification in city centres. Growing spatial segregation of functions between tourism, attention to elderly people, thematic parks, university campuses, gated communities, etc. Loss of urban identity: since the number of people living in the city they were born is declining, attachment to the place is decreasing. As a result, the "cultural landscape" will change: some overprotected cultural places (identities), the rest is being forgotten.
- Portugal: Increasing polarization. One specific part: housing. Access to housing is by purchase, not renting. Average family income is going down. People look for a house further away from the cities because they are cheaper. Central city areas: gentrification in some, immigrants in other areas. In general a decrease of population in city as a whole. Mainly in Oporto and Lisbon.
- Greece: Urban poverty, social exclusion, urban concentration of different groups of migrants. Rural areas: differentiation between rich (productive and tourist areas) and poor rural areas (remote mountainous areas).
- Cyprus: Rural areas within reach of urban centres and coastal areas are growing. Others are becoming abandoned slowly. Particular areas in the city centre become concentrations of immigrants.

3 Economy

Summary

In most southern European countries public expenditures in R&D will be reduced. Portugal is an exception. A gradual increase in total activity rate is only expected in Spain. There will be a growing technological gap between Europe and the emerging countries in Southeast Asia.

Trends and policies

- Italy: Public expenditure in R&D will go down. The private sector is not expected to invest more money in R&D because SME's with low investments will dominate the economy.
- Portugal: Improving R&D expenditure will be the most relevant trend. A very high increase is expected. Total activity rate will not gradually increase but decrease.
- Cyprus: A gradual increase in total activity rate will not occur since participation of women is already very high. Activity rate is forecasted to decrease at -0.1% per year in the next 30 years.
- France: People will continue to trust the state. Nevertheless public expenditure will decrease. An increasing technological gap is expected, not with the USA but with emerging countries like China and India.
- Greece: Public expenditure will decrease in general, but R&D expenditure will increase. Total activity rate will not increase but stabilize.
- Spain: Total activity rate will gradual increase, especially for women. Public expenditure will decrease, depending on the administrative level.

Impacts

- Italy: The impacts of decreasing public expenditures will be felt all over the country but they will be most negative in the South. Less money will be invested in transport and more in health care, housing etc. There will be growing tensions in specific sectors, like manufacturing, especially in industrial areas.
- Portugal: There will be an increase of economic activities in the MEGA's. Western coastal areas will generate more economic activities.
- Cyprus: -
- France: Strong dualisation of cities (rich / poor areas). There will be more gated communities. The dualisation between economic productive areas and rural areas focussing on recreational activities will increase.
- Greece: Concerning public expenditures there will be redistribution towards the Northern part of the country. In the centre there will be more private investments and in the periphery more public investments. Privatisation will lead to higher competitiveness. There will be an increasing gap between Athens, Thessaloniki and other large cities and the rest of the country.
- Spain: The economy will become more informal. Employment will decrease. More spatial specialization will occur. In the cities activities will become more mixed. Land consumption will increase.

4 Governance

Summary
In general, cross border cooperation will continue to depend to a large extent on EU subsidies. Competition between policies for competitiveness and for cohesion will continue or even increase. In some areas an increase in cooperation between cross-border regions is expected. The expectations regarding multi-level and cross-sectoral approaches differ for each country.

Trends and policies
- Portugal: There will be continued competition between policies for competitiveness and cohesion. Co-operation between cross-border regions and multi-level and cross-sectoral approaches will increase at a slow rate. This will appear especially in the North, in Lisbon, and in the Algarve. The rest of the country is still at an early stage.
- France: Continued competition between policies for competitiveness and for cohesion is expected. Actually territories are competing to be growth pole.
- Italy: Competition between policies for competitiveness and for cohesion will increase significantly. Cooperation between cross-border regions will increase only if subsidized. Instead of an increase in multi-level and cross-sectoral approaches there will be increasing tensions between the central government and the regions.
- Spain: Cooperation between cross-border regions will increase, especially between Spain and France. Continued competition between policies for competitiveness and for cohesion is expected. Competitiveness between different policy areas. However, not just one trend. Example: natural parks versus infrastructure. Multi-level and cross-sectoral approaches will not increase because of bad government. Informal decision-making will continue ("rhetorical regionalization").
- Greece: An increase in cooperation between cross-border regions is expected, mainly in the Northern part of the country. At the same time there will be continued competition between policies for competitiveness and cohesion.

- Cyprus: Multi-level and cross-sectoral approaches will increase. Cross-border cooperation will necessarily be limited to maritime relations.

Impacts

- Portugal: Continuous lack of capacity to tackle the ongoing growth of regional disparities. Development recourses will become scarcer. Co-ordination of inter-regional and intra-regional development will become more difficult. Continuous desertification and reinforcement of coastal metropolitan areas as key growth poles.
- France: -
- Italy: More EU integration. Growth of transfer experiences and models. More cohesion and competitiveness. This is especially expected in the boundary regions and in the large rural areas. Multi-sectoral programmes have an important impact on regional development. The problem is that this is linked to EU programmes. There is an inclination to stay as much as possible in an "emergency situation".
- Spain: Efforts will be more concentrated on economic growth than on territorial governance. Less efficiency leads to less legitimacy of policymaking. Local policymakers are unable to manage the increasing complexities.
- Greece: No significant changes are expected in the disparities between the core and the peripheral regions.
- Cyprus: Cross-sectoral policies will lead to growing integration and will thereby create a solid ground for better coordination and more potential for sustainable approaches in spatial planning.

5 Energy

Summary
Increasing energy prices are the main driving force. Disagreement exists whether this will lead to more investments in renewables. Some countries open their way to nuclear power and coal mining, others subsidize wind, solar and biofuel energy. No participant foresees a major technological shift which makes alternative energy profitable ("we don´t know"). High energy prices promote territorial imbalances. On the other hand, alternative energy offers possibilities for remote areas (wind mills, bio fuels). In some countries, land use conflicts arise between alternative energy and other sectors (tourism).

Trends and policies

- Italy: *Steady increase in energy prices*. Italy has a strong oil dependency. There is also an increase of renewables, but more time is needed because it is still too expensive. Wind energy is blocked, because of conflict between Sardinia and central government. Nuclear energy will increase at least until 2015.
- France: *Steady increase in energy prices.* National companies are privatised and have power of prices. Out of renewables, bio fuels have the future. Solar and wind energy will only be locally developed. Nuclear program will be extended. Opening of new coal mines will happen.
- Spain: *Steady increase in energy prices.* Spain has also a very strong dependency on oil. Decreasing energy consumption is not very realistic in Spain in the near future. Of renewable, hydropower may go down because of climate change. Solar energy can be developed more. is not developed to potential. Opinion of one: it depends all on the technological shifts that will happen: effective soil energy? Nuclear fusion? More oil will be found?

- Portugal: *Consumption stable/decreasing*, there is still an increase of consumption related to welfare growth of population. But stabilisation will come some day. Other issue: decentralization of energy production. Besides: the door might be opened for nuclear energy, although not expected.
- Greece. *Increase in the use of renewables*, tourism and energy generation is conflicting due to construction of windmills.
- Cyprus: *Steady increase in energy prices,* and *Increase in the use of renewables*. Also Cyprus is highly dependent on oil. Renewables might be introduced, but at a moderate level. Change from oil to gas, and introduction of biofuel (from pig farm). Reopening of coal mining is possible.

