



Jacek Szlachta Warsaw School of Economics
VASAB conference, 7 June 2016, Warsaw

Baltic Sea Region in light of European Territory 2050 Scenarios

Based on presentation provided to Ministers responsible for
Territorial Cohesion in Luxembourg 26 November 2015



ET2050 Goal

From Project Specifications:

The 31 countries in the ESPON Monitoring Committee, have decided a vision-building process for the European territory with 2050 as time horizon **that involves relevant stakeholders at European, national and regional level.**

Information about ET 2050 project

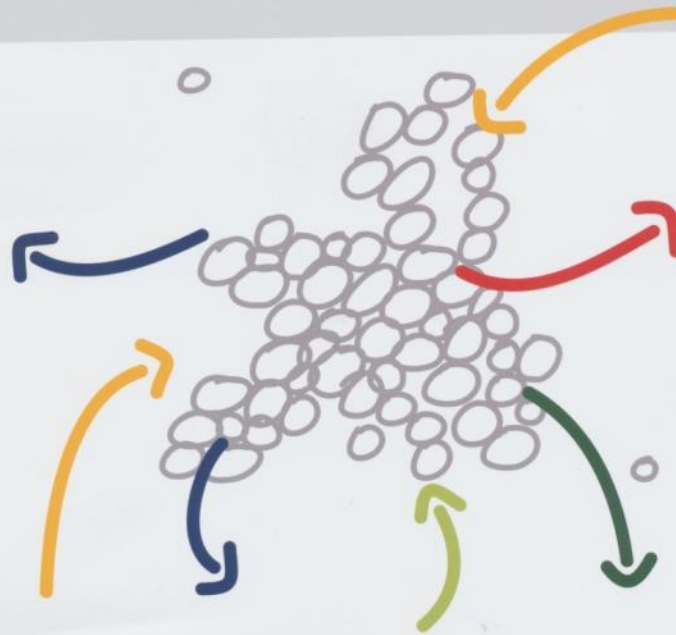
- Two horizons 2030 and 2050
- Baseline scenario and three territorial scenarios: (A) market based growth favoring large metropolises; (B) Public policies promoting secondary city networks and (C) Local and European initiatives promoting small cities and less development regions
- For Baltic Sea Region countries and regions the most promising scenario B

ET2050 Consortium



Making Europe Open and Polycentric

Vision and Scenarios for the European Territory towards 2050



Building Territorial Scenarios and a Vision

Present:

- Situation Analyses

Towards 2030 and 2050:

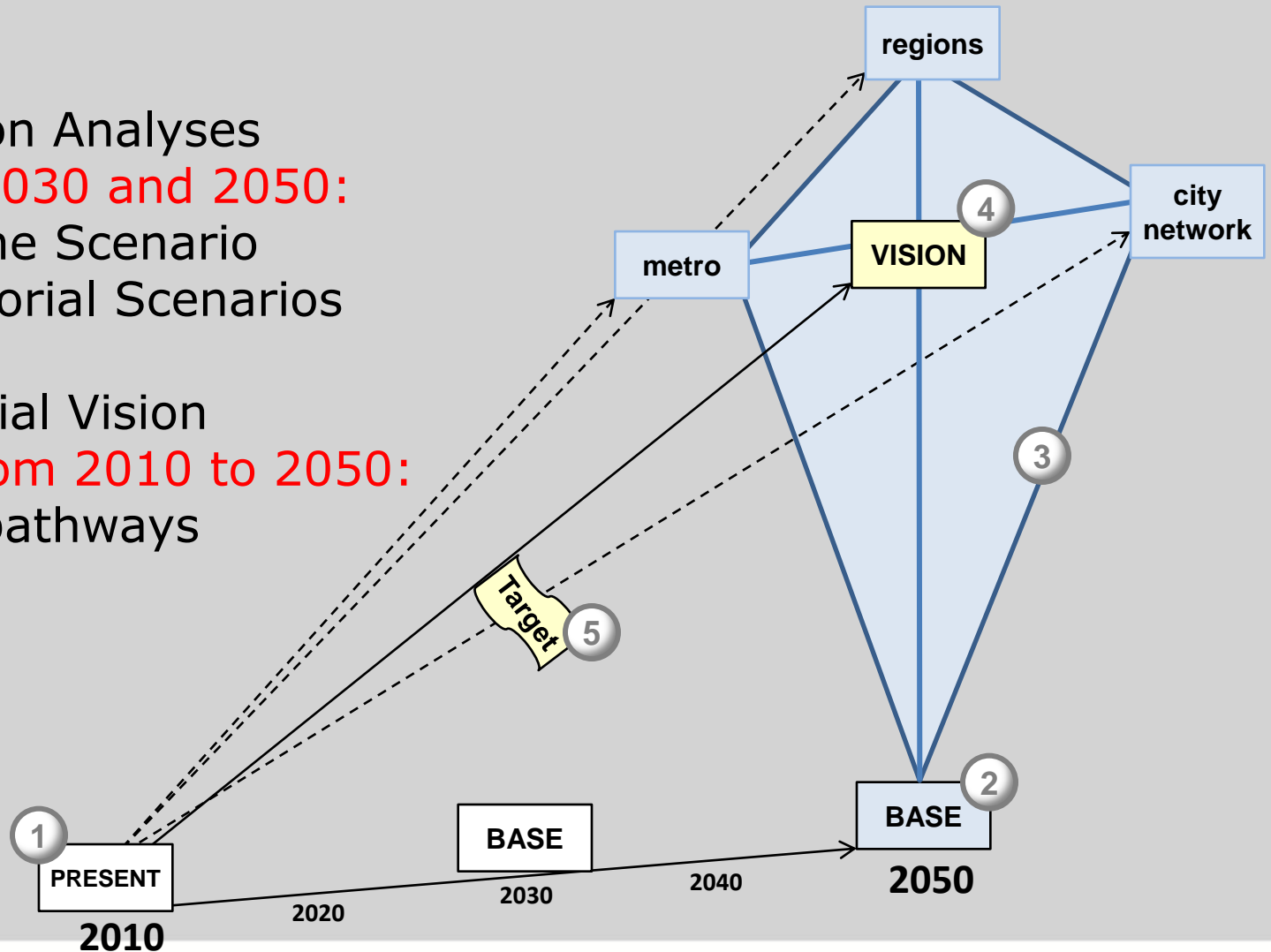
- Base line Scenario
- 3 Territorial Scenarios

