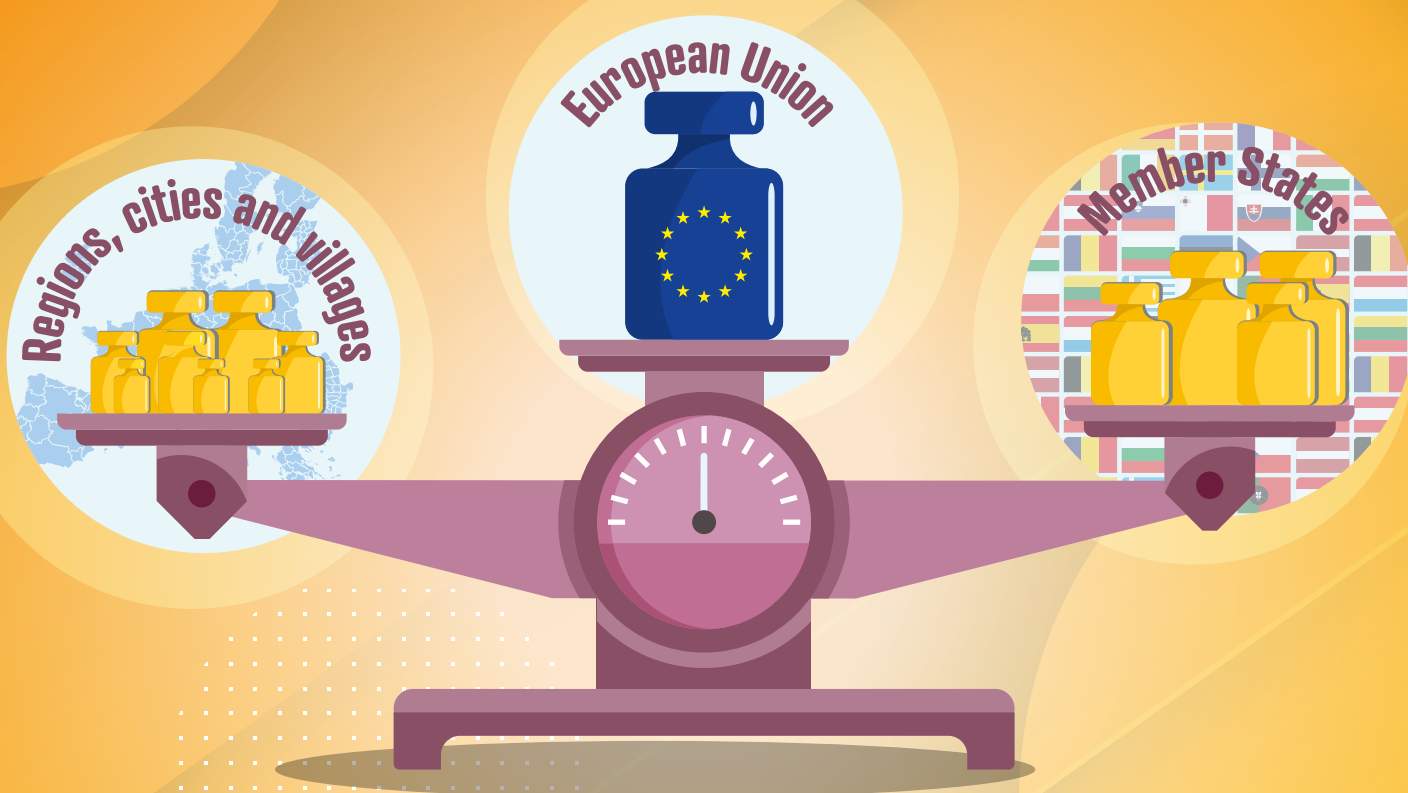




European Committee
of the Regions

EU annual regional and local barometer

Teaser 2021



#EURegionalBarometer



Chapter 1

A 180 billion budget cut is putting at risk regional and local finances



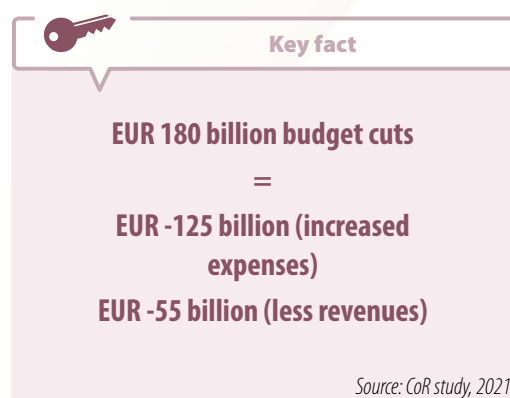
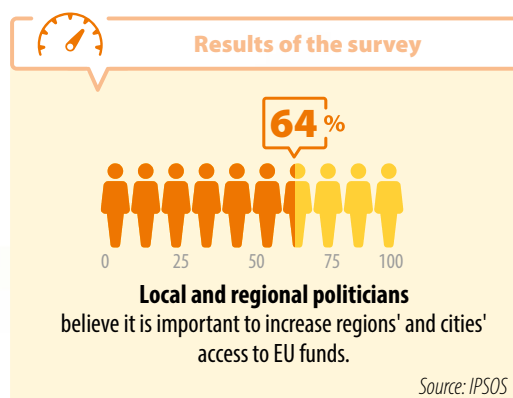
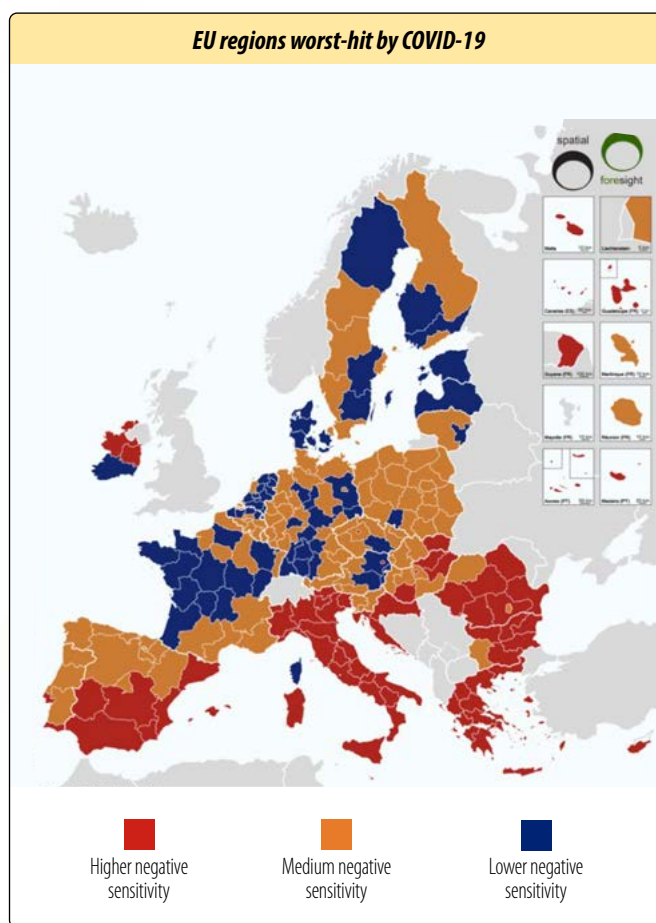
See more

For more examples on regions and cities, see the Barometer Report 2021 in chapter I

In 2020 local and regional authorities (LRAs) across Europe experienced an increase in expenditure of around EUR 125 billion – due to pandemic related measures – and a fall in revenues of EUR 55 billion – largely due to decreased economic activity, tax, tariff and fee income.

This "scissors effect" translates into a gap of around EUR 180 billion in our finances, with 130 billion lost by regional and intermediate levels, and 50 billion lost at municipal level. German LRAs are by far the most hit in absolute terms (-111 billions), followed by Italian (-22.7) and Spanish (-12.3) ones. The losses as percentage of total revenues were highest for LRAs in Cyprus (-25%), Bulgaria (-15.3%) and Luxembourg (-13.5%).

