



9th Cohesion Report

Selected topics

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*ERSA 2024
Terceira, Azores, 28 August 2024*



Ninth report on economic, social and territorial cohesion



Regional and
Urban Policy

https://ec.europa.eu/regional_policy/information-sources/cohesion-report_en

Success stories can be found everywhere

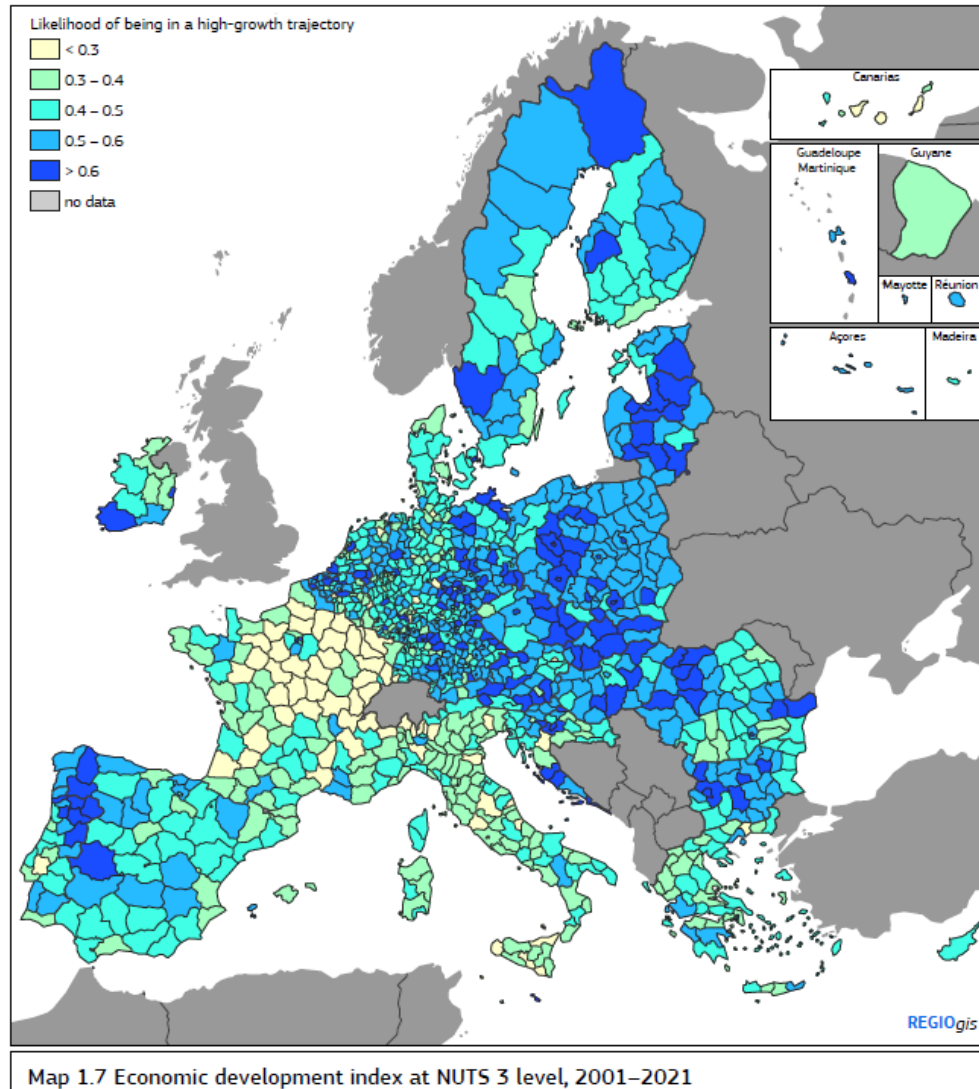


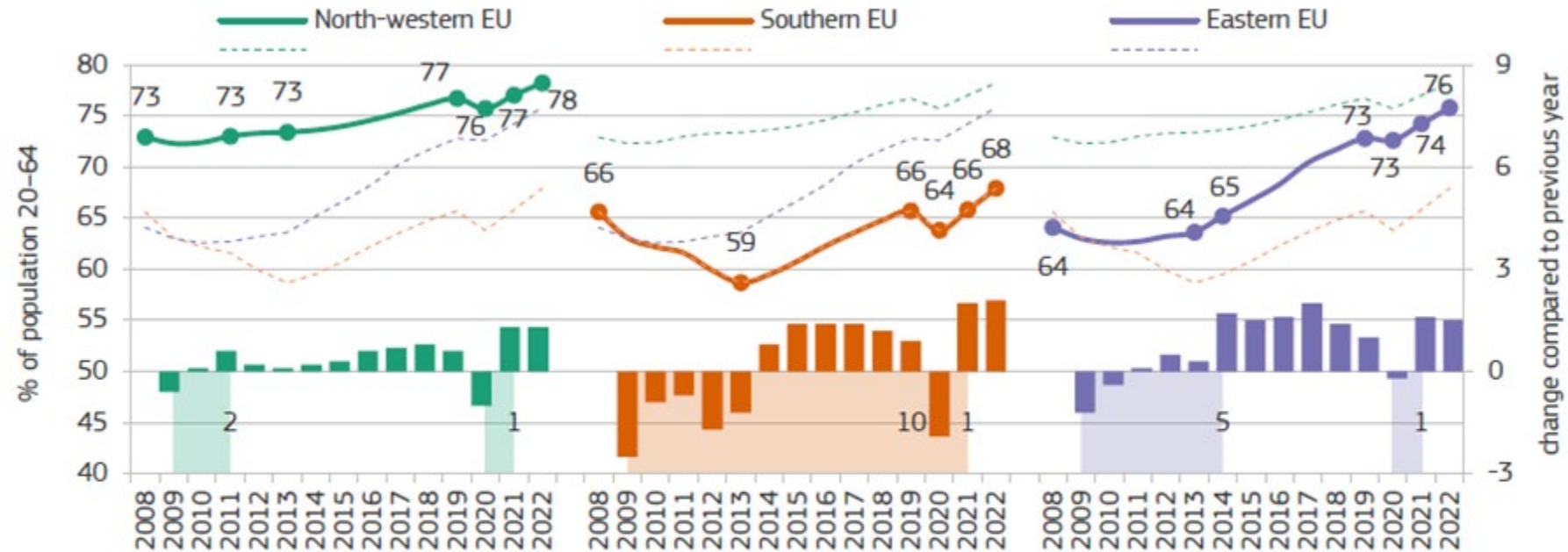
Table 1.3 Socio-economic characteristics of ‘development-trapped’ and other regions, average 2003–2021, by level of GDP per head, 2003

	Development trapped?	GDP/head (PPS) in 2003, index EU-27 = 100			All
		< 75 %	75 – 100 %	>= 100 %	
% of industry in GVA	Yes	21.5	14.8	18.8	18.1
	No	26.3	18.1	20.9	21.0
R&D expenditure as % of GDP	Yes	0.4	1.2	2.0	1.8
	No	0.9	1.5	2.5	2.1
% of population 25–64 with tertiary education	Yes	12.1	20.2	27.0	23.9
	No	20.9	27.7	30.9	27.2
Institutional quality index	Yes	-1.6	-0.5	0.3	-0.1
	No	-0.8	0.1	0.6	0.1
% of population (2021) by GDP/head level		23.3	22.5	54.2	100.0
% of population (2021) in trapped regions		2.4	7.3	18.6	28.4

Note: Socio-economic characteristics are average values of all available reference years in period 2003–2021.
Source: Eurostat [rd_e_gerdreg, lfst_r_lfsd2pop], JRC (ARDECO), University of Gothenburg, DG REGIO calculations.

