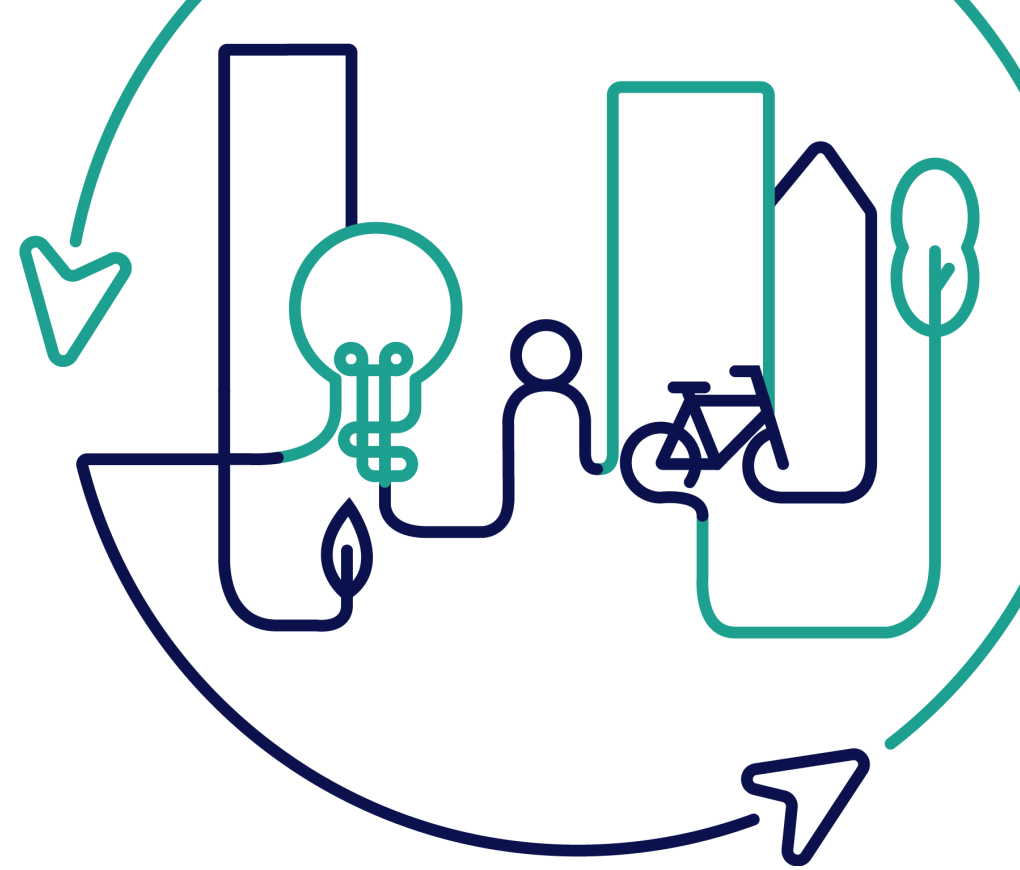


EUROPEAN U R B A N INITIATIVE

EUI-Innovative Actions Call 2 **Topic "Harnessing talent** **in shrinking cities"**