Impacts
- Italy: disadvantaged areas will lack behind due to increasing prices and lack of investment in their energy production potentials.
- France: -
- Spain: Rising energy prices tend to increase of imbalances between territories. The development of alternatives gives opportunities to remote areas.
- Portugal: Decentralization of energy production (wind, biomass) will increase opportunities of remote areas.
- Greece: Conflicts between energy production and tourism.
- Cyprus: -

6 Climate change

Summary
Disagreement exists about the "baseline" trend for climate change. Impacts are not felt by all countries, because some doubt to what extent climate change will take place. Drought, floods and redistribution of land use are most important impacts.

Trends and policies
- Italy: *Increase in extreme local events* and e*mission levels continuing with insufficient structural adaptation measures.*
- France: *Increase in extreme local events*, but on the long term e*mission levels continuing with insufficient structural adaptation measures.*
- Spain: *Increase in extreme local events.* Droughts and floods are most important.
- Portugal: *Increase in extreme local events.* Local events will be further aggravated by climate change, but at the basis, driving force is lack of organisational skills, lack of policy of reforestation. Therefore more forest fires are expected.
- Greece: *Emission levels continuing with insufficient structural adaptation measures* due to transport.
- Cyprus: Not so important. Adaptation will be possible due to long tradition in water and forest management. Though someone else says water scarcity is an important problem (..). Coastal erosion takes place, but this is due to development, not climate change.

Impacts
- Italy: This will lead to a change of settlements and land use and behaviour (how?).
- France: -

- Spain: Water shortage increased by drought. Tensions between developed Mediterranean regions that need more water, and other less developed interior that can provide more water.
- Portugal: -
- Greece: -
- Cyprus: -

7 Transport

Summary
In most urban areas, congestion levels will increase, and not be constant. Modal shift will take place around some congested urban areas, but the construction of motorways and increasing car ownership are the dominant trend.

Trends and policies
- Italy: *Constant congestion levels* and *Continued growth of all traffic*, particularly in urban areas. The quality of existing infrastructure will decrease due to lack of maintenance.
- France: *Constant congestion levels* and *Continued growth of all traffic*, particularly in the S-E. People in the S-E will be obliged to modal shift. In the S-W car use will remain, and congestion will increase.
- Spain: *Constant growth of infrastructure.* Up to 2020 increase of infrastructure. In cities, even in the small ones, there will be an increasing problem of congestion. Only road tolls can stop this process.
- Portugal: *Constant growth of infrastructure.* The recent trend is a modal shift from motorways to trains, and to metros in metropolitan areas. The two controversial infrastructural issues (high speed train and airport) are issues that will be resolved.
- Greece: *Constant growth of infrastructure*, mainly in roads, but also maritime. Urban areas face more congestion.
- Cyprus: *Continued growth of all traffic* and c*onstant growth of infrastructure*. There will be a slight modal shift to buses due to government policy (there are no buses whatsoever on Cyprus right now). Cyprus is dreaming of a better maritime connection, but doesn't EU policy expect to change on this issue.

Impacts
- Italy: -
- France: -.
- Spain: More traffic, much better management, road pricing in 2010, better public transport in cities. Increased accessibility of most areas. Negative impacts on natural heritage, particularly in coastal areas. HST reinforce large cities. Public transport extends metropolitan areas.
- Portugal: -
- Greece: Increase of polycentric structure, through upgrade of western highways and connection to European territory through Balkan area.
- Cyprus: The lack of increased maritime connections does not improve problems of insularity like high prices, less choice, lower accessibility. The development of a polycentric system will be supported.

8 Enlargement

During the workshop the participants didn't consider enlargement as an issue taking place in their countries. Therefore, this issue has not been explored.

9 Rural development

Summary
Further liberalisation of international trade and more diversification and dualisation of functions of rural areas are expected in South Europe. The more successful rural areas (e.g. tourist areas) may become very rich but other rural areas (e.g. more peripheral areas) will become poorer.

Trends and policies
- Italy: The industrialisation of agricultural production will increase, particularly in south. At the same time agriculture will produce more regional products. More diversification and dualisation of functions of rural areas is also expected.
- Spain: More diversification and dualisation of functions of rural areas are expected. There will be a tendency to develop non-agricultural production, like bio-fuels (as an alternative for traditional crops). Especially in rural areas in urbanized regions there will be more urban sprawl (first and second homes) and dualisation of functions.
- France: Further liberalisation of international trade and more diversification and dualisation of functions of rural areas are expected to be the most dominant trends. High quality production will play a more important role.
- Portugal: Further liberalisation of international trade and more diversification and dualisation of functions of rural areas are expected. Leisure will increasingly determine the value of land. This trend will be caused by sprawl of leisure activities.
- Greece: More diversification and dualisation of functions of rural areas will occur. Regarding the CAP Pillar 2 will be most important. This will preserve GDP in certain regions. Pillar 1 is important to achieve gradual adaptation.
- Cyprus: The CAP won't be important for Cyprus but sustainable rural development will be important. More diversification and dualisation of functions of rural areas are expected.

Impacts
- Italy: Particularly in the South rural trade and food production will be more regulated. There will also be more urbanisation of rural areas. And there will be more global dependency.
- Spain: Some rural areas (particularly the tourist areas) will become very rich and other rural areas (particularly more inland areas) will become poorer. Suburbanisation of rural areas in urbanized regions ("rurbanisation"). There will be a tendency to abandon the more remote, less developed areas.
- France: -
- Portugal: The reduction of the CAP budget will cause many changes in the settlements in rural areas and also in urban-rural relations. Some rural areas that work as poles for regional development will further develop. Leisure activities and agricultural productivity will play an important role in these areas.
- Greece: Urban-rural relations will change. Multi-occupations and cultural and natural networks will cause a revitalisation of the rural areas.

- Cyprus: Rural areas are already changing into “sunshine, leisure and retirement communities” where local landscapes are of high value. Those which develop very fast might loose their attractiveness. Those that do so in a sustainable way have a lot to benefit.

2.c. Eastern Europe

- *Chair: Ian Strange*
- *Rapporteur: Michelle Wishardt*

1 Demography

Summary
In general, a continuing fall in birth rates is predicted, though with pockets of recovery. A continuing extension of life expectancy is not seen as inevitable throughout the region, indeed in areas there has been a rise in mortality rate among some cohorts. Controlled and uncontrolled migration were considered to be the trends which would make the most difference to the demographic composition of the region and due to the uncertainties about the future trajectory of this few participants were happy to validate the notion of a 'total stable but ageing population'.

Trends and policies

- Austria: There has been a *recovery of birth rates* (partial consensus) and an actual increase in cities, particularly Vienna. Continuing extension of life expectancy is confirmed and expected to continue and considered by one participant to be the countries most important demographic trend. Increasing, but controlled external immigration was considered by a majority to be the key factor in Austria's population development.
- Bulgaria: A continuing fall in birth rates is predicted as the dominant trend, continuing life expectancy is hoped for and more immigration and emigration expected, but forecasts regarding the stability of age profile of the population cannot be validated.
- Czech Republic – Total agreement on the fall in birth-rates constituting the most significant demographic trend, but a continuing extension of life expectancy was not recognised by any of the participants. Increasing, but controlled external migration was not generally validated, there may be an increase in immigration to key and border areas, but this may not be controlled, or legal.
- Hungary – Validation was as with the Czech Republic, but there was a feeling that birth-rates had now reached their lowest point. However improvements in life expectancy were acknowledged and considered likely to continue. Total stable, but ageing population is considered an accurate prediction by ¾ participants and by one to be the most significant.
- Italy – all main trends were seen to be clearly apparent, but the dominant one in the North East is considered to be a continuing sharp fall in birth rates.
- Poland – A general validation of the fall in birth-rates and rise in life expectancy was agreed, but migration was seen to be a key trend impacting the country by one delegate who stressed that *out-migration would be more important numerically than immigration, and the extent to which is would be 'controlled' was questioned.* There was consensus that the demographic profile would be *ageing and decreasing, rather than stable*.
- Romania –A decline in both fertility and mortality rates was validated, but rise in external migration was considered the most important issue for the country.