Fast recovery from COVID-19 shock

Figure 2.2 Employment rates and changes by geographical area, 2008–2022

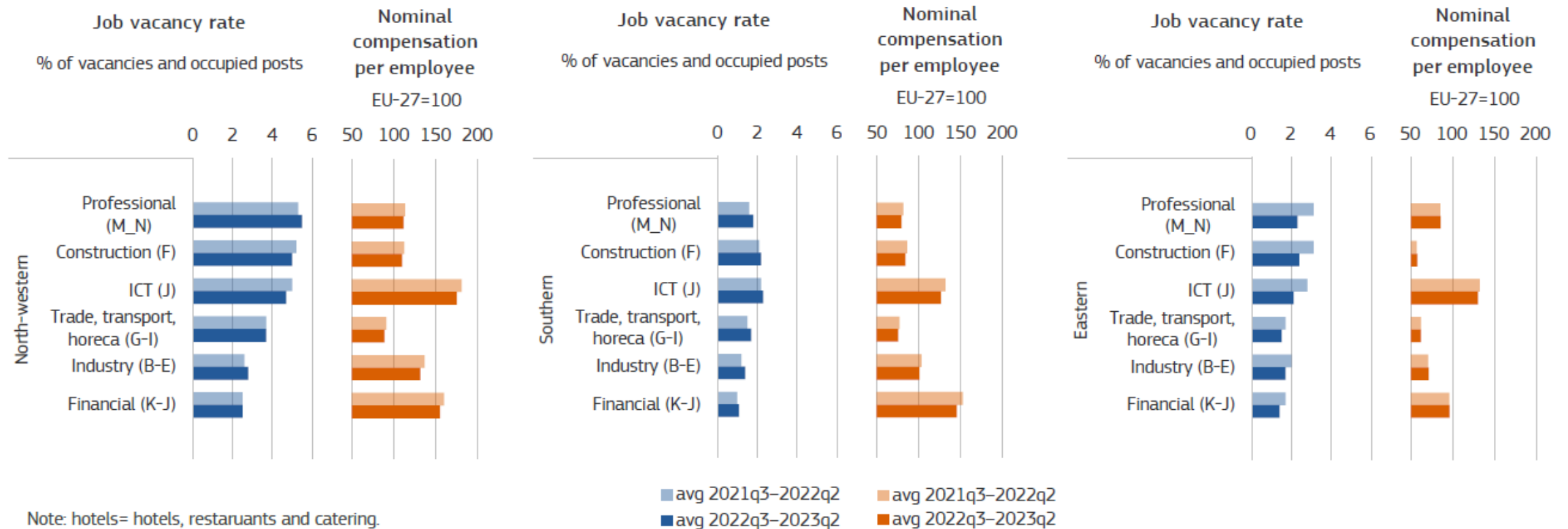


How to read the chart: In 2008, the employment rate in southern EU countries was 66 % (brown line). As a result of the economic recession, it started to decline in 2009 (brown bars - RHS), hitting a low of 59 % in 2013 and surpassed the 2009 level only in 2019, reaching 66 %. As a result of COVID-19, the rate fell to 64 % in 2020 and returned to the 2019 level of 66 % in 2021 – just one year later. It continued to rise in 2022, reaching 68 %

Source: Eurostat [lfst_r_lfsd2pwc] and DG REGIO calculations (employment 2008-2020 extrapolated to be consistent with country-level break-corrected data).

Vacancies high in well paid jobs and regions

Figure 2.3 Job vacancy rates and nominal compensation per employee by geographical area, average 2021q3–2022q2 and average 2022q3–2023q2



Note: hotels= hotels, restaurants and catering.

Source: Eurostat [jvs_q_nace2, namq_10_a10, namq_10_a10_e] and DG REGIO calculations.

Energy poverty. The new challenge

Table 2.6 Energy poverty by geographical area and by level of development, 2021 and 2022

	Inability to keep home adequately warm			Arrears on utility bills		
