

PROFECY – **P**rocesses, **F**eatures and **C**ycles of Inner Peripheries in Europe

(Inner Peripheries: National territories facing challenges
of access to basic services of general interest)

Applied Research

Handbook

December 2017

This applied research activity is conducted within the framework of the ESPON 2020 Cooperation Programme, partly financed by the European Regional Development Fund.

The ESPON EGTC is the Single Beneficiary of the ESPON 2020 Cooperation Programme. The Single Operation within the programme is implemented by the ESPON EGTC and co-financed by the European Regional Development Fund, the EU Member States and the Partner States, Iceland, Liechtenstein, Norway and Switzerland.

This delivery does not necessarily reflect the opinion of the members of the ESPON 2020 Monitoring Committee.

Information on ESPON and its projects can be found on www.espon.eu

The web site provides the possibility to download and examine the most recent documents produced by finalised and ongoing ESPON projects.

This delivery exists only in an electronic version.

© ESPON, 2017

Printing, reproduction or quotation is authorised provided the source is acknowledged and a copy is forwarded to the ESPON EGTC in Luxembourg.

Contact: info@espon.eu

Table of content

Foreword	5
Objectives of the handbook	5
How to use it?	5
Structure of the handbook	5
WHERE ARE INNER PERIPHERIES LOCATED?	
What's an Inner Periphery?	6
Delineation of Inner Peripheries	7
Combination of the four delineation approaches	8
Identification of Inner Peripheries	9
WHY IS THIS PHENOMENON OCCURRING?	
'Status' of Inner Peripheries identified in Europe	10
Identification of areas at risk of becoming Inner Periphery	11
Processes and drivers of Peripheralization	12
HOW TO DEAL WITH IT?	
Strategies for Inner Peripheries	14
Exploring and utilising the territorial potentials for building IP strategies	14
What are the steps to design a strategy for IPs?	15
What policies can be used to support strategies for IPs?	16
What is the role of the national level and regional governance?	17
Recommendations to policy stakeholders	18

The ESPON PROFECY - Inner Peripheries Project Group consists of eight partners from seven European countries:



**Universitat de València
(Lead Partner)**

Joan Noguera Tur
Mar Ortega-Reig
Hèctor del Alcàzar Indarte



**CREA - Consiglio per la Ricerca
in Agricoltura e l'Analisi
dell'Economia Agraria**

Franco Mantino
Barbara Forcina



Nordregio

Andrew Copus
Anna Berlina



TCP International GmbH

Carsten Schürmann



**BABF - Bundesanstalt fuer
Bergbauernfragen**

Thomas Dax
Ingrid Machold



University of Lodz

Marcin Wójcik
Paulina Tobiasz-Lis
Karolina Dmochowska-Dudek



**ILS - Research Institute for Re-
gional and Urban Development**

Sabine Weck
Sabine Beißwenger
Nils Hans



**MTA KRTK - Hungarian Aca-
demy of Sciences, Centre for
Economic and Regional Studies.**

Katalin Kovács
Gergely Tagay
Bálint Koós
Annamária Uzzoli

Responsible party:
Universitat de València
Instituto de Desarrollo Local
Joan Noguera
joan.noguera@uv.es

More information on:
ESPON Inner Peripheries
<https://www.espon.eu/programme/projects/espon-2020/applied-research/inner-peripheries-national-territories-facing>

Objectives of the handbook:

The purpose of the handbook is to provide a short synthesis of the main insights from the PROFECY applied research project.

It is addressed to regional and national actors dealing with “Inner Peripheries” (IPs) and aims at enhancing the understanding of their features and underlying dynamics. The handbook also wants to provide meaningful examples and ideas on how to cope with the challenges they present.

How to use it?

An understanding of the processes, features and cycles leading to the development and persistence of Inner Peripheries allows us to recognise what transforms a territory into an IP, and consequently, which solutions can be implemented in order to prevent further decline and to enhance territorial cohesion.

The handbook takes into account different concepts and delineations of Inner Peripheries. It also presents maps illustrating the location of IPs across Europe, a description of the process of peripheralization and a selection of strategies to overcome such negative processes.

It is hoped that these strategies can inform and inspire regional/national discussions to foster appropriate action when dealing with Inner Peripheries in their region or country.

Structure of the handbook:

The handbook is structured in three sections:

- **Where are inner peripheries located?**

Pages 6 to 9 present what an Inner Periphery is and what theoretical concepts are behind it. Subsequently, four delineations to characterize it are defined, related with the theoretical concepts and mapped for Europe. Lastly, an integrated map is presented to summarize the main drivers emerging from the four delineations.

- **Why is this phenomenon occurring?**

Pages 10 to 13 include relevant facts about Inner Peripheries in Europe. It also presents the location of areas at risk of becoming Inner Peripheries and, lastly, why these processes occur and how the drivers that are the “engines” of inner peripherisation are related.

- **How to deal with it?**

Pages 14 to 23 explain the intervention logics and the steps needed to design a strategy for IPs. After that, policies that can be used to support a strategy for IPs are presented and the need to take action at different scales in order to have success in reverting the phenomenon. At the end, recommendations to policy stakeholders are provided at different levels (European, national, regional and local).



Further ESPON PROFECY reading:
Final Report.

What is an Inner Periphery?

Inner Periphery (IP):

Inner Peripherality represents a multifaceted and multidimensional phenomenon. Its distinctive feature is the degree of “disconnection” with neighbouring territories and networks and not (or not only) their geographical position distant to centres. Unlike purely geographical peripheries, those associated with distance to population and economic activity centers, Inner Peripheries (IPs) also suffer the effects of socio-economic processes that cause disconnection with neighbouring territories and networks.

Inner Peripheries have in common the fact that their general performance, levels of development, access to SGI, or quality of life of the population are relatively worse when compared with their neighbouring territories.

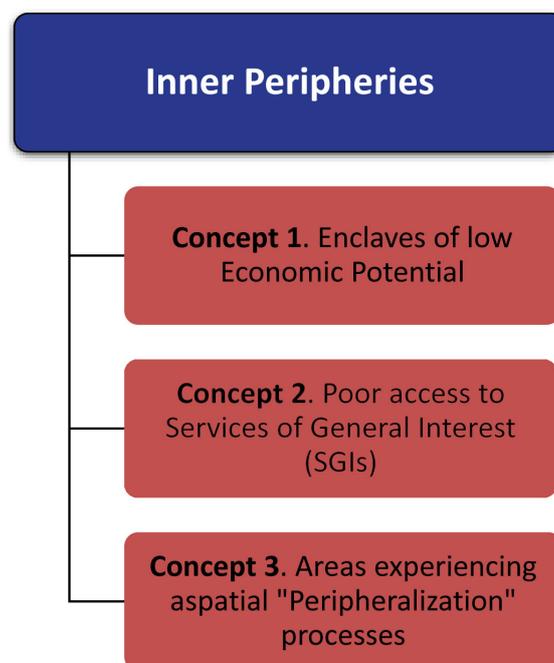
Some common characteristics found in Inner Peripheries Case Studies:

1. Large distance to regional centres
2. Large distance to some Services of General Interest
3. Out-migration of the young and highly-skilled people
4. Decrease of population
5. High old-age dependency ratio
6. A lack of skilled workforce
7. An economic sector often based on traditional activities

Three theoretical concepts:

Three theoretical concepts of IP are identified, although they are often mixed in real world.

