

SPECIFICATION

ESPON Applied Research Project 2013/3/4

EU Territorial Monitoring and Reporting System (2011-2014)

(o) Territorial challenges relevant for ESPON 2013 projects

The development of the European territory is facing several ongoing mega trends and impacts of policies:

- The integration of the EU in global economic competition is accelerating, offering more options for regions and larger territories in deciding on their development path as development is no longer a zero sum game for Europe.
- Interaction is growing between the EU territory and the surrounding neighbour countries as well as the other parts of the world, becoming apparent by e.g. migration pressure on more developed countries, which are themselves confronted with population decline and by access to and investment in new markets.
- Market forces and the evolution of society in general are supporting a geographical concentration of activities.
- The ongoing demographic change with an ageing European population and migration is affecting the regions differently and boosts the competition for skilled labour.
- The occurrence of hazards is increasing due to climate change while different parts of Europe experience different types of hazards.
- Increasing energy prices and the emergence of a new energy paradigm have significant territorial impacts, some regions being more affected than others, some of which have particular potential for production of renewable energy sources.
- The enlargement of the EU to 27 Member States, and at a later stage maybe to more, presents an unprecedented challenge for the competitiveness and internal cohesion of the Union.

ESPON results have revealed that territorial capital and opportunities for development are inherent in the regional diversity that is a characteristic of Europe. Consequently, different types of territories are endowed with diverse combinations of resources, putting them into different positions for contributing to the achievement of the Lisbon and Gothenburg Agendas, the Europe 2020 Strategy as well as to EU Cohesion Policy. Territorial diversity, particularly in the economic base, implies that strategies other than opting for a knowledge-based economy might be more appropriate and viable for some regions.

The ESPON 2006 Programme provided integrated analysis and long term spatial scenarios which enriched the European policy debate and knowledge base. The results and observations produced by ESPON on territorial structures, trends, perspectives and assessment of EU policy impacts had not been fully evident before and supported a better understanding of the European dimension of territorial dynamics. Therefore, interest is growing among policy makers and practitioners for the information, knowledge and understanding ESPON can offer.

The ESPON 2013 Programme shall bring this knowledge base one step further by carrying out applied research and targeted analysis, indicator development and data collection, capitalisation events presenting results, etc. All these actions will be related to an improved understanding of territorial structures, development trends, perspectives and policy impacts.

The European-wide evidence provided by the ESPON 2007-2013 Programme will potentially benefit stakeholders all over Europe at all levels. Policy makers dealing with territorial development require sound evidence and comparable regionalised information as well as medium and long-term development perspectives in order to draw up sustainable and efficient integrated policy responses for their territories.

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

By further extending and deepening the existing knowledge and indicators, the ESPON 2013 Programme will play a strategic role in supporting the policy process of the current period 2007-2013 and contributing to the development of Cohesion Policy beyond 2013.

(i) General objectives of applied research projects under Priority 3

The general objectives of applied research projects within the ESPON 2013 Programme are the following:

- Contribute to the consolidation of the scientific platform of the ESPON 2013 Programme and to the territorial knowledge base needed for informed policy formulation and application
- Ensure data, territorial indicators and tools that are usable for policy makers and practitioners at all administrative levels
- Respond to needs for public access to the ESPON data and tools
- Ensure availability of comparable and robust regional (and urban) data at as detailed geographical scale as possible as well as statistical quality control and data validation
- Ensure that European standards for spatial referencing and storage of data are respected (such as applying the ETRS1989 standard and the Inspire Directive).

- Support a concrete application and use of data for policy, strategy and planning processes, including tools and techniques for forecasting and modelling
- Continuously provide an updated basis for monitoring and assessing territorial development trends in relation to territorial policy objectives at European level based on relevant territorial indicators/indices.

This project shall contribute to these general objectives during its implementation, and in doing so make best use of existing ESPON results, new results in other ESPON projects as well as other research results and relevant studies.

