A Vision for the European Territory in 2050

An outlook on the Baltic Sea Region

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(on behalf of the ET2050 project-team)

Vilnius, 10th of April 2014, ENECON Conference
ET2050 Consortium
From Project Specifications:

The ESPON Monitoring Committee, DG Regio and the ESPON Coordination Unit wish to start a territorial vision-building process that involves relevant stakeholders at European, national and regional level, having 2050 as time horizon.
Why do we need scenarios?

- Territorial patterns are very durable -> inertia in the movement of people and enterprises, design and construction of infrastructures
- Policy decided today will show its effects only in 10- or even 25-year time
- Policy-makers need tools to evaluate future trends and probable effects of their decisions
- Scenarios = tools for future-oriented policy-making
How can scenarios be useful?

- provide insights on the **driving forces** determining territorial development
- provide insights into **opportunities and threats** of these driving forces for different regions
- Integrate thematic perspectives into a single framework
- explore **alternative sectoral policies** and their territorial impacts
- provide **points of reference** for the discussions among European policy-makers
- make explicit what is generally only implicit during policy elaboration
- engage with policymakers in the process of identifying future policy priorities
Mixed-methods for building scenarios

1. Identification of **baseline trends** within specific themes (e.g. Energy, transport, governance...) and across different macro-regions (e.g. BSR, Mediterranean...)

2. Use of 5 **forecast models** to explore territorial development up to 2030 and 2050 -> exploratory scenarios

3. **Participatory approach** -> engaging policymakers and the ESPON community in the process

4. Elaboration of a **policy-driven territorial vision**
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<tr>
<th>Category</th>
<th>Model Name</th>
<th>Description</th>
<th>Location</th>
<th>Organization</th>
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<td>Demography</td>
<td>MULTIPOLES (2010-2030)</td>
<td>Cohort-component, hierarchical, multiregional, supranational model of population dynamics (up to 2030)</td>
<td>ESPON at NUTS2</td>
<td>IOM</td>
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<td>Economy</td>
<td>MASST3 (2010-2030)</td>
<td>Econometric: social, macroeconomic and Territorial (up to 2030)</td>
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<td>Transport</td>
<td>MOSAIC (2010-2030)</td>
<td>Integrated modal split and traffic assignment based on TRANSTOOLS OD trip matrices (up to 2030)</td>
<td>EU27 at NUTS2</td>
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<td>Land-use</td>
<td>METRONAMICA (2010-2050)</td>
<td>Spatial and dynamic land use model that Uses constrained cellular automata to allocate land-uses (up to 2050)</td>
<td>EU27 at Cells 1 km2</td>
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<td>Integrated</td>
<td>SASI (2010-2050)</td>
<td>Dynamic System (up to 2050)</td>
<td>ESPON and Western Balkans at NUTS3</td>
<td>S&amp;W</td>
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Scientifically-driven (what may happen in the future?)
Politically-driven (what we would like to happen?)
State of the Baltic Sea Region

City population at the end of 2006:
- Rural population*

* 1 dot (.) represents a rural population of 5000, defined as all those not living in cities with more than 10,000 inhabitants. Values associated to the national level.

Trade between the Nordic and Baltic Sea Region Countries*, in 2006

Annual average population change, 2002-2006:
- Increase > 0.5%
- Increase 0.5-0.9%
- Stable ± 0.1%
- Decrease < 0.5%
- Decrease > 0.5%
- Data not available

Baltic Sea countries will entirely or partly belong to the Arctic Council in 2015.
1. The Crisis Aftermath: Growing Disparities to 2030

2. Scenarios for 2050: Metropolis, Cities & Regions

3. Territorial Vision: Openness & Polycentricity

GDP Growth 2010 - 2030 (Baseline) by MASST3

GDP Growth annual average rate (Units: %)
Results obtained by MASST3 forecast model

- GDP a.a.: 1,89 %
- 45 regions below 1,00 %
GDP/inh. divergence for selected economies to 2030
Population Change 2010-2030 by MULTIPOLES

Total Population 2010 - 2030 (Baseline)
Measured as annual population change

Annual population change (Units: %)
Results obtained by MULTIPOLES forecast model

Population: from 514 to 530 inh.

