COVID-19 AND THE LONG-TERM IMPLICATIONS FOR TERRITORIAL POLICIES

Neli Georgieva, EPRC

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ABOUT EPRC

EPRC possesses research expertise in a number of fields

- Regional development and regional policies in Europe
- EU Cohesion Policy: planning, management and implementation
- European territorial cooperation
- Sustainable Urban Development
- Competition policy





OUTLINE



Regional challenges and policy trends



Factors for recovery & long-term implications



Long-term challenges for territorial policies

PART 1

Challenges, trends and factors

REGIONAL CHALLENGES AND POLICY TRENDS

Long-term challenges

- Structural weaknesses
- Remote and rural areas
- Unbalanced development

Recent territorial pressures

- Digitalisation and technology change
- Demographic transition
- Climate change

Broader strategic objectives

- Sustainability, well-being, quality of the living environment (FI, SE, NL, BE, IE, LU)



Nuanced picture of territorial disparities

- Territories with development challenges able to grow, but
- Increasing disparities at sub-regional (NUTS-3) level

New delivery mechanisms

- Place-based responses (PL, UK (Sco), BE, BG)
- Contract/partnership-based instruments (FI, PL, FR)

More complex institutional arrangements

- Decentralisation processes (e.g. in PT, BE, FR, LT)
- Consideration of new sub-national frameworks (e.g. in AT, BE, EE)

*“The Covid-19 pandemic is the latest in a series of cascading crises of global capitalism that have both **exposed** and **intensified** a **systemic problem** of social and regional inequality that has in fact been unfolding in the advanced economies for more than four decades.”*

Martin, R. (2021)

FACTORS DETERMINING THE RECOVERY & THE LONG-TERM IMPLICATIONS

Multiple uncertainties



Crisis-related conditions

Phasing out of national support

Behavioural changes

Economic adjustments and opportunities

Underlying factors

Macro-economic situation

Territorial inequalities

Resilience factors

Trust

PART 2

Long-term implications for territorial policies

INCREASE IN TERRITORIAL INEQUALITIES

- Delayed recovery in economically weaker places
- Increased digital divide
- Automation of jobs & skills mismatch
- Disruption in investments
- New patterns of disparities (e.g. tourism-based economies)

Required response: ***digital access; SMEs support, youth support; re-skilling***



Photo by Vladislav Vasnetsov from Pexels

NEW ECONOMIC OPPORTUNITIES

- Re-thinking of national industrial policies & shortening of value chains
- Emerging opportunities related to tele-working
- Spatial consequences for mid-sized cities

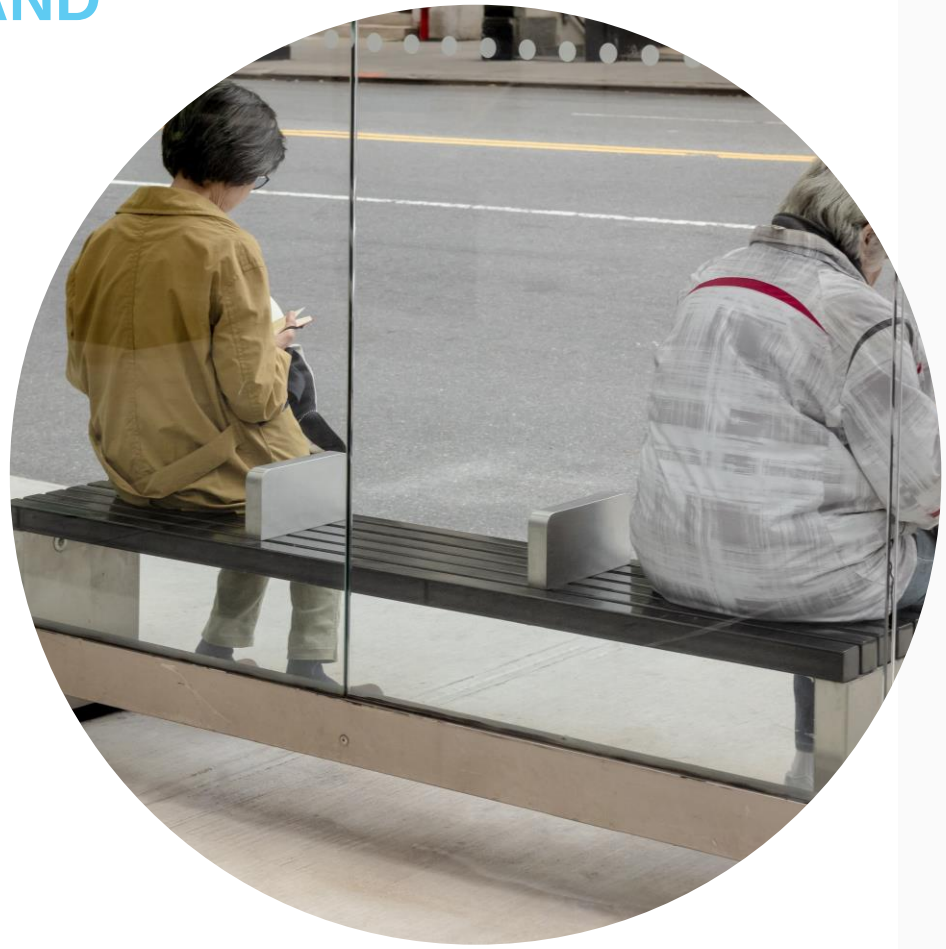
Required response: ***investments in physical & digital infrastructure, R&D and skills; quality of living environment***



