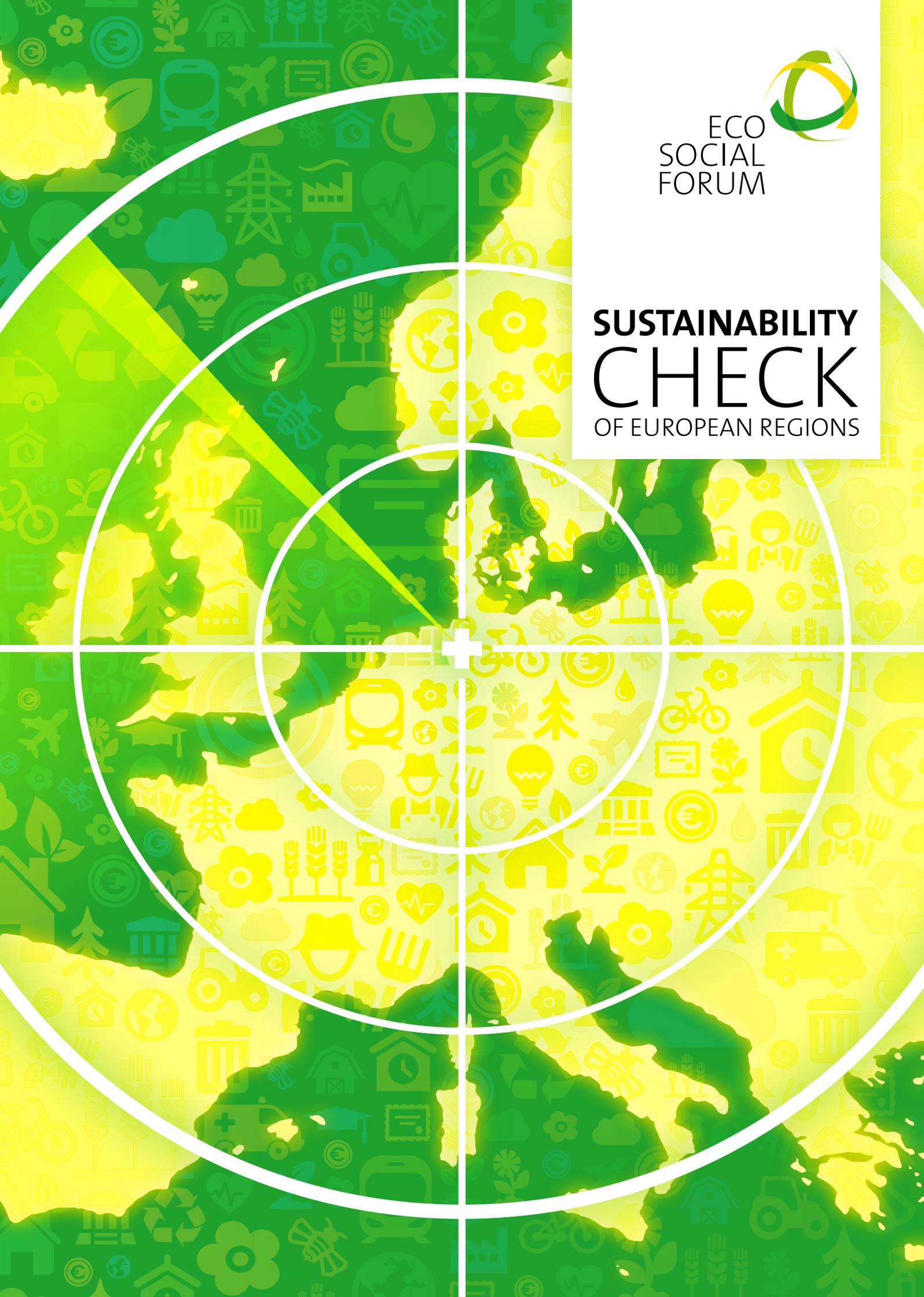




ECO
SOCIAL
FORUM

**SUSTAINABILITY
CHECK**
OF EUROPEAN REGIONS



Sustainability Check of European Regions

We frequently find rankings of the EU member states. But how do European regions perform in comparison? The Ecosocial Forum has carefully examined Europe's regions and subjected them to a sustainability check with regard to economy, environment and social affairs. Where do the strengths of the regions lie, where do they need to catch up?

This check is a measurement tool to further develop the Ecosocial Market Economy programme and to review progress of its implementation. The central objective of the Ecosocial Market Economy is to attain economic, social and environmental sustainability. On the basis of the guiding principle "quality of life for everyone – today and tomorrow" ten fields of action were defined in the Ecosocial Market Economy programme. The Ecosocial Forum proposes concrete measures in the programme which should help in achieving qualitative growth with minimal resource use and improving our quality of life.

Until now there has been no measurement tool which can check the success of the proposed measures. With this sustainability check improvements in each area can now be reviewed. To this end the Ecosocial Forum and the Sustainable Europe Research Institute (SERI) developed an index based on a set of indicators which comprises the most important fields of action of the Ecosocial Market Economy.

In contrast to other comparable studies, the Sustainability Check distinguishes itself in its focus on the regional level. The regions correspond to NUTS level II. In total 344 regions in 34 countries were included in the study.

The overall index is divided into the three dimensions of economy, social affairs and environment – corresponding to the most important fields of action of the Ecosocial Market Economy. The three spheres are then each split into four topics. Each topic has the same weighting. The European average is the benchmark in the calculations, which is set at a value of 100.

Ecosocial Forum – from think-tank to do-tank

Every good idea requires a platform. The Ecosocial Forum is a think-tank for the idea of the Ecosocial Market Economy, which works for its political implementation regardless of political party boundaries. A think-tank is a thought factory which drafts concepts on a scientific basis, delivers answers to current socio-political and economic policy issues and then puts them on the agenda of decision-makers.

The Ecosocial Forum goes one step further. It is not only active as a thought factory but also as an implementation factory, in other words a do-tank. A do-tank actively accompanies future relevant changes.