European population growth will tend towards stabilisation. Total population (ESPON Space) will grow from 514 million in 2010 to 530 million in 2030. MULTIPOLES is a cohort-component population dynamics model. It is used for the simulations of complex hierarchical multiregional, multi-country population systems, for analysing impact of various scenarios concerning migration, fertility, and mortality.
Baseline Scenario: Key Territorial Trends towards 2030

Loosing Population and growing less than EU average
Baseline Scenario: Key Territorial Trends towards 2030

Loosing Population and growing less than EU average

Growing less than EU average

Loosing Population
Baseline Scenario: Key Territorial Trends towards 2030

- Increasing Polarisation on Global Gateways
- Growing more than EU average
- Loosing Population
- Loosing Population and growing less than EU average
- Growing less than EU average
4 steps

1. The Crisis Aftermath: Growing Disparities to 2030

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Summary of assumptions in the scenarios

• **“Baseline scenario”**: No change in economic fundamentals and structure; no change in policies

• **A: “Megas” scenario**: Market driven scenario; budget reduced for cohesion policies; concentration of investments in European large cities.

• **B: “Cities” scenario**: Present welfare system reinforced; budget maintained for cohesion policies; concentration of investments in second rank cities.

• **C: “Regions” scenario**: Strong public welfare system; budget significantly increased for cohesion policies; concentration of investments in rural and cohesion area
European Territorial Strategy A: Promotion of Global Cities
European Territorial Strategy B: Promotion of Networks of Cities
European Territorial Strategy C: Promotion of Rural and Peripheral Regions
### Exploratory Scenarios for 2010-2050 (SASI)

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<th>Spatial orientation of the scenarios</th>
<th>Extreme Framework conditions</th>
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<td>1 Economic decline</td>
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<td>2 Technologic progress</td>
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<td>3 Energy/Climate Costs</td>
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<tr>
<td>Promotion of global regions</td>
<td>A</td>
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<td>A1</td>
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<td>A2</td>
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<td>Promotion of large urban regions</td>
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<td>Promotion of rural and peripheral regions</td>
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Regional Redistribution does not reduce Growth

GDP 1981-2051 (1981=100)
Regional Redistribution improves Cohesion

Cohesion: Reduction of disparities in CoV of GDP/capita 1981-2051

2007 Crisis
4 steps

1. The Crisis Aftermath: Growing Disparities to 2030
2. Scenarios for 2050: Metropolis, Cities & Regions
3. Territorial Vision: Openness & Polycentricity
Kraków, 29-30 November 2011  Aalborg, 13-14 June 2012  Brussels, 28 September 2012

Dublin, 12-14 June 2013

Paphos, 4-6 December 2012
Key points of the Vision for the European Territory 2050

• Polycentricity:
  • Promoting Secondary Cities
  • Keeping Settlements Compact
  • Valorising Cultural Landscape and Social Capital as Key Assets
  • Support Less Developed Regions

• Openness:
  • Sufficient Accessibility to open up regional potentials
  • Intensified Cross-border cooperation
  • Co-development with Neighbouring regions
  • Global connectivity

• Sustainability:
  • Efficient Management of Natural Resources
  • Managing Biodiversity by developing Green Infrastructure
  • Climate Change Mitigation and Adaptation
4 steps

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3. Territorial Vision: Openness & Polycentricity

European Commission, Parliament and Committee of Regions

22 Nov 2012 in Warsaw
Mrs. Hubner, 26 February 2013
European Parliament, 25 June 2013
DGREGIO EC, 25 June 2013
COTER 9th October 2013
Stakeholders, 11 October 2013
An Open and Polycentric Europe

Four goals
1. Connect Europe globally
2. Network European Cities
3. Make Europe regionally balanced
4. Enhance natural and cultural assets in development

+ policy mix // Combination of various sectoral instruments
+ adapted territorial targets

“more for less” – declining budget and widening scope of intervention
Implementing the Vision through *functional territories*

-> Linked with the issue of *territorialization*

-> How can different types of territories can contribute to the achievement of the Vision? -> territorial targets

-> for different types of territories and for different issues, delivering the vision implies different territorial strategies and action plans

Reduce *inefficiency* in policy implementation due to institutional fragmentation -> even more so for areas with geographic specificities (mountain, islands, sparsely populated…)

**Three key proposals**

1. Issue-driven cross-sectoral policy coordination at programmatic level
2. Framing policy interventions through coherent functional territories
3. Promoting Territorial Diversity through Strategic cross-border coalitions
Concluding reflections

Understanding how the BSR territory will be positioned in the European territory of 2050

Grasping the territorial diversity and specificity of the BSR in the Vision is challenging in ESPON

- Territorialization of the Vision
- Limitations induced by data-scarcity below NUTS2

The Vision should support the integration of the multiple territorial visions developed at national, macro-regional, cross-border or regional levels, but not replace them.
Upcoming ESPON Conference
Making the European Territory Open and Polycentric
29th of April in Brussels

www.espon.eu
www.et2050.eu (working documents)