Co-funded by
the European Union

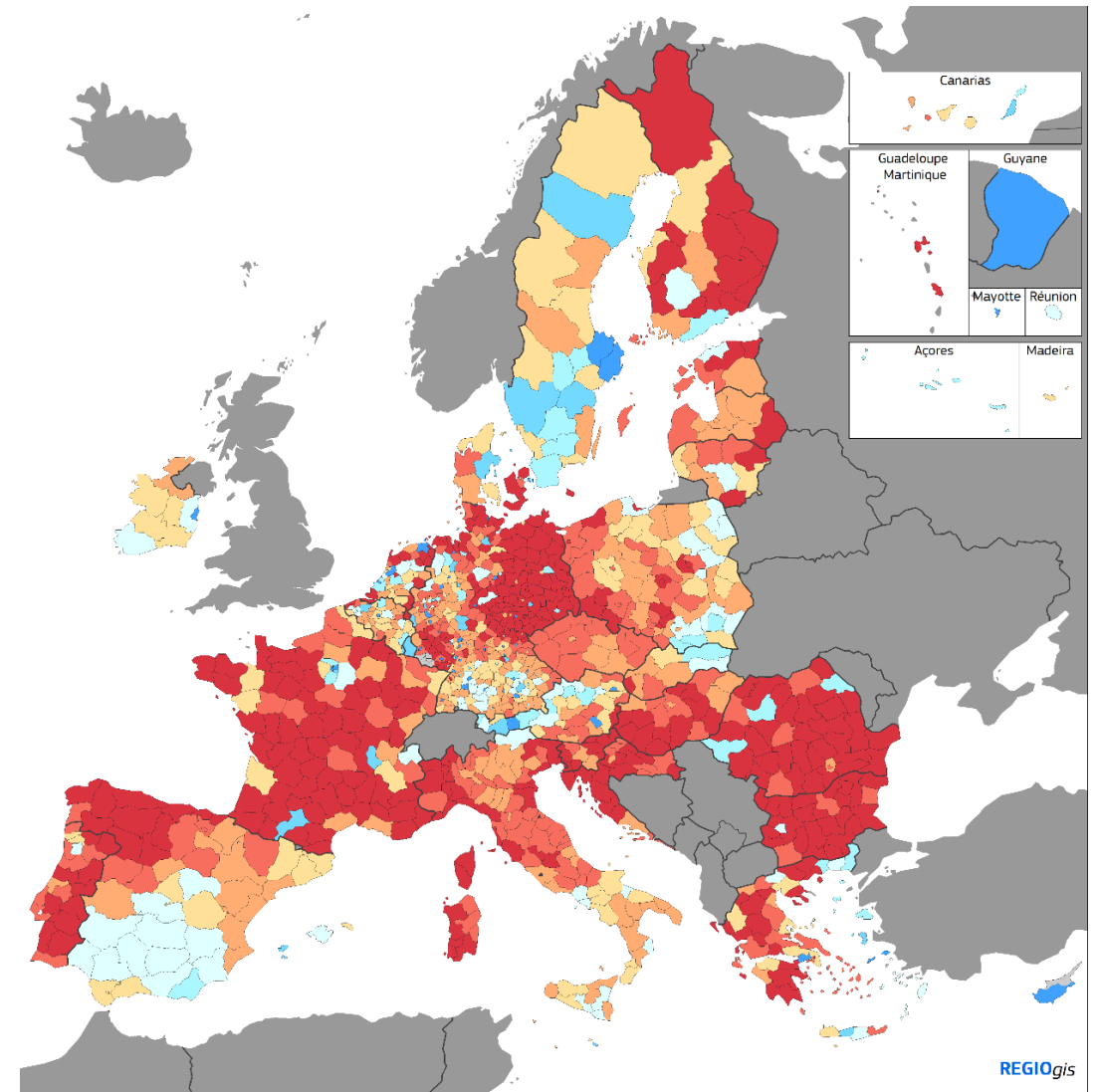
EU regions in demographic transition

Drivers: longer life expectancy, falling birth rates, ageing of EU population and migration flows – different impact on regions increasing regional disparities

EU workforce has decreased by 3.5 million people between 2015 and 2020, and is projected to further decline by an additional 35 million people by 2050.

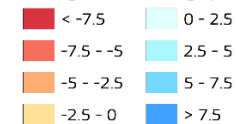
Changes will influence Member States' labour markets and welfare systems and challenge the EU's overall competitiveness and resilience.

Read more: COMMISSION STAFF WORKING DOCUMENT (2023)
[*The impact of demographic change – in a changing environment*](#)



Natural change of population aged 25-64, 2015-2020

Average annual change per 1000 residents



EU-27 = -3.29
arithmetic average of the yearly rates
DE: 2015-2017
Source: Eurostat (demo_r_d2jan)

Regional and local dimensions

Demographic change plays out differently...