For further information go to www.eco-social.eu

Ecosocial Market Economy – Better Quality of Life for Everyone

A better quality of life for everyone. Today and tomorrow. This is the goal of the Ecosocial Market Economy. It is a question of striking a balance between the environment, social needs and the economy. We are still a long way off such a balance. We are living at the expense of the next generations, or in other words: we are paying with the credit card of our children and grandchildren. Whether it is a question of the financial crisis with its economic and social outcomes or of climate – our way of living is not acceptable for our grandchildren. The market economy has brought us prosperity. It can do a lot, but not everything. It can and should improve the economy's capability to create value and promote innovative entrepreneurship. But the market requires clear rules to ensure fair play.

Ecosocial economic activity means responsible economic activity. In concrete terms it is a question of replacing fossil energy step by step with renewable energy, strengthening individual responsibility and entrepreneurship, making the taxation system reward success more and take the environment into account, creating fair conditions for international investments, developing public transport, promoting forward-looking research activity and much more. The criterion and benchmark for each decision is its suitability for our grandchildren.

The Ecosocial Market Economy is built on three pillars:

- an effective, innovative market economy
- social justice and
- environmental responsibility

A flourishing economy is the premise for prosperity, social balance is necessary for social consensus and environmental sustainability for the survival of civilization per se.

Overall Index Results

The overall index reveals a distinct north-south and west-east divide. Scandinavian countries boast the most regions with the highest scores. They are followed by the countries of Central Europe – including Austria and Germany – and Great Britain with the vast majority of regions above the European average. The countries of Eastern Europe as well as the southern European countries tend to perform worse.

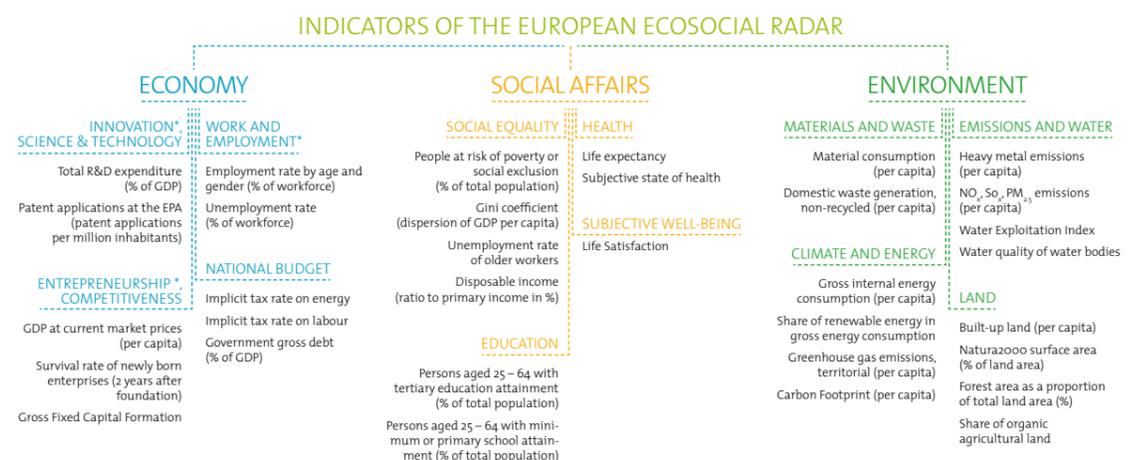
Clearly at the top of the ranking is the region Stockholm. Stockholm narrowly fails to achieve the highest score only in the subsection environment. Overall Sweden is the country with the highest average performance with five out of a total of eight regions in the top 10. The region Oslo ranks second. Norway's main region has a higher score than Stockholm in both of the subsections economy and social affairs, only in the area of environment does it show clear deficits in comparison to the other two areas. Alongside Scandinavian countries, just regions in Great Britain achieve rankings in the top ten. The most successful region in Great Britain is Cheshire. The very good scores in the subsector economy, in particular, explain the excellent results of the British regions.

The Austrian regions are relatively close together. The differences between the regions are clearly smaller than in Austria's neighbouring countries of similar size such as Hungary, the Czech Republic or Slovakia. Also in Germany the differences are surprisingly small given the size of the country.

Some countries such as Luxembourg, Denmark or the Netherlands are double high scorers in the area of economy and social affairs. On the other hand only a very few of the high scorers in the subsector economy and social affairs also score highly in the area of environment. Sweden, Switzerland and Austria boast high scores in all categories and are therefore the leading double high scorers in European comparison.

A strong correlation in the areas of economy and social affairs can be identified. The environment sphere does not show any significant correlations with the areas of economy and social affairs.

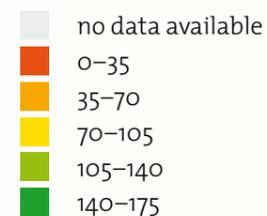
Thematic areas and indicators of the European Ecosocial Radar



