



West Europe Luxembourgish Small and Medium-Sized Towns in Europe: Challenges and Opportunities

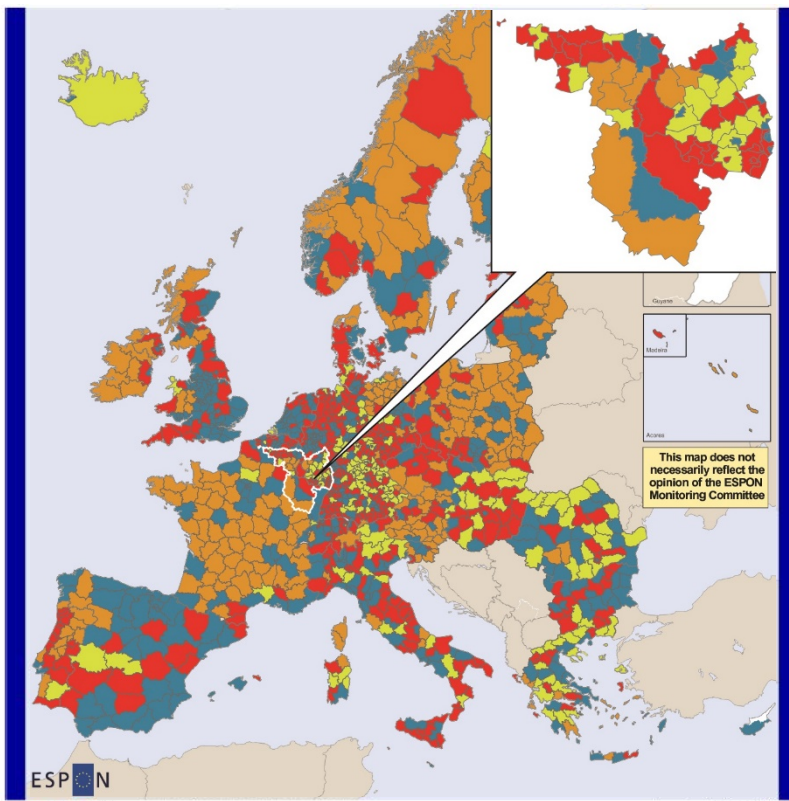
Small and Medium-Sized Towns: Facts and Figures

Europe is a highly “urbanised” continent. Cities form the backbone of the European territory and are key actors in implementing EU and national policies. Alongside the larger cities, small and medium-sized towns play an important role in regional development across Europe. They contribute to greater social cohesion and concurrently represent the economic pillars and drivers in the EU.

Towns and cities in the EU are facing different challenges. Whilst some are seeing their population decline, others have a rather fast growing population, which intensifies problems such as increasing unemployment or environmental pollution. The same applies to economic development: some towns show strong economic growth whilst others have to deal with a shrinking economy.

Nevertheless, small and medium-sized towns (SMSTs) could offer opportunities to increase the resilience of the regions they are situated in by promoting their potential in fields such as employment creation or social cohesion.

Map 1: Prevailing type of settlements in terms of population



- Prevailing population settlement type**
- High Density Urban Clusters as the prevailing type of population settlement
 - Small and Medium Towns as the prevailing type of population settlement
 - Very Small Towns as the prevailing type of population settlement
 - Other population settlements as prevailing type
 - NO DATA

SMSTs features

- Population threshold between 5.000 and 50.000 inhabitants
- Population density between 300 and 1.500 inhabitants/km²
- 24,2% lives in Small and Medium-Sized Towns

General urban features

- 87% of population lives in urban areas in EU27 (plus ESPON Partner States)
- 46,3% lives in Larger Cities (High Density Urban Clusters ,HDUC)
- 19% lives in Very Small Towns (below 5.000 inhabitants)
- Total numbers (EU):
 - > 850 Larger Cities (HDUCs)
 - > 8.414 SMSTs
 - > More than 69.000 Very Small Towns

Small and medium-sized towns in Europe

European small and medium-sized towns (SMSTs) are hardly considered subjects in EU policy, yet are recognisable in the everyday experience of European citizens and companies. This rather underestimated size of urban settlement plays an important role within the wider regional and functional context.

There is no official definition of the term 'town'. As there exist plenty of languages in Europe with partially quite different interpretations of actual identical matters, the creation of an official common definition seems to be relatively challenging. Even if the term 'town' has evidently joint cultural connotations of "smaller-ness", it is often difficult to clearly demarcate a 'town' from a 'city'.