	2021	2022	2021–2022	2019	2022	2019–2022
	%		pp	%		pp
EU-27	6.8	9.3	+2.4	6.1	6.9	+0.8
North-western EU	3.9	7.3	+3.4	3.7	4.9	+1.3
Southern EU	11.9	13.4	+1.6	7.6	8.9	+1.3
Eastern EU	6.8	8.3	+1.6	9.5	8.6	-0.9
Highly developed countries	6.2	9.0	+2.8	4.2	5.6	+1.3
Moderately developed countries	8.1	9.0	+1.0	5.0	4.2	-0.8
Less developed countries	8.7	10.4	+1.7	13.1	12.6	-0.5

Source: Eurostat [ilc_mdcs01, ilc_mdcs07], DG REGIO calculations.

Depopulation happens far away from cities

Figure 6.6 Population growth in EU settlements, by settlement type and travel time to cities (annual average growth rates), 2011–2021



Note: Annual growth rates are computed as compound annual growth rates for the period 2011–2021. Values exclude settlements that did not exist in 2011. First-rank cities are the largest city in each country. Towns or villages are 'close to a city' if they are within a 30-minute drive (or less) from a city's boundary, and far from a city otherwise. Towns or villages are close to a large city even if they are also close to a small city.

Source: OECD calculations based on EU GEOSTAT data.

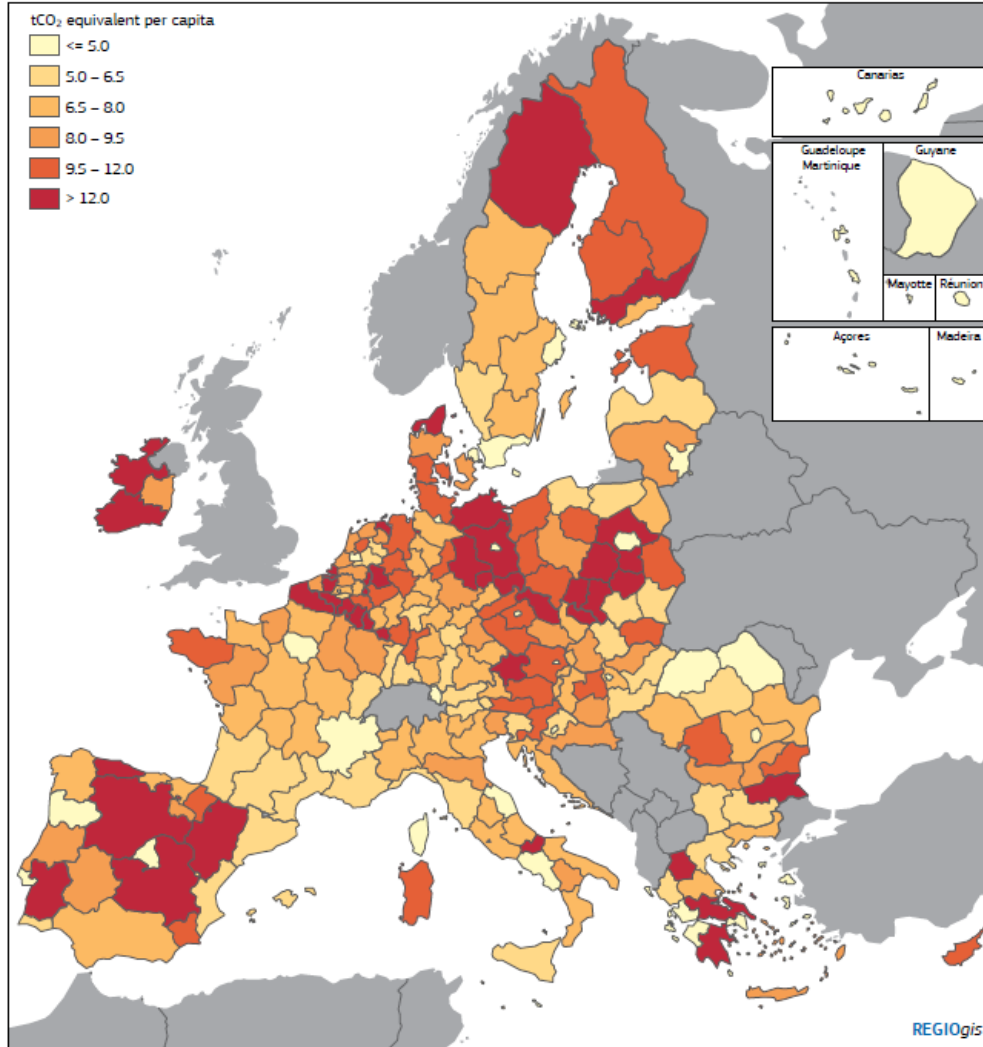
Difficult access to services in rural and remote

