

## **Project Concept 7: Improved governance and management of infrastructures and services in regions and cities affected by demographic change**

### **7.1. Transnational relevance to the Programme and to all the 8 EU Member States participating in the CENTRAL EUROPE Programme**

At EU level **demographic changes** (e.g. ageing, migration, population losses) are among the issues **addressed by the Territorial Agenda**. Due to less migration surplus and a negative natural population development demographic and social changes influence urban and rural structures. They affect life style patterns, location decisions and have also **significant territorial implications** for urban and regional spatial structures, for housing markets, for infrastructures and also for decision-making processes.

**Shrinking regions and cities** are an increasingly relevant issue in CENTRAL EUROPE. While four of the ten most-severely shrinking cities are located in Romania, the other six cities are well spread out across the EU, including cities in Slovenia, East Germany and Italy. The biggest decline was observed in Maribor in Slovenia (Urban Audit 2008). For many cities and regions that are facing population decline and economic stagnation, however, this goes also along with additional costs, as fewer residents have to pay more for oversized infrastructure facilities. Oversized infrastructure is a financial burden for public budgets in shrinking regions. The physical decay of the infrastructure, the maintenance costs and the low usage rates result in severe problems.

Border regions, as one of the typical regional characteristics in CENTRAL EUROPE, are particularly affected and disadvantaged by demographic and social change. This especially applies to the countries along the “Iron Curtain”, which for over 40 years formed the national and EU periphery. These regions have large cost-sharing potentials and pooling effects e.g. in the fields of infrastructure (waste disposal, water treatment, wastewater disposal), innovation and research or health care. New governance models need to be developed and implemented to make full use of these potentials.

These areas are typically characterized not only by depopulation trends but also by a lower level of quality of life, worse quality standards of public services, less job opportunities, disadvantages conditions in terms of accessibility, social services, health care, education, etc. Integrative strategies are therefore needed to actively try to stop and reverse the shrinking

processes. Transnational cooperation is vital for the achievement of these goals due to the complexity and transnational dimension of demographic change in CE.

The CENTRAL EUROPE Operational Programme addresses the subject of demographic change **in several Areas of Intervention** (1.3, 2.3 and 4.2) and underlines the importance of this topic for the CE programme area. Demographic change has an impact and is linked to several aspects of improving the competitiveness of programme regions and programme actors. The topic is **relevant to all CENTRAL EUROPE regions both at the regional and local level**. As infrastructures affect the daily life of citizens the topic is well suited for **visibility and dissemination**. **Innovation** is reflected in particular in the innovative approaches and solutions that are piloted under this project. The project would have been difficult to generate in a bottom-up approach, as shrinking processes are usually tackled in a very

isolated way. The **transnational approach** will create considerable synergies and know-how in an area, where little transnational experience is available. In contrast to ongoing CE projects under this topic, this project has a stronger piloting character and adds a stronger focus on the costs of restructuring. For these reasons, the concept is considered to fulfil the Strategic Project requirements.

## 7.2. Objectives and scope

The **overall objective** of the project is the development and implementation of new governance solutions in order to tackle the problems of shrinking regions in CENTRAL EUROPE with a special view to issues related to the management of public infrastructures and services of general interest (see [http://ec.europa.eu/competition/state\\_aid/legislation/sgei.html](http://ec.europa.eu/competition/state_aid/legislation/sgei.html)).

The specific objectives consist of:

- Better transnational strategies to stabilise or reduce infrastructure costs under the conditions of stagnation and shrinkage.
- Better solutions of urban and regional planning in CENTRAL EUROPE to handle infrastructure costs as limiting factor for the room for manoeuvre regarding and regional development.
- More refined downsizing and restructuring measures in order to qualify the surrounding area of formerly densely populated urban structures.
- Improved image and reputation of shrinking regions or cities in terms of public awareness.
- Deepened understanding on the impact of shrinking regions on other regions and cities (e.g. growing cities/regions and their challenges regarding mobility, infrastructure, housing issues).
- Improved and more holistic approaches to counterbalance depopulation trends.

The **main outcome** of the projects consists in the piloting of innovative solutions/practices to restructure infrastructures and services in shrinking regions and cities and in strategies and recommendations for regions and cities to tackle depopulation trends. It will be based on a sound analysis and will further develop the competences to tackle this issue within relevant institutions in Central European cities and regions.