1. Areas with **low levels of economic potential** which are “enclaves” between core areas with higher economic potential.
2. Areas characterised by **poor access to Services of General Interest (SGIs)**.
3. Areas that exhibit **low levels of socio-economic performance** which can be **attributed to an absence of “organised proximity”** (of whatever kind), which are in some way excluded from “the mainstream” of economic activity, or which can be said to be experiencing a process of “peripheralization”.



Delineation of Inner Peripheries

Four delineations to characterize Inner Peripheries at European level:

Delineation 1 (D1): Higher travel time to regional centres

Regional centres are considered a proxy for administrative, economic and generally most important centres for SGI provision and for all social and economic activities. Areas experiencing a lack of access to such centres can thus be interpreted as Inner Peripheries. This delineation shows areas with higher travel time to regional centres than their neighboring NUTS3 regions, accounting for the geographical distribution of regional centres, and for the existing transport networks connecting these centres with the surrounding territories.

Delineation 2 (D2): Economic potential interstitial areas

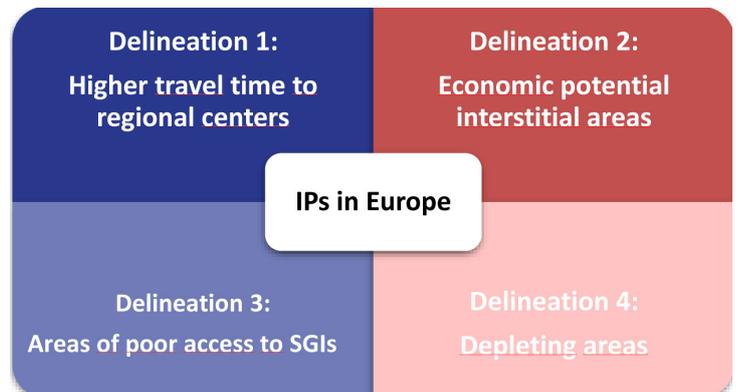
This delineation identifies “interstitial” areas of increased peripherality, which are not on the physical edge of Europe, and are surrounded by areas of greater centrality. This delineation selects areas of lower potential accessibility to population and GDP than neighboring areas, relative to the region or country average.

Delineation 3 (D3): Areas of poor access to SGIs

An adequate provision and access to the main SGIs constitute an indicator of the degree of connectedness of territories. A better connectedness to SGI ensures higher quality of life and increases the attractiveness of the area which may contribute to reduce population loss. This delineation identifies areas that suffer from relative poorer access conditions to SGIs than the average in the surrounding areas and/or in the region.

Delineation 4 (D4): Depleting areas

This delineation identifies areas suffering depletion which are related with the absence of “organized proximity” (increase unemployment, population loss and GDP per capita decrease). At some point in time, even when regions have good access to regional centres or to SGIs, they may enter into a negative downward spiral, often triggered by external shocks and trends.



These four delineations are overlapped to further understand the interaction of different Inner Peripheries in the map of next page.

How are the four delineations linked to the three theoretical concepts?

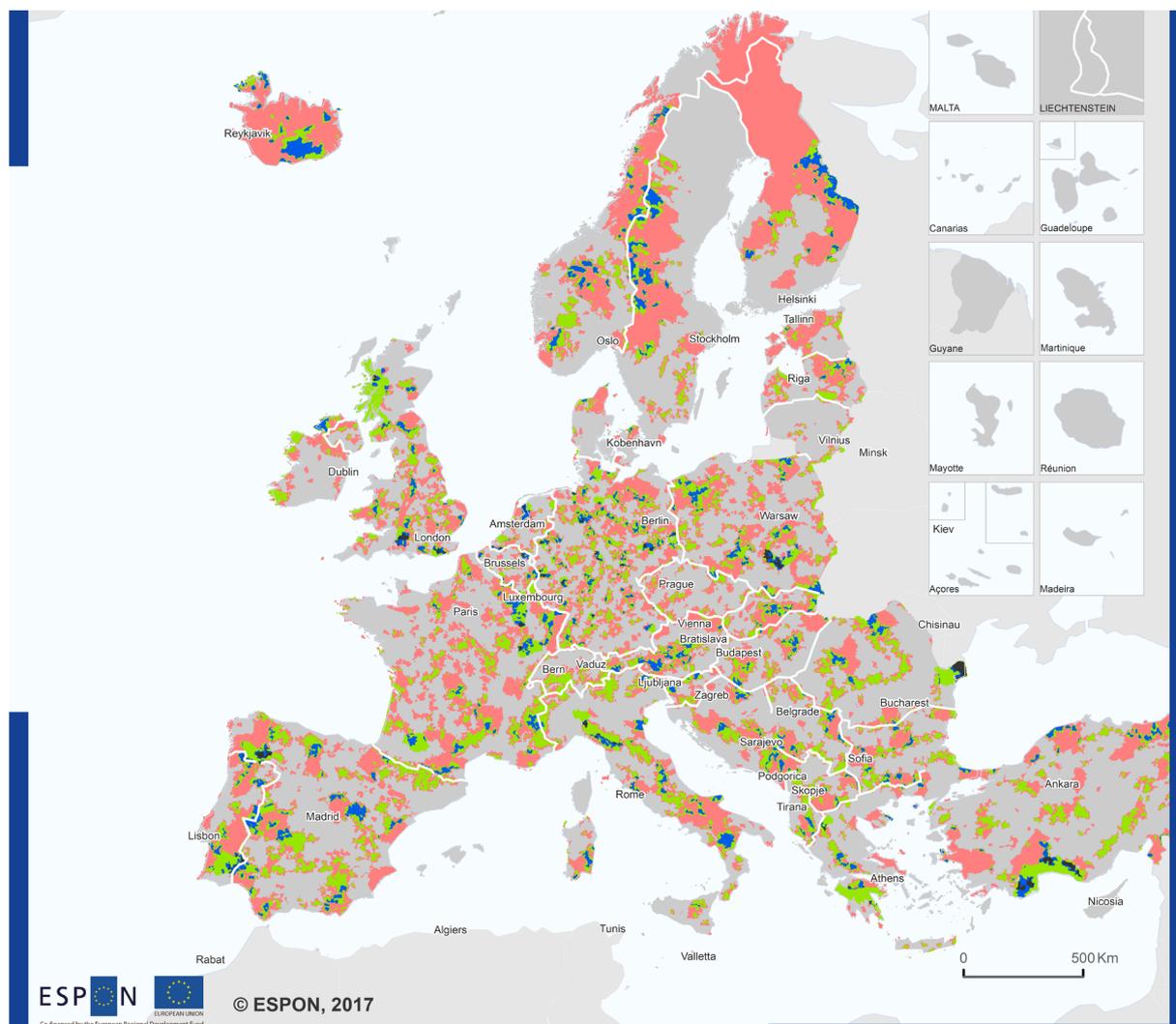
The relationship is illustrated in the following table:

	D1	D2	D3	D4
Concept 1	✓	✓✓		
Concept 2	✓		✓✓	
Concept 3				✓✓

✓✓ indicates the main operationalization of the concept.
 ✓ indicates the delineation can be used as a proxy.