- in urban and rural regions
- across urban areas in the EU



EU-27 population by urban-rural regional typology, 2019



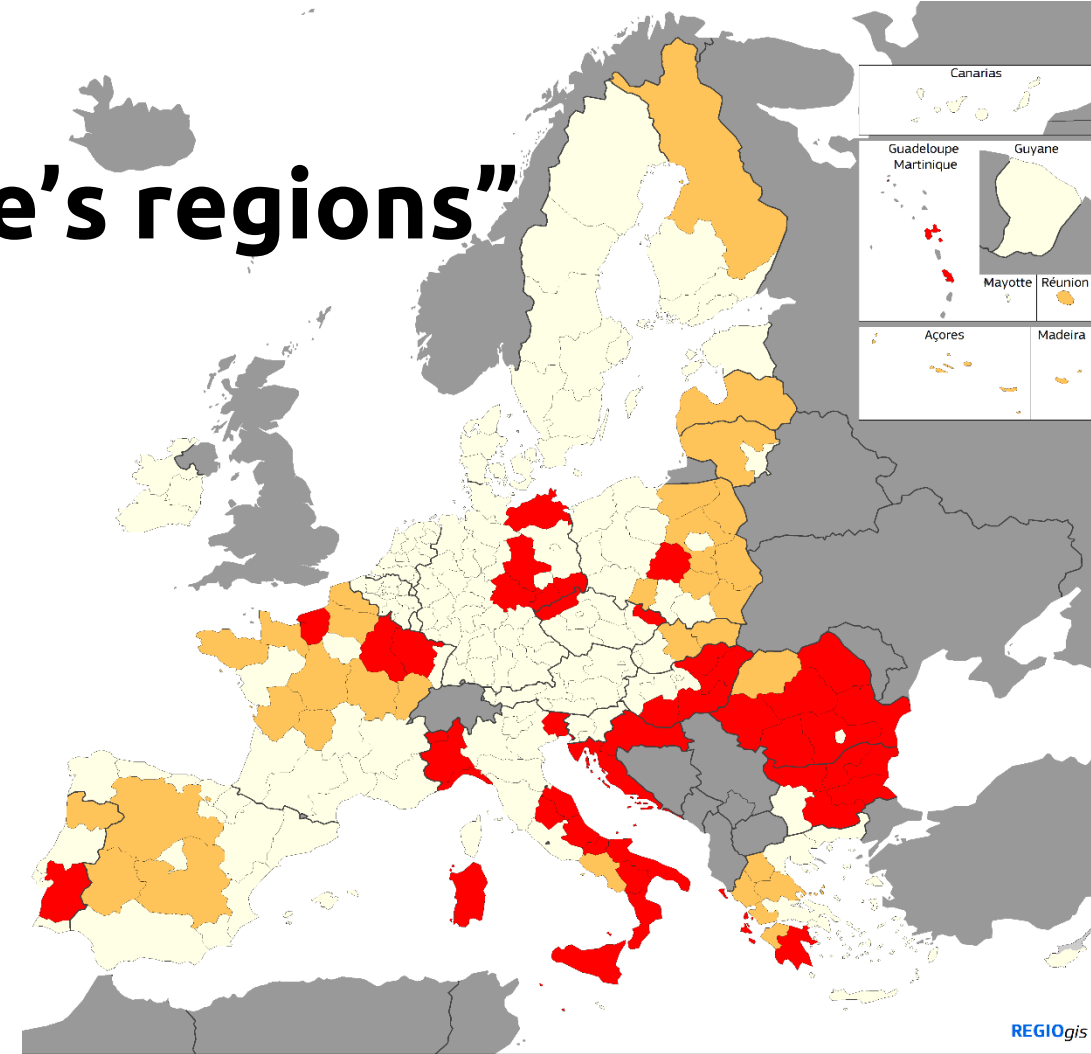
Communication on Harnessing talent in Europe's regions