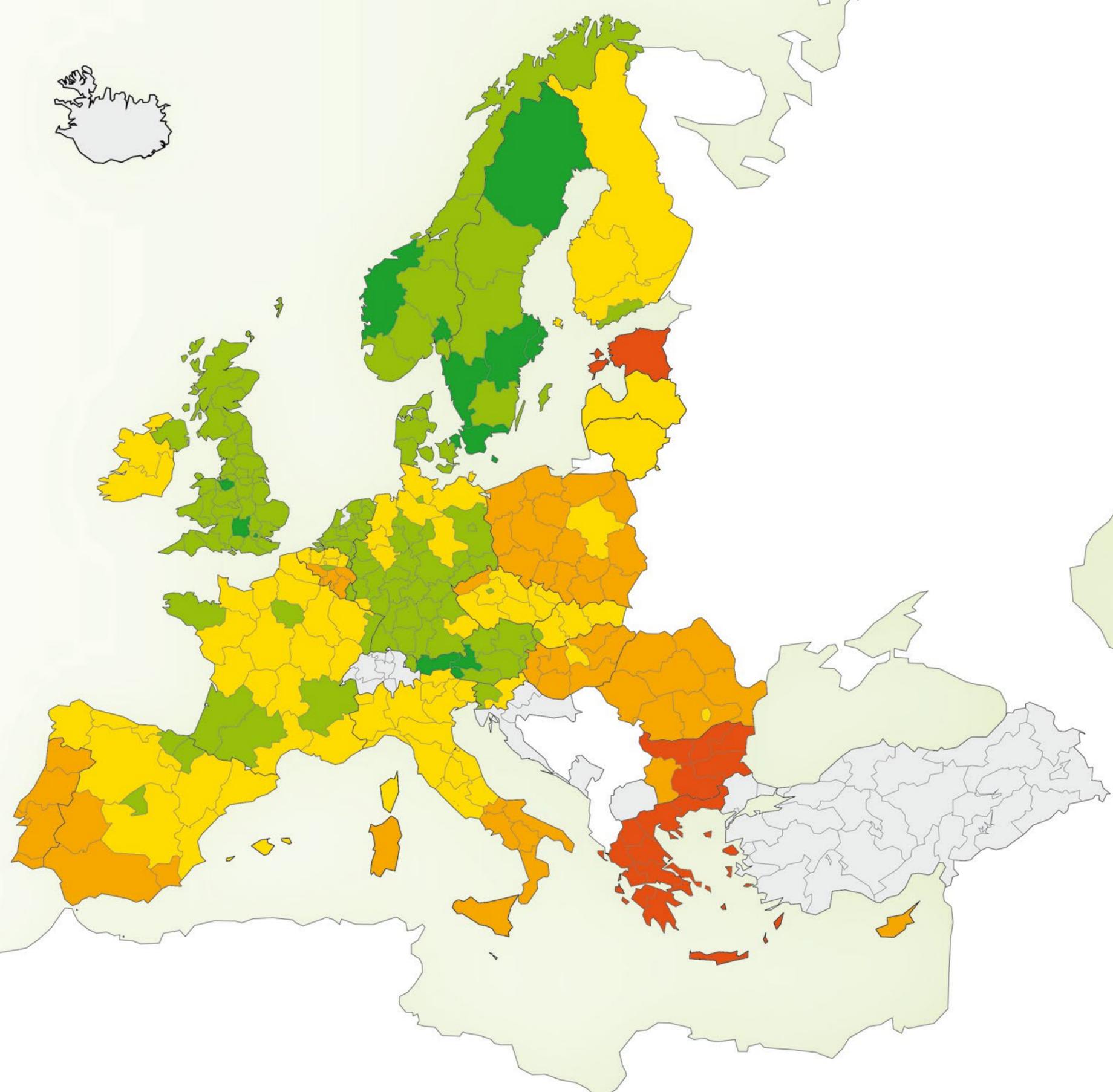
*) Key areas, which are explicitly referred to in the "Ecosocial market economy" concept

Ecosocial European Radar

Aggregated score of all indicators in the Radar



Median of all regions = 100



Top 5 regions

1. Stockholm (Sweden)
2. Oslo og Akershus (Norway)
3. Västsverige (Sweden)
4. Sydsverige (Sweden)
5. Cheshire (United Kingdom)



Economy

The subsector economy comprises four thematic blocks, which together enable a comprehensive assessment of the economic performance of a region. These four categories are (1) innovation, science and technology, (2) entrepreneurship and competitiveness, (3) work and employment and (4) national budget. Each of these categories is made up of several judiciously chosen indicators, such as human resources in science and technology or the survival rate of newly born enterprises, for example.

From the economic perspective the Scandinavian countries have the most regions achieving the highest scores. Sweden and Norway are in this respect the outstanding countries.

Just like the overall index, the subsector economy also reveals a north-south and west-east divide. The Scandinavian countries have the most regions with maximum scores. With six out of seven regions in the highest scoring group, Norway is the outstanding country. Countries from West to Central Europe (especially the Netherlands, Germany and Austria) as well as Great Britain follow behind the Scandinavian countries. In Germany the difference between the former GDR area and West Germany is more clearly visible here than in the overall index.

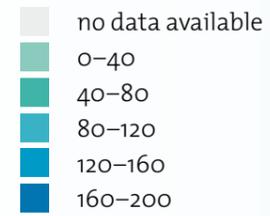
The decline in economic performance from west to east and from north to south is clearly discernible. The new EU Member States consistently show significant deficiencies in their economic structures.

The analysis of variation in the economy subsector scores reveals that there are extreme differences in economic performance between the regions. The

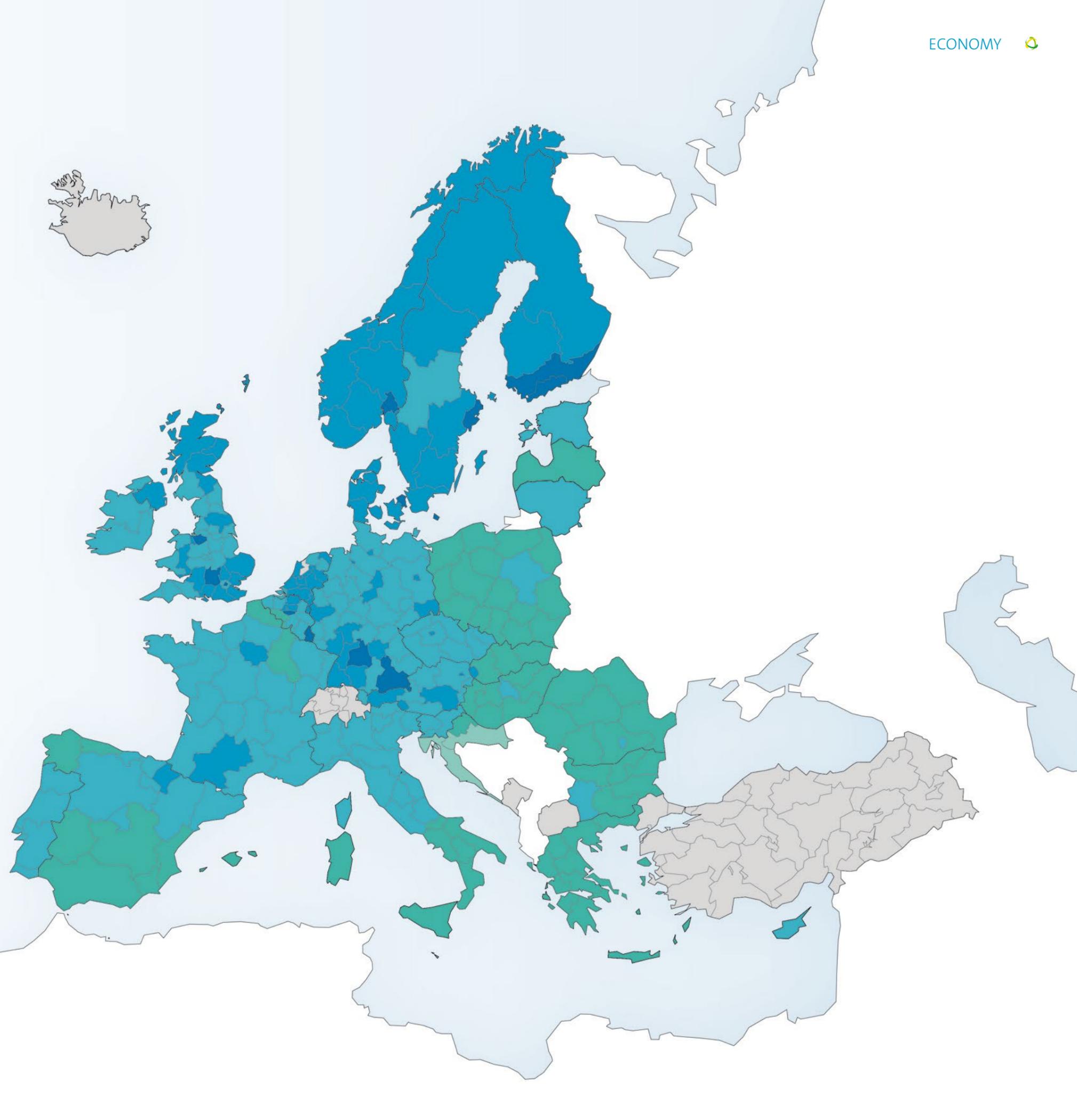
differences identified in the overall index are surpassed several times over. In Great Britain, France, Spain, in particular, but also in Belgium the disparities between the regions are extremely high. Economic performance, however, even varies in the Scandinavian countries, albeit at a very high level.