How big is the scissors effect (billion EUR)	
Austria	-2.30
Belgium	-4.70
Bulgaria	-0.64
Croatia	-0.24
Cyprus	-0.075
Czech Republic	-1.95
Denmark	-1.91
Estonia	0.03
Finland	-2.00
France	-7.20
Germany	-111.7
Greece	-0.12
Hungary	-0.15
Ireland	-0.32
Italy	-22.78
Latvia	-0.10
Lithuania	-0.08
Luxembourg	-0.42
Malta	n/a
Netherlands	-2.77
Poland	-3.00
Portugal	-0.55
Romania	-0.43
Slovakia	-0.20
Slovenia	-0.20
Spain	-12.37
Sweden	-3.49
EU-27	-179.67



Call to action

We need investment for the future, not just funding for the present.

Ignoring the territorial dimension of the health crisis puts lives at risk

The Barometer highlights deep differences in how the pandemic affected the health of our communities. Severovychod was the region with the highest number of cases, but Valle d'Aosta recorded the highest death toll per 100 000 inhabitants. The Comunidad de Madrid was the region with the highest share of 2020 excess mortality compared to the average number of deaths over the previous four years.

In general, in 2020 it was safer to live in the countryside than in the city. Urban centres are better endowed when it comes to healthcare, but rural regions recorded lower rates of excess deaths and demonstrated a higher level of adaptation to change.

See
more



For more examples on regions and cities, see the Barometer Report 2021 in chapter V

Number of confirmed COVID-19 cases per region

1	Severovychod	17 994
2	Stredni Cechy	16 354
3	Jihozapad	15 632
4	Stredni Morava	14 769
5	Severozapad	14 694
6	Moravskoslezsko	14 468
7	Praha	13 703
8	Provincia Autonoma di Bolzano	13 689
9	Jihovychod	13 462

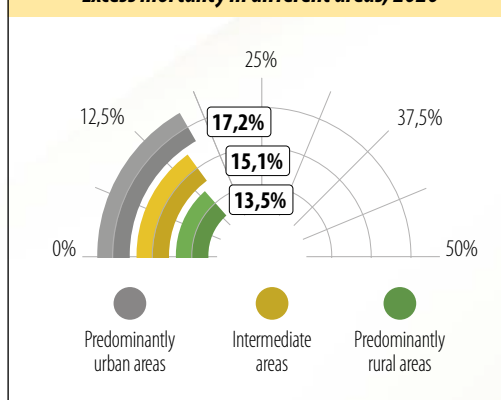
EU regions with the highest death toll per 100 000 inhabitants

1	Valle d'Aosta	377
2	Severozapad	358
3	Lombardy	335
4	Jihozapad	315
5	Friuli-Venezia-Giulia	314
6	Severovychod	298
7	Emilia Romagna	295
8	Moravskoslezsko	292
9	Castilla La Mancha	289

European regions with the highest shares (%) of 2020 excess mortality

1	Comunidad de Madrid	44
2	Lombardia	39
3	Castilla la Mancha	34
4	P.A. di Trento	32
5	Mayotte	32
6	Castilla y León	29
7	Valle d'aosta	28
8	Cataluña	27
9	Podkarpackie	26
10	Piemonte	25

Excess mortality in different areas, 2020



Results of the survey

1 out of 3



Local and regional politicians want regions and cities become more influential in EU policy-making on health issues.

Source: IPSOS



Key fact

>40% of regions experienced no excess mortality since the first wave of the pandemic

Regions are a cornerstone of health systems and must be involved in the design of the European Health Union. The EU should invest more in resilience of regional systems and coordinate capacity-stress tests to assess their crisis preparedness.