- Slovak Republic – The trend of continuing fall in fertility rates, an extension of life expectancy are corroborated. A rise in total population though controlled migration. The dominant demographic trend is considered to be *ageing, rather than a stable.*

Impacts
Western areas of the whole region are growing more rapidly than Eastern ones. The east-west divide is becoming increasingly important demographically with eastern areas noticeably 'older', partly due to the out-migration of younger people. This pattern is replicated at the national level in many member states, for example *Slovakia* and *Poland*. De-industrialisation is the key factor in demographic development; only metropolitan areas appear to be attaining replacement level populations. Areas with service industries are also growing relative to others as these attract foreign direct investment. In *Romania* two MEGAs are emerging, one based on Bucharest, the other one new. *Poland* which was more polycentric to begin with, has at least ten quite dynamic towns with populations of more than ¼ million. Big cities across the region are losing populations due to sub-urbanisation processes, but this is most notable in *Poland*. Much of the region has been experiencing new 'metropolitanisation' pressures post 1989 which are showing varying spatial implications due to different land ownership and distribution patterns during the communist era, but there are obvious differences as some CEE countries have always had a more monocentric structure (e.g. *Romania*) while others have been more polycentric in form (e.g. *Poland*). It was considered that Metropolitanisation could accentuate existing rural depopulation problems. In the *Czech Republic* rural to urban migration is thought to still constitute a very significant demographically trend.

In *Austria* the demographic trends are quite different due primarily to a very different political and economic past, key developing trends are: external immigration and intra-regional immigration of younger groups to urban areas leaving services stretched, and rural areas losing populations where consequently services are also under threat producing growing demographic imbalances.

2 Socio-cultural

Summary of trends and policies
All, except a couple of *Austrian* and one *Czech* participant, agreed that in their countries there had been a rise in socio-cultural divisions. There was more ambiguity with respect to religious and ethnic polarisation, though the *Italian delegate* acknowledged that both were a problem and the *Hungarian group* considered ethnic divisions to be the most significant social trend in their country. While the *Czech and Austrian participants refused to validate any trend indicating ethnic and religious divisions*, discussions revealed that minority populations across the region, most notably *Romany* communities were both experiencing difficulties and perceived as problematic but the majority populations and that this issue has become more prominent in the post-communist period.

Throughout the region growing socio-economic divisions were agreed to be an important, mostly the most important trend. Discussion revolved around the degree to which it was showing signs of becoming potentially violent in nature. Nonetheless although *Austria* would not foresee any violent expression of growing inequality in their country, all participants from all countries represented did recognise the trend of an

increase in tensions arising from a growth in disparity of income, wealth and related life-styles, though obviously the intensity and visibility of these was recognised as being regionally variable and localised.

Impacts

- Bulgaria and Romania: Disparities are emerging within countries and between regions of each country they are growing, but more dynamic areas are coming more in line with EU.
- Czech Republic: There is a growing gap in housing standards and generally in income and rising levels unemployment.
- Poland: There has been a rapid increase in gated communities here, and across the CEE region. A 'post-industrial perception' is prevalent that the gap between rich and poor will grow because of an inevitable 'more rapid growth of richer groups in post-communist society'. This also appears to be occurring in the *Czech Republic*, but with new poor rural areas and growing gap between rich and poor in Metropolitan Prague.
- Throughout the CEE region: Social segregation is a particular problem with regard to the Roma population. Other socio-economic groups too have become increasingly segregated from the rest of society and pockets of poverty persist and worsened in some cases. Socio-economic polarisation by region is in evidence, e.g. between Eastern and Western regions of *Poland*. Socio-political divisions, and in some areas tensions, have arisen as a result of growing immigration. Growing 'internal' segregations in rural and urban areas for different regions were reported.

3 Economy

Summary

Adaptation to a market economy and one competitive and growth oriented enough to fit in with the requirements of the EU is obviously the main driving force of the CEE region. Given these specific circumstances, there was some discussion as to what aspects of the economy are most significant now and as accession progresses. Clearly this is a most controversial topic, but some agreement was reached as below. With regard to specifics, some regions of the region are very advanced on R&D, such as Estonia (?), these countries are well placed economically to fulfil the demands of the Lisbon Agenda. With respect to labour market considerations, the over-employment characteristic of the communist era has been replaced with serious, though regional, problems of unemployment. Despite this, most participants foresaw improvements in the total activity rates in their states.

Trends and Policies

- Austria: Current policies are producing an improvement in total activity rates, but Austria's strength economically lies in the improvement in R&D, to such an extent that the gap to the USA is not recognised. No agreement could be reached on the issue of whether public expenditure was on an upward or downward curve, though all acknowledged that there were evident shifts, which might be seen as leading to more efficiency, certainly more focus on perceived need.
- Bulgaria: No perceived fall in public expenditure, but an increase in activity rates and improvements in R&D expenditure seen.

- Czech Republic: Improvements in labour market activity rates the most notable change in the economy and seen by all to be the most significant change in the future. Decrease in public expenditure definitely not recognised as a baseline trend and disagreement as to the success in the field of R&D.
- Hungary: Gradual increase in total activity rate, improvements in R&D investment and a decrease in public expenditure all validated as the most important economic trends in this country.
- Italy: A rise in total activity rate considered to be the key baseline trend, though all validated for the North East region.
- Romania: Improving R&D expenditure agreed though continued technological gap to USA and other parts of the world agreed, gradual increase in formal employment participation rates seen to be the vital trend. Decrease in public expenditure not validated.
- Poland: Gradual increase in total activity rate, improvements in R&D investment and a decrease in public expenditure all validated as the most important economic trends for the country.
- Slovakia: R&D improvements considered the key economic development, though the two other baseline trends undisputed.

Impacts
The impacts of economic re-structuring caused much debate which was not confined to one country. However discussion revolved around what policy should be enacted in order to best fulfil economic potential vis-à-vis the rest of the EU and world economy. Generally speaking transport infrastructure was considered key to future economic development in rural and remote areas and for trade with the rest of the EU to be maximised. It was pointed out that currently economic growth is very uneven and set to continue without intervention. The territorial impact of new economic development on the environment was noted as an impact of concern, in particular on greenfield sites in the *Czech Republic*.

In *Austria* it was stressed that female activity rate was restricted, and would probably continue to be constrained, due to lack of childcare provision, especially in rural areas.

4 Governance

Summary
This was obviously another dominant area of interest in the CEE region in view both of post-communist adjustments in governance style and the emergence of new layers of government, and in terms of adjustment to membership of the EU.