Economy Radar

Aggregated score of all indicators in the Radar



Median of all regions = 100

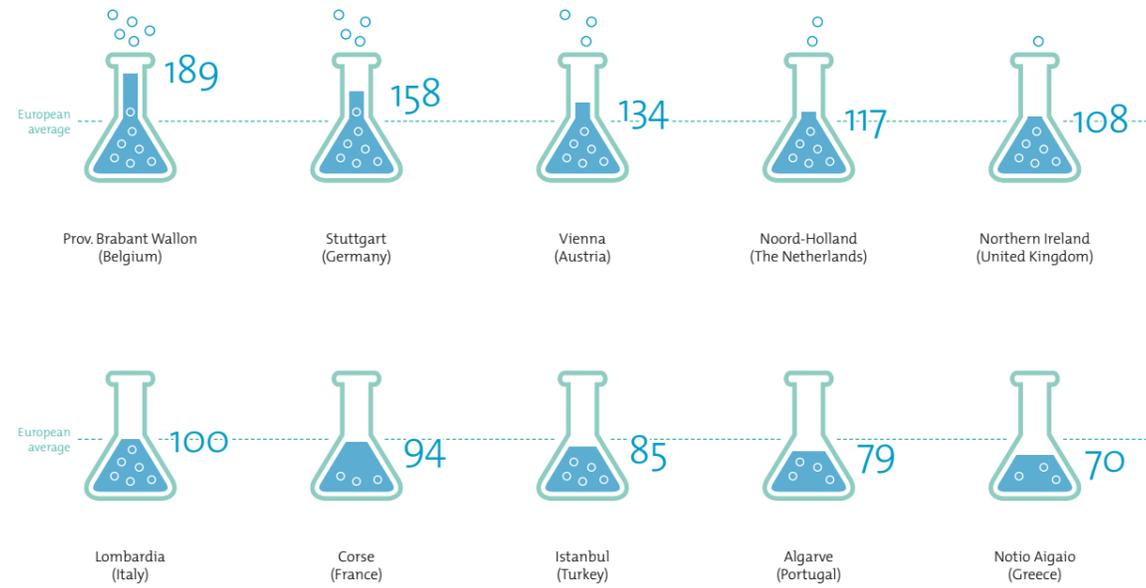


Top 5 regions

1. Oslo og Akershus (Norway)
2. Hovedstaden (Denmark)
3. Cheshire (United Kingdom)
4. Inner London (United Kingdom)
5. Luxemburg (Luxemburg) / Stockholm (Sweden)