Call
to action





Chapter 3

Regions are being ignored in National Recovery plans, putting EU recovery and green targets at risk



See more

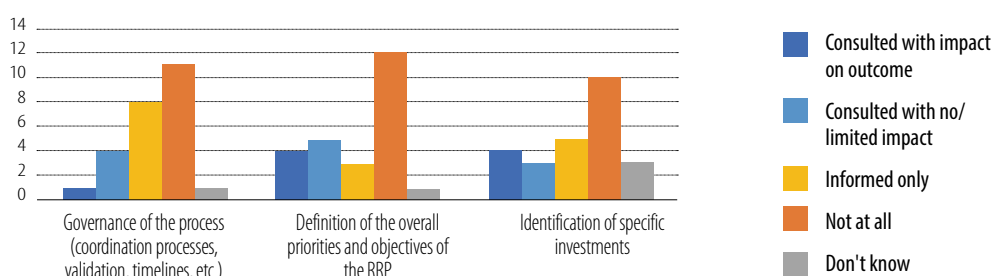
For more examples on regions and cities, see the Barometer Report 2021 in chapter II and III

Only a minority of local and regional authorities (LRAs) across Europe have been consulted by their Member States in the preparation of the National Resilience and Recovery Plan (NRRP).

Within this minority, only some of them saw their contribution taken into account in the relevant NRRP. While Germany, Belgium and Poland had an inclusive approach towards LRAs, Italy, Spain, France and Croatia did not perform as well.

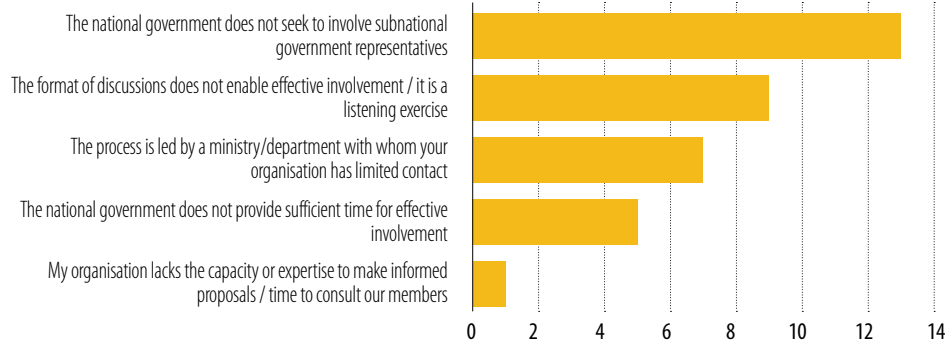
In some countries, the overall budgetary allocations on green policies and the green transition is absorbing on average 41% of the budget in the NRRPs. But a broader analysis of the national plans shows that they should be better aligned with the European Green Deal, as many of them are in danger of missing the 37% climate spending target. The poor consultation of cities – one of the driving forces in fighting climate change – raises major concerns on the plans' ability to tackle the most urgent problems on the ground.

Role of LRAs in the preparation of National Recovery and Resilience Facility plans



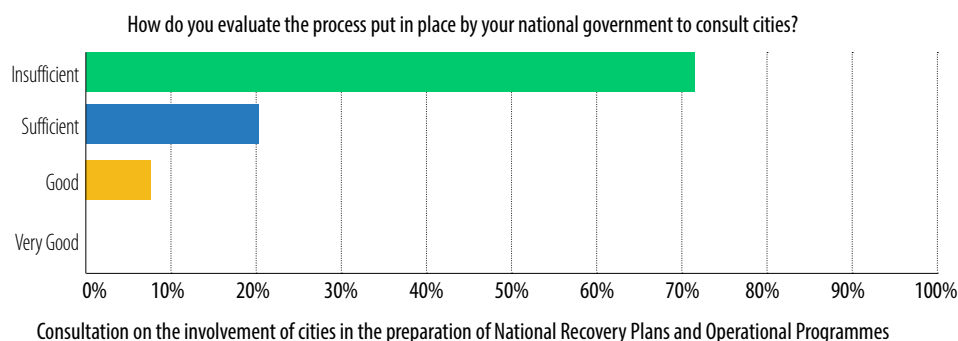
Source: Local and Regional Authorities and the National Recovery and Resilience Plans – CoR, 2021

Barriers to the involvement of LRAs in NRRP preparation



Source: CoR-CEMR targeted consultation, 2021

Contribution of EU Member States' NRRPs to the green transition



Source: Eurocities, 2021



Call to action

Europe's recovery is at risk if regions and cities remain excluded.

