

# CHANGING UK REGIONS IN THEIR EUROPEAN CONTEXT: ESPON 2002- 2006 AND 2008-2013



**Figure 1: Trend Scenario - Spatial structure and urban hierarchy in 2030**

## WHAT IS ESPON?

The European Observation Network on Territorial Development and Cohesion (ESPON) maps and analyses development trends and policy impacts across Europe. In its first phase (2002-2006) it tackled topics such as the pattern of natural and technological hazards; accessibility and transport; natural and cultural heritage; urban-rural relations; and the territorial implications of European policies on competitiveness and sustainable development, to mention just a few.

ESPON is funded by national governments and the EU.

## KEY FINDINGS FROM ESPON 2006

Over 30 projects were undertaken by international research teams who looked at data across 29 countries – the then 25 EU member states, Bulgaria and Romania who have since become EU members, and also Norway and Switzerland. Full reports can be found on [www.espon.eu](http://www.espon.eu). Some are very large files which are best downloaded on broadband.

### Europe's spatial structure

Disparities are developing between capital city regions and the rest of the country, and also between urban and rural areas. However, the traditional model of a Europe divided between a rich core and a poor periphery is now misleading. There are poor areas within the heartland – e.g. towns where traditional industries have closed. There are also economic success stories around Europe's edge, notably in Ireland and Scandinavia.

The core has been called “the pentagon” – the area bounded by London, Paris, Milan, Munich and Hamburg – which comprised 14% of ESPON's land area but contributed 46% of the GDP and 75% of investment in Research and Development. However this area is

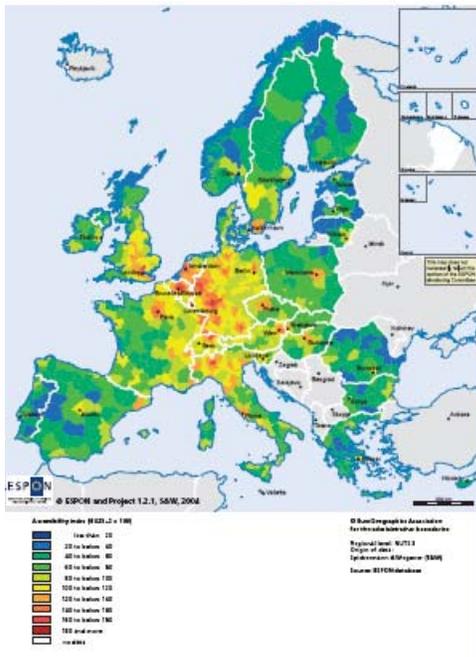


extending along a number of transport corridors – not least in England.

### Regional disparities within the UK

The UK has the widest divides in terms of regional GDP of any of the ESPON countries. There is a large difference in terms of wealth between London, with its role as a global city, and the rest of the UK. In contrast the difference in wealth between Paris and the rest of France is notably less. Other affluent countries like Sweden, Finland, the Netherlands or even Ireland or Italy show quite homogenous income patterns amongst their regions.

Accessibility is also very uneven across the UK.



**Figure 2:**  
**Potential multimodal accessibility, 2001**

As Figure 2 shows, the south-east of England, and a corridor up to Manchester, has a similar situation (high accessibility, though congested

corridors) as the area running south from the Benelux countries through the Rhine valley. However, Scotland, Wales and Northern Ireland and the North of England have more in common with eastern Europe, Scandinavia, Spain and Portugal, with low accessibility.

### Urban competitiveness

The Lisbon Strategy aims at improving the EU's global competitiveness. How well is the UK – and in particular its urban regions – doing? The European Council and the European Commission have agreed a shortlist of 14 indicators to measure progress with the Lisbon agenda (Box 1).

- 1) GDP/capita;
- 2) GDP/employed person;
- 3) Employment rate;
- 4) Employment rate of older workers;
- 5) Gross domestic expenditure on R&D;
- 6) Youth education attainment levels;
- 7) Comparative price levels;
- 8) Gross Fixed Capital Formation/GDP;
- 9) At-risk-of-poverty rate after social transfers;
- 10) Dispersion of regional (un)employment rates;
- 11) Long-term unemployment rate;
- 12) (Change in the) Greenhouse gas emissions and;
- 13) (Change in the) Volume of freight transport relative to GDP.