On 17 January the European Commission adopted the Communication on Harnessing talent in Europe's Regions which:

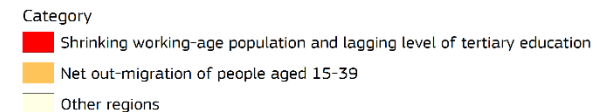
- outlines the causes and effects of regional disparities triggered by demographic challenges
- identifies two groups of regions that are particularly vulnerable
- introduces a Talent Booster Mechanism

EC Communication “Harnessing talent in Europe’s regions”

- **46 regions** affected by sharp workforce decline and low/stagnating share of tertiary educated **in a talent development trap** (*red*).
- **36 regions** with net out-migration of their younger cohort **at risk of falling into a talent development trap** (*yellow*).



Regions in a talent development trap
and regions at risk of falling in a talent development trap



Challenges for identified regions

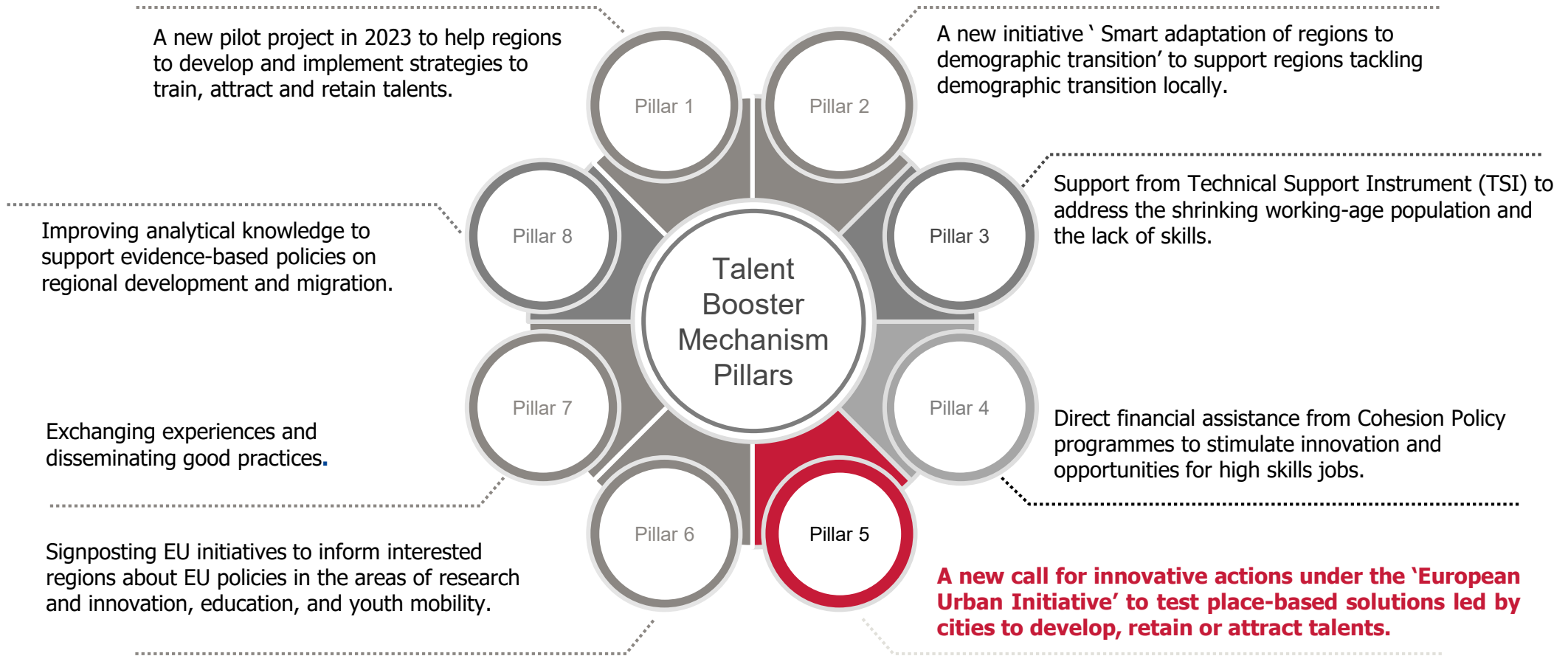
- Efficiency of labour market:
 - Lower employment rates – including for persons with tertiary education
 - Higher unemployment rates
 - Higher employment gender gap
- Educational systems:
 - Lower share of tertiary educated, including for younger cohorts
 - Higher rate of early leavers
 - Higher rates of NEET (no employment, neither in education or training)
 - Lower rate of adult learning
- Lower accessibility to services: digital divide and access to universities
- Lower quality of public governance