Urban-rural digital divide can put recovery at risk: support to "digital cohesion" is urgently needed

The pandemic has exposed a dramatic divide between those local and regional authorities that are already able to leverage the full potential of digital transformation in order to support businesses to grow and innovate as well as to serve their citizens, and those not yet fully digitalised.

The total coverage of EU households with very high capacity digital networks is 44% in urban areas, compared to 20% in rural areas. The urban-rural gap in terms of people who use the Internet daily is particularly wide in Bulgaria, Romania, Greece and Portugal. On the other hand, Sweden, Finland and Denmark show the most cohesive results.

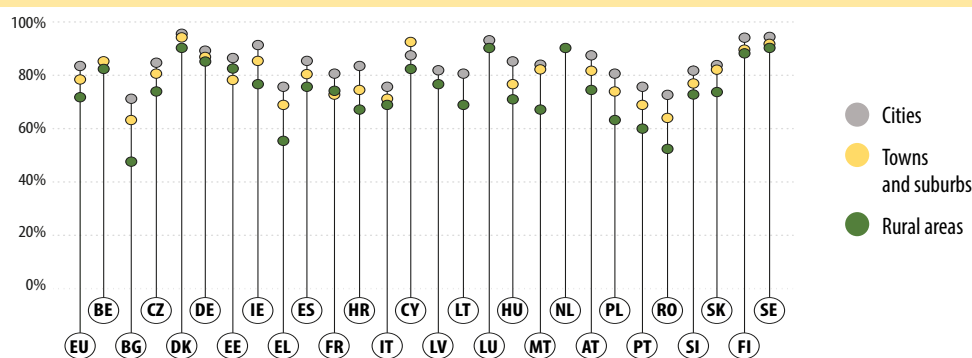
The efforts put in place at EU and national level are still insufficient: only Germany, Sweden, the Netherlands and Belgium are currently curbing the urban-rural divide, while it is significant in all other EU Member States.

See more



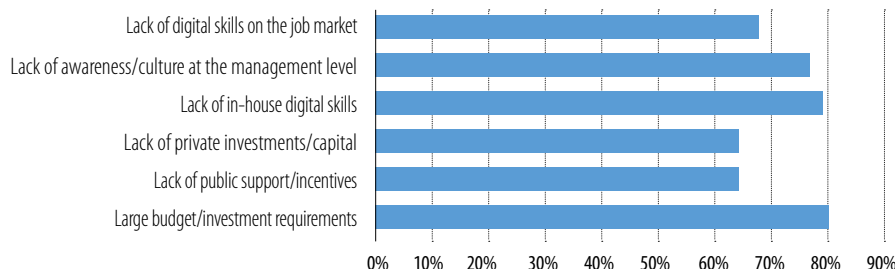
For more examples on regions and cities, see the Barometer Report 2021 in chapter IV

Individuals who use the Internet daily: rural-urban divide by country 2020



Source: CoR study 'The state of digital transformation at regional level and COVID-19 induced changes to economy and business models, and their consequences for regions', forthcoming

The top 'relevant' and 'very relevant' potential barriers to the digital transformation of SME's



Source: CoR survey



Results of the survey

1 out of 4



Local and regional politicians say that the digital transformation of the EU is a top priority.

Source: IPSOS



Key fact

Only 1 in 5 rural households has high capacity network coverage

Source: CoR study, 2021

A fully-fledged digital cohesion is a bare necessity for a sustainable recovery and to harness the digital transition so it supports regions, cities and villages across Europe, leaving no people and no places behind.