### Box 1: Official Lisbon Strategy indicators

ESPON analysis shows that urban regions of Great Britain perform

relatively well on these Lisbon indicators, as does North-East Scotland. London, Birmingham and Manchester are identified as “knowledge nodes of European significance” because of the number of students there. However, Northern Ireland, West Wales, Cornwall, Cumbria and the North East of England are only average or below average in European terms on the Lisbon indicators.

While the urban-rural differences on competitiveness indicators within the UK are largely replicated across Europe, there are some interesting exceptions. Analysis of patents, for example, reveals some strong performances by rural regions, notably in the North-West of Ireland and in Finland and Northern Sweden. This implies that there may be lessons here for UK rural regions. Indeed impressive performance by Ireland and Scandinavia is a recurrent theme in ESPON, suggesting that the secrets of their success merit further study.

### **Diverse rural regions**

Rural diversity has been another motif running through ESPON. While in the UK we have a “post-production countryside”, this is not true of some of the newer member states. In general, however, the more remote rural areas are losing young people at a worrying rate; while rural areas accessible to urban centres are a focus for counter-urbanisation, with all the problems and opportunities created by pressures for commuting. This latter trend arguably helps regional competitiveness by widening labour markets, but often

contradicts sustainable development policies.

Small and medium-sized towns play a particularly crucial role in rural development. They are potential catalysts for regional service-led growth. Understanding reasons for differential performance in rural areas is crucial for the development of effective strategies and practical actions. ESPON has developed the notion of “territorial capital” to encapsulate place-related assets, which can be environmental, social cultural, institutional or forms of local knowledge. Analysis of these can underpin policy-making.

### **Scenarios**

One particularly thought-provoking ESPON study developed scenarios for Europe in 2030. The trend – based scenario shows increasing relative disadvantage in terms of transport access to European markets for Scotland and Northern Ireland (Figure 1). Higher energy prices will increase the problems of peripherality at both European and UK scales.

In this scenario Cardiff, Glasgow and Edinburgh and Newcastle – like Dublin, but not Belfast - become nodes in an extended European core where flows and activities are concentrated. However, in an alternative scenario, in which the EU and nation states prioritise competitiveness, the edge of the European economic heartland would stop at Cardiff and Manchester. A third scenario based on “cohesion” holds out some more hope for Scotland and the North of England.

However, in this scenario the main winners would be the peripheral regions in eastern and southern Europe.

### **The Fourth Cohesion Report**

The European Commission published *Growing Regions, growing Europe*, the Fourth report on economic and social cohesion in 2007. This sets the context for the new reform of cohesion policy for the period 2007-2013. ESPON research informed the preparation of this report, and underpins the new emphasis on territorial cohesion.

### **The Territorial Agenda**

ESPON was also a building block for *The Territorial Agenda of the EU: Towards a More Competitive and Sustainable Europe of Diverse Regions*, which was agreed by the member states at a meeting in Leipzig in May 2007. This advocates “the need for territorial development to play a stronger role in future Cohesion Policy”.

### **ESPON 2008-2013**

A new ESPON programme is building on the foundations laid by the 2002-2006 programme. The new “ESPON space” will cover 31 countries (the 27 EU members, plus Iceland, Lichtenstein, Norway and Switzerland), though projects will be encouraged wherever possible to include an overview of the Western Balkans and Turkey also. By developing indicators, maps and spatial data on this epic scale, ESPON will create exceptional opportunities for those involved in strategic planning and work on Structural Funds.

The first round of projects closely mirror themes to the fore in *The Territorial Agenda*. Tenders are invited by 22 March 2008 for projects on:

- Cities and urban agglomerations: their functionality and potentials for European competitiveness and cooperation
- Development opportunities in different types of rural areas
- Demographic and migratory flows affecting European regions and cities
- Climate change and territorial effects on regions and local economies
- Effects of rising energy prices on regional competitiveness
- Territorial Impact Assessment of policies.
- ESPON database and data development

In addition to these projects, practitioners have been given an opportunity to propose and then take part in projects. Three kinds of such projects are envisaged:

- **Studies of particular types of territories** – e.g. rural/island areas, capital cities, etc.
- **Experimental and innovative actions** –e.g. in developing visions and strategies.
- **Joint actions related to other Structural Funds Programmes**

See [www.espon.eu](http://www.espon.eu) for more information.

To discuss how you might get involved contact the **ESPON UK Contact Point** at

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