In 2050:

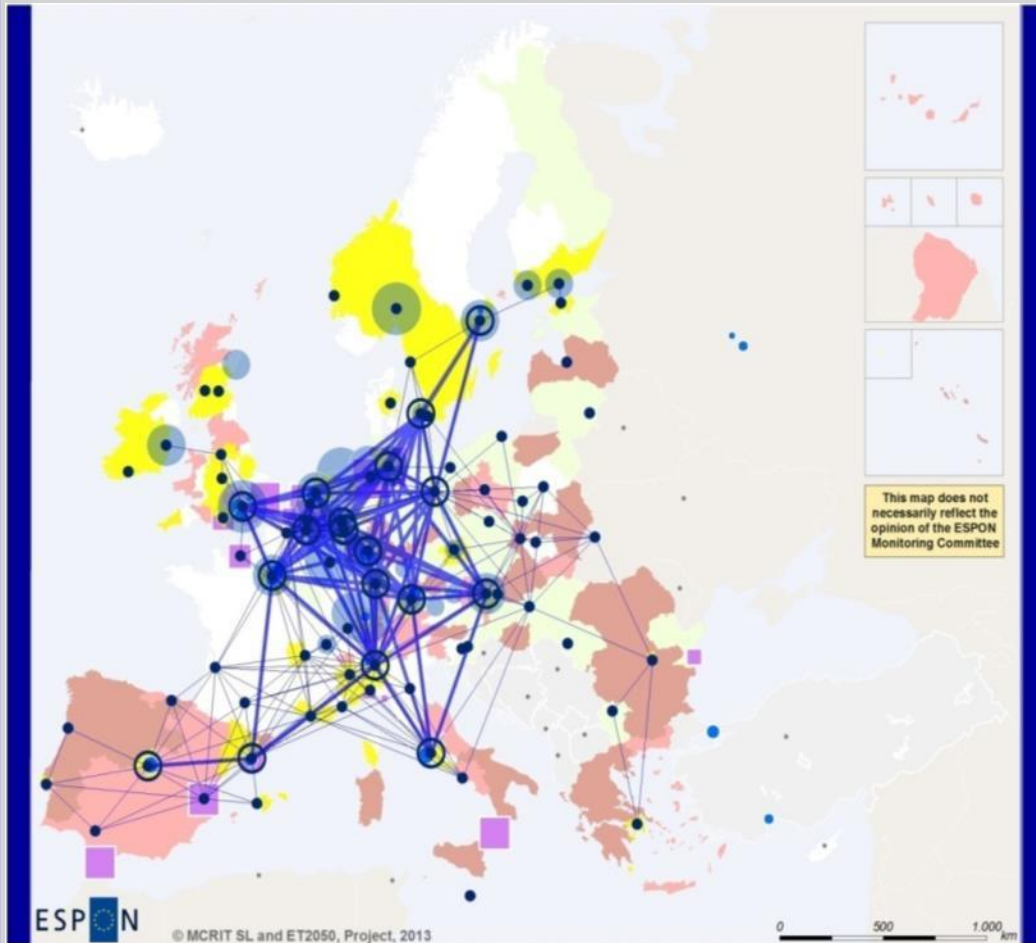
- Territorial Vision

Moving from 2010 to 2050:

- Policy pathways



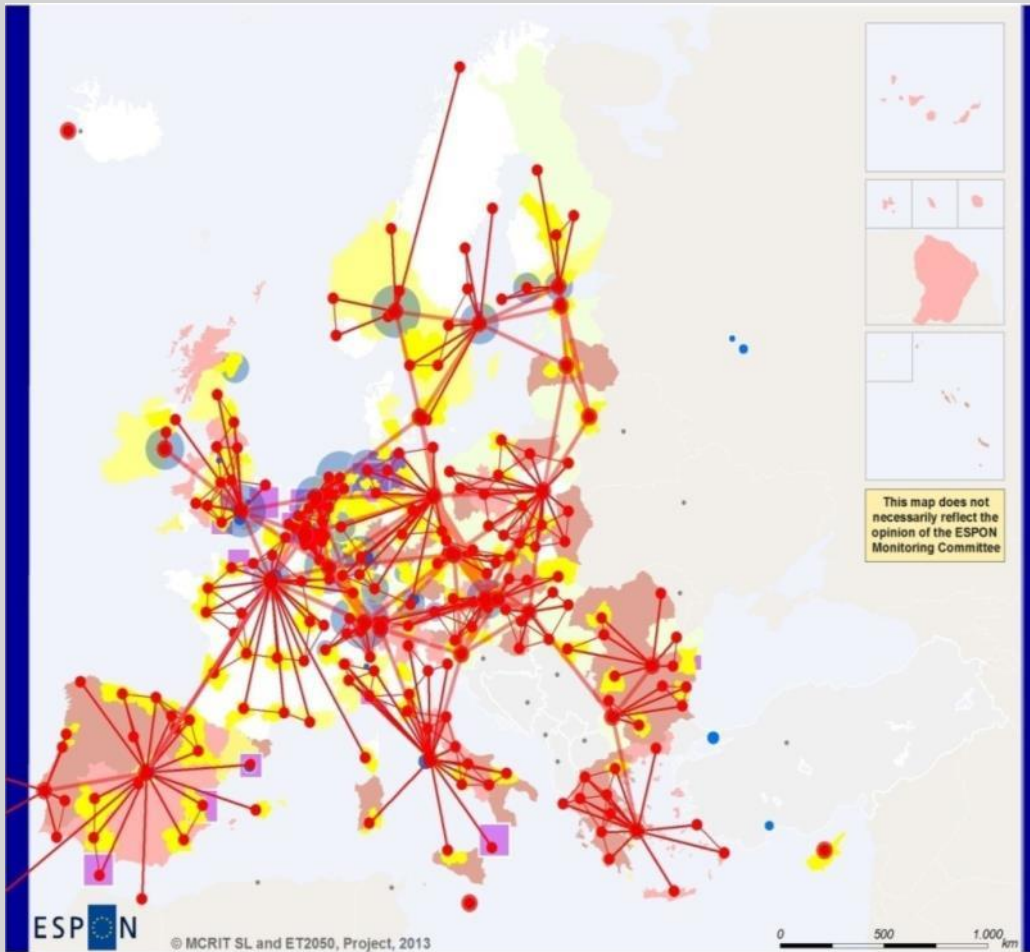
Territorial Scenario A: Promotion of Metropolises