Call to action





Chapter 5

COVID poverty is becoming a reality. The risk of a COVID lost generation increases



See more

For more examples on regions and cities, see the Barometer Report 2021 in chapter I

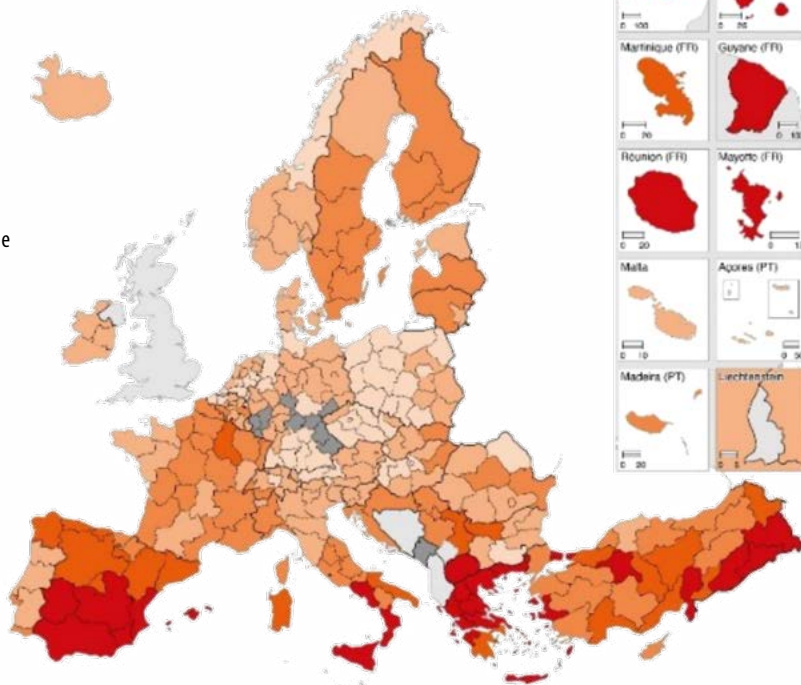
The crisis has had a cataclysmic impact on employment and on the social dimension, with the young and low-skilled the most affected. Employment among young people declined particularly strongly in 2020. Youth unemployment is 10 percentage points higher than the general population. Temporary employment and part time employment also registered significant decrease.

People living in poor conditions, persons with disabilities and the elderly suffered of worsening in their living conditions. The pandemic further highlighted longstanding gender inequalities and gender-related occupational risks.

Unemployment: Worst-hit regions by COVID-19

EU=7.1%

- <3.6%
- 3.6% - 7.0%
- 7.1% - 10.6%
- 10.7% - 14.1%
- ≥14.2%
- Data not available



Source: Eurostat



Results of the survey

61%



Local and regional politicians want a stronger say on recovery, social justice and jobs.

Source: IPSOS



Key fact

Youth unemployment is more than 10 percentage points higher than in the general population



Call to action

We need to tackle COVID poverty and build resilient communities.

Regional and local politicians think they do not count enough in the EU and want to have more influence on policies

The 1.15 million Europeans who serve in local and regional councils have been on the front line of the pandemic.

Dissatisfaction with the status quo is evident. Nine in ten feel it is (very) important for cities and regions to have more influence on national policymaking. Nine in ten want easier access to EU funds. Four in five think sub-national governments need more influence on EU policy. Seven in ten would welcome EU support in their own policy-making work.

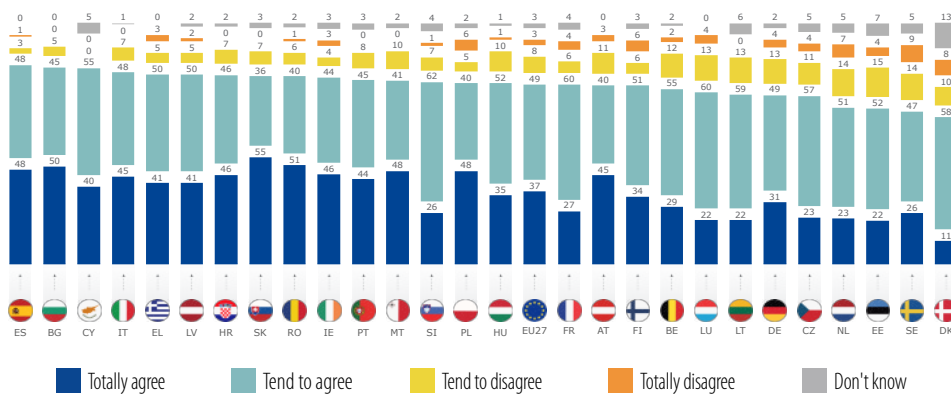
Our vision is for regional and local politicians to be the foundation stones of a house of European Democracy.