(ii) Relation of this project to the ESPON 2013 Programme

The priorities describing the work-programme of the ESPON 2013 Programme are structured in four strands:

1. **Applied research on territorial development, competitiveness and cohesion: Evidence on European territorial trends, perspectives and policy impacts**
The applied research projects will opt for information and evidence on territorial potentials and challenges focusing on opportunities for success for the development of regions. Cross thematic applied research will be a major activity integrating existing thematic analysis and adding future analysis of new themes. Territorial impact studies of EU policies will be another focus under this priority.
2. **Targeted analysis based on user demand: European perspective to development of different types of territories**
This priority responds to a clear demand of practitioners for user and demand driven actions within the ESPON 2013 Programme. By convening an analytical process where ESPON findings are integrated with more detailed information and practical know-how, new understanding of future development potentials and challenges may arise, which could be transformed into projects and actions.
3. **Scientific platform and tools: Territorial indicators and data, analytical tools and scientific support**
The scientific platform and analytical tools built up within the ESPON 2006 Programme will be maintained and further expanded. New actions shall be undertaken to develop current achievements and make use of the indicators, data and tools.
4. **Capitalisation, ownership and participation: Capacity building, dialogue and networking**
Under this priority, actions are foreseen that will be aiming at making the evidence and knowledge developed operational through measures raising awareness and involving stakeholders in the results and their practical use.

Priority 3 of the ESPON 2013 Programme includes, as an essential action, the development of a Territorial Monitoring and Reporting System at European level for the continuing assessment of territorial development dynamics in relation to territorial policy objectives.

The action on Territorial Monitoring is part of a trilogy of actions in which the two other actions on the ESPON 2013 Database development and on Territorial Indicators / Indices are being developed. The ambition with the trilogy is to create mutual support whereas the territorial monitoring will make use of the ESPON 2013 Database development and subsequently integrate relevant territorial indicators and indices.

This project will cover the implementation for the period 2011-2013.

iii) Thematic scope and context

The understanding of structures, trends and scenarios influencing territorial development highlights the need to create a European monitoring system and reporting that could provide evidence in relation to European policy orientations and objectives.

A European Territorial Monitoring and Reporting of territorial trends and policy impacts shall be able to provide continuous evidence based information to target groups on European regions, specific territories and cities in relation to Territorial Cohesion objectives and to Smart, Sustainable and Inclusive growth as defined in the EU 2020 Strategy. In fact during the Slovenian Presidency the need to “install a monitoring system including an integrated approach”, strengthening the links between the urban approach, climate change, energy, transport, and that could work as tool in the implementation of the Territorial Agenda was voiced.

This Monitoring and Reporting should at the same time support national and regional policy makers to define territorial strategies and to implement ‘place-based’ policies taking into account the situation of their regions and cities in the European context.

Considering this context, European Territorial Monitoring and Reporting shall provide an enlarged and cross-thematic territorial reference framework which will allow the evaluation of the wider territorial effects of trends and policy impacts in Europe, its regions and cities.

The target group of this project are mainly policy makers asking for information on European territorial dynamics that could support the territorial development in their regions and larger territories.

This ESPON project shall build on the experience gained during ESPON 2006, in particular the results of the test phase implemented at the end of the previous programming period with the ESPON 2006 project 4.1.3 on “Feasibility study on monitoring territorial development” based on ESPON key indicators. In addition, the ongoing work within the INTERCO project, the ESPON 2013 Database Project and the outputs of the workshop organised by the ESPON CU on this topic, that involved DG Regio and national observatories are the main pillars to develop this project. Networking with selected national spatial observatories, which have experience in territorial monitoring at national level, shall also be part of and support this project.

The Monitoring and Reporting system shall rely and integrate data, indicators and time-series of core territorial indicators and indexes. The monitoring shall target different types of territories including metropolitan urban regions, rural areas and other types of regions as stated in the Structural Funds Regulation and in the Treaty.

iv) General objectives

The aim of this project is to develop a system for European Territorial Monitoring and Report that is capable of continuous assessment of territorial development trends and policy impacts in relation to policy objectives related to Territorial Cohesion, EU2020, EU Cohesion Policy Strategy and Territorial Agenda of the EU. In general, this system will rely and integrate time-series of core territorial indicators and indexes developed by the INTERCO project and included in the ESPON 2013 Database.

The Territorial Monitoring and Reporting System shall support practitioners and policy makers at all levels in their practical work by identifying development opportunities and territorial challenges of the European regions. In addition, the reporting should also contribute to better understand European territorial dynamics as well as the diversity and position of the various regions, specific territories and cities in the European context. In doing so, the focus should be on territorial potentials for development.