Promotion and networking of European metropolises towards 2050

- Europe 2020 strategy and global competitiveness
- Largest metropolitan regions of global importance.
- Connectivity to international networks and agglomeration economies
- Investment in **76** Metropolitan European Growth Areas (MEGAs): High-level R&D; long-distance infrastructure networks and global gateways; integrated transnational economic zones.

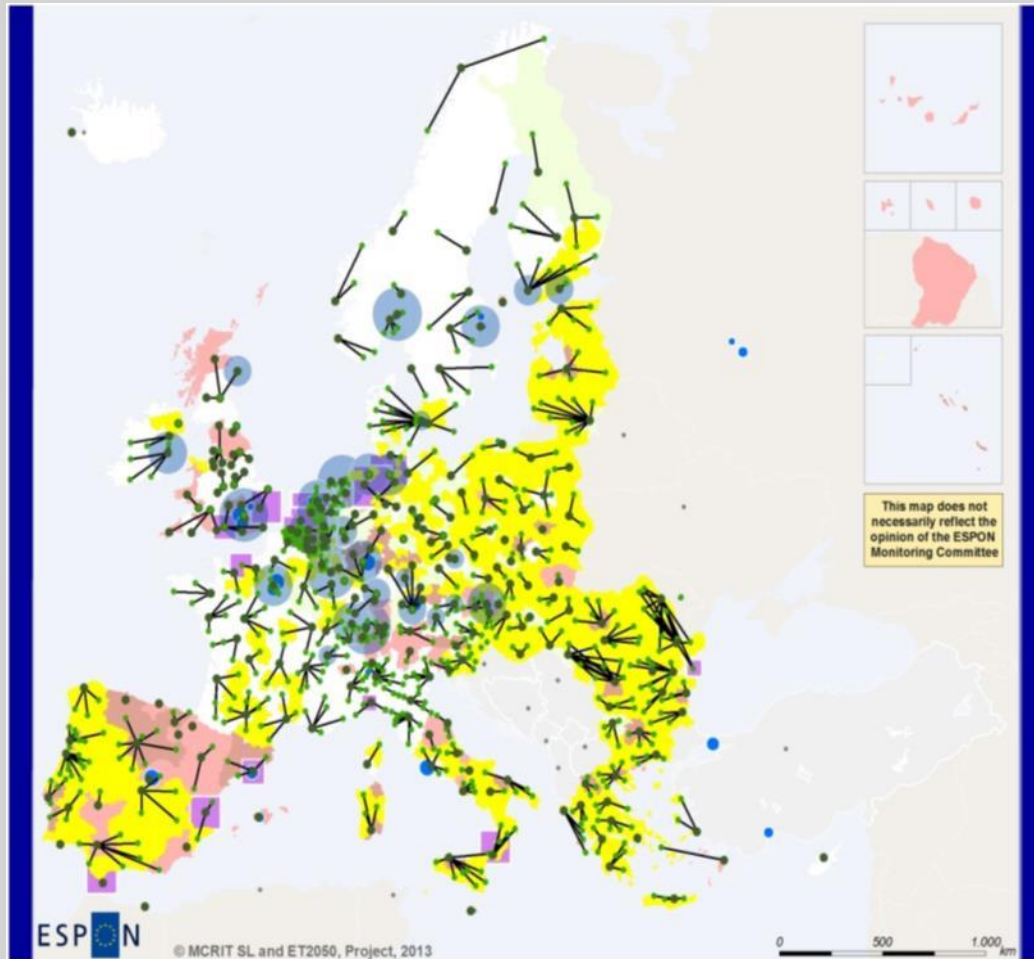
Territorial Scenario B: Promotion of Second Tier Cities



Promotion and networking of cities towards 2050:

- *Europe 2020 strategy with TA 2020*
- National and major regional capitals.
- Balanced polycentric urban systems at macro-regional and national scale.
- Investments in **261** cities of European or national significance: Cohesion and Structural Funds mostly targeting cities; urban investments in renewal/re-urbanisation, R&D, and regional/inter-regional transport networks.

Territorial Scenario C: Promotion of Smaller Cities/lagging Regions



Promotion of small-medium cities and less developed regions towards 2050:

- Europe 2020 strategy and TA 2020.
- Small- and medium-sized cities as centers of resilient regions.
- Social and economic balance at the regional level; place-based approach.
- Investments: Cohesion and Structural Funds mostly targeting rural less developed areas; local and regional transport networks
- Decentralization to local-regional level

Comparing territorial scenario A, B and C

Towards 2030, *scenario B* is the most expansionary in terms of GDP.