Trends and policies
- Austria: An increase in co-operation between cross-border regions will continue to be the key emerging trend in the field of governance. An increase in multi-level and cross-sectoral approaches is seen as an equally important on-going trend, but within limits.
- Bulgaria: Co-operation between cross-border regions has been increasing and is seen as likely to continue and is considered the most important trend in governance. The other two trends are validated though.
- Czech Republic: Growing co-operation between cross-border regions is and will likely continue to be the most important political trend. A rise in multi-level and

cross-sectoral approaches in specific areas is also acknowledged as a notable developing trend, as is the political tension between cohesion and competition as a goal.

- Hungary: Co-operation between cross-border regions seen to be the most important base-line trend, particularly along the East and South external borders, although one participant predicted that the conflict between policies stressing cohesion and those stressing competition was likely to become more significant. The rise in multi-layered and cross-sectoral governance was acknowledged. In general terms the general increase in regional activitywas considered most important. .
- Italy: Co-operation between cross-border regions has been increasing and is seen as likely to continue, as is the conflict between competition oriented and cohesion oriented policies, but more significant is the predicted and already evident rise in multi-level and cross-sectoral approaches to government.
- Poland: Co-operation between cross-border regions has been increasing and is seen as likely to continue, though according to one participant the increase in multi-level and cross-sectoral governance will prove to be more significant. While the competition/cohesion dichotomy in some form will in the future continue to be the most important aspect of political debate, a new approach to cohesion which focuses on convergence should serve to reduce the tension.
- Romania: Co-operation between cross-border regions has been increasing, will probably continue to rise and is the most significant political development. An increase in multi-tiered government and rising political tension between policies for competition and cohesion are also validated.
- Slovakia: Co-operation between cross-border regions has been increasing and is seen as likely to continue and be vital to the political future of the country. Equally significant will be continued competition between policies for competitiveness and for cohesion. Multi-layers of government are also seen to be on the increase, though may be less significant politically in the long-term.

Impacts

Conflicting trends of centralisation and decentralisation are in evidence across the CEE region, decentralisation at the local level quite widely, and in some countries at the regional level (e.g. *Poland* 16 regional divisions) as new tiers of government re-establish new roles. It is difficult during the period of transition to identify the eventual impact of this process.

With regard to trans-national developments, the Western part of the *Czech Republic* is building more formal and informal agreements with Southern Bohemia, *Poland* on its South & West external borders, *Austria* with all CEE neighbours. *Bulgaria* is seeking more co-operation in developing transport infrastructure as this is considered necessary for effective trans-national co-operation to be realised, a similar picture is evident in *Romania*.

Post EU accession there is already more cross-border co-operation, especially in the *Czech Republic* and it is predicted that this will continue leading to more integration with benefits for the region, though this is not universally recognised within all CEE member states.

5 Energy

Summary
A continued rise in energy prices is considered the key factor in the field of energy, the responses to this are seen to be already very different by country and region and likely to result in varying policy responses, unless a single energy policy from the EU level is implemented.

Trends and policies

- Austria: Price rises the driving trend, but demand not likely to fall. Instead the price increases likely to be mitigated by efficiency increases and more investment in alternative and renewable sources.
- Bulgaria: Rising prices again the driving force, but a growth in renewable sources also foreseen.
- Czech Republic: The price rises are seen to be the key trend, but this will not result in a fall in consumption, on the contrary this will continue to increase as well, although this may be mitigated to some extent by a growth in renewable energy sources.
- Hungary: Energy demand may be constrained by price rises, a move to renewable sources of energy may have repercussions for the political-economic structure of the country with benefits for rural areas.
- Italy: All base-line trends validated.
- Poland: The major trends acknowledged except that demand and consumption will increase, while emissions should decrease.
- Romania: The move to renewables and rise in price for current sources of energy is accepted, the impact on demand and consumption cannot be predicted yet.
- Slovakia: Rising prices again the driving force, growth in renewable sources expected to continue to be a key policy response, but a stable or falling demand not accepted as a likely trend, no evidence of such now.

Impacts
Across the region there is a search for renewable sources, this is liable to be stepped up due to the energy crisis. The outcome of this search will determine territorial impacts.

- Austria: 'Windmill landscapes'?
- Czech Republic: Energy consumption likely to increase due to investment in new enterprises.
- Slovakia: Development of new energy plants, possibly also atomic (SL).

6 Climate change

Summary
All, bar Bulgaria agree with the inevitability of climate change and all, bar Romania expect an increase in extreme local events presumably as a result. With the exception of the Czech and Slovak participants, all were also in agreement that emission levels would continue to rise, probably with insufficient structural adaptation measures being enacted to counter the impact of this.

Trends and policies

- Austria: This baseline trend undoubtedly among the most worrying for the country, the rise in temperature predicted to be severe – not moderate – in effect, though this likely to be more severe in regions such as Alps, variable scope of impacts of extreme local events. While there was general agreement on the emission issue it was felt that long-term projection of this too difficult to accurately forecast.
- Bulgaria: Flooding likely to increase, and a loss of snow cover in mountainous regions though incremental rather than sudden likely to be detrimental to local economies and tourist industry. Emission levels seen as likely to continue to increase without a change in policy direction.
- Czech Republic: There was consensus regarding the predicted climate change up to 2030, but not on emission levels (which half of the participants felt may be keep in check, or even suppressed through positive policy measures) or the inevitability of extreme local events.
- Hungary: Agreement on the validity of all these developments as 'baseline trends' except for the certainty of severe climate induced local events.
- Italy: Increase in extreme local events, particularly flooding in low-lying regions, but in the long term emission levels continuing with insufficient structural adaptation.
- Poland: Rises in temperature may be +2° *not* +1°, emission levels likely to continue to increase, as will a range of extreme local events in keeping with the size and breadth of the countries geography.
- Romania: Agreement on the validity of all these developments as 'baseline trends' except for the prediction of dire natural disasters.
- Slovakia: All validated, bar that regarding future emission levels.

Impacts
Discussion revolved around the likelihood of and predicted degree of severity of flooding and loss of snow cover in low and high areas respectively, with mountainous areas and low-lying regions most at threat from climate change, as well as low lying regions. Impacts will be felt for tourism and environmental and socio-economic sustainability generally, *Austria, the Czech Republic, Southern Poland, Slovakia, parts of Italy* and *Bulgaria* having particular regional concerns of an acute nature. In *Poland* it is considered that an increase in local *disasters* due to climate change probable.

Current attempts to deal with the issue of climate change are resulting in environmental conservation measures and a growing attention to bio-diversity etc. This interest is increasing, widely seen as a vital area of current and future interest in many areas, e.g. *Poland* where dramatic improvements have been realised. In *Hungary* also there have been investments and technological advances in environmental infrastructure, sewerage, waste water treatment etc. Although this could be seen as an outcome of climate change, participants noted that *environmental concerns other than that related to climate change must be addressed.*

7 Transport

Summary
This policy area was given a lot of attention, being considered key to the successful economic development/regeneration of certain regions and to the integration of CEE countries into the EU. It is also another central area both reflecting change from a

controlled to a market economy (e.g. in the growing popularity of the private car as opposed to state subsidised public transport) and reflecting the some of the tensions which contributed to the end of the former: that between pursuing the goal of environmental or economic growth. Whilst there was broad consensus on the validity of the 'baseline trends', there was lively discussion on the specifics of where future transport policy and investment should go.