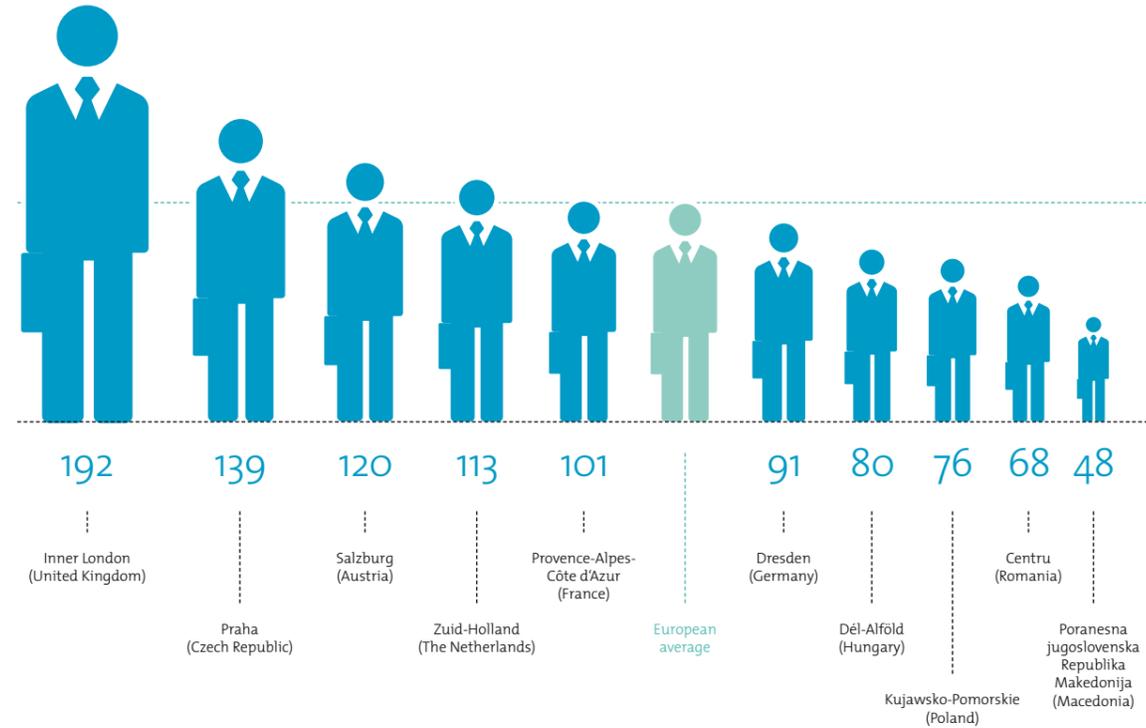
Innovation, Science and Technology

Aggregated score of all indicators within the theme
(European median = 100)



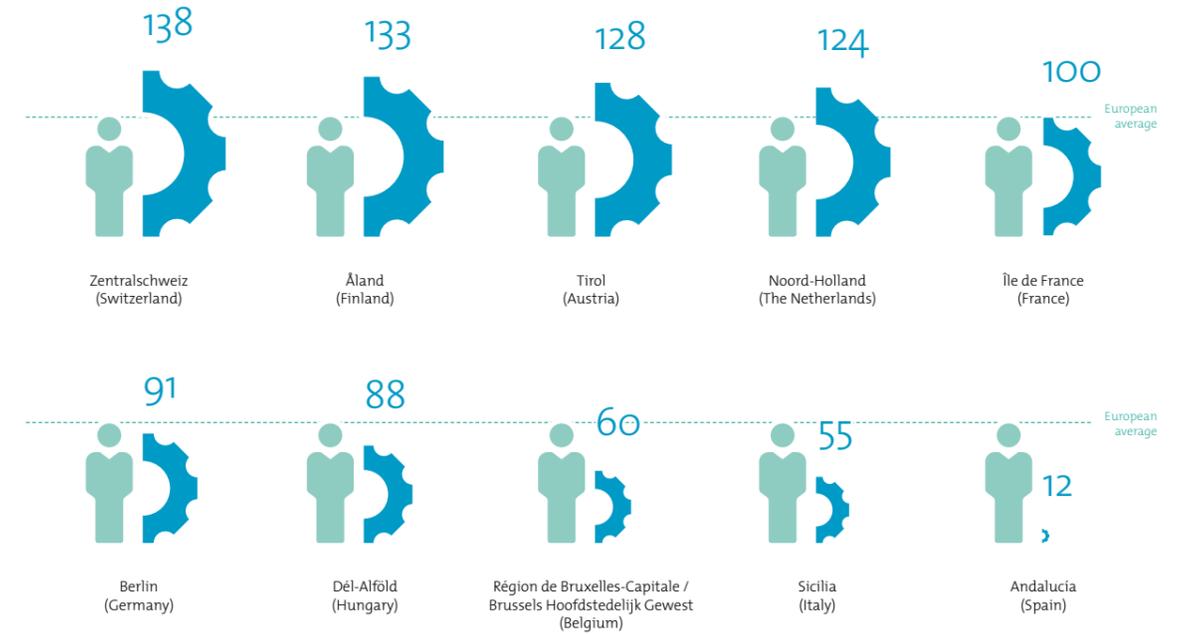
Entrepreneurship, Competitiveness

Aggregated score of all indicators within the theme
(European median = 100)



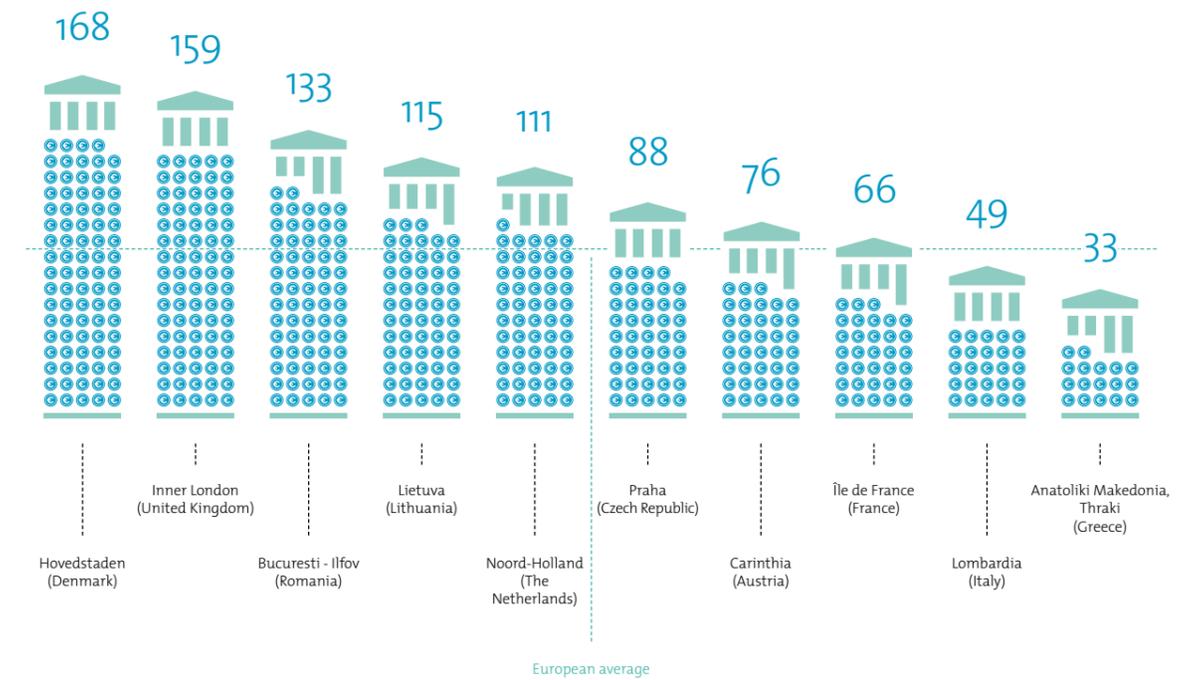
Work and Employment

Aggregated score of all indicators within the theme
(European median = 100)



National Budget

Aggregated score of all indicators within the theme
(European median = 100)





Social Affairs

The subsector social affairs likewise comprises four thematic blocks. The four thematic blocks are (1) social equality, (2) education, (3) health and (4) subjective well-being. Each of these thematic blocks consists of several indicators such as people at risk of poverty or social exclusion or life expectancy at birth, for example.