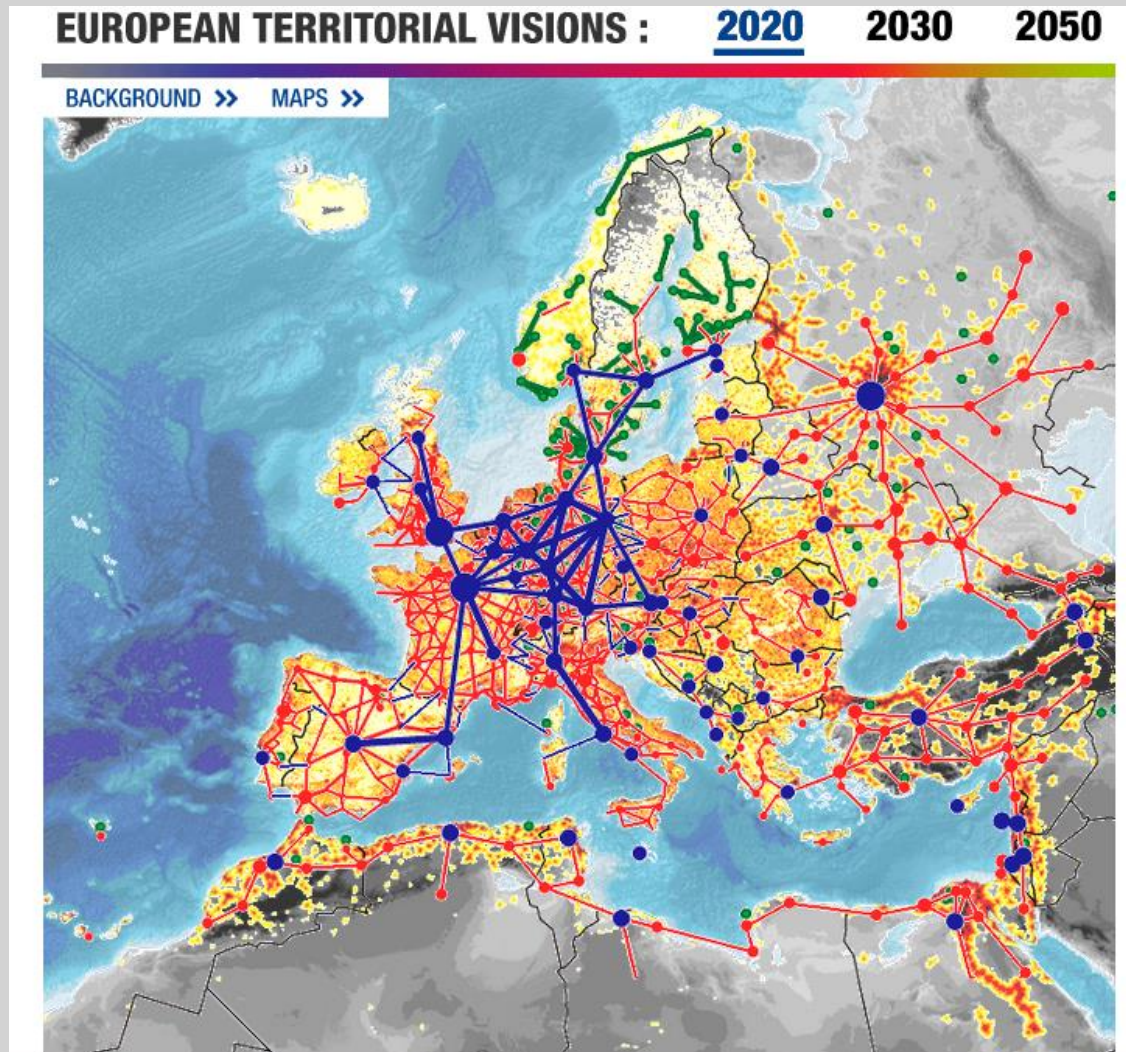
- Baseline: + 1,9%
- Scenario A: + 2,2%
- **Scenario B: + 2,3%**
- Scenario C: + 1,8%

- **B: Highest levels of territorial cohesion and competitiveness.**
- **Regional divergence is only marginally reduced.**

Towards 2050, European economic growth is not significantly affected by the promotion of any of the 3 territorial scenarios

- **A polycentric and balanced European territory:** a possible policy option for a long-term territorial vision.
- **Evolutionary process:** gradually unleashing growth potential deliver highest overall economic growth with least environmental impact, transport and energy demand.

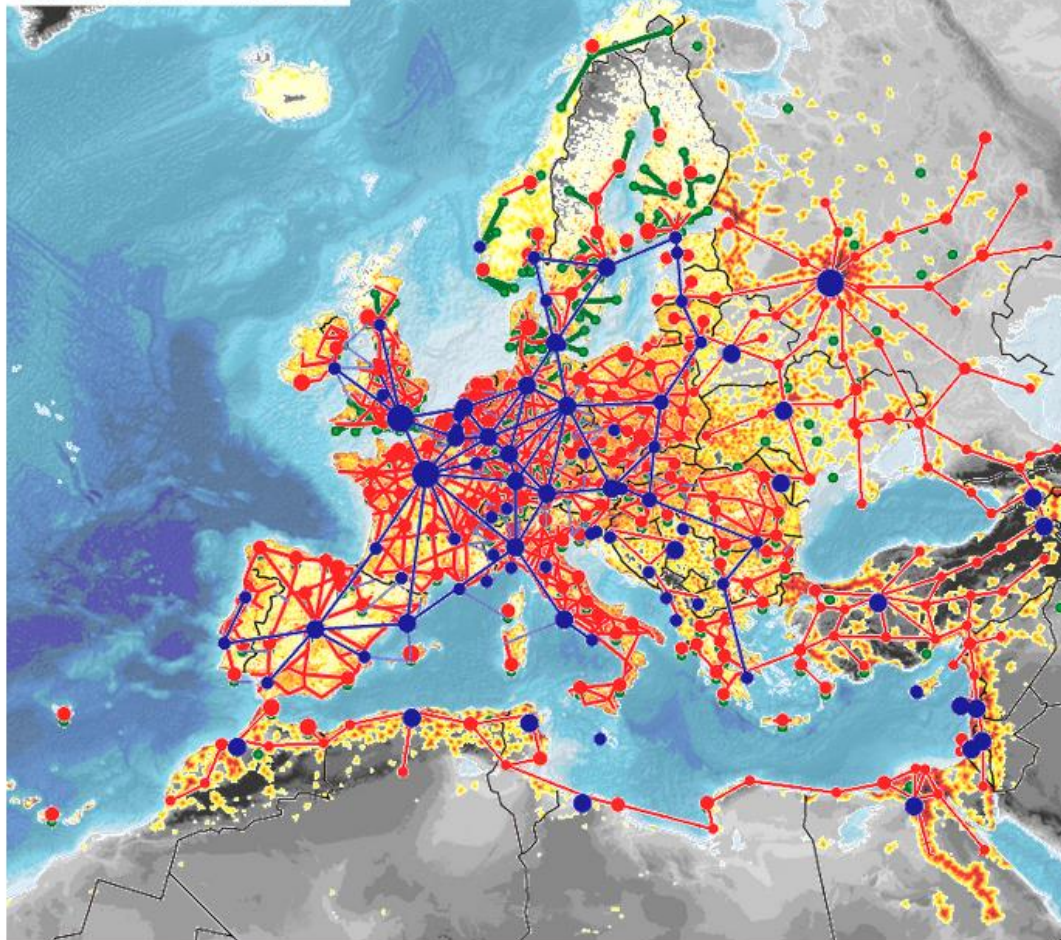
Possible evolution of the European Territory - 2020