Table 3.3 Access to primary schools (2018), universities (2020) and healthcare centres (2021–2022) by urban-rural typology including closeness to a city

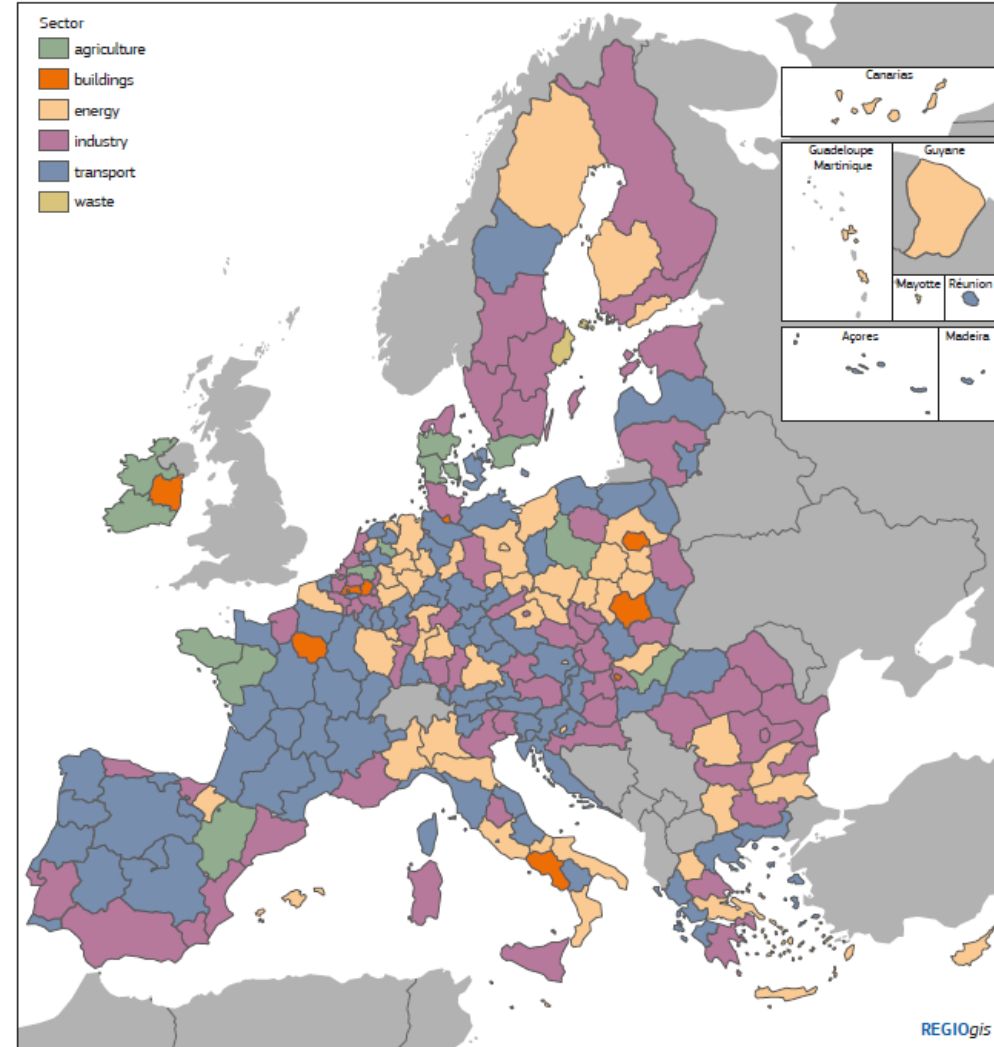
	Primary school < 15 min walking	University < 45 min driving	Distance to nearest healthcare centre
Urban	77.9	98.6	6.4
Intermediate	58.0	89.8	10.3
Intermediate – close	58.6	91.7	10.1
Intermediate – remote	48.6	61.9	13.6
Rural	45.3	69.1	14.0
Rural – close	44.7	73.9	13.0
Rural – remote	47.3	55.6	16.8

Source: DG REGIO calculations based on data from Eurostat, JRC and TomTom.