Combination of the four delineation approaches

Interactions between the four delineations at European level



Overlay of results of the four individual delineations: Number of IP assignments

- non-IP area
- IP area in just one delineation
- IP area in two delineations
- IP area in three delineations
- IP area in all four delineations

Level: grid cells (2.5x2.5 km)
 Source: ESPON Profecy
 Origin of data: TCP International, 2017;
 TCP International Accessibility Model, 2017
 CC - UMS RIATE for administrative boundaries

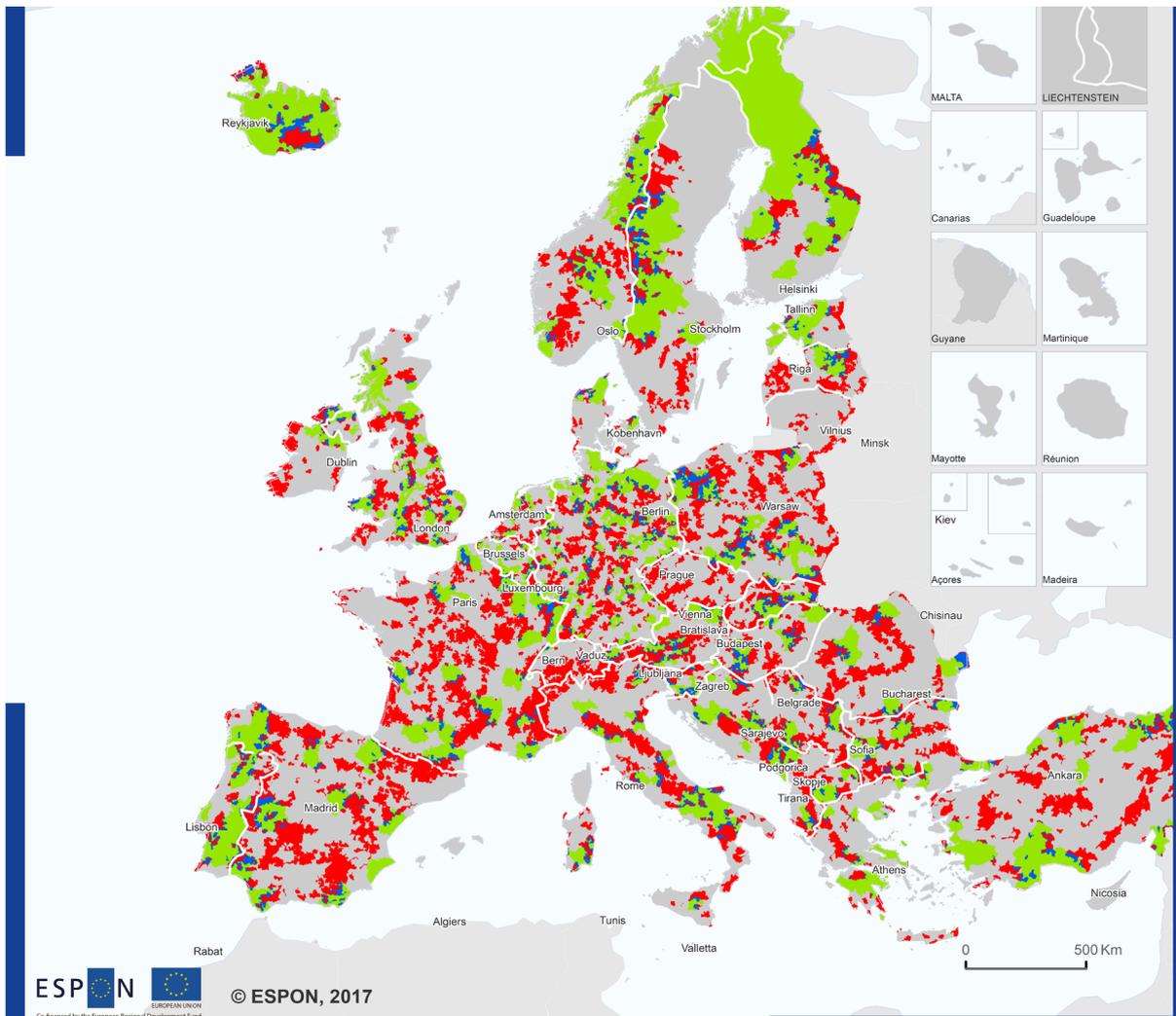
Note:
 Outermost regions excluded from analysis.

The map presents the areas that have been identified as Inner Peripheries at grid level, approximately 45% of the entire ESPON territory. The areas are classified according to the number of times an area is identified as an inner periphery by one delineation or

more. Furthermore, 35.3% of Inner Peripheries are identified in only one delineation, meanwhile 64.7% of them appear in two delineations or more.

Identification of Inner Peripheries

What are the main drivers provoking peripheralisation?



Overlay of results of the four individual delineations: Main drivers of inner peripherality (lack of access vs. economic and demographic situation)

- non-IP area
- Main driver: poor economic potentials and poor socio-economic situation
- Main driver: lack of access to centres and/or services
- Main drivers: poor accessibility and poor economic potentials/poor socio-economic situation

Level: grid cells (2,5x2,5 km)
Source: ESPON Profecy
Origin of data: TCP International, 2017;
TCP International Accessibility Model, 2017
CC - UMS RIATE for administrative boundaries

Note:
Outermost regions excluded from analysis.

This map shows the combination of delineation results grouping them in three categories. Areas where the main driver is (1) a poor economic or demographic situation, represent 46% of all IPs. In addition, 45% of the areas have (2) poor access to services

and/or to regional centres. At last, 9% of the areas show (3) a combination (aggravation) of both factors.



**Further ESPON PROFECY reading:
Annex 6 and Annex 7.**

“Status” of Inner Peripheries identified in Europe

Relevant facts about Inner Peripheries in Europe

The “status” of Inner Peripheries can be only really understood and interpreted by comparing its features to indicators of other types of regions in Europe.

Results indicate significant geographical overlap between different groups of Inner Peripheries and other regional typologies (Table). In general, regarding EU regional typologies, inner peripheral regions tend to frequently overlap with intermediate, rural, mountain and lagging areas. Besides, other region types might show more notable overlap with one or another IP delineation types, such as the case of depleting Inner Peripheries and urban or metropolitan areas, which imply that processes of marginalisation could significantly affect these territories too.

The socio-economic trends of inner peripheral areas regularly reveal clear and well-known regional patterns:

- the **shrinkage of population** in **East Central Europe** and in **certain countries** from the **Mediterranean area**;
- the **accelerated ageing** in **Eastern Germany**;
- the **path switches** caused by the shock of the economic crisis in **the Mediterranean countries**;
- the **advancements of East Central European Inner Peripheries to European level averages**;
- the **position loss of Italian regions** compared to their former positions regarding economic performance.

Regional Typologies	Urban regions	Intermediate regions	Rural regions	Mountain regions	Island regions	Metropolitan regions	Lagging (<EU75%)*	Lagging (<NAT75%)*
D1 (Regional centres)	9.6%	48.6%	41.8%	49.5%	0.0%	24.0%	35.0%	46.1%
D2 (Economic potential)	18.8%	40.0%	41.2%	38.2%	1.2%	23.0%	46.4%	53.0%
D3 (SGI access)	10.8%	44.1%	45.2%	53.8%	1.1%	20.4%	24.2%	34.1%
D4 (Depleting)	32.2%	34.1%	33.7%	24.4%	2.6%	43.0%	43.3%	60.5%

Multiple difficulties in accessibility and socio-economic performance of Inner Peripheries do not always result in clear or typical disadvantaged socio-economic position for them in comparison with other European regions, however in some cases their drawbacks are more visible (e.g. demographic status, age structure, availability of some services).