The objectives to achieve with this ESPON project are:

- 1) Conceptualisation of a system for European Territorial Monitoring and Reporting, representing a simple tool for policymakers at different levels, meeting the needs for understanding the territorial dynamics, policy impacts and spatial patterns related in European regions, specific territories and cities. In addition, it shall allow comparing regions, cities and territories in Europe. This Reporting System shall include a volume of territorial indicators that is manageable (approx. 30-50 selected territorial indicators) based on two ESPON projects (INTERCO and ESPON 2013 Database) covering different geographical levels and using the NUTS (2 and 3) as the main regional breakdown. Furthermore, it shall integrate maps and graphs based on the indicators previously selected.
- 2) Production of a booklet (app. 10-15 pages) with key facts and figures on the territorial dynamics, trends and structures of the European regions, specific territories and cities on this basis of the European Territorial Reporting System proposed.
- 3) Development of a “European Territorial Monitoring Report” template, which structure shall consider thematic sectoral themes, European territorial structures, policy concepts/objectives and main European territorial challenges.
- 4) Development of the first “European Territorial Monitoring Report” (app. 50 pages) following the template proposed and approved by the ESPON Monitoring Committee.

Aspects that shall be taken into account during the project in order to achieve the main objectives are the following ones:

(1) **Build on ESPON 2006 results.** Efforts of developing indicators measuring territorial cohesion were already started under the ESPON 2006 Programme within the ESPON 2006 Project 4.1.3. In particular some progress has been made also in relation

to propose a “Tentative Spatial Monitoring Report” that should be seen as an important input to this ESPON Project.

(2) **Capitalise on the outcome of the ESPON Workshop¹ on “Monitoring Territorial Dynamics”** of 12 November 2008, which involved representatives from European organisations and national observatories.

(3) **Build on the results of the ongoing ESPON Projects: ESPON 2013 Database and INTERCO.** Under the ESPON 2013 Programme it is particularly important to consider the other two projects of the triad in Priority 3: the Database Project and the Indicators and Indices (INTERCO) Project. Regarding the latter, this TPG was required expected to provide the necessary input to the Monitoring Project. In addition, results from ongoing priority 2 ESPON Projects: TPM (Territorial Performance Monitoring) and EATIA (ESPO and Territorial Impact Assessment) should be taken into account in the framework of this project.

(4) **Use of external experiences on territorial monitoring.** Take into consideration the experience on territorial monitoring systems from national observatories such as France, Germany, Romania and Flemish region. In addition, the experience developed by other international and European organisations should also be taken into account (DG Regio, OECD, EUROSTAT)

(5) **Take into account the main European policy concepts, orientations and objectives related to territorial development.** In particular relevant policy orientations of the Fifth Cohesion Report, the Territorial Agenda of the EU, the Commission’s Green Paper on Territorial Cohesion and the EU2020 Strategy.

The European Territorial Monitoring and Reporting System developed in the framework of this project should ensure a clear correlation to these orientations as well as to further policy discussions developed during the life time of the project.

In particular the following territorial development policy concepts should be taken into consideration in the Monitoring System and Reporting: balance and polycentricity; urban sprawl; discontinuities; geographical specificities; competitiveness; governance and territorial co-operation, regional disparities.

(6) **Reflecting on main European territorial challenges.** The project shall also integrate and reflect the main territorial challenges facing Europe, including: recovery from the global economic recession; global economic competition; vulnerability to climate change; energy supply and efficiency; demography: ageing and migration; Transport, accessibility and connectivity.

(7) **Integration of time-series.** The territorial system and reporting shall integrate time series in a selected number of territorial indicators and define a procedure to ensure their update in a regular basis. This should support a better understanding of the territorial dynamics and impact of policies in the short, medium and long term perspectives. It is important to stress that the TPG is mainly expected to integrate statistical data and time series already available in the ESPON programme, in particular developed in the

¹ The report of this workshop can be found here on the ESPON website.

framework of the INTERCO and ESPON 2013 Database Project. The gathering, production and creation of additional statistical information might be in any case necessary in few cases.

(8) **Data and indicator integration.** Various data sources shall be considered in the development of the Monitoring Reporting System. Besides the statistical data largely used in the framework of ESPON projects, project shall consider the inclusion of data available at the level of raster cells or at the level of network segments and make possible their aggregation at the level of reporting units: NUTS, cities, specific types of territories.