Photo credit: Maksym Kaharlytskyi on Unsplash

IMPACT ON WELFARE AND SOCIAL WELLBEING

- Vulnerable communities and places hardest hit
- Continuing deterioration of communities' wellbeing
- Leading to increasing social **mistrust**, **discontent** and social **inequalities**
- What provides social value & trust?



Required response: ***social measures; inclusiveness; improved public services, incl. education, healthcare, social services; urban renewal***

“Many of us have come to appreciate our local shops and green spaces during the lock-down and are eager to build resilient communities where all our needs can be met within a 20 minute walk.”

Scottish Climate Emergency Response Group,
‘Time to press on and drive a vibrant green recovery’
Herald, 3/9/20

THE CASE OF GLASGOW

20 minute city model

Plans for 27 ‘liveable neighbourhoods’ in the city (by Glasgow City Council)

Pilot improvements

- Free Wi-Fi and intelligent street lighting
- Avenues of trees
- Segregated cycle lanes
- Increased pedestrian / cycle space and continuous footways



Photo credit: Ross Sneddon on Unsplash

COORDINATION & CAPACITIES

- Heightened importance of capacities at subnational level & good governance
- Exposed tensions & coordination challenges
- Stronger rationale for arrangements that promote partnership in the future

Required response: ***building administrative capacity; coordination mechanisms; adjustment of delivery mechanisms***



THE CASE OF ROTTERDAM

Investment measures directed to

- Climate adaptation, recreation, culture, urban economy, mobility and housing
- High-quality housing and mobility
- Work and retraining.

Coordination

- Responses to the crisis have been coordinated among different stakeholders
- Areas of support are clearly demarcated between levels of government.