Trends and policies

- Austria: Continued growth of all traffic likely to continue, but the modal shift though necessary would perhaps be an unrealistic expectation. Infrastructure would continue to grow, however this will be selective and will involve improvements, i.e. growth of infrastructure quality, not inevitably quantity in an indiscriminate way. These reforms may not be enough to contain congestion levels which could continue to rise in certain 'hot-spots'.
- Bulgaria: Yes to all, with the growth in infrastructure being the most important trend.
- Czech Republic: Complete agreement with all baseline trends as identified and their significance for the country, but not with constant congestion levels, presumably these are predicted to continue to rise in line with growing affluence and consumption levels.
- Hun gary: Validation of all trends, most important considered growth in infrastructure which will improve the accessibility of more peripheral areas.
- Italy: As Hungary.
- Poland: Agreement with all, but traffic levels not curbed and increasing congestion levels. The key trend relates to infrastructure, debates around the Polish Motorway Programme are central to this.
- Romania: All validated, but the issues most significant in Bucharest, where a special priority will be given to infrastructure improvements which will contain congestion levels.
- Slovakia: Yes to all, with the traffic levels and modal shift being the most important trends.

All countries considered that the application of the Kyoto Agreement in the field of national transport policies would be fundamental and accepted broadly as essential, in Austria this would be a central aspect of government policy and a lead may be taken in extending the agreement.

Impacts

This area is/was too contested to achieve consensus on the impacts of changes in transport, it is an area which is strongly policy led and it was difficult to veer the discussion away from which policies governments ought to instigate or pursue in order to solve the 'transport problem', especially that relating to whether Western style economic growth could be achieved without great cost to the environment and whether alternatives to road transport were feasible. Nonetheless the following points were noted.

- Austria: If necessary modal shifts are implemented the spatial development and structure of the entire region could be quite different by 2030.
- Bulgaria: Successful development and expansion of the Danube corridor could involve a shift from road to water navigation.

- Czech Republic: Current indications are that support for rail transport fallen off, replaced by an increased popularity of private car. The long-term implications of this need further exploration.
- Poland: 'Assuming improvements are made to the transport infrastructure of the country, Poland could become an economy of central import.'
- Romania: As Bulgaria regarding the possible impact of opening up water ways, but also noted that for Romania motorways may also be essential for the country to develop a role as a conduit for West-South-East trade etc.
- Slovakia: More traffic could regenerate Eastern areas, but tensions between the desirability of this and modal shifts will lead the debate over the next 25 years. If successfully carried through the impact on territorial developments could be fundamental – more polycentric?

8 Enlargement

Summary
Clearly central to the region, the specifics of enlargement were central to the interest of the group.

Trends and policies

- Austria: Turkey no, the rest a positive 'yes' – note the countries 'neighbourhood policy'. Agreement that the EU would continue to deepen, as well as widen, with Austria playing an active and positive role, this would include expansion of the 'Eurozone', which would be the aspect of enlargement most significant to the country.
- Bulgaria : In agreement, the country joining will obviously be the most important trend.
- Czech Republic: Not complete agreement on the new countries to join, nor on the continued widening and deepening. But all agreed that the enlargement, whoever it did include, and extension of the 'Eurozone' would be key baseline trends for the future of the country.
- Hungary: Validation of all predicted baseline trends, with the accession of particular new members, most notably Romania and possibly the Western Balkans, being most important initially for Hungary.
- Italy: All validated, the 'Eurozone' being the most significant trend.
- Poland: The timetable for new accessions agreed up to 2020, followed by Belarus, Moldova, Albania and Ukraine. All trends significant, but the widening/deepening one the most so, though there was disagreement as to which direction this would take, 'widening rather than deepening' according to one participant, ' deepening more than widening' according to another.
- Romania: As Bulgaria.
- Slovakia: All validated, with the accession of new and neighbouring states being the most significant trend.

Impacts

- Austria: Of key interest to Austria for the future is the accession of Croatia.
- Bulgaria: Bulgarian accession will have an increasingly positive impact on Greece, currently separated physically from the rest of the EU. Its importance to

the entire CEE region, and the whole of the EU, could grow over the next 30 years as it becomes the new 'gateway to the East and Middle East.
- Poland: The accession of Ukraine and Belarus will be most important to the country over the next 25 years.
- Romania: The Danube corridor if developed could become a key future route and strategic area for the EU over the next 15-25 years.

9 Rural Development

Summary
Much will depend on the outcome of current negotiations regarding the CAP budget, and specific commitments to accession countries. It was thought to be difficult to assess the future of the farming section without knowing the outcome of this pivotal debate. General agreement on global trends and diversification and further industrialisation of production was reached. Other relevant policies, such as the role of the agricultural sector in biomass technology for future energy provision was thought to be important to consider.

Trends and policies
- Austria: Further liberalisation of international trade confirmed as the probable most important trend for the country. Increased industrialisation of agricultural production would only be partial, not in mountain areas. More diversification of functions of rural areas and dualisation is expected to continue. Regional variations would be significant though with a shift to rural development occurring in some parts of the country, but remaining constant in Alpine areas. Yes, the CAP budget is predicted to be reduced.
- Bulgaria: No comment re CAP, global liberalisation of trade barriers most important trend likely to impact the country which has a large agricultural sector, diversification, dualisation and to a lesser extent industrialisation will also be important in coming years.
- Czech Republic: 2/3 not expect to see further industrialisation, 2/4 did not expect reductions in the CAP budget. Agreement on diversification and liberalisation, both considered the most significant trends.
- Hungary: Agreement with the validity of all trends, though industrialisation of the agricultural sector and dualisation in line with access to urban markets thought to be the key ones.
- Italy: Agreement with all, opening up of world markets the most important for Italy's agricultural sector.
- Poland: As Italy, though not all agreed that the CAP would be reduced, negotiations around this and the levels of agricultural subsidy would obviously be of vital import to Poland's large rural economy. Increasing dualisation was also seen as a key trend in that economy over the next 25 years.
- Romania: Diversification was recognised as an important trend, but increased industrialisation of agricultural production was considered likely to become the most significant.
- Slovakia: As Italy.

Impacts
Again as a currently contested area of EU policy and one especially significant to some of the more rural dominated regions of CEE, discussion tended to focus on the way national, EU (and to a lesser extent international trade) policies *should* develop which would result in different outcomes (i.e. policy prospective scenarios) rather on agreeing a generic likely long-term impact on regional rural development across CEE, what *would* be (understandable perhaps for this policy area). What was agreed was that impacts would hinge on future of the CAP. The view was expressed that 'if it continues in its current form though it will perpetuate the existing structure, associated problems and inequities'.

The interaction between demography and rural development was discussed at some length. Here it seems there is some diversion from developments in the rest of Europe (counter-urbanisation etc.), with rural to urban migration still the prevailing trend, and thus rural depopulation is already and likely to become increasingly a much more serious a problem. However there are indications that rural areas within reach of some major conurbations are becoming popular and in the *Czech Republic* rural areas are becoming 'less the province of agriculture'. In *Hungary* prosperous areas near to markets are seeing dramatic dualisation and so in a better position to retain populations. In *Poland* rural developments differ significantly by geographical region – in the North and West there are very large farm estates becoming more specialised and high tech, in the South-East change is slower, agricultural units are overpopulated and semi-subsistence, multi-functional farming persists where people work in urban areas and retain small plots of land – bi-functional, perhaps not the dualisation implied in baseline trend 'C'. In *Slovakia* some rural areas lack the potential to diversify. The possibility for diversification varies throughout the CEE region, some rural areas attractive and ripe for tourist/other dualistic development, others remote and less amenable to any form of diversification. In this policy area it was apparent that regionalisation of the scenarios must be by region, rather than primarily by nation state. But with that proviso the following points emerged.