(9) **Geographical framework.** The backbone for territorial monitoring and reporting are the NUTS regions (NUTS 3, NUTS 2 and combination of NUTS 2 and 3) as these play an important role in relation to the implementation of European policies. However the Territorial Monitoring and Reporting System shall be able to lower and enlarge the geographical framework when relevant and appropriate. In particular areas with territorial specificities such as urban and metropolitan regions, rural regions, mountain regions, sparsely populated areas and islands, as well as cities, agglomerations and functional areas shall be included as geographical identities in the framework of this project. With regard to this issue it is important to consider the use of raster-based data sources in order to bridge the gap between the different breakdowns.

(10) **Apply a 5-level-approach.** The 3-level-approach (European – transnational – regional / inter-regional) has been used in the context of the ESPON 2006 Programme. This approach should, where relevant and feasible, be considered enlarged to a 5-level-approach by adding (a) the global positioning of Europe as a whole and (b) a more detailed geographical level considering the local level. Furthermore, in relation to a given political question and the respective indicator(s) chosen different levels of geographical detailing should be covered.

(10) **Involvement of policymakers.** Policy makers, in particular the ESPON Monitoring Committee, needs to be directly involved in the process of building up and creating the Territorial Monitoring and Reporting System and in the selection of high priority areas and themes to be included in the monitoring report. The ESPON Coordination Unit will fully support the TPG in this process.

(11) **Target groups.** The results of this project are expected to be a source of information, containing practical evidence for policymakers and practitioners from the local to the European level on territorial dynamics, structures and impacts of European policies. Therefore, it should allow supporting policymaking processes at different geographical levels. It is important to ensure that the outcomes of this project, in particular indicators and information produced, are presented in a simple and readable manner for policy makers.

Where relevant, the project is expected to make use of the nine standard ESPON Territorial Typologies: urban-rural; metropolitan regions; border regions; islands regions; sparsely populated regions; outermost regions; mountainous regions; coastal regions; regions in industrial transition. The first six were developed by DG Regio and the remaining three were proposed in the ESPON project on Typology Compilation.

v) *Analytical framework and deliveries expected*

This ESPON project, to be implemented during 20011-2013, shall be based on a clear planning with relation to its objectives.

Taking the thematic scope and the main objective for the ESPON 2013 Project on Territorial Monitoring and Reporting System the deliveries are expected to target policy makers. This project shall cover the entire ESPON territory and in addition be able to address particularly territorial and policy concepts as described above. Recognising the importance of the territorial scale for analytical results and policy considerations, the Territorial Monitoring and Reporting System proposed shall consider the various aspects mentioned under point IV.

The geographical coverage of the project should encompass all the countries participating in the ESPON 2013 Programme. Furthermore, the TPG should assess the data situation in the EU candidate countries (i.e. Croatia, the Former Yugoslav Republic of Macedonia, Turkey) and the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Montenegro, Albania, Kosovo under UN Security Council Resolution 1244) and report on their findings in the inception report. Depending on the respective data situation these countries would then be included in the territorial monitoring system and reports developed.

The tasks can be broken down to the objectives of the project:

1) Tasks related to the conceptualisation of European Territorial Monitoring and Reporting include:

- Definition of the various elements and outputs

Structure: Selection of thematic sectoral elements; integration of European policy concepts, orientations and objectives and challenges; allow a link with other territorial monitoring systems developed by international and national institutes, in particular national observatories; allow the integration of time-series, qualitative and quantitative information (regional typologies); easy and quick assessment of the quality of the information (detection of outliers); geographical framework and regional breakdown, updating cycles.

Outputs: thematic maps, charts, statistical tables, data sheets, fact sheets, short and simple descriptions using NUTS 2, 3 and combination of NUTS 2 and 3 as the backbone of the system but also allowing the use of regional typologies, and specific geographical objects (cities, functional areas).

- Dialogue with selected policy makers (ESPON Monitoring Committee) and implementation of possible adjustments
- Integration of content into a system that allows for continuous monitoring and reporting on indicators important for territorial development and cohesion.

Mainly information, data, indicators developed and provided by the INTERCO and ESPON 2013 Database Project.

2) Tasks related to the production of a booklet on key facts and figures on the territorial state of the European territory, its regions and cities.

- Design of the structure and selection of information.
- Integration of content in the structure and feedback from selected policy makers

Analysis and communication of information selected; dialogue with selected policy makers, implementation of adjustments and finalisation.