## 7.3. Technical content/short work plan overview to be developed within 36 months

The following interrelated Work Packages are planned:

### WP 0: Detailed project preparation by finally selected partners

- Preparation of a full project proposal including a detailed activity, time- and resource plan

### Work Package 1: Project Management and Coordination

- Regular coordination and management of the project by the Lead Partner Management team and project partners.
- Project monitoring and evaluation (e.g. through steering group, scientific board, etc.).

- Preparation of a fine-tuned project proposal including a detailed activity, time- and resource plan and the definition of pilot actions.

#### **WP 2: Communication and Dissemination**

- Communication and Capitalisation Strategy and corporate identity
- Communication tools
- Website

#### **Work Package 3: Targeted analysis of shrinking regions and cities in CENTRAL EUROPE**

- Comparative socio-economic background analysis of selected shrinking regions against the background of growing regions/cities in CE based on compilation of existing literature.
- Cross-Analysis of infrastructure (public transport, water, road etc.) and service costs (social and health services) in selected shrinking regions (including effects of shrinking regions on the entire system of cities of regions).
- Interactive and participatory definition of needs for shrinking regions within CENTRAL EUROPE (Position Paper).

#### **Work Package 4 “Piloting innovative solutions to restructure infrastructures and services in shrinking regions and cities”**

- Piloting management practices / strategies / tools in order to achieve substantial cost savings in infrastructure and service provision of selected shrinking regions in CE (e.g. by improved management, resource pooling, innovative services etc.) and integrated approaches to counterbalance depopulation trends with a clear transnational added value.
- Drafting case study reports and lessons learnt.

#### **Work Package 5 “Designing strategies and governance models for shrinking regions and cities in CENTRAL EUROPE”**

- Transnational review and development of strategies and governance models in selected shrinking regions and cities in CE.
- Appraisal of advantages/disadvantages of the different options to cut infrastructure and service costs in shrinking regions, e.g.:
  - The downsizing of physical infrastructures is an expensive process and is vulnerable, since future growth can be hard to predict.
  - Changed infrastructure management as an attempt to reduce maintenance costs at some minimal level rather than removing infrastructure that may later need to be reinstated.
  - Strategies to consolidate areas at higher density to increase their ability to pay for the required municipal services.
- Developing actions plans for mainstreaming piloted cases and adopting integrated approaches to counterbalance depopulation trends.

## Work Package 6 “Developing competences and disseminating know-how for managing shrinking regions and cities”

- Developing competences in tackling infrastructure costs in shrinking regions within public authorities and research institutions.
- Organisation of trainings for a representative sample of professionals including study visits.

### 7.4. Identification of the profile of the ideal partners to be involved in the project (provision of the characteristics of the partners, like institutional role, competencies, internal capacity, know-how, etc)

Actors are expected from local and regional authorities, public infrastructure and service providers at local or regional level, relevant research institutes, interest groups, social partners, citizens, organisations.

Project partners: local, regional and national authorities, public infrastructure and service providers at local or regional level, relevant research institutes. A total of 8-16 project partners, one from each type per MS is envisaged. They must have official partner status.

Associated Institutions (from the target group/stakeholders) (envisaged number 8-16): interest groups, social partners, citizens, organisations.

Proposed Partners <sup>1</sup>	Lead Partner Suitability (management capabilities)	Specific characteristic	Institutional competence in relation to the project concept	EU-Project Management - Capacity (technical and financial)	Internal structure and Financial capacity	Capacity of involving the relevant stakeholders	Capacity to generate high visibility and strong media impact
Municipalities / Regions	The Lead partner should ideally come from this group and have a track-record of successfully coordinated international projects in the field.	Municipalities / regions with stagnating or declining population within the last 10 years The size of the municipality should be of "middle size" in the national context (according to the rank-size distribution).	Decision-making Implementing Mainstreaming	Availability of skills in EU project-management /financial management	Urban / regional planning department; specific departments related to infrastructures and services	Relevant experience in participatory approaches / stakeholder involvement	Skills/unit for PR
National Authorities	Not suitable for Lead Partner	Engagement in relevant policies, programmes etc.	Decision-making Mainstreaming	Previous involvement in EU projects	Ministries concerned with infrastructures and services	Access to relevant networks	Involvement in activities and initiatives in order to ensure mainstreaming

<sup>1</sup> Partners legal requirements are provided in §3.1.1 of the Application Manual 3rd Call.