These **development paths** seem to be **mostly similar compared to national tendencies**, however dynamics of inner peripheral areas could also be often more disadvantaged in comparison with other national territories, especially considering economic performance.

* Lagging (<EU75%): Regions with a GDP per capita lower than 75% of the European average.

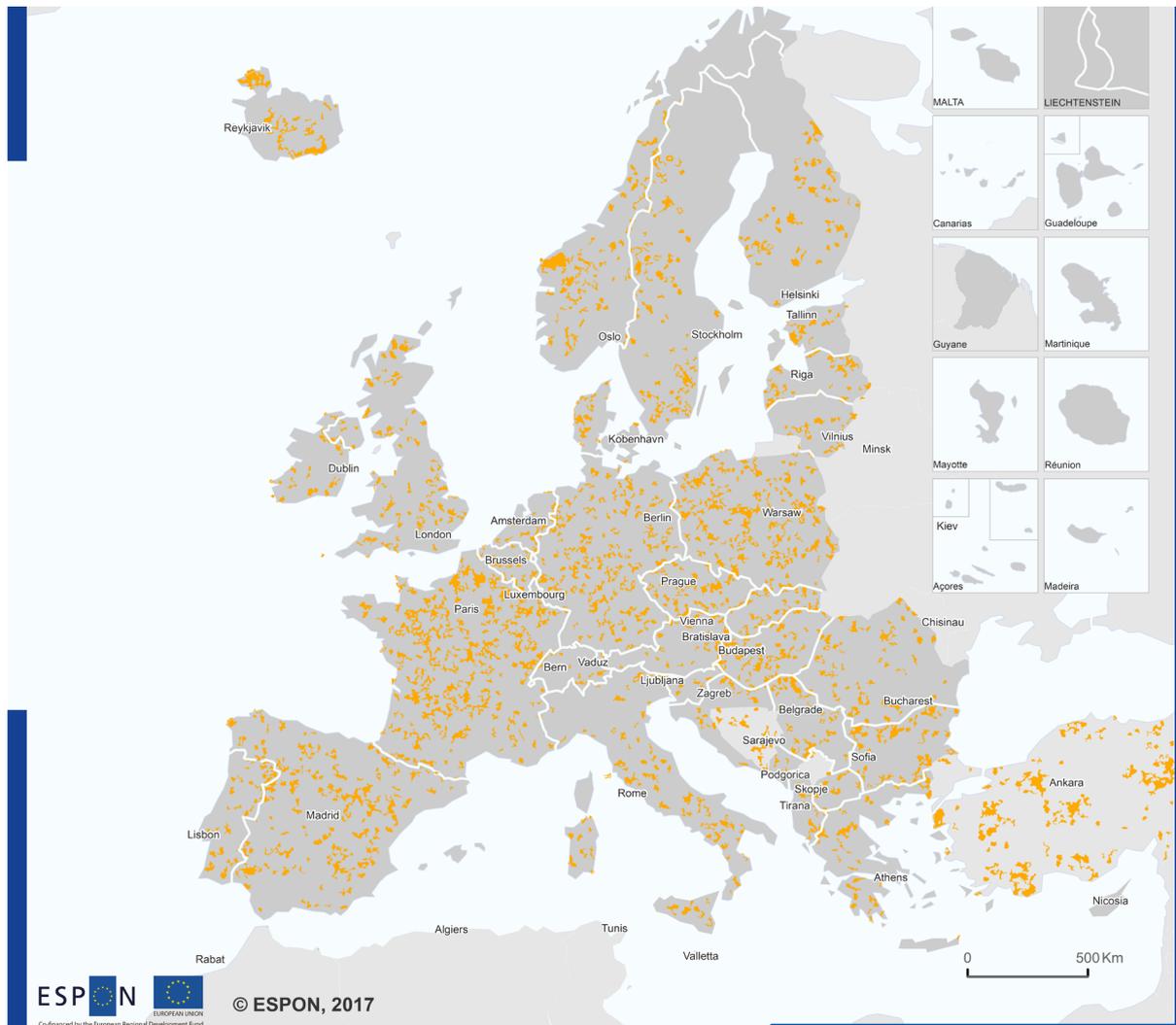
* Lagging (<NAT75%): Regions with a GDP per capita lower than 75% of the National average.



Further ESPON PROFECY reading: Annex 8.

Identification of areas at risk of becoming Inner Peripheries

Areas at risk: areas that would become IPs if one/two SGIs are closed down



**Areas of risk to become inner peripheries:
Areas with poor access to three or four SGIs
in Delineation 3, but which have not been
identified as IP**

■ Areas-of-risk to become IP in future

Areas at risk of becoming Inner Peripheries in the future represent territories that today are not identified as Inner Peripheries, but which already lack access to some services. However, there is a great risk that they will become Inner Peripheries in the near future, if service provision deteriorates further. The map identifies as areas at risk the areas

that have poor access to three or four SGIs. If the area would have poor access to five or more SGIs it will be identified as an inner periphery regarding access to services.

Level: Grid cells (2.5x2.5 km)
Source: ESPON Profecy
Origin of data: TCP International, 2017;
TCP International Accessibility Model, 2017
CC - UMS RIATE for administrative boundaries

Note:
Outermost regions excluded from analysis.

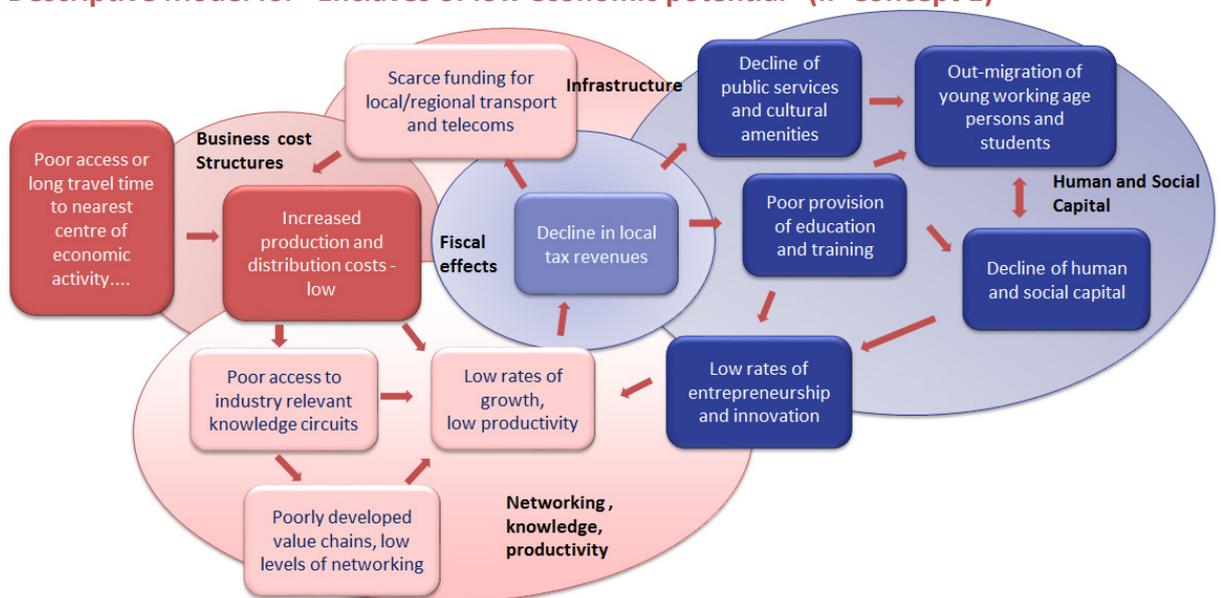
Processes and drivers of Peripheralization