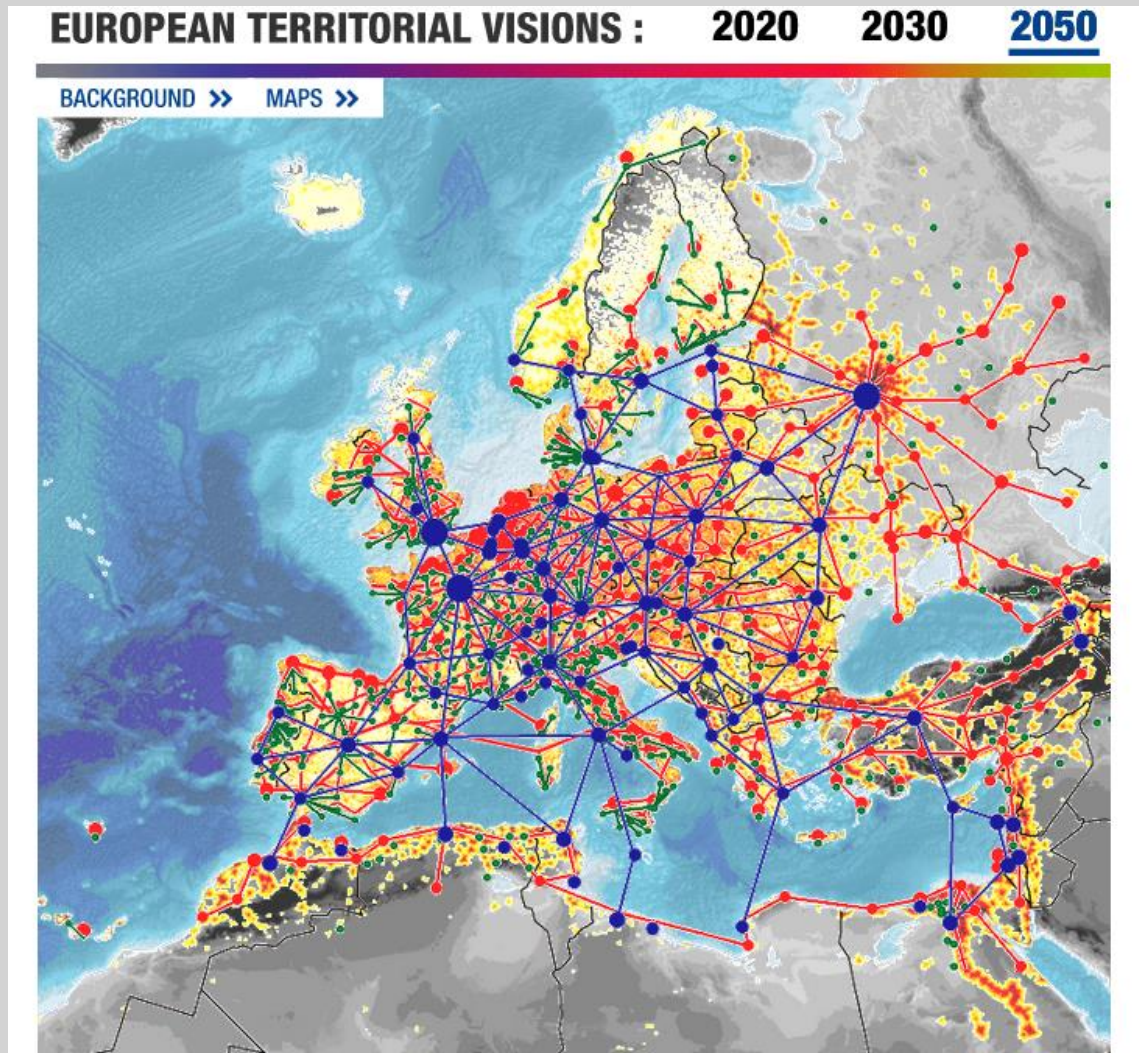
Possible evolution of the European Territory - 2030