- Austria: State rural policy will (and should) continue to focus on population and ecological issues as a priority, the way they play out may depend on how these are resolved with national agricultural policy.
- Bulgaria: Developing rural competitiveness and development potential must be a priority for the future success of the countries economy and wider placement in the EU.
- Poland: The future is going to be determined to a large extent by economic policy, it is a matter of resource allocation and priorities.
- Romania: In countries still rural dominated, like Romania there is a need for further industrialisation of production, diversification and dualisation (progress on these is currently variable across region – likely to continue to be so without major policy intervention?). The process of urbanisation is striking and the dominant trend.

10 Other

Policy areas which it was felt had received insufficient attention in our baseline scenario included: Changes in housing demand and policy which since 1989 are key to understanding future spatial patterns. In Romania, for instance, there has been a move

away from flats to a desire for cottages and new houses particularly around big cities and there is no 'green-belt- policy at the moment. In Poland too there has been an move to suburbanisation. Also an issue for Romania, as other peripheral (in EU/ESPON space terms) areas is the reality of the new infrastructure and buildings rapidly emerging as a result of monies earned in other parts of the EU, such as Spain. This central theme of the nature of the growing interdependency between East and Western areas of Europe, with regard to the labour market etc., was acknowledged by most participants as being critical to the region – for better or worse - and the whole of Europe over the next quarter of a century.

Number of participants: AT 3, BG 1, CZ 4, HU 2, IT 1, PL 3, RO 1, SL 1

Rapporteur: M. Wishardt

2.d. Western Europe

- *Chair:*
- *Rapporteur: Neil Evans*

[Report will be inserted as soon as it has been received from the rapporteur]

3. Progress on TIA methodology, Key indicators and ESPON tools

3.a. Territorial Impact Assessment (TIA) methodology

- *Chair: Paul Drew*
- *Rapporteur: Luis Centeno*
- *Main questions addressed:*

The purpose of the workshop was to discuss about Territorial Impact Assessment Methodologies. It was asked to the participants to elaborate on the logical cause and effect models suitable to establish links among policies and territory.

To do that the World Café technique has been used and participants have circulated among different tables discussing different policy subjects. Each table had a "*host*" that guided the successive groups on the subject and on the work developed by the former groups discussing at the table.

The findings of the discussions of the working groups have been noted in the "*table cloths*" and in the end each original group in each table has tried to summarize the main findings in each table on a "*napkin*" and this report is based on those small final reports.

The workshop chair has assigned the following topics for the five tables in the workshop:

- Single Market
- Environment
- CAP
- Transport
- R&D

From the work produced on the several tables one must say that TIA are difficult to establish once participants do not have a deep knowledge on the subjects and/or are not stakeholders on the policy in discussion. This was very clear from the remarks produced in available "*napkins*".

One must also note that the proposed subjects where too open to allow a fruitful discussion in the short time available for the discussions. The first steps in every table showed the difficulties to set a clear focus for its work, since many logical paths and many different policy issues could be covered inside each of the proposed topics.

Secondly discussions have revealed a strong "*path dependency*", this meaning that the successive waves of participants have essentially accepted the structure produced in the first group at each table. The rapporteur could not find a case where a new group had changed completely the work of the former groups and moreover new groups have provided incremental (and marginally diminishing) new data for the discussion. The role of the "hosts" has not been neutral since they tried to get new participants into what had happened before.

Albeit the introduction for the workshop had made clear that the work should not deal with expected results (thus not qualifying the direction or the nature of the impacts) but only to signal possible impacts, all the groups have based its works on specific impacts with qualities and, in some cases, expected dimensions.

This last characteristic of the work produced is important, since TIA tend to be based on hypothesis to be tested (in a hypothetic deductive scientific method) against reality through scientifically valid assessment methods. This is important since there are no "neutral" evaluation methods and inductive methods have not been used: the deeper the knowledge of the participants on the subject under discussion the stronger the bias towards a validation of their personal views.

A TIA is always a test of some kind of theory and that is correct from the scientific point of view. But this can also mean that TIA should consider carefully different theories about every subject in order to capture all the relevant relations and not be *captured* by the mainstream ideas or the "politically correct" theories.

In this sense TIA are no more than current applied research methods. Setting a framework of impacts for a large topic is most of the times a too foggy exercise. Some of the groups have essayed to cut policies in smaller bits but none has ever forgotten the larger subject proposed.

Most of the groups have summarized the expected impacts for each subject more than essayed logical links of possible relevant impacts.

Methodologically two main strands have emerged: the logical impact trees and the more sophisticated matrixes of related effects methods. Time constraints have made difficult a deepening in the discussion process and a have hampered the emergency of more structured models.

As one of the tables has proposed probably a good way to set out basic rationale for TIA could be a chain link method like the following:

> **Policy → Actions,** no policy can be assessed in abstract but by the actions derived from it (programmes, projects)
> **Actions → Effects,** directly or indirectly emerging from the programmes and projects supported by the policy
> **Effects → Impacts,** the territorial impacts can only be measured as changes are verifiable after the effects are accounted for.

Impacts have also a feedback effect on Policy that deserves attention. TIA must always consider that "*business as usual*" reflecting the absence of impacts of new policies is also a very relevant impact that must be accounted for.

Since effects and impacts are pervasive, it is difficult to set out a detailed list of effects and impacts and elaborating a comprehensive listing of those is a key issue for TIA, but also selecting the relevant ones to be assessed is also crucial, since it is not feasible or sensible to test every possible impact.

TIA must then consider the way how policy stakeholders at the relevant territorial level perceive policies and its effects and impacts. Mere scientific conventional wisdom about the issues can fall short to assess all of the territorial relevant dimensions. Even if this could lead to a difficult situation where scientists could feel themselves hostages of political views and political objectives, TIA are policy evaluation instruments that can not leave behind policy actors.

Furthermore territorial absorption of policy effects and impacts depends very much on the way its actors value them. What can be acceptable or even desirable in a certain territorial context could be seen as very negative in other context. Since territory (whatever scale we look at it) is by definition non repeatable and always different this must be considered in TIA design.

The exercise being conducted with actors that have very asymmetrical knowledge and positions about the subjects under discussion (policy actors, administrators, scientists) it was clear that more informed actors can have a strong leading role in the way common perception is built along discussions. But also discussing broad subjects hamper the revelation of personal stakeholder positions at the tables.

Politically sensible issues like environment or “fashionable” issues like R&D provide more discussions and more participation, whereas subjects like CAP or internal market are more sterile for common sense assessment.

In short, policies must at first be assessed according to its explicit objectives, secondly by the views of the territorial stakeholders and, thirdly by a severe scientific review of the logical links and assessment methods used in TIA. Linking and testing factual relations form policies to effects and to impacts seems to the participants to be the correct path to achieve the desired end.

3.b. ESPON key indicators 1

- *Chair: Eva-Maria Forsberg*
- *Rapporteur: Phaedon Enotiades*
- *Main questions addressed:*

The chair welcomed the sixteen participants, who were asked to divide themselves into three groups, and went on to describe the general aim of the workshop, that is to involve a wider group of stakeholders in the process of selecting the ESPON key indicators. Volker Schmidt-Seiwert then proceeded to make a brief presentation of the ESPON indicator concept and selection process, as well as the "world café" procedure to be followed during the workshop.