Descriptive Models

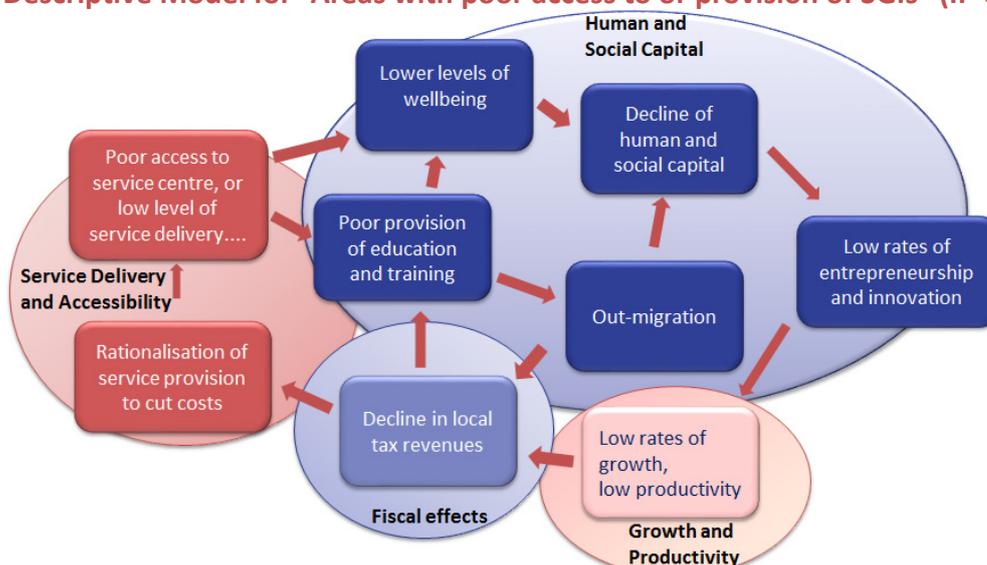
The Descriptive Models are theoretical abstractions. They represent, through simple diagrams derived from the three theoretical concepts, the **processes and drivers** that are the “engines” of inner peripherisation. They are intended as the basis for intervention logics for strategies and policies (see page 14).

Their value lies in helping to understand the logic of the various interacting processes which account for the negative socio-economic characteristics of IPs. All of these are driven by inadequate connectedness of some form. This is what distinguishes an IP from other kinds of marginal region.

Descriptive Model for “Enclaves of low economic potential” (IP Concept 1)

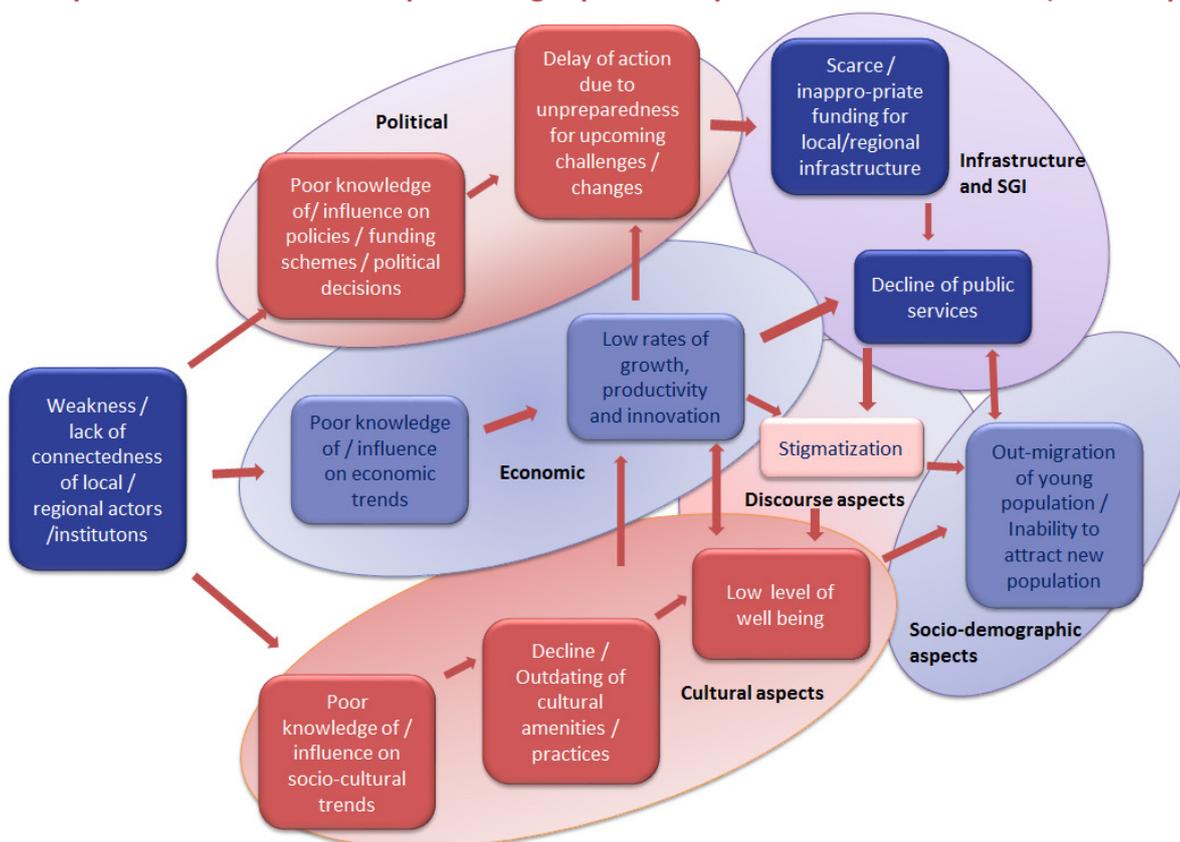


Descriptive Model for “Areas with poor access to or provision of SGIs” (IP Concept 2)



Processes and drivers of Peripheralization

Descriptive Model for “Areas experiencing aspatial Peripheralization Processes” (IP Concept 3)



Concept 1: Its initial “trigger” is poor access or a long travel time to centres of economic activity. There are multiple “feedback” loops which make difficult to reverse the trend once the cycle has been triggered. The drivers and outcomes are defined in terms of economic activity and economic disadvantages, whilst human and social capital effects have a background role.

Concept 2: It is primarily driven by geographic distance and aspects of available infrastructure. Access to SGI has a direct impact upon the human and social capital cycle, and thence an indirect effect upon the productivity of economic activity, which feeds back into regional tax-raising capacity.

Concept 3: Areas with a lack of “organized proximity” show features of geographic distance, but also include an acknowledgment of weak “interrelations” and interaction of regional actors. The main “trigger” is a weakness of interaction/a lack of connectedness of IP stakeholders and institutions related to wider networks. This is associated with a lack of influence on the centres of power and in governance arrangements.