EUROPEAN TERRITORIAL VISIONS : 2020 2030 2050

BACKGROUND >> MAPS >>



Possible evolution of the European Territory - 2050



A European Territorial Vision 2050

Making Europe Open and Polycentric

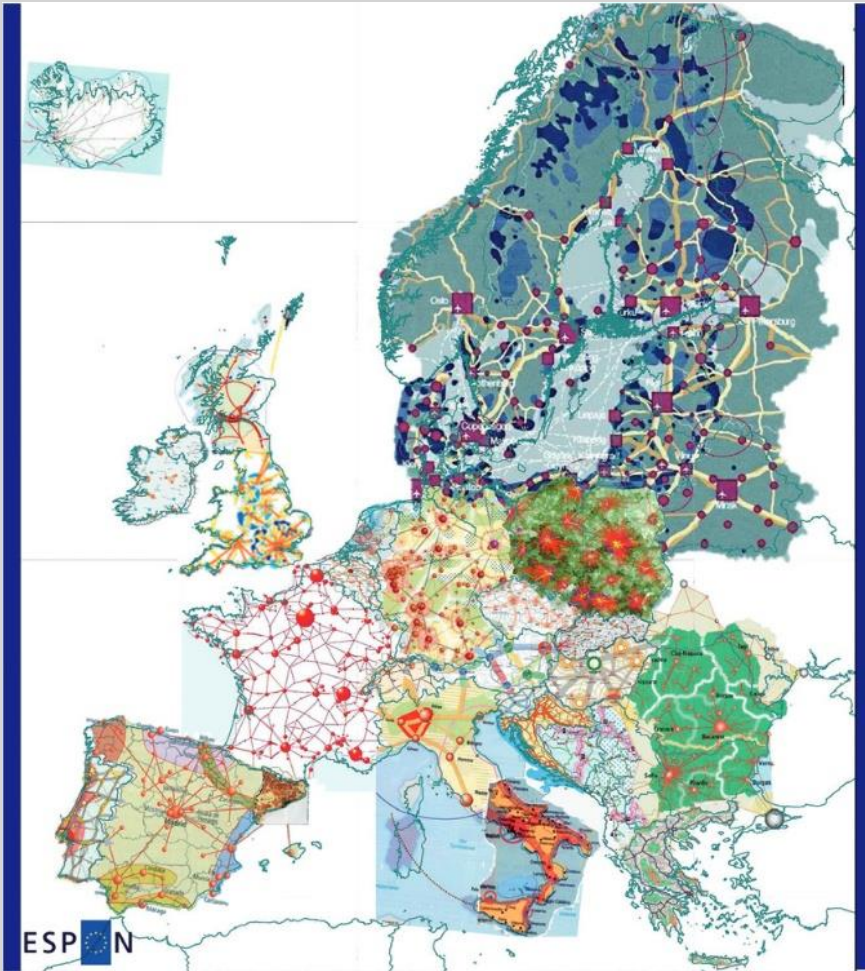
Open:

- Connecting Europe globally
- Promoting co-development with neighbourhood regions

Polycentric:

- Unleashing regional diversity and endogenous development as a mean to reduce regional disparities
- Supporting a balanced urban structure
- Sustainable management of resources

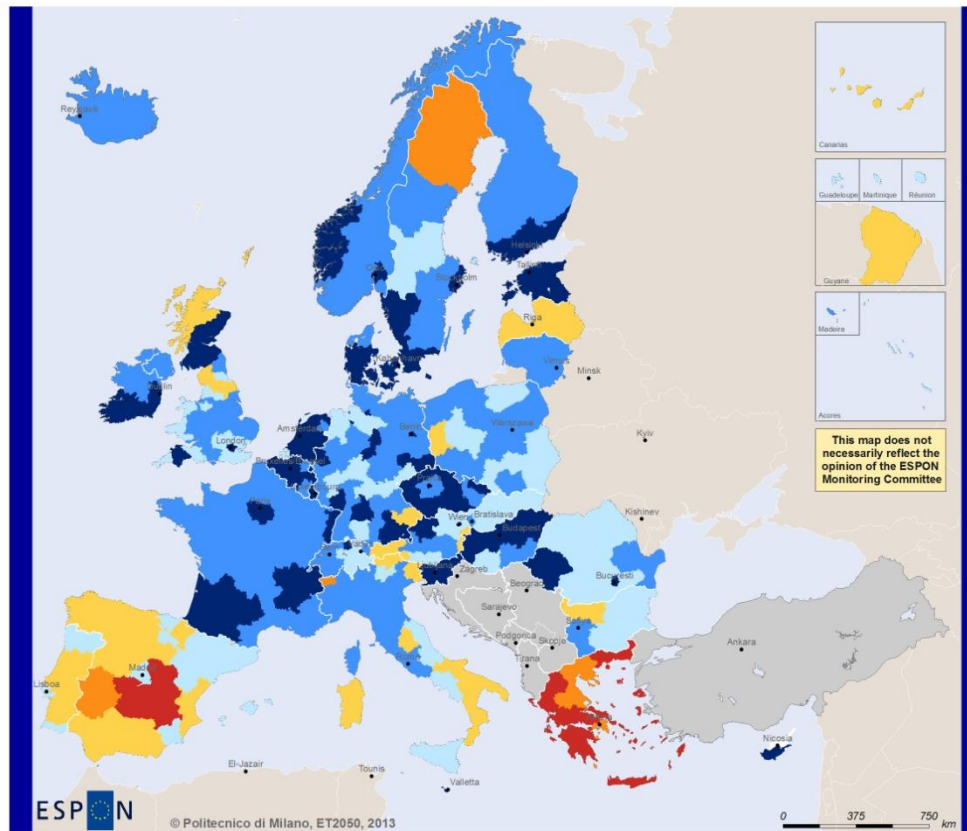
From fragmented to integrated European Vision?



GDP Growth 2010-2030 (Baseline) by MASST3

GDP Growth 2010 - 2030 (Baseline)

Measured as annual average GDP growth rate along the period

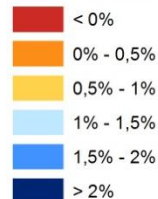


EUROPEAN UNION
Part-financed by the European Regional Development Fund
INVESTING IN YOUR FUTURE

Regional level: NUTS2
Source: Politecnico di Milano, 2013
Origin of data: MASST3 Model
© EuroGeographics Association for administrative boundaries

GDP Growth annual average rate (Units: %)