3) Tasks related to the development of a “European Territorial Monitoring Report” template.

- Definition of the structure, timeframe for reporting, scales and regional breakdown, table of content

On the basis of the territorial monitoring system created and the outputs provided.

- Dialogue with selected policy makers
- Implementation of adjustments and finalisation of the template

4) Tasks related to the development of a First “European Territorial Monitoring Report” following the template proposed.

- Dialogue with policy makers on the focus and selection of high priority policy areas
- Collection of information, analysis and drafting of the report
- Feedback from policy makers and possible adjustments
- Finalisation, communication and dissemination of the report

(vi) Expected results and timetable

This project is envisaged to last until 2013. The implementation of the project for 2011-2013 shall include a flexible approach to the individual work packages proposed where frequent contact meetings with the ESPON CU and feedbacks from the ESPON MC will continuously support the development of this project and clarify open questions.

The project is supposed to follow, as far as possible, a timetable and specifications of outputs as presented below:

November 2011 (Inception Report):

- Detailed description of the project, taking into account the objectives envisaged, including the identification of priorities, resolution of problems and definition of delimitations
- Presentation of a strategic overview of all activities and an overall time planning
- Presentation of the description and timetable of the various project deliveries
- Work plan until the Interim Report.

July 2012 (Interim Report):

- Draft version of the conceptualisation of an European Territorial Monitoring and Reporting to be tested within the ESPON Community directly linked to the outputs of the INTERCO project and to the ESPON 2013 Database
- Draft version of the booklet on key facts and figures on the territorial state of the European territory, its regions and cities
- Short reporting of the activities, both planned and realised, resolution of problems and definition of delimitations

- Work plan until the Draft Final Report.

November 2012 (Intermediate deliveries)

- Final version of an European Territorial Monitoring and Reporting
- Final version of the booklet on key facts and figures on the territorial state of the European territory, its regions and cities
- Draft version of a “European Territorial Monitoring Report” template.

April 2013 (Draft Final Report):

- Final version of a “European Territorial Monitoring Report” template, including adjustments from the dialogue with the ESPON Monitoring Committee
- Dialogue with the ESPON MC on the focus and selection of high priority policy areas to be integrated in the First Territorial Monitoring Report

September 2013 (Intermediate delivery)

- Draft version of the First European Territorial Monitoring Report

December 2013 (Final Report)

- Final documentation of all aspects of the implementation of the project
- Final version of the First European Territorial Monitoring Report

(vii) Budget

The maximum budget foreseen for this project amounts to €598.000 including VAT, if applicable. Proposals exceeding this value will not be considered.

All real eligible costs incurred for carrying out the approved project will be refunded 100% by the ESPON 2013 Programme.

(viii) Existing access points

The access points listed below can serve the purpose of providing the TPG useful information for preparing a proposal. It is by no means meant to be exhaustive, but should be considered as information that can be helpful in tracing additional useful background information.

- ESPON 2013 Project 2013/3/1 “ESPON Database and Data development” (2008-2011)
 - Current ESPON 2013 Database: http://www.espon.eu/main/Menu_ScientificTools/ESPON2013Database
 - Results of the project so far: http://www.espon.eu/main/Menu_Projects/Menu_ScientificPlatform/espondatabase2013.html
- ESPON Project 2013/3/2 “Territorial Indicators and Indices” (2010-2012)
- ESPON Project 2013/2/13 “TPM Territorial Performance Monitoring”
- ESPON Project 2013/2/9 “EATIA - ESPON and Territorial Impact Assessment”

- ESPON Project 3.1 “Integrated tools for European Spatial Development”, Part C on New tools and instruments for European spatial analysis
- ESPON Project 3.2 “Spatial Scenarios and Orientations in relation to the ESDP and Cohesion Policy”, volume 6 on General scientific coordination of ESPON and Handbook for data collection, harmonisation and quality control
- ESPON 3.4.1 “The Modifiable Areas Unit Problem”
- EUROSTAT - http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682,1090_33076576&_dad=portal&_schema=PORTAL
- GMES – Global Monitoring for Environment and Security - <http://www.gmes.info>
- INSPIRE Directive - <http://www.ec-gis.org/inspire/>
- International Organisation for Standardisation (ISO) - <http://www.iso.org/iso/home.htm>
- European Sustainable Cities Monitoring Tool - http://www.rfsustainablecities.eu/article.php3?id_article=324