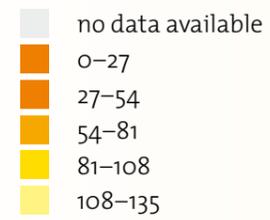
Just as in the overall index and in the subsector economy, the regions in the north and west of Europe clearly differ from those in the South and East in the subsector social affairs. Alongside the Scandinavian countries, which together with Iceland and Switzerland boast the most regions with the highest scores in this subsector, the regions in the whole west European region as well as the western part of Central Europe exhibit a high level in the social sphere. Norway has with its region Oslo, the region with the highest ranking in this field. The region Zurich in Switzerland achieves the same score as Oslo, closely followed by the region Stockholm in Sweden.

Austria is above average and exhibits a good social performance. However, no Austrian region is found among the best scoring group. Salzburg leads the Austrian ranking.

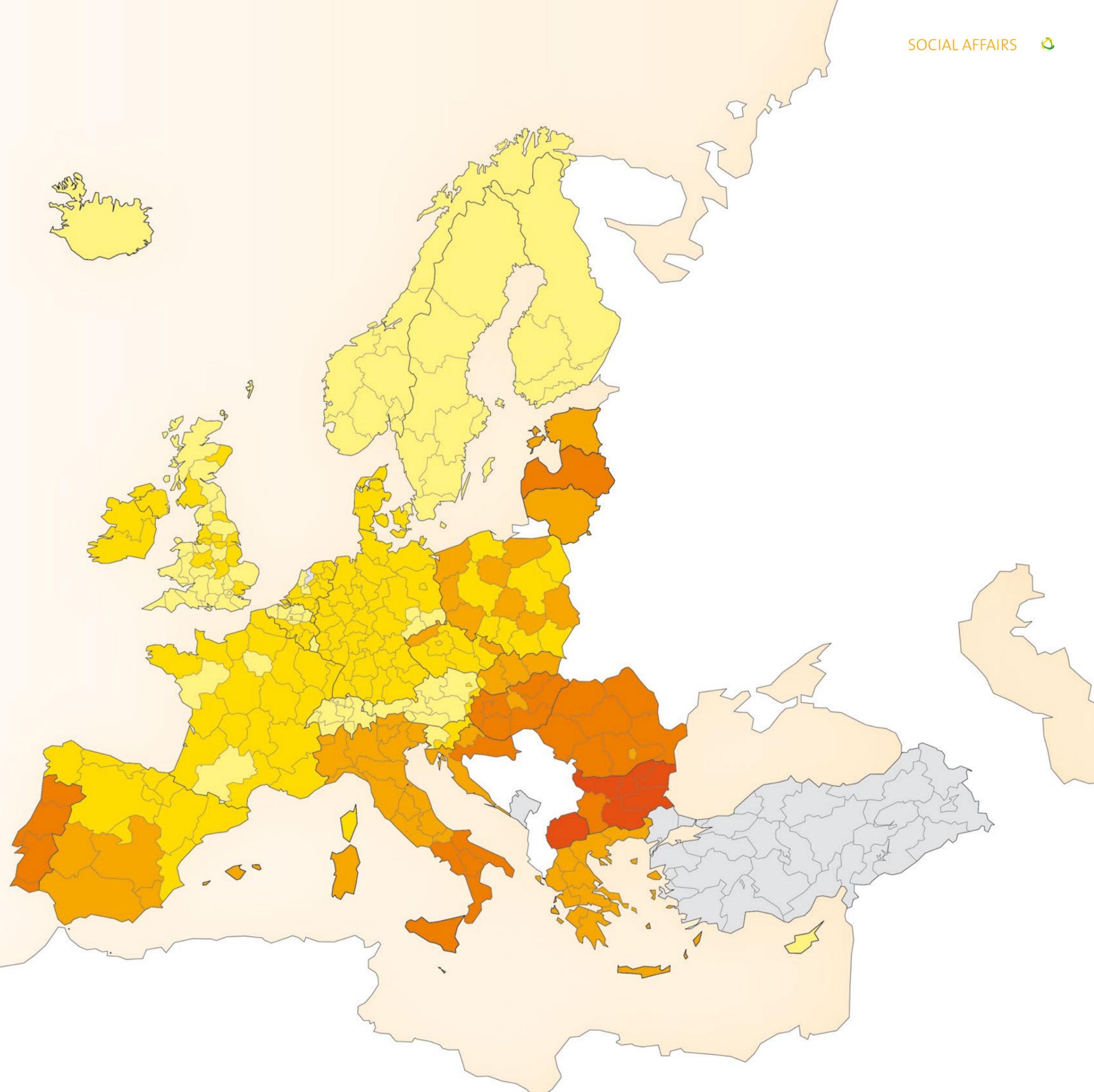
In comparison to the overall index and to the subsector economy, there are not such extreme disparities within the countries. The most significant disparities exist in the large EU countries of France, the Czech Republic, Spain, Italy and Romania. Spain is the country with the largest differences. With regard to the distribution of the results, Austria exhibits a relatively homogeneous picture with, however, one negative outlier: Vienna.