Challenges for affected cities

- adapting services and infrastructure to the needs of an ageing and less skilled population but also to stay attractive for investors and talents (making the most from the green and digital transition) ;
- rejuvenating abandoned inner-city areas through e.g. the optimisation of the urban space, the renewing of an affordable housing offer ;
- exploring new governance models (functional urban areas, smart specialisation) to adapt and complement coordinated efforts at local, regional and/or national levels to address talent development gaps ;
- Fostering bottom-up initiatives, empowering communities and citizens to co-create and/or co-implement tailor made solutions for the city (re)branding and/or re-inventing itself (e.g. entrepreneurship, culture-led regeneration)

Talent Booster Mechanism

The Communication introduced the **Talent Booster Mechanism**. This Mechanism will support EU regions affected by the accelerated decline of their working age population **to train, retain and attract the people, the skills and the competences needed to address the impact of the demographic transition**. It will be based on 8 pillars:

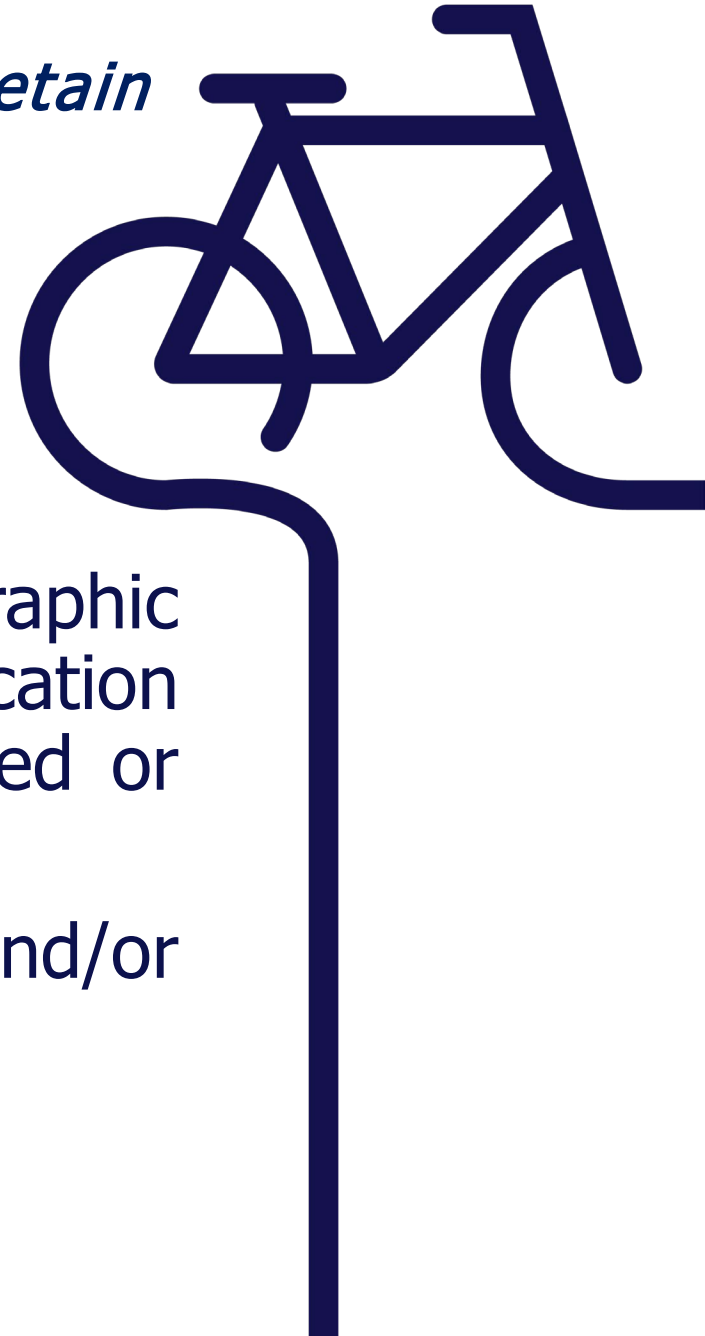


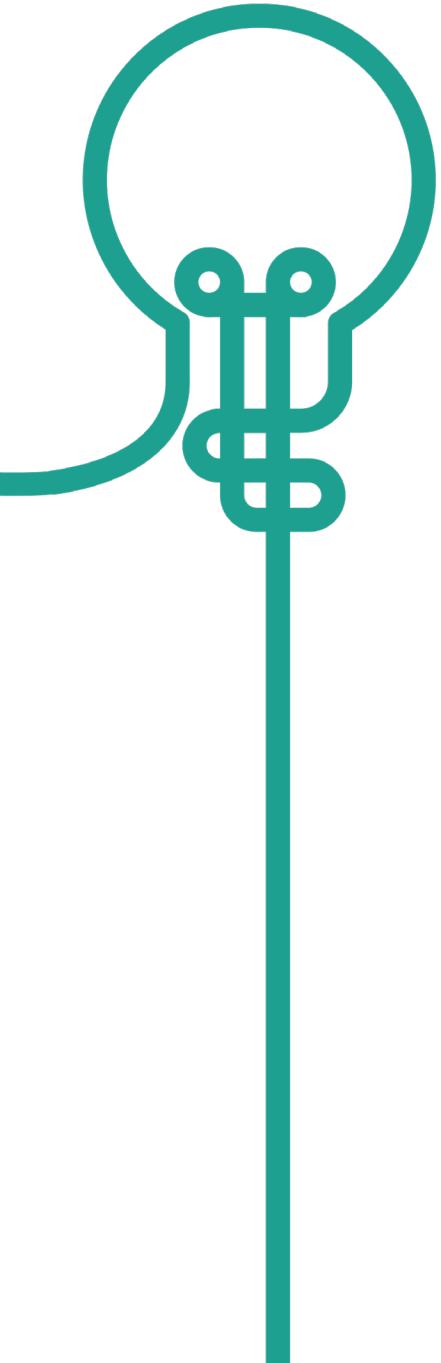
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Testing place-based solutions led by cities to develop, retain and/or to attract talents

Targeted urban authorities:

- ALL cities demonstrating being affected by demographic challenges highlighted in the Communication 'Harnessing talent in Europe's regions' (i.e. located or not in the list of identified regions)
- In particular, intermediary cities (i.e. mid-sized and/or smaller cities that are not regional centres)





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Testing place-based solutions led by cities to develop, retain and/or to attract talents

Prompts for urban authorities:

- Boosting the demand for younger and qualified talents:
 - Encouraging the economic diversification of targeted urban areas (e.g. emerging sectors, smart specialisation priorities);
 - Reenforcing local entrepreneurship of young people (e.g. dedicated financial schemes, mentorship, business services)

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Testing place-based solutions led by cities to develop, retain and/or to attract talents

Prompts for urban authorities:

- Boosting the supply of younger and qualified talents:
 - Fostering new alliances between urban authorities, enterprises, academia, research institutes, training centres; etc.
 - Developing services favouring labour force participation and quality of life of inhabitants;
 - Enhancing the access to affordable housing and/or facilitating the settlement of young workers;
 - Renewing and/or rightsizing the built environment, urban space, public infrastructure and associated services.