The GHG emissions 2030 target at risk

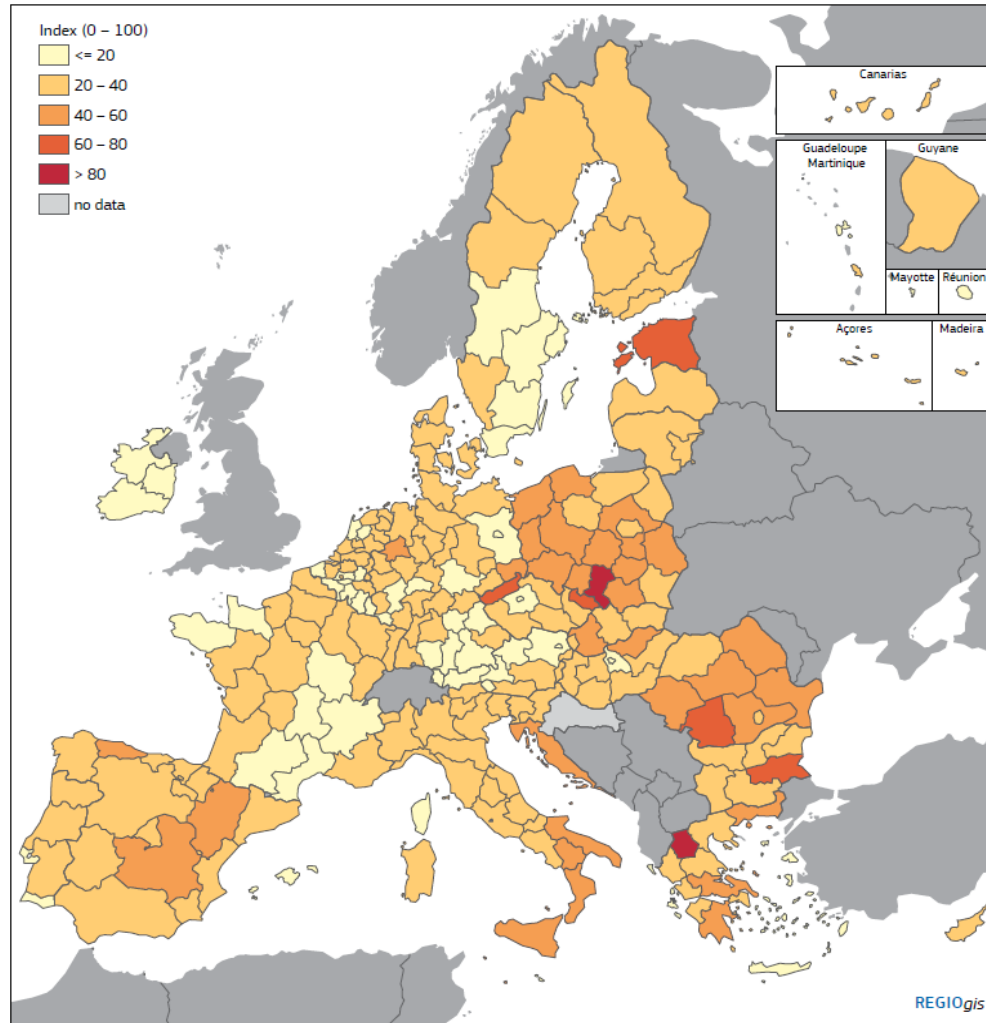


Map 4.2 Greenhouse gas emissions per person by NUTS 2 region, 2022

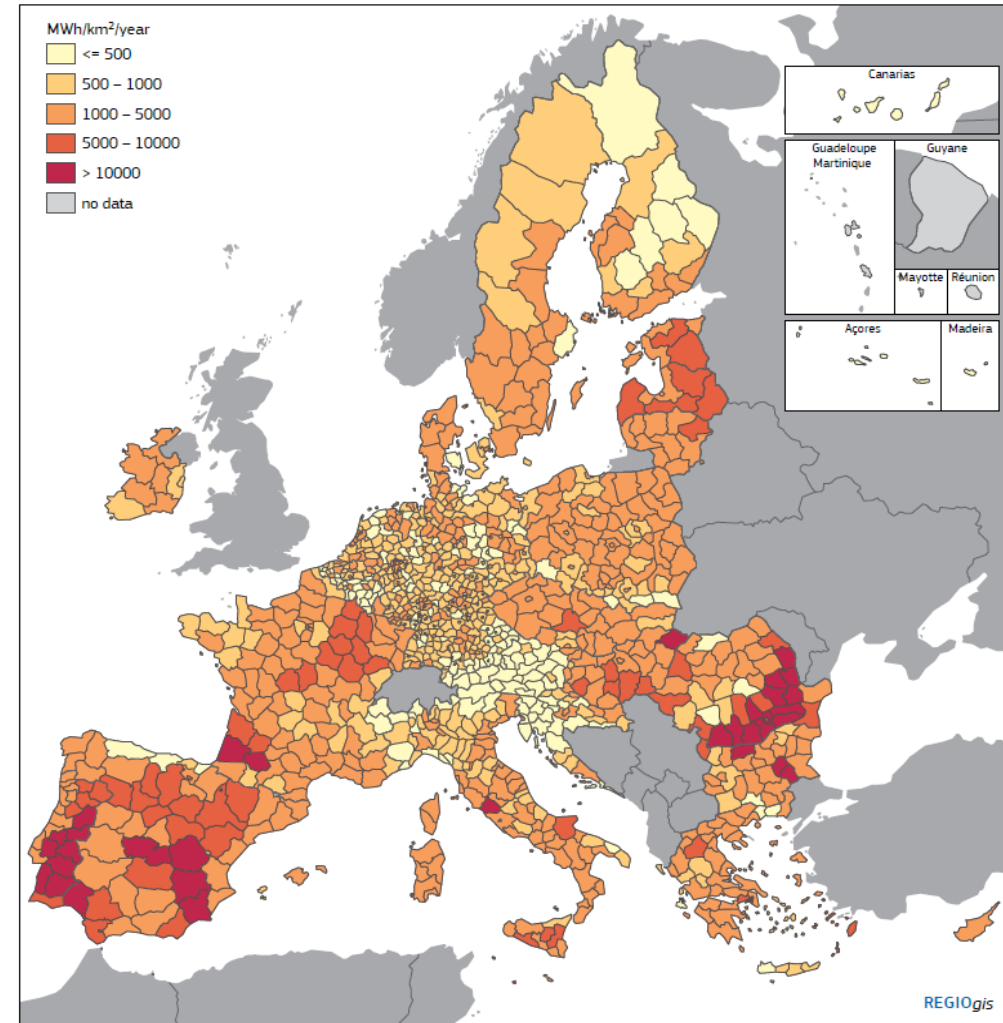


Map 4.3 Sector with the highest contribution to total greenhouse gas emissions, 2022