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Infrastructure providers	The Lead partner could come from this group under the condition of a track-record of successfully coordinated international projects in the field	Providers of urban physical infrastructure	Technical know-how	Availability of skills in EU project-management /financial management	No specific requirement	Ideally relevant experience in participatory approaches / stakeholder involvement	Access to relevant communication channels (media contacts, newspapers, journals, etc.)
Service-providers (energy, telecommunication etc.)	The Lead partner could come from this group under the condition of a track-record of successfully coordinated international projects in the field	Providers of energy, telecommunications, transport, radio and television, postal services, schools, health and social services.	Technical know-how	Availability of skills in EU project-management /financial management	No specific requirement	As above	Access to relevant communication channels (media contacts, newspapers, journals, etc.)

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Research institutes	Not suitable for LP	Experience in demographic and socioeconomic research, municipal fiscal policy, infrastructure planning and other issues related to the objectives.	Technical know-how	Involvement in relevant EU projects (e.g. Interreg, Research Framework Programme) and other research projects in the field	No specific requirement	As above	Access to relevant scientific communication channels (scientific, journals, etc.)
NGOs	Not suitable for LP	As above	Mainstreaming Networking	Involvement in EU projects	No specific requirement	As above	Access to relevant communication channels (media contacts, newspapers, journals, etc.)
Others (social partners, citizens, Interest Groups)	Not suitable for LP	As above	Mainstreaming Networking	Involvement in relevant EU projects	No specific requirement	As above	Access to relevant communication channels (media contacts, newspapers, journals, etc.)

### 7.5. Presence of transnational investments

The presence of transnational investments depends on the selected pilot case studies and has to be decided on a case-by-case basis.

Pre-investments within the pilot case studies are possible with a view to improve the existing infrastructures in shrinking regions (e.g. physical infrastructure, measures for enhancement of social and health facilities, innovative technical solutions, etc.).

### 7.6. Clear identification of the main outputs and results

WP Activity	Output	Quantities (minimum)	Result
3.1 Study Report shrinking regions and cities in CE	Case study Report	1	Improved understanding the shrinking processes in the selected case study regions.
3.2 Cross-analysis of infrastructure and service costs	Statistical analysis Report	1	Understanding the per-capita infrastructure and service costs in shrinking regions and cities
3.3 Strategic Position Paper “Needs of shrinking regions and cities in CE”	Position Paper	1	Joint transnational vision for further political use at local, regional, national and EU level.
4.1 Pilot cases of technologies/strategies in shrinking regions and cities	Pilot actions	1 per case study	Demonstrate solutions to achieve substantial cost savings in the infrastructure and service provision of selected shrinking regions in CE
4.2 Pilot investments and pre-investment	Documentation	To be defined	Long term sustainability of the results
5.1 Strategies and governance models for shrinking regions and cities in CE”	Study report	1	Understanding applied strategies and proposing new models
5.2 Action plans for mainstreaming selected approaches	Action Plan	1 per approach	Improved understanding of operationalizing the strategies and options developed
6.1 Course materials	Study books on Subject to be identified in WP3	To be defined	Developing competences in tackling infrastructure costs in shrinking regions within public authorities and academia
6.2 Courses	Trained professionals	24	Improved skills and competences
6.3 Dissemination	Dissemination actions & products	To be defined	Improved awareness on shrinking processes and solutions in CE

### 7.7. Sustainability in the CENTRAL EUROPE area

Demographic change has far reaching implications for our societies and economies. The implementation of strategies, programmes and projects provides a more differentiated picture of the implications of demographic change and the challenges cities and regions face. Taking ageing and shrinking together, demographic change will generally be stronger in future (2004-2030) than it was in the past (1990-2004).

Financial sustainability is ensured through costs savings for public infrastructures and services.

Considering institutional and political sustainability, the ownership through stakeholders and the diffusion and assumed long term demand for similar actions will ensure sustainable structures.

### 7.8. Indicative total budget for the implementation of the project proposal

Estimated total budget (ERDF plus co-financing by partners): approx. 3 mill. EUR for 8-16 project partners and 8-16 associated institutions is envisaged.

Pilot Actions are expected to be mainly soft measures of managerial nature, and have demonstration character. For that reason a budget of approximately 50.000-80.000 per pilot action should be considered. Pilot Actions should be approximately 20% of the entire budget. Depending on the number of the project partners the final budget will have to be readjusted.