Testing place-based solutions led by cities to develop, retain and/or to attract talents

Bridging with the Cohesion policy

- **Specific objective 1.1** “developing and enhancing research and innovation capacities and the update of advanced technologies”,
- **Specific objective 1.2** “reaping the benefits of digitalisation to citizens, companies, research organisations and public authorities”;
- **Specific objective 1.3** “enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments”;
- **Specific objective 1.4** “developing skills for smart specialisation, industrial transition and entrepreneurship”;
- **Specific objective 4.1** “enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy”;
- **Specific objective 4.2** ‘improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training’;
- **Specific objective 4.3** ‘promoting the socioeconomic inclusion of marginalised communities, low income households and disadvantaged groups, including people with special needs, through integrated actions, including housing and social services’;
- **Specific objective 4.4** ‘promoting the socio-economic integration of third country nationals, including migrants through integrated actions, including housing and social services’;
- **Specific objective 5.1** “fostering the integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism and security in urban areas”.

The list of options is long, be selective!



EUI-INNOVATIVE ACTIONS CALL 2

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A list of indicators inspired from Cohesion policy to capture some of the multiple dimensions of a revitalisation process

Output indicators (examples):

- People supported (trained, upskilled, accompanied or assisted); (*measurement unit: persons*)
- Capacity of new or modernised social housing (*measurement unit: persons*)
- New products and services created (*measurement unit: new products/services*)

Result indicators (exemples):

- Jobs created in supported entities (*measurement unit: annual FTEs*)
- New enterprises surviving the market (*measurement unit: new enterprises surviving*)
- Annual users of new or modernised childcare facilities (*measurement unit: users/year*)

...NOT binding but to be used when relevant to complete your project proposals' specific indicators

'Harnessing talent in shrinking cities'

Examples of relevant knowledge sources

Urban Innovative Actions 2014-2020 with focus on jobs and skills in the local economy, housing, the digital transition, demographic change
<https://www.uia-initiative.eu/en/uia-cities>

URBACT capitalisation, transfer network activities on shrinking cities

[From crisis to choice: re-imagining the future in shrinking cities](#)

[ALT/BAU Transfer Network on strategies to activate unused/ decaying housing stock resulting from demographic, economic and social change in EU cities.](#)

Urban Data Platform Plus (dashboards, strategies, reports and tools to analyse urban and territorial trends – JRC-REGIO).

[Urban Data Platform Plus \(europa.eu\)](#)

2023 "European Year of Skills" webpage

[European Year of Skills \(europa.eu\)](#)

Eighth report on economic, social and territorial cohesion

[Inforegio - Eighth Report on Economic, Social and Territorial Cohesion \(europa.eu\)](#)

European Commission Report on the Impact of Demographic Change

[demography_report_2020_en.pdf](#)

Science for policy brief from the Joint-Research Centre 'Shrinking cities'

[JRC Publications Repository - Shrinking Cities \(europa.eu\)](#)

NEW Policy Atlas of Sustainable Urban Development for Small Urban Areas

[JRC Publications Repository - Policy Atlas of Sustainable Urban Development for Small Urban Areas \(europa.eu\)](#)

European Commission Report "The future of cities: opportunities, challenges and way forward"

[the-future-of-cities_online.pdf](#)

"The Silver Economy" (Report commissioned by the European Commission)

[The silver economy - Publications Office of the EU \(europa.eu\)](#)

Thank you for your attention

More information at:

[Harnessing talent in shrinking cities | EUI \(urban-initiative.eu\)](#)