Social Affairs Radar

Aggregated score of all indicators in the Radar



Median of all regions = 100

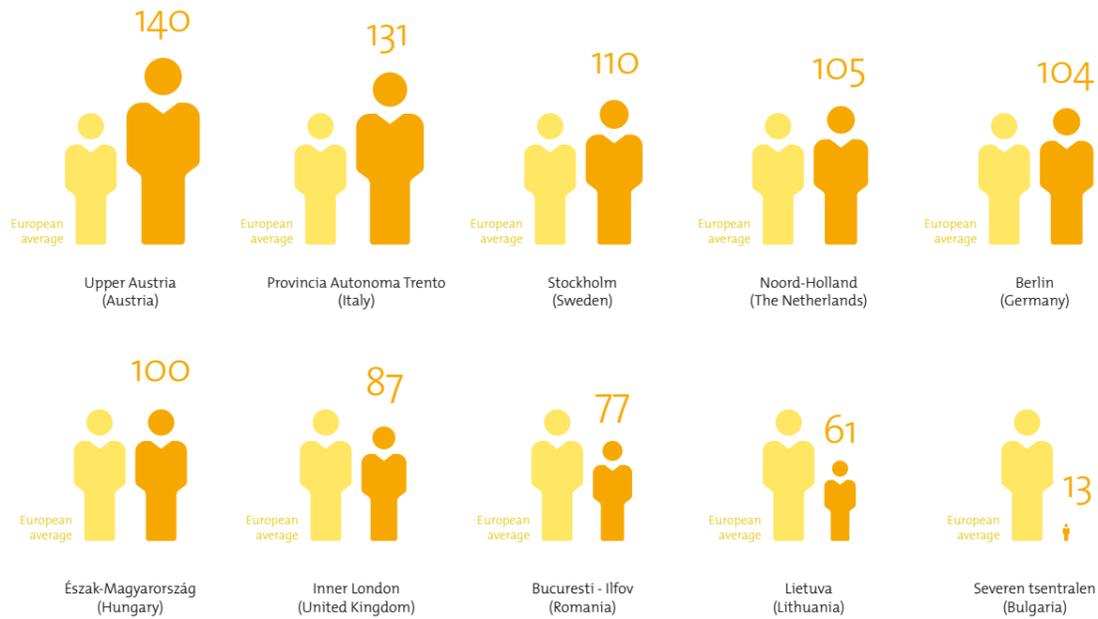


Top 5 regions

1. Oslo og Akershus (Norway) / Zürich (Switzerland)
3. Stockholm (Sweden) / Ísland (Iceland)
5. Helsinki-Uusimaa (Finland)

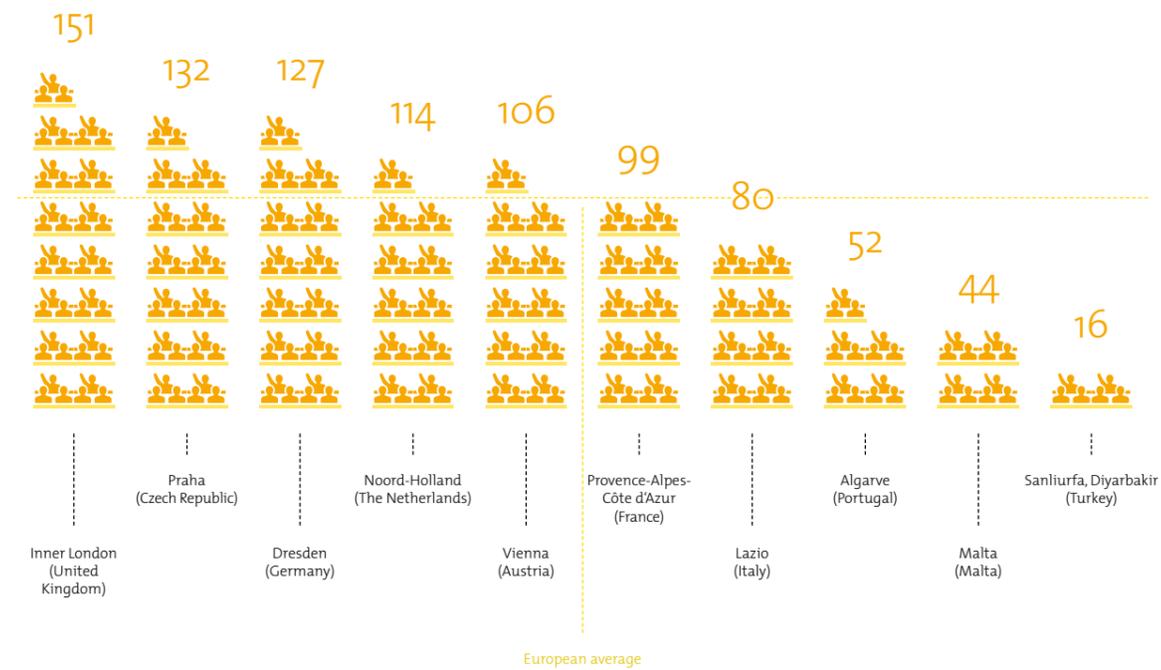
Social Equality

Aggregated score of all indicators within the theme
(European median = 100)



Education

Aggregated score of all indicators within the theme
(European median = 100)