However, there is a 'bundle of characteristics' by which towns are different from cities. The characteristics of SMSTs were grouped into five 'domains' or 'dimensions' within the scope of the ESPON TOWN project: economic competitiveness, economic innovation, accessibility, equity, culture and community.

Those five dimensions of territorial cohesion are relevant to the territorial development of towns and can be considered as the framework in which the characteristics of SMSTs reveal the specificities of towns in Europe compared to larger settlements (see Table 1). The features/domains of SMSTs include the following, as analysed by the TOWN project (excerpt):

Domain 1 "Economic competitiveness":

- › A significantly smaller proportion of jobs in private and public services in comparison to larger cities
- › A higher economic activity rate

Domain 2 "Economic innovation":

- › A lower proportion of working age adults with a degree

Domain 3 "Accessibility (to services and employment)":

- › A lower proportion of people living and working there than larger cities that are located in the same regions and countries
- › Employment in the retail sector is significantly lower than in HDUCs

Domain 4 "Equity":

- › Lower unemployment rates compared to HDUCs

Domain 5 "Culture and community":

- › A higher proportion of school age children

Table 1: Five domains for understanding small town performance

Domain heading	Indicators that might underpin an understanding of performance relative to the domain
Domain 1: Economic Competitiveness	measured by reference to industrial sector (as a proxy for GDP potential and economic vitality in the base/nonbase economy – see Courtney et al 2008) and also in reference to levels of unemployment (see also equity) and the proportion of pensionable adults to the total population
Domain 2: Economic Innovation	measured by reference to labour market characteristics (employment and self-employment rates), the educational attainment of the adult working age population) and the business environment (as businesses per capita)
Domain 3: Accessibility	measured principally in terms of access to job opportunities and commuting patterns but could be conceptualised also as the concentration of services in a town
Domain 4: Equity	measured in terms of unemployment
Domain 5: Culture and Community	measured in terms of age profiles, lifetime migration (indicated by being born in/outside of country), demographic change and pressure on the housing stock (measured as occupancy).

Spatial distribution of SMSTs in Europe

Within the European territory, there are three main types of national urban settlement structures characterised by different 'degrees of urbanisation' (based on NUTS3-level):

- 1) Countries with a prevalence of urbanised populations clustered in high-density urban centres: Belgium, Switzerland, Greece, the Netherlands, Spain, the UK, as well as smaller island states such as Malta and Cyprus;
- 2) Countries with a more balanced partition of population between classes of high-density urban clusters and small and medium-sized towns: Austria, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, Italy, Latvia, Poland, Portugal, Romania, Sweden and Slovenia;
- 3) Countries with an overrepresentation of population living in smaller settlements: France, Hungary, Ireland, Lithuania, Luxembourg, Norway and Slovakia

Concerning SMSTs the European Union shows a huge diversity of urbanisation structures.

The spatial model of the so-called "Blue Banana", which stretches from Southern England throughout the Benelux states and the West of Germany to Northern Italy, exemplifies the European corridor of urbanisation, both

with some metropolitan areas, a high density of larger cities and a considerable amount of SMSTs.

Additionally, there are some “clusters” of SMSTs in the industrial belt of South-Eastern Germany and Poland, Northern Portugal, and throughout the Western Mediterranean arc from Spain to Italy, in which coastal sprawl is a relevant issue that strongly affects the ‘small-and-medium-sized-ness’ nature of the urban dimension in these regions.

A relative sparseness of SMSTs can be found in the interior of Spain and France, Southern Sweden and in the Alpine arc. The bulk of population in those areas is rather dispersed in ‘very small towns’ (with less than 5.000 residents) or in ‘other settlement types’ (mainly in areas characterised by sparse settlements that are under the threshold of 300 inhabitants per km²).

Small and Medium-Sized Towns on a macroregional level

The Western part of Europe is a highly urbanised region. Despite the fact that the “Blue Banana” is the most densely populated area of the ESPON space with high-density urban clusters (London, Randstad, Milano, Ruhr), this region features a large number of SMSTs at the same time. Regions and countries within Western Europe where SMSTs are the prevailing type of population settlement are Hainaut and Walloon Brabant in Belgium, South-Western and North-Eastern England, Western Wales, Central Scotland, Eastern Ireland and the Grand Duchy of Luxembourg (see Map 1).