A brief discussion followed within the workshop group in order to clarify the situation. The groups then began their effort in earnest. The first step of the procedure lasted about half an hour and the second rearrangement took an equal amount of time. The procedure ended with a conclusions session for each group, which came up with the following results in each case:

Group I

This group wondered about the reason why only simple indicators have been used to monitor the "Assets for Global Competitiveness" objective and strongly recommended the employment of a Human Development Index, similar to the one used by the UN, although specifically developed for the European context. Such an index should include information on health, education, income, the environment etc. The group also recommended to use a new indicator for the "Healthy Environment and Hazard Prevention" objective in the thematic field "Economy," based on ISO certifications of companies in given areas. In addition, comments were made concerning the importance of high level education indicators in assessing the realisation of knowledge society, as well as the assessment of the sustainability of both settlement structures and energy use patterns through the measurement of waste recycling volumes. Concerning the actual form of the Key Indicators Matrix, Group I made the following specific suggestions:

- In the "Demography" theme line, move the "migratory balance" indicator from the "Assets for Global Competitiveness" column to that of "Sustainable Settlement Structures," at the same time removing altogether the "day/night time population" indicator.
- Also in the "Demography" theme line, move the "activity rates" indicator from the "Diversified Regional Economies" column to that of "Sustainable Settlement Structures. *(N.B. This must be double-checked with Group Host)*
- In the "Demography" theme line again, add an indicator based on the "standard deviation of life expectancy" in the objective column "Inclusive Society and Space."
- In the "Demography" theme line, finally, completely remove the indicator "loss of life expectancy because of air pollution" under the column "Healthy Environment and Hazard Prevention."
- In the "Innovation" theme line, add an indicator based on "high educational level" under the objective column "Assets for Global Competitiveness."
- In the "Hazards" theme line, move the "hazard risk typology" indicator to the "Economy" theme line.

- In the “Transport” theme line, add an indicator based on “interregional freight flows” under the objective column for “Diversified Regional Economies.”
- In the “Rural Development” theme line, add a new indicator showing “density of public services provisions” under the “Inclusive Society and Space” objective column.
- In the “Governance” theme line, add a new indicator showing “number of partnerships created at various levels” under the “Inclusive Society and Space” objective column.
- Also in the “Governance” theme line, add a new indicator showing the prevalence of “branding and marketing of local products and identities” under the “Diversified Cultural Heritage and Identities” objective column.
- In the “Governance” theme line then again, add a new indicator measuring “taxation power at various administrative levels” under the “Territorially Oriented Governance” objective column.
- In the “Environment” theme line, add a new indicator showing “transport-related CO_2 emissions” under the “Sustainable Transport and Energy” objective column.
- Again in the “Environment” theme line, add a new indicator showing “tonnes of recycled waste” under the “Sustainable Settlement Structures” objective column.
- In the “Social Issues” theme line, completely remove the “population by educational level” indicator (“Innovative Knowledge Society” objective column).
- In the “Economy” theme line, add a new indicator showing “mortality rates of new business start-ups” under the “Innovative Knowledge Society” objective column.
- Then, also in the “Economy” theme line and under the objective “Healthy Environment and Hazard Prevention” column, move the “hazard risk typology” indicator from the “Hazards” typology, adding to it a dimension for economic losses due to hazards.
- In the “Balanced Distribution of Population, Wealth etc.” objective column, use the “rank-size index” only once, either in the theme line of “Social Issues” (by household income) or in that of “Economy” (by GDP), but not in both cases.

Group II

With a slightly different approach to the subject, this group looked mostly at matrix categories with fewer or no indicators. The relevance of life expectancy to the assessment of whether an environment is healthy was questioned, while some ideas were put forth in relation to ecological indicators for environment and cohesion objectives. The group admitted that some of their ideas would need to be further developed. In general, this group used several keywords in their approach, including the following:

- Innovative knowledge society: cultural diversity index
- Territorially oriented governance: participation in local elections, number of local newspapers, citizen mobilisation, citizen involvement, ability of local government to raise taxes, non-political pressure groups, partnerships, QUANGOS
- Environment Indicators from the EEA

- Quality of Life Indicators from the EU Commission
- Cohesion – inequality index – wealth – life expectancy and deviation – lifestyle(s).
- Etc.

Concerning the actual form of the Key Indicators Matrix, Group II made the following specific suggestions:

- In the "Demography" theme line, move the "activity rates" indicator from the "Diversified Regional Economies" column to that of "Inclusive Society and Space."
- Also in the "Demography" theme line, completely remove the "day/night time population" indicator from the "Sustainable Settlement Structures" column.
- In the "Demography" theme line again, also completely remove the "loss of life expectancy because of air pollution" indicator from the objective column "Healthy Environment and Hazard Prevention."
- In the "Rural Development" theme line, add a new indicator showing "new settlement pattern" *(N.B. This must be double-checked with Group Host)* under the "Sustainable Settlement Structures" objective column.
- In the "Social Issues" theme line, completely remove the "rank size index by household income" indicator ("Balanced Distribution of Population, Wealth etc." objective column).

Group III

For this group, much of the discussion centred on a quest for the most appropriate indicators to address each policy area. Emphasis was placed in the objectives of regional economy diversification and development of assets for global competitiveness. In the first case, the most important indicator was judged to be that of "employment by sector" reflecting the sectoral distribution of employment, economic specialisations and their location coefficients, as well as a temporal and dynamic dimension, i.e. the evolution of each sector over time. Elaborating on the regional economy diversification issue, the group noted that diversification in specialisation could be monitored through data on tourism and accommodation infrastructure (e.g. number of hotel-beds per inhabitant, number of nights spent in hotels by outsiders). The group, however, also took into consideration that any such indicators should be relative to the scale of the region examined. Concerning the case of global competitiveness, the group suggested to use indicators based on the labour market size and even education levels of the local population. Some of the issues raised were indeed philosophical, including the fact that one indicator may have different meanings depending on the context, a question about the degree of usefulness of statistics and whether before using statistical analysis tools one had to reach a clearly defined question. Concerning the actual form of the Key Indicators Matrix, Group III made the following specific suggestions:

- In the "Demography" theme line, move the "activity rates" indicator from the "Diversified Regional Economies" column to that of "Inclusive Society and Space."
- In the "Rural Development" theme line, add a new indicator showing "new settlement pattern" *(N.B. This must be double-checked with Group Host)* under the "Sustainable Settlement Structures" objective column.

- In the “Social Issues” theme line, completely remove the “population by education level” indicator (“Innovative Knowledge Society” objective column).

The last part of the workshop was devoted to discussing these results and presenting them to the rest of the participants. Various remarks more or less focused on the need to have more time for the initial group discussion. It was also suggested that there might not be a need to change tables, or, conversely, table changing might be easier if the discussion’s focus was narrower. A more in-depth discussion at the end might also make the whole procedure more productive. In general, the workshop was found to be very useful, provided all participants were willing to get involved, although it was judged that more time was generally deemed necessary and swapping tables was deemed not only a positive practice, but also necessary to the success of such workshops.