Strategies for Inner Peripheries

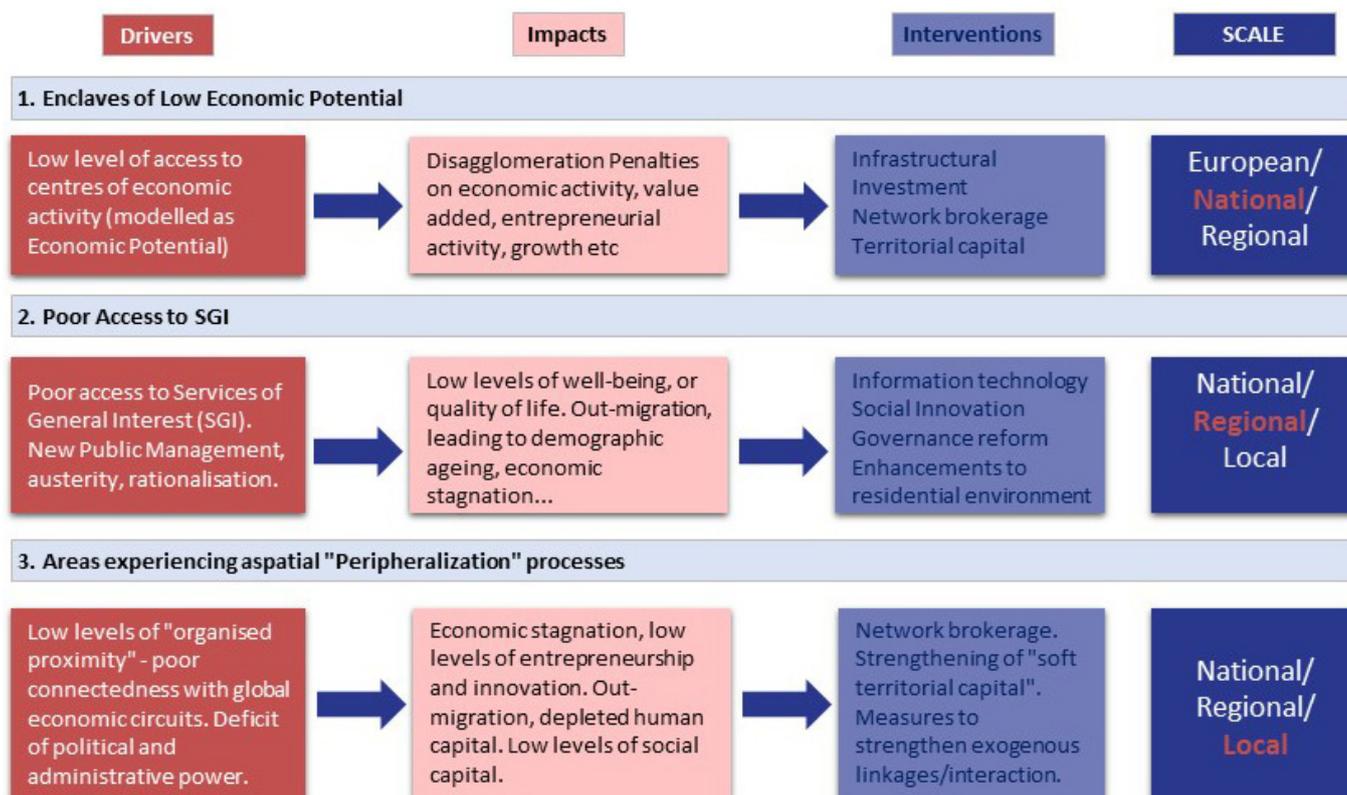
Exploring and utilising the territorial potentials for building IP strategies

A strategy to address the needs of an IP should, first of all, be based upon a careful investigation of the process which has caused and sustained the cycle of decline.

It seems likely that this will be driven by one or more of three “**primary peripheralization**” processes which are bundled together with a range of “**secondary marginalization**” effects. The three “Descriptive Models” can form the basis for appropriate **intervention logics** (Figure).

Each of them may be developed at a variety of spatial scales, although the first will usually be delivered through a national level of governance, the second by regional authorities, and the third by local community initiatives.

For example, in the case of the first kind of peripheralization process the root cause is likely to be inadequate transport infrastructure – and so it makes sense to incorporate transport network improvements into the strategy. Where the primary process is driven by poor access to services the strategy should respond (for example) by exploring the benefits of new technology, or promoting social innovation solutions. The third kind of peripheralization process is the most challenging in terms of strategy design, requiring wide ranging efforts to improve the capacity for interaction, across a variety of actors, from individual entrepreneurs to established businesses, institutions and local governance.



Strategies for Inner Peripheries

What are the steps to design a strategy for IPs?

The elaboration of place-specific strategies is a process which each region has to undertake separately. Nevertheless, learning lessons from how this process should be organized and which steps it should include can be used from previous relevant action.

From considerations on regional development planning it appears that well-being and sustainable development goals have been placed high on the priority list. Policy programmes should take an “integration” perspective embracing a series of inter-related policies and schemes to tackle (jointly) IP challenges. The sequence of activities presented in feedback loops suggests that there is a **continuous need for reflecting** and returning in regional strategy work to the previous stages/elements of policy elaboration (steps 1-5).

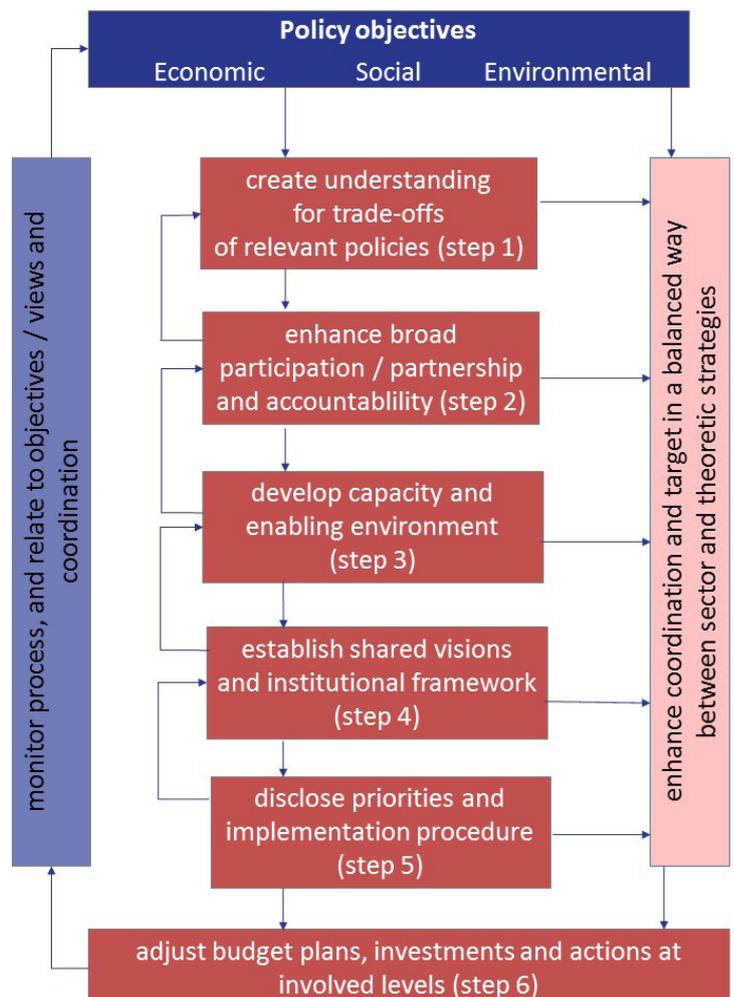
It is crucial that this integrative perspective at the local/regional level not just focuses on the main drivers of peripheralization but **extends to all relevant policy areas** in order to address the inter-related effects of regional development. Moreover, action at local/regional level has to be seconded by larger administrative levels to become effective (step 6).