Results obtained by MASST3 forecast model



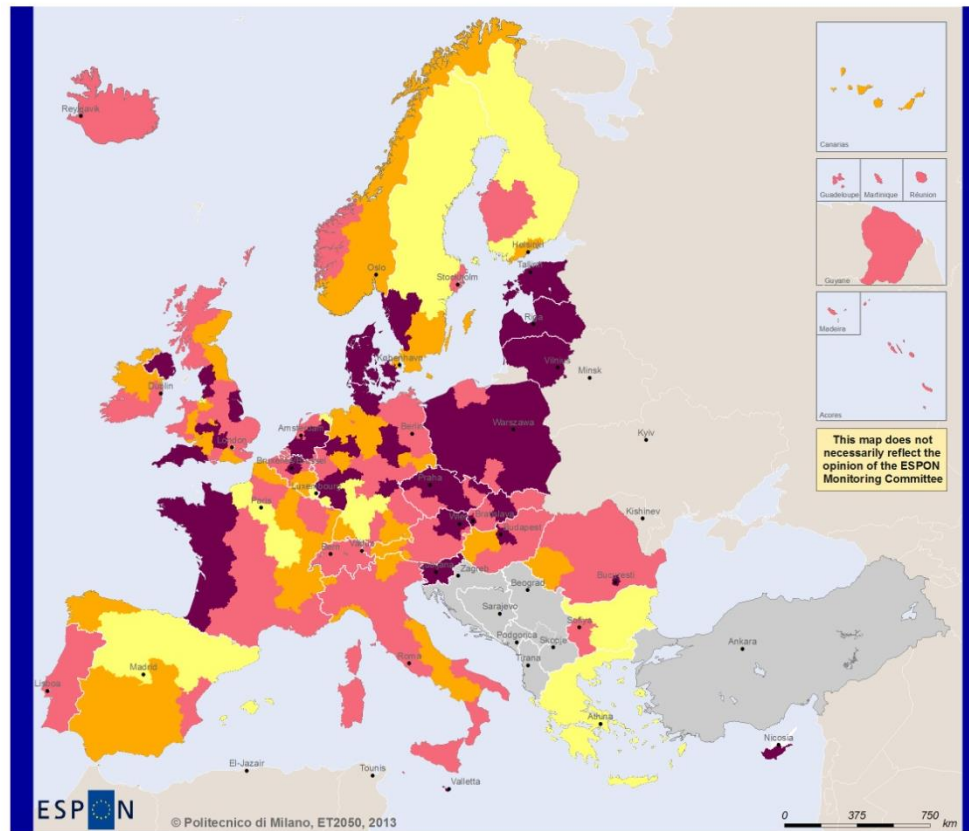
GDP a.a.: 1,89 %
45 regions bellow 1,00

%

Employment 2010-2030 by MASST3

Employment 2010 - 2030 (Baseline)

Measured as annual average employment growth rate

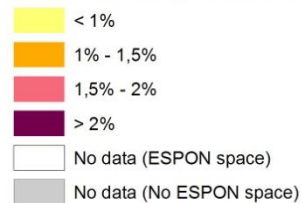


EUROPEAN UNION
Part-financed by the European Regional Development Fund
INVESTING IN YOUR FUTURE

Regional level: NUTS2
Source: Politecnico di Milano, 2013
Origin of data: MASST3 Model
© EuroGeographics Association for administrative boundaries

Employment growth annual average rate (Units: %)

Results obtained by MASST3 forecast model

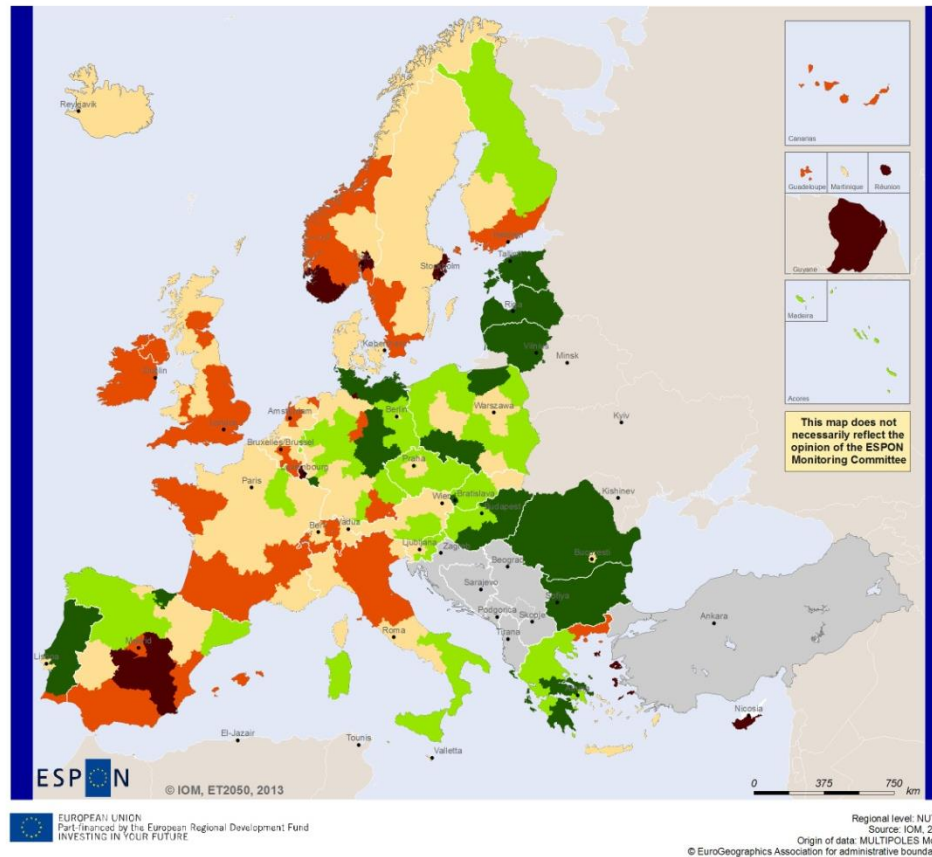


Employment grows at a sustained rate in Europe, meaning that large part of the recovery from the crisis comes from job creation and lower salaries, instead of productivity gains. (ESPON Space annual average employment growth rate 1.59%)

MASST3 is an econometric, macroeconomic, sectoral, social and territorial model. It has been upgraded to explicitly take into account the impact of the current economic crisis.