Less developed regions can power Europe

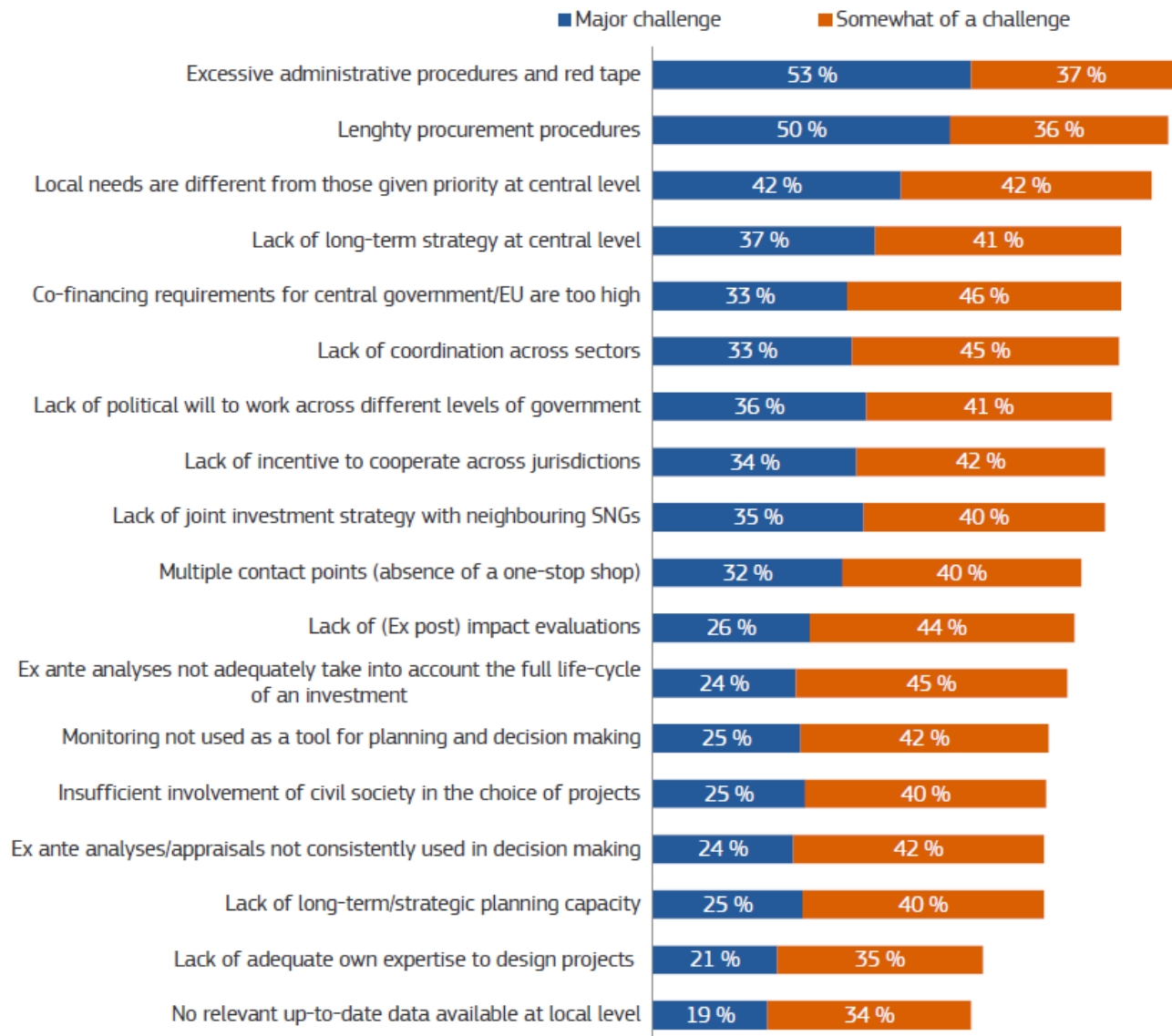


Map 4.4 Socio-economic risks associated with the green transition by NUTS 2 region



Map 4.5 Untapped potential from solar, wind and hydro power by NUTS 3 region

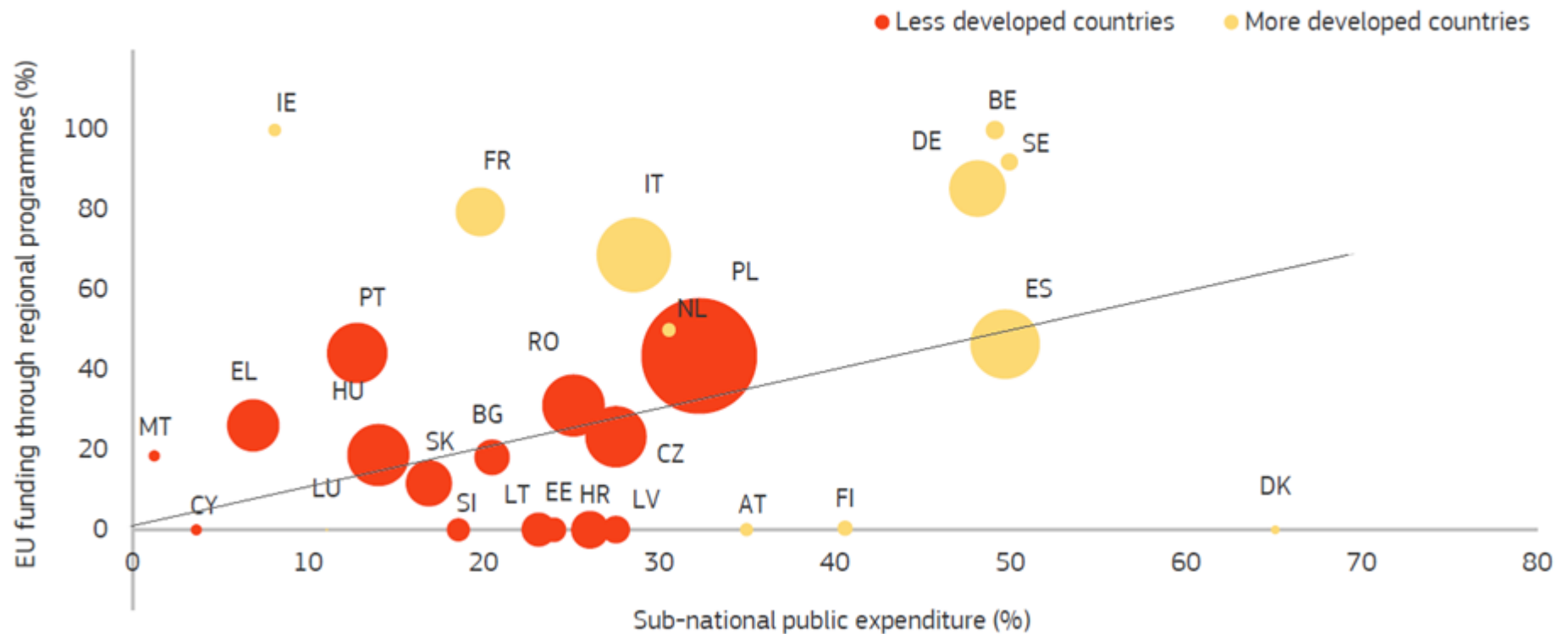
Figure 7.9 Challenges in the strategic planning and implementation of infrastructure investment in municipalities in the EU