One of the major obstacles in designing strategies for integrated approaches is to find drivers that can make a change at an early stage, that turn around “spiraling-down” processes of Inner Peripheries.

To overcome fragmentation in action, “integrated” strategies need to address the various components that lead to IP processes.

In general, no single factor is responsible for IP processes (alone) and challenges extend to a number of interrelated aspects of socio-economic and cultural development. This includes the following aspects in regional activities: internal differentiation; focus on main reason for IPs, but also reflect the complex dynamics; make use of **local opportunities and interaction** as prime levers; develop “intangible factors” (community relations, social norms and local capacity); adapt the **institutional setting**; and renew perspectives on regional potential.

Steps for regional policy integration

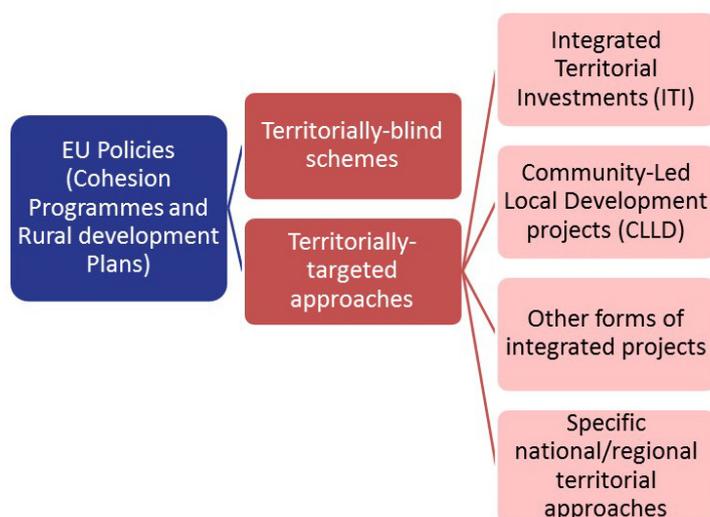


Strategies for Inner Peripheries

What policies can be used to support strategies for IPs?

There is a range of different policies addressed to territorial needs. These policies have been experimented in the last decade, encompassing two programming periods 2007-2013 and 2014-2020. The whole range of EU policies are implemented at regional and local level, from the CAP (Common Agricultural Policies) to Cohesion programmes, from national to regional and local schemes. There is a strong variety of policy instruments used and their mix varies from an area to another.

At the figure it is shown a first type of policies that is delivered through the **main-stream programmes: Operational Programmes** funded by ERDF and ESF, on one side, and **Rural Development Programmes** funded by EAFRD, on the other. In addition to EU policy schemes, in some countries specific schemes can be implemented by national/regional funds.



These programmes can frequently be **territorially-blind**, not targeted to IP areas, lack a coherent vision of specific territorial needs and a coordinated action of the diffe-

rent Funds involved. Most of initiatives are funded by only one financial instrument. Moreover, public support tends to focus on already economic developed areas rather than trying to rebalance social and economic disparities between sub-regional territories.

Local strategies can take policy support in the context of Inner Peripheries by four kinds of policy instruments: a) **Integrated territorial investments (ITI)**; b) **Community-Led Local Development (CLLD)**; c) **other forms of integrated approaches funded by EU programmes** (e.g. some territorial pacts or integrated value chain scheme); d) some **national/regional approaches** (see figure). These different forms of place-based approach are usually perceived (by people interviewed at local level) as more fitted than the territorially-blind mainstream programmes to the local development and social needs.

Local development strategies allow several advantages for IPs: earmarking of financial resources in a relatively small territorial scale and in a programming period, interlinked projects instead of independent and isolated projects, design and implementation at the relevant scale and possible adaptation to changes of the local situation, opportunity to design a strategy encompassing economic development and access to services, etc.

Strategies for Inner Peripheries

What is the role of the national level and regional governance?

Effective policy interventions for overcoming or reversing peripheralization processes are based upon a multi-level policy approach. Path changes in the development trajectory of regions defined as Inner Peripheries are rare - which is why concerted political action is required in order to break a continuing downward cycle.

National level

Increased political attention needs to be paid to the challenges, and at the same time, the specific potentials and assets of Inner Peripheries. National governments have a significant role in enabling or supporting local stakeholders in Inner Peripheries in their policies. The prosperity of Inner Peripheries depends on utilizing their territorial potential in a way that benefits the particular location. The pathway to change rests upon an endogenous development process and, at the same time, the capacity to connect with exogenous resources and agencies. National or regional state governments can support Inner Peripheries in this process.

This does not necessarily imply the call for new funding programmes. It is, however, first important to screen, in how far existing national funding and support programmes (for rural development, or for supporting structural change) can be possibly adapted to better accommodate the needs of Inner Peripheries. Second, more political attention needs to be given to monitor the existence and development of Inner Peripheries in the national context.

Regional level

An agency, platform or coordination unit at a higher administrative level may have an important role as an intermediary actor. It could ensure creating dynamics from coordinated efforts from below, and at the same time, bundling and channeling relevant resources from upper levels into the area. This supra-local level is important as, in some cases, Inner Peripheries are rather small in scale or they are of a very dispersed nature, so that it is difficult for local stakeholders to raise sufficient resources for an effective intervention strategy.

Cross-local cooperation and strategic plans seem to be promising specifically regarding the following challenges:

- * Generating visibility for the specific needs in Inner Peripheries - be it physical connectivity, SGI access or supporting organised proximity
- * Locality branding and increase of positive visibility of the affected regions
- * Retaining or attracting skilled workforce
- * Fostering innovation through R&D and SME development
- * Strengthening of regional cooperation and mutual support
- * Increasing the local/regional stakeholders' influence on higher-policy decision-making levels
- * Monitoring and evaluation

Strategies for Inner Peripheries

Recommendations to policy stakeholders

In dealing with the phenomenon of Inner Peripherality, the following recommendations might be helpful for policy stakeholders at particular levels.

1. At local level

- a. **Clarity on causes and effects.** It is important to base strategy building upon a careful investigation of the process which caused and sustained the cycle of decline. Attention needs to be paid to the **different primary drivers**, which are according to the three IP models:

- **Deficiency of connectivity, leading to low “economic potential”:** In this case, a rational response would be to consider how the locality might be better connected to European transport networks, through conventional infrastructure improvements, logistics systems, or travel cost reductions. Changes in infrastructure and travel cost reductions obviously cannot be dealt with at the local level only and call for a concerted effort across different policy scales. Interventions will profit from an integrated policy approach in order to limit “pump effects”

- **Lagging intra-regional service delivery:** In this case, a policy response would aim to improve the access to and the efficiency of services, perhaps incorporating novel IT-based solutions, or

socially innovative forms. It is, however, important to consider this for specifically sparsely populated rural regions. This process may be initiated or exacerbated by restructuring of administrative areas, in search of scale economies. Obviously, there is no easy solution, but integrated policy action is needed

- **Lack of relational proximity:** Identifying “interrelations” as primary driver would suggest a range of interventions designed to strengthen and broaden the interaction space of the full range of actors within the local economy and society. Examples would be, network brokerage to support the expansion of the business networks of local SMEs, or establishing links to higher-policy levels in order to draw attention towards the specific challenges of Inner Peripheries and need of support for dealing with these in the specific region