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

- < -0,5%
- 0,5% - 0%
- 0% - 0,5%
- 0,5% - 1%
- > 1%
- No data (ESPON space)
- No data (No ESPON space)

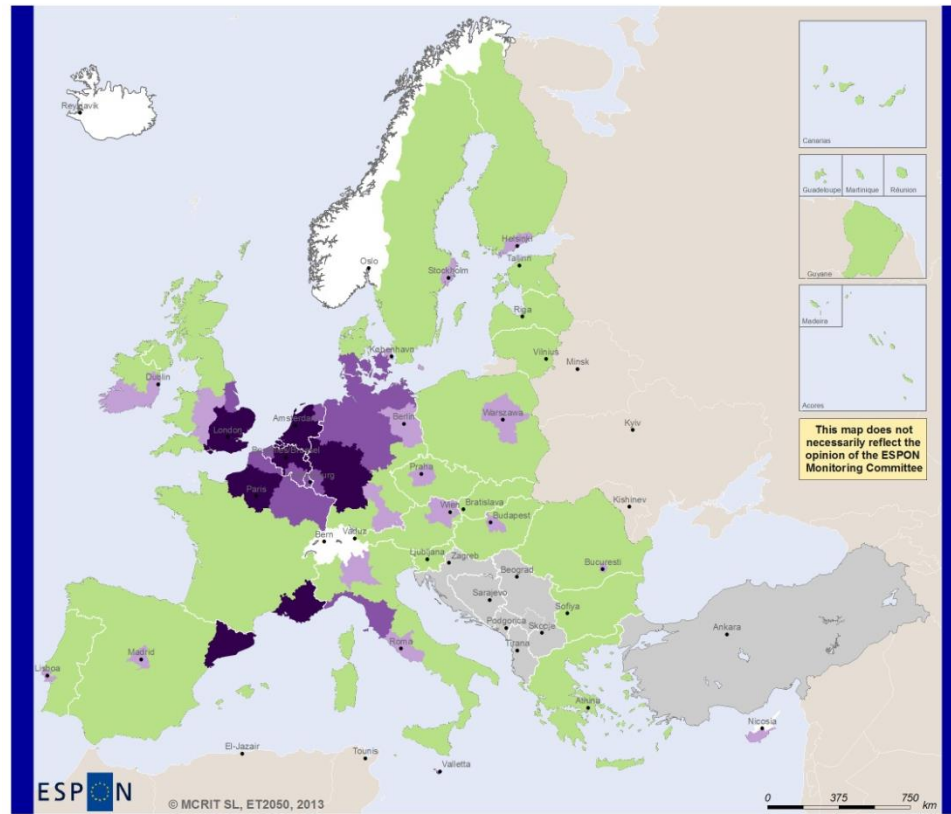
Population: from 514 to 530 mln

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.

Global Accessibility 2010 - 2030 (Baseline)

Measured as potential intercontinental airplane seats and containers in relation EU average



ESPON
 EUROPEAN UNION
 Part-financed by the European Regional Development Fund
 INVESTING IN YOUR FUTURE

Regional level: NUTS2
 Source: MCRIT, 2013
 Origin of data: MCRIT
 © EuroGeographics Association for administrative boundaries

S2
 13
 161
 165

Passengers and Freight Global Accessibility

- Passengers and Freight accessibility are expected to increase below EU average
- Passengers accessibility is expected to increase over EU average
- Freight accessibility is expected to increase over EU average
- Passengers and Freight accessibility are expected to increase over EU average
- No data (ESPON space)
- No data (No ESPON space)

Global accessibility will increase around transport nodes: intercontinental airports and freight ports.


No data (NO ESPON space)

ESPON Documents with more information

ESPON

Making Europe Open and Polycentric

Vision and Scenarios for the European Territory towards 2050



EUROPEAN UNION
 Co-financed by the European Regional Development Fund
 INVESTING IN YOUR FUTURE

ESPON
 ESPON 2020 Cooperation Programme
 Co-financed by the European Regional Development Fund

EUROPEAN UNION
 EUROPEAN UNION
 Co-financed by the European Regional Development Fund

Inspire policy making by territorial evidence

ESPON Policy Brief

Territorial Scenarios for Europe towards 2050

Territorial scenarios focusing on the development of metropolitan regions, of cities or of regions will towards 2050 deliver the same level of economic growth for Europe. However, attention to the development of cities seems to have a slight advantage towards 2030. An evolution during 2030-2050 gradually unleashing more and more growth potential for cities and regions will, assuming technological progress, lead to a significant reduction of regional disparities in relative terms, and deliver the highest overall economic growth for Europe with more limited environmental impacts in terms of land-take, transport and energy demand.

Scenario A – Promotion of MEGAs Scenario B – Promotion of Cities Scenario C – Promotion of Regions



Figure - Illustration of the territorial scenarios

Introduction

Scenarios can be a useful tool to support policy-making. They can be used to communicate insights and discuss potential territorial developments, the impact of territorially relevant policies, and the political choices to be made. They can shape the mindsets of policy-makers. Territorial scenarios can enrich policy processes and help them to capture the long-term and become more effective and efficient by reflecting the territorial diversity of future developments.

The project conducted by ESPON ET2050 follows a tradition of forward looking studies and political visions in territorial development established in Europe. Most recent European policy framework documents as well as territorial strategies defined at regional, national and trans-national scale in Europe, and neighbouring countries, were taken as starting points.

ESPON
 ESPON 2020 Cooperation Programme
 Co-financed by the European Regional Development Fund

EUROPEAN UNION
 EUROPEAN UNION
 Co-financed by the European Regional Development Fund

Inspire policy making by territorial evidence

Territorial Scenarios for Europe

Working Paper

Annex to the ESPON Policy Brief
 "Territorial Scenarios for Europe towards 2050"

September 2015

Thank you for your attention

Inspire policy making by territorial evidence

www.espon.eu