3.c. ESPON key indicators 2

- *Chair: Roland Arbter*
- *Rapporteur: Kai Böhme*
- *Main questions addressed:*

After an introduction by Peter Schön, the world café was organised around three different tables. At the end there was a short time for the presentation of each table's main discussion points to the workshop-plenary. This paper tries to sum-up and bring together the discussion of the three tables, around 4 topics, (a) general remarks on the nature of indicators needed, (b) reflections on the matrix presented, (c) discussions on topics to be addressed, and (c) additional indicators suggested and indicators suggest to reconsider and/or take-off the list.

General discussion on the nature of indicators needed

There were a couple of general remarks on the nature of indicators useful for continuous spatial monitoring.

First of all, it was mentioned that indicators should form a sound base which will be stable over time and not a set of fashionable indicators which needs to be revised constantly as fashion (policy buss words) changes.

Furthermore, there was a discussion on whether to use inherent spatial indicators or rather to measure non-spatial things in a regionalised way in order to show their spatial distribution. This involved also a discussion on simple indicators versus complex indicators.

The discussion on combined indicators touched also upon the fact that some indicators are (only) meaningful in combination with other indicators. Whereas on the one hand there were argument that some of the basic simple indicators are missing, there was on the other hand the plea for more combined indicators. The issue of combined indicators evoked certainly thoughts regarding the "easy" understanding and communication of indicators and their results.

In addition to simple and combined indicators it was also suggested to even consider more subjective/qualitative indicators (e.g. life satisfaction).

However, in particular with regard to the communication, the need was felt to focus more on concrete output indicators rather than on input indicators.

Last but not least it has to be noted that one and the same indicator can mean rather different things to different people depending on their background and context.

Reflections on the matrix
Some parts of the discussion focused also on the matrix presented which was generally perceived as a useful tool for thinking. However, it was mentioned that the matrix could do with some more focus, this regards on the one hand the columns which could be better focused to support spatial thinking and on the other hand the comprehensive nature of the matrix.

Among others it has been proposed to try to reduce the number of themes/issues/policies in order to make the matrix easier to work with. This could go as far as boiling it down to a 4x4-matrix. This might also help the question of overlappings in the matrix which was generally taken as a sign that more combined indicators are needed.

Discussion on topics to be addressed
Moving on from the matrix to the topics, there were a number of discussions on missing issues and foci of topics. First of all there was a feeling that some of the basic indicators, such as GDP per capita or unemployment should be taken up for continuous monitoring.

With regard to the broader fields, there was a strong emphasis that more effort is needed in the field of sustainability. The same is true with regard to the territorial assets of regions, which might be better described by typologies. Also a better targeted spatial indicator in the field of energy as well as indicators in the field of human capital (and capacity development) and distinct social indicators have been sought after.

For some indicators a gender division has been indicated in the current matrix. This was very much appreciated and it was suggested to apply the gender perspective to more indicators.

Also the approach to describe the balanced distribution has been appreciated and it has been suggest focusing not so much on rank size but also considering things as Gini coefficient or the Lorenz curve.

Another broader field under discussion was the topic of accessibility. Here it was partly felt that the concept behind the accessibility indicator is not totally clear as well as that it is not sufficient to focus on European analysis in the field. It was mentioned that also the access to services should be indicated in that field.

Concrete indicator issues
The discussion involved also a number of different proposals for indicators which are to be taken off the list or added. As there was no common discussion between the three tables, the following just presents an additive summary which may included a number of inconsistencies.

Among the indicators which were considered critical and suggest for removal or replacement are:
- Accessibility by public transport
- Artificial area development (2 tables)
- Broad band usage
- Day/night time population (2 tables)

- Employment in HI-TEC sector (2 tables)
- Intensity of transport: flows by mode
- Loss of life expectancy because of air pollution (3 tables)
- Multi-modal accessibility
- Number of cultural sites (3 tables)
- Patents by field of activity
- Potential time distance to centres of different levels (2 tables)
- Rank-size index by household income
- Number of head quarters of multinationals is not a comprehensive indicators for attractive economic areas

Among the indicators which were suggested to be added to the list are:
- Artificial built-up areas per person
- Birth rates
- Brain gain and brain drain
- Ethnicities (country of origin, 1st generation)
- Evolution of population by migrants
- Indicator for income distribution (NUTS 2 or below)
- Indicators for poverty (at the lowest NUTS level)
- Land consumption (urban sprawl etc.)
- Life satisfaction or other subjective indicators (cf. social surveys, Eurobarometer, Urban Audit)
- Lorenz curve vs. GDP (NUTS 3 – NUTS 0) instead of rank-size indicator
- Maritime connections
- Number of people in walking distance to public transport
- Number of protected cultural sites (with active protection policy)
- Population density
- Share of renewable resource
- Unemployment rates by social groups

One of the groups even managed to develop a top-15 list:
1. Evolution of population by age group and gender
2. Migratory balance
3. Activity rates by age group and gender
4. Artificial built-up areas per person
5. Accessibility by public transport (trains only, as a proxy)
6. Intensity of transport flows by mode
7. Fragmentation index
8. Population by education level
9. Potential time distance to centres of different levels
10. Rank-size index (by household income)
11. Rank-size index (by GDP)
12. Unemployment rate
13. Number of multinational headquarters
14. Added value by economic sector (some specialisation index)
15. Number of protected cultural sites (with active protection policy)

3.d. Toolbox for geographic information and map making

- *Chair: Andreu Ulied*
- *Rapporteur: Wouter van Heijde*
- *Main questions addressed:*
  - *Which tools did you use during your ESPON work and think they should be part of the toolbox?*
  - *What improvements of existing tools or development of additional tools are needed?*
  - *Who exactly would be the addressee and user such a toolbox?*
  - *In which format shall such a toolbox be presented and made available?*

The use of geographic information and map-making are key elements in the work of ESPON projects. Within the ESPON project 3.1. but also in other ESPON projects various tools have been developed for this purpose as e.g. the Hyperatlas, the WebGIS, the ESPON map kit etc. The various tools developed by ESPON projects shall now be brought together into an ESPON toolbox. In this workshop the content and format of this toolbox has been discussed. The main issues are:

First, at the moment very few people make use of the ESPON tools until now.
When thinking of a toolbox, **www.espon.lu** is considered as the toolbox.
The tools should be available online together with projects results etc. Part of the toolbox should be:

1. **database** (statistics and cartography) with quality control
2. collection of **final maps**
3. other: **WebGIS**, **Hyperatlas**, **interactive simulations** as learning tools (games), **metamodels**, etc. (the interest of these depends on the reliability of the databases and the existing of a helpdesk for the users)

Two improvements of the existing tools can be found. First, the website should be more *user-friendly and service-oriented*: synthesis of reports, maps, etc. The website should get beyond a simple (though extensive) collection of documents. For every project there should be a fact sheet (readable on 1 screen) with the PDF files attached.
Secondly, a *helpdesk* is needed. A kind of a Webmaster helping users to take advantage of the tools and providing support more in general.

The **addressees** and users of the toolbox would be the ESPON community, consultants, researchers and civil servants in all countries. No politicians are expected to use the ESPON toolbox; they require a 'just-in-time end-result'. The toolbox is not addressed to specialised researchers. They have their own tools, which they know better.

The toolbox should be made *available with a maximum of openness*. If not all data can be provided; at least it should be made usable throughout an interactive WebGIS. A demo (f.i. a flash animation) can be made to explain the functions and possibilities of the toolbox.

Furthermore cooperation with Eurostat is seen as useful for exchange of information, but difficult to work together.