See
more



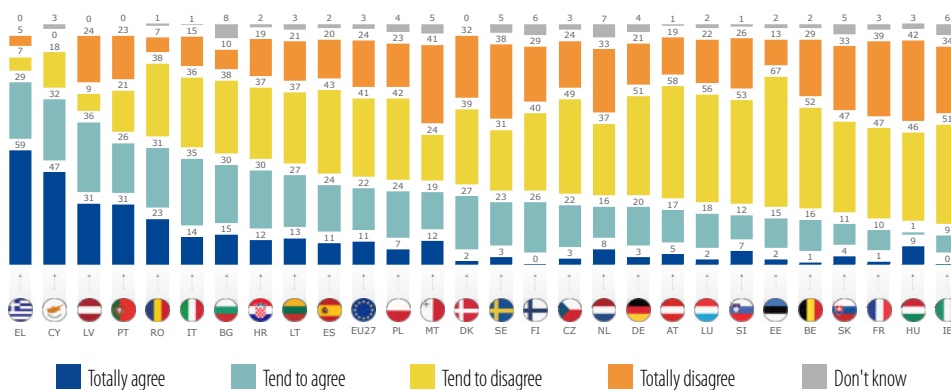
For more examples on regions and cities, see the Flash Eurobarometer – CoR-IPSOS Survey 2021

Do you agree that the involvement of subnational government levels in EU decision-making should be strengthened?



86% of regional and local politicians think that a greater involvement of subnational government levels would make democracy in the European Union work better

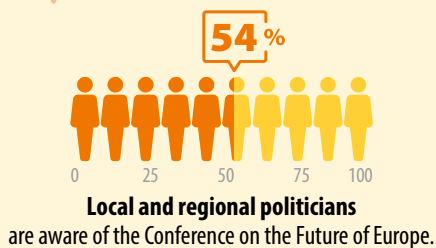
Do you agree that regions, cities and villages have enough influence on the future of the EU?



65% of regional and local politicians think that regions, cities and villages do not have enough influence on the future of the European Union



Results of the survey



Source: IPSOS



Key fact

75% of regional and local politicians think that elements of participatory democracy - such as citizens' assemblies or panels - would make democracy in the European Union work better

90% also agree that better information on democratic systems at EU, national, and subnational level is needed

Listen to the voices of sub-national governments in the Conference on the Future of Europe.

Call
to action





**European Committee
of the Regions**





The European Committee of the Regions (CoR) is the EU's political assembly of 329 regional and local representatives from all 27 Member States. Our members are elected presidents of regions, regional councillors, mayors and local councillors - democratically accountable to more than 446 million European citizens. The CoR's main objectives are to involve regional and local authorities and the communities they represent in the EU's decision-making process and to inform them about EU policies. The European Commission, the European Parliament and the Council have to consult the Committee in policy areas affecting regions and cities. It can appeal to the Court of Justice of the European Union as a means of upholding EU law where there are breaches to the subsidiarity principle or failures to respect regional or local authorities.

October 2021 – CdR_4517

© European Union, 2021

Rue Belliard/Belliardstraat 101 | 1040 Bruxelles/Brussel | BELGIQUE/BELGIË

Tel. +32 22822211 | e-mail: PublicationsCdR@cor.europa.eu | www.cor.europa.eu

 @EU_CoR |  /european.committee.of.the.regions |  /european-committee-of-the-regions |  @EU_regions_cities