- b. **Articulating a pathway to change.** It is relevant to have a clear understanding of the specific place-based assets and limitations and the way forward in terms of the appropriate intervention logic. The **six steps** can be followed to develop a pathway to change:

Strategies for Inner Peripheries

1. Identifying long-term goals
 2. Backwards mapping and connecting the preconditions necessary to achieve that goal and explaining why they are necessary and sufficient
 3. Identifying basic assumptions about the context
 4. Identifying the interventions that the initiative will perform to create the desired change
 5. Developing indicators to measure the outcomes to assess the performance of the initiative
 6. Writing a narrative to explain the logic of the initiative
- c. **Development of strategic institutional capacity.** It is an influential and decisive factor for breaking downward cycles, changing routines and reversing trends. It is crucial to adopt an integrative perspective to tackle IP challenges. Local connectedness and interaction can successfully be pursued in different organisational forms and for different monofunctional or multifunctional **purposes**:
1. Making use of established national and EU programs. For example, LEADER/CLLD programs can be applied by local stakeholders as a vehicle to enhance cooperation. They were reported to be particularly successful when bundling a local economy-oriented project and linking this to a wider supra-regional market, be it through a specialised product or through the creation of a positive regional image
 2. Establishing new horizontal cooperation: Local stakeholders are asked to think across established boundaries and paths. Some of them are successful in establishing new SGI catchment areas to provide improved and more efficient service deliveries and accessibility
 3. Establishing new or focusing on vertical cooperation: Although long-term established local-to-local cooperation can be a good basis, effective cooperation can also be built up on the basis of current common challenges and involve different governance levels, e.g. for tackling questions of lagging mobility and digital infrastructures
- d. **Improvement of the service provision.** It is important to involve new ways and constellations incorporating socially innovative models of service delivery and novel IT-based solutions. Improvements of the service provision can be organised on the local level through:

Strategies for Inner Peripheries

1. Social innovation processes and spatial restructuring, so that services can be accessed in places formerly inaccessible or services are brought to places where they were unavailable before or threatened to become unavailable
 2. Activating the civil society and letting it take over activities and tasks formerly provided by public or economic stakeholders and through this compensating for otherwise economically unsustainable markets
 3. Responsibly allowing market-driven solutions to take over and by transferring responsibility to private households
 4. This can be supported or complemented by making use of adapted solutions digitalisation can provide, going beyond the already established fields of digital shopping and administration infrastructures
- e. **Connectedness of territorial capital.** Local policy makers could adopt an explicit focus on connectedness and interaction capacity when reflecting the localities' territorial capital. Examples related to the labour market are: network brokerage to support the attraction of external labour force to the

region, or joint initiatives for qualifying local labour force

Territorial capital can take diverse forms. Local stakeholders shall consider the following **fields for detecting specific strengths** of their IP area:

1. Skills, specialized products or industries inherent in the local labour market and economic institutions and related to the labour market
2. Social features such as powerful, constructive cooperation or abilities for network and resource brokerage to support the attraction of external labour force to the region, or joint initiatives for qualifying local labour force. In response to deficits in service provision, it might involve new ways and constellations incorporating novel IT-based solutions.
3. Cultural legacies that might allow for strengthening feelings of belonging and create visibility beyond the IP
4. Specific natural assets or infrastructures that might provide the essential basis for development and competitiveness if further acknowledged and developed

2. At regional level

f. **The role of intermediary regional agencies.** It is convenient to strengthen a regional agency or platform for the following **purposes**:

1. Coordinating efforts from below and providing a platform to develop a common understanding on important topics, goals and understandings of the peripheralisation situation and beyond
2. Providing a conceptual framework that links development plans of the local, the regional and the supra-regional level
3. Negotiating peripheralisation issues, such as resources and infrastructure provision, or representation and network integration with upper decision-making levels and giving the IPs a voice in decision making
4. Providing a permanent and balanced platform for monitoring and evaluation

g. **A comprehensive institutionalized vision on synergies and complementarities.** Regional cooperation and strategic plans are core requirements and seem beneficial and promising elements to tackle the following **challenges**:

1. Generating visibility for the challenges in IP localities and creating attention for their specific needs - be it physical connectivity, SGI access or supporting organised proximity
2. Locality branding and increase of positive visibility of the affected regions
3. Developing strategies for urgent problems, e.g. retaining or attracting skilled workforce by connecting companies, voicing interest in training facilities or providing a clear and positive image of the current and future local working and living conditions
4. Fostering innovation through R&D and SME development through elaborating clear goals and ambitions, and the definition of supportive structures
5. Strengthening of regional cooperation and mutual support

3. At national level

- h. **Paying political attention to Inner Peripheries.** There is a common perception among political stakeholders of “being forgotten” in the national political agenda in a two-fold sense

On one side, it is difficult to get sufficient attention and support from higher political levels for dealing with the specific challenges of their region

On the other side, there is a feeling of being little connected to the decision-making policy arenas at higher policy levels, and thus not being able to influence the agenda setting processes for the future

Therefore, the national discussions on spatial justice and comparability of standards regarding infrastructure, SGI and financial support within the national framework shall be strengthened

The national level shall open or create communication channels to decision making levels for IP regions

- i. **Monitoring and supporting access to funding.** The pathway to change rests upon an endogeneous development process and, at the same time, the capacity to connect with exogenous resources and agencies

National/regional state governments or agents can support Inner Peripheries in this process. This is not necessarily a call for new funding programmes. However, it does imply political attention to the presence of Inner Peripheries in the national context, how these might be better targeted in existing programmes and a monitoring of their development

The national level shall reconsider existing programs regarding their adaptability to IPs special needs, such as out-migration, demographic change, lack of skilled workforce, insufficient SGI provision or unsuitable connectivity

In a further step it can consider positive discrimination of IP areas to break through a downwards spiraling development, e.g. for issues of digitalisation

4. At European level

- j. **Integration of programmes and policies.** It is important to realise a greater territorialisation of both Cohesion and Rural development policies in order to strengthen interventions which can evolve around the specific challenges of inner peripheral areas

- k. **Access and transparency.** It is recommended to promote local stakeholders accessing supra-local funds on the basis of locally defined priorities and a place-based approach. Consider IP specific indicators such as out-migration, demographic change or a lack of skilled workforce as new criteria for allocation of funding. Increase acceptance for stabilising rather than growth-oriented goals in funding schemes

- l. **Decentralisation of decision making.** Consider the sub-delegation of competencies and resources to the lowest possible regional/local level in order to allow cooperative governance and strategy building which is sensitive to local specificities

- m. **Implementation.** It is necessary to ensure that control of compliance to rules and legality does not overshadow the attention to the quality

of interventions and to their impact with regards to overcoming or reversing peripheralization processes



Inspire policy making by territorial evidence



www.espon.eu

Interested in ESPON?

The ESPON 2020 Programme is part-financed by the European Regional Development Fund, the EU Member States and the Partner States Iceland, Liechtenstein, Norway and Switzerland. It shall support policy development in relation to the aim of territorial cohesion and a harmonious development of the European territory.

ESPON shall support Cohesion Policy development with European-wide comparable information, evidence, analyses and scenarios on framework conditions for the development of regions, cities

and larger territories. In doing so, it shall facilitate the mobilisation of territorial capital and development opportunities, contributing to improving European competitiveness, to the widening and deepening of European territorial cooperation and to a sustainable and balanced development. The Managing Authority responsible for the ESPON 2020 Programme is the Ministry of Sustainable Development and Infrastructures of Luxembourg.