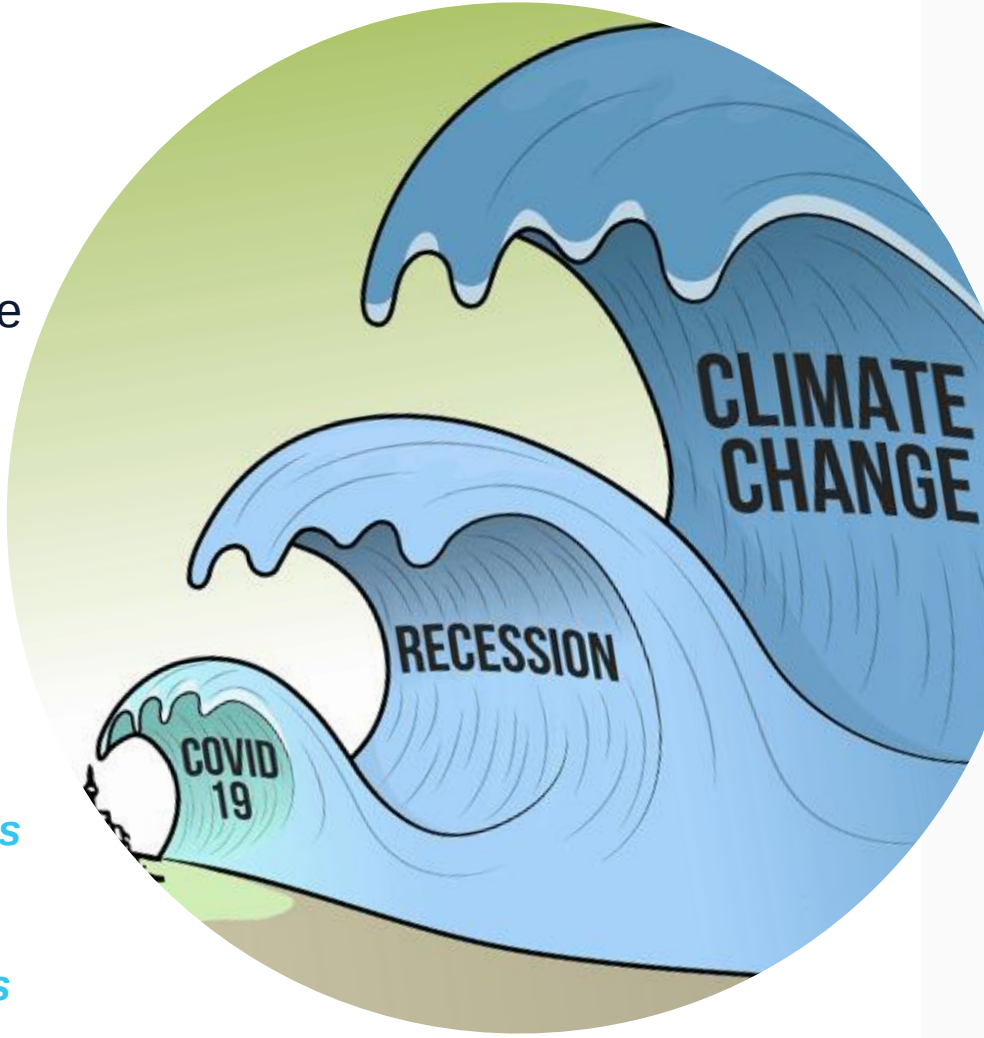
Source: Gemeente Rotterdam (2020) *Rotterdam: Sterker door. Een aanpak voor het herstarten, herstellen en sterker uit de crisis komen van stad, haven en regio.* Rotterdam, 3 June 2020.

Photo credit: Mike van den Bos on Unsplash

OVERRIDING VULNERABILITIES

- Transformation to a more sustainable economy and lifestyle is ahead
- Parallel to COVID-19 recovery
- Spatial consequences – double challenges for some places
- **Just recovery** and green transition?

Required response: ***leverage changes in behaviour; align (territorial) instruments with climate objectives; monitoring and data availability; crisis preparedness***



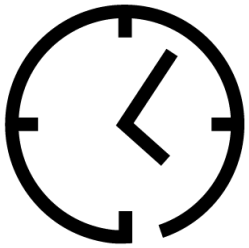
KEY MESSAGES

Summary



Increasing need of diverse and place-sensitive instruments

BUT also common territorial priorities



Balance between long-term and flexible approach to adjust to ‘the new normal’



Coordination and institutional capacities becoming even more crucial

LITERATURE

- Ferry, M., den Hoed, W. and Kah, S. (2021) Community Support? Municipalities' use of EU Cohesion Policy funding in response to the COVID19 crisis: Current experience and lessons for the future, Report for The Left MEPs of the Regional Development Committee in the European Parliament https://left.eu/issues/publications/one-year-into-the-pandemic-how-does-the-eu-help-municipalities-to-cope/
- Georgieva, N, Downes, R and Bachtler, J (2021), COVID Recovery and the Long Term Challenges for Regional Policies, Paper to the 42nd meeting of the EoRPA Regional Policy Research Consortium
- Martin, R. (2021) Rebuilding the economy from the Covid crisis: time to rethink regional studies?. Regional Studies, Regional Science, 8(1), 143-161.
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Thank you for your attention

Neli Georgieva
European Policies Research Centre
University of Strathclyde & Delft University of Technology
e:mail: neli.georgieva@strath.ac.uk
Website: https://eprc-strath.eu/
Twitter @eprc_eu

Glasgow - Delft
European Policies Research Centre

University of Strathclyde Glasgow