Belgium shows a general growth both in highly urbanised regions and in those with lower degrees of urbanisation. Flanders especially has a highly urbanised landscape of large municipalities. Nearly 42% of Flemish municipalities play the role of urban micro-regional centres. Large centres in this region are decisive not only in terms of concentrating population and jobs, but especially in their tight and intensive relations with small and medium-sized towns in their proximity.

The United Kingdom exhibits a polarisation of growth in the extreme opposite regional types, i.e. in both the main urban areas and in the smaller settlement regions, at the expenses of those regions in which the population is more evenly distributed between urban clusters and smaller settlements. On average SMSTs contain around half the population of the region of the UK.

Whereas Ireland has a very low rate of urbanisation with a main concentration of SMSTs in the East and the South of the country, Luxembourg is an example of an emerging medium-sized cross-border metropolitan area with the specification of a large amount of SMSTs. In the Grand Duchy ⅔ of the population lives in urban areas. Although Luxembourg originally features rather small-sized municipalities, the rate of urbanisation is one of the highest in Europe (82% in 2010).

Within the Greater Region (GR), SMSTs prevail in Luxembourg, Northern Lorraine and Saarland. Moreover, those regions are characterised by common cross-border functional interdependencies (especially labour market, transport, housing). Those small and medium-sized towns face similar challenges, especially for their public services (schools, transport, and hospitals). Thus, cooperation in the framework of joint projects is a necessary path to follow (e.g. Quattropole, ToniCités, INTERREG). At the same time, these regions are the most dynamic economic part of the Greater Region which is why they need to better coordinate their (economic and societal) development and to cooperate with regional authorities of the GR Summit. Very small settlements prevail in Rhineland-Palatinate and the Luxembourg province of Wallonia. They may face similar challenges as the previously mentioned regions (e.g. dependencies vis à vis bigger cities), but the need of cooperation is less evident.

Eventually, with regards to the establishment of synergistic networking between larger urban areas and SMSTs, it is very important to cooperate within a macroregion such as Western Europe rather than just developing initiatives on the micro region or local level. For example, regions with smaller settlements in remote areas rather tend to exhibit negative trends than those regions with smaller settlements close to metropolitan areas or urban regions. This ‘borrowing-size’ effect means that SMSTs may ‘borrow size’ from larger urban areas and host functions that they could not have hosted in isolation. Therefore, towns that are close to larger urban areas are able to realise a “virtual critical mass” in terms of accessibility to services and other urban characteristics.

Key messages and policy recommendations

Small and medium-sized towns have the capacity to “punch above their weight” if the right policy and governance frameworks are in place, albeit accepting that towns remain embedded in their functional and regional contexts. There is a need to recognise the importance of developing a genuine place-based approach that situates SMSTs in their local and regional context whilst paying due attention to their relationships and interactions with different scales (regional, national and European).

On the one hand, SMSTs need tailor-made policies to cope with their special conditions. On the other hand, networking and cooperation between neighbouring municipalities could advance the further development of small and medium-sized towns in a faster way. Thus, the promotion and support of partnership based cooperation between SMSTs at national and transnational level through joint projects and mutual exchange of experience may cause interdependent effects. Paying specific attention to SMSTs as focal points for regional development could offer opportunities to increase the resilience of territories facing global economic trends, retaining population and boosting the specific potentialities of territories.

Accordingly, the model of multi-level governance might be particularly important for SMSTs in terms of access to additional resources and the development of joint projects and sharing services.

This includes amongst others the integration in multi-level systems, the involvement of a wide range of stakeholders and the development of appropriate partnership structures in order to bring together local knowledge and resources (territorial capital) with the aim of a long term local development strategy and its implementation.

Especially within the Greater Region, the existence of intensive cooperation between small and medium-sized towns is of high importance. The cross-border collaboration serves as a kind of pooling of the specific strengths and resources of the particular towns. Accordingly, this transnational network may compensate for the lack of an international metropolis in the Greater Region.

The ESPONontheRoad project

The ESPON on the Road Project is a Transnational Networking Activity of nineteen ESPON Contact Points, financed by the ESPON 2013 Programme with the aim to bring the results of applied research on European territorial development closer to decision making.

The ESPON 2013 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.

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