Sub-national reforms needed for EU's growth and resilience agenda

Cohesion policy empowers regions

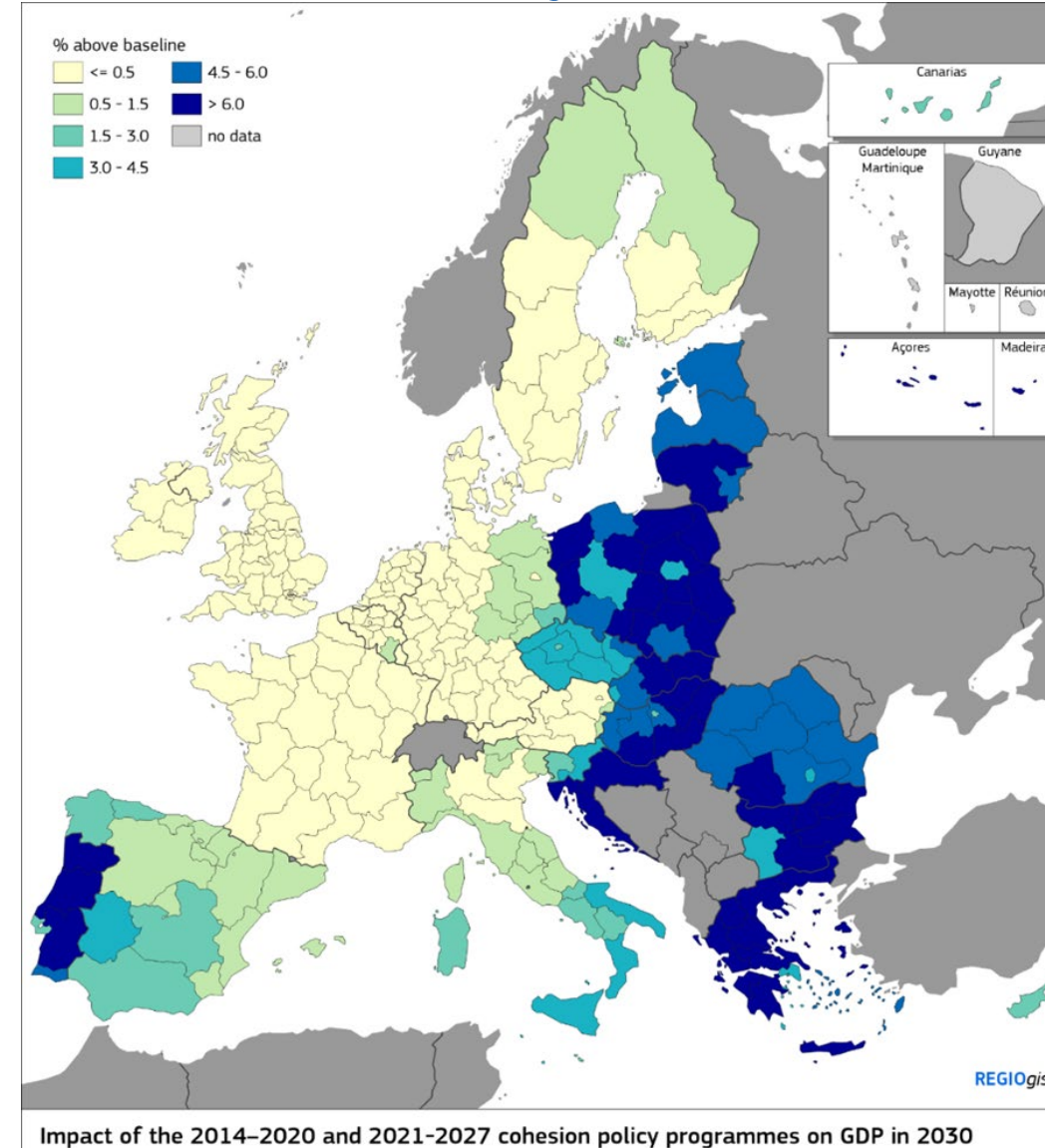
Figure 8.1 Share of Cohesion Policy support implemented through regional programmes and share of sub-national public expenditure, 2014–2020



Source: DG REGIO calculations based on Eurostat gov_10a_main and Cohesion Open Data.

Modelling the impact of cohesion policy

- Return on investment of 2014–2020 and 2021–2027 Cohesion Policy programmes:
 - Each euro invested in the will have generated 1.3 euros of additional income by 2030.
 - It will almost triple in 2043 (annual rate of return around 4 %).
- These numbers imply that:
 - Cohesion policy will have increased EU GDP by 2030 almost 1% (around EUR 140 billion every year).
 - Around 1.3 million additional jobs for the EU as a whole by 2027.
- Regional disparities estimated to decline in all Member States.



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