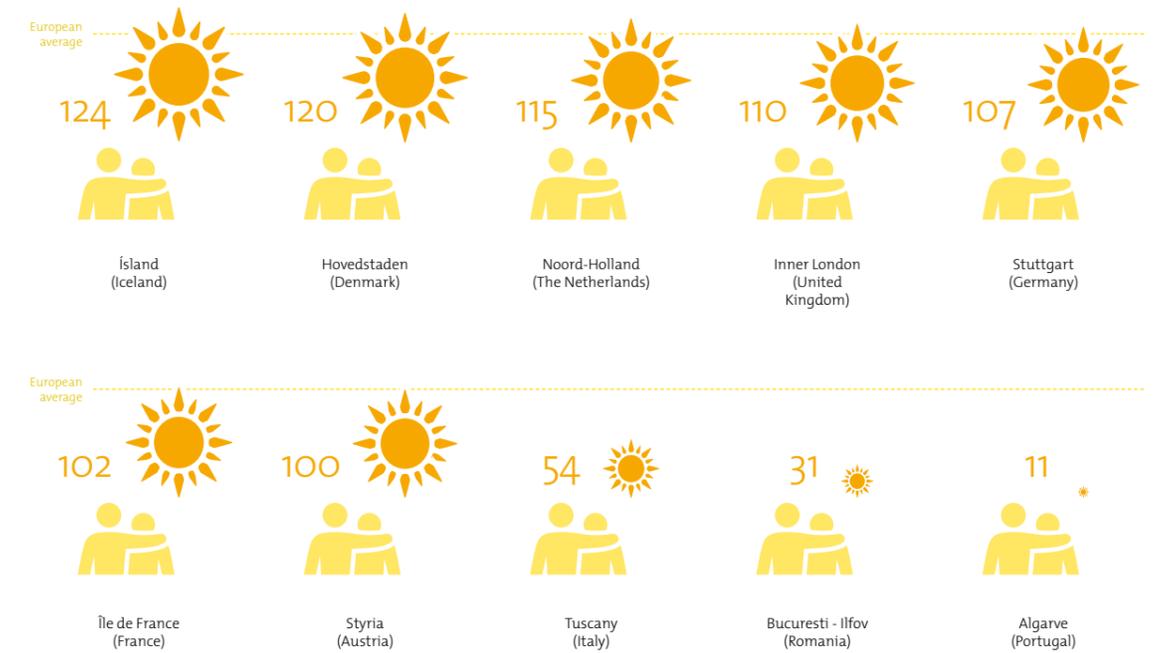
Health

Aggregated score of all indicators within the theme
(European median = 100)



Subjective Well-being

Aggregated score of all indicators within the theme
(European median = 100)





Environment

The subsector environment also comprises four parts: (1) materials and waste, (2) climate and energy, (3) emissions and water, and (4) land. Each of these areas encompasses several indicators such as material consumption per capita or water quality, for example.

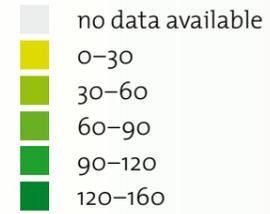
In the subsection environment a north-south and west-east divide between the regions and countries cannot be observed. Remarkable to observe is a relatively high level in the area of environment especially in Central Europe. Solely two countries – Malta and Latvia – made it into the highest scoring group. Since its EU accession Malta has undertaken substantial efforts in the area of environment and could make significant improvements for the island. Latvia, second in the ranking, stands out above all for its large untouched natural and forest areas.

In contrast to the other indicators the Scandinavian countries do not perform as well in these indicators. Sweden is the positive exception. Austria performs very well. Six of the European top 10 regions in the area of environment come from Austria.

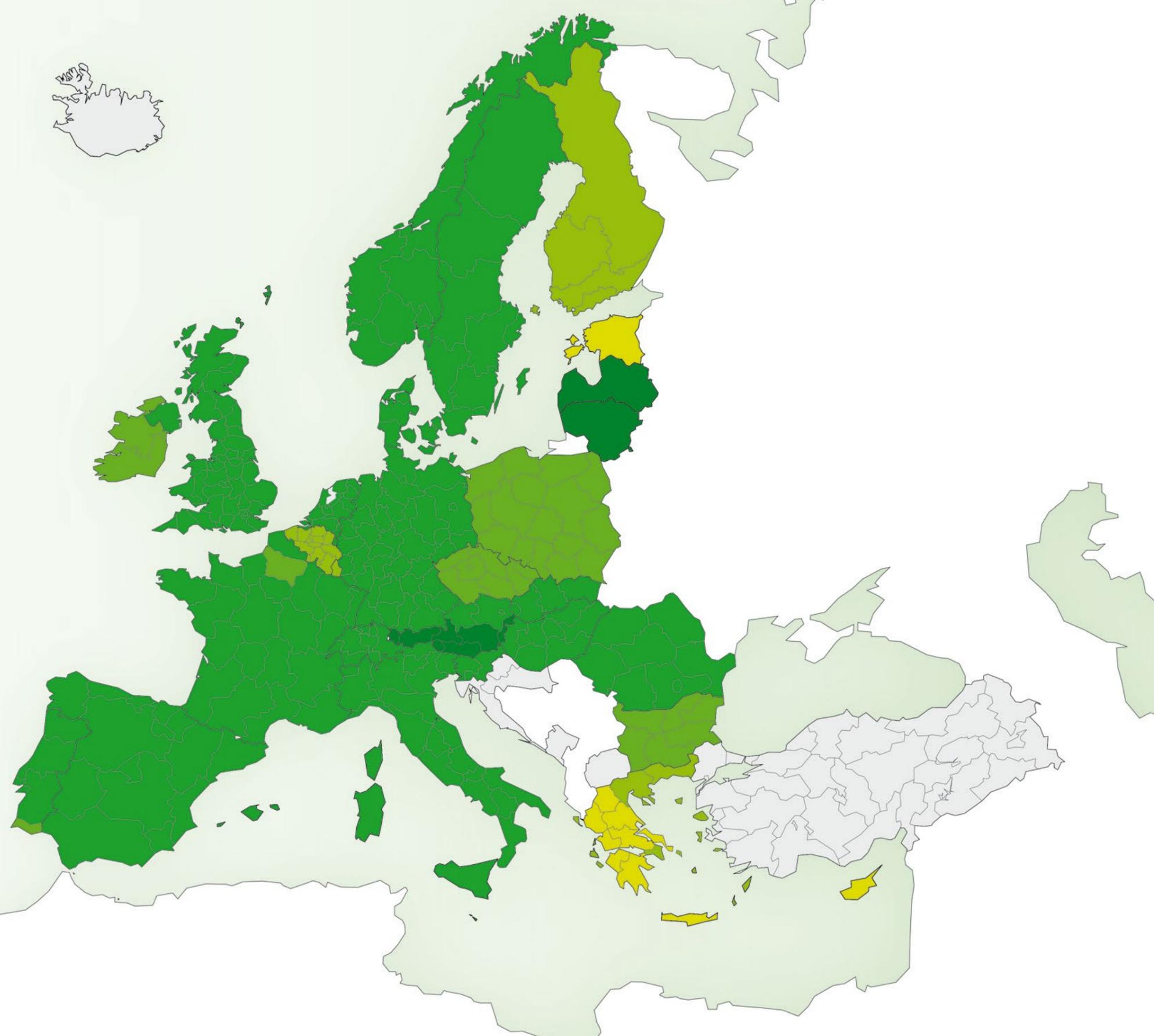
The subsector environment exhibits the lowest unequal distribution within the countries. Alongside Denmark, France, Poland and Austria have the highest unequal distributions.

Environment Radar

Aggregated score of all indicators in the Radar



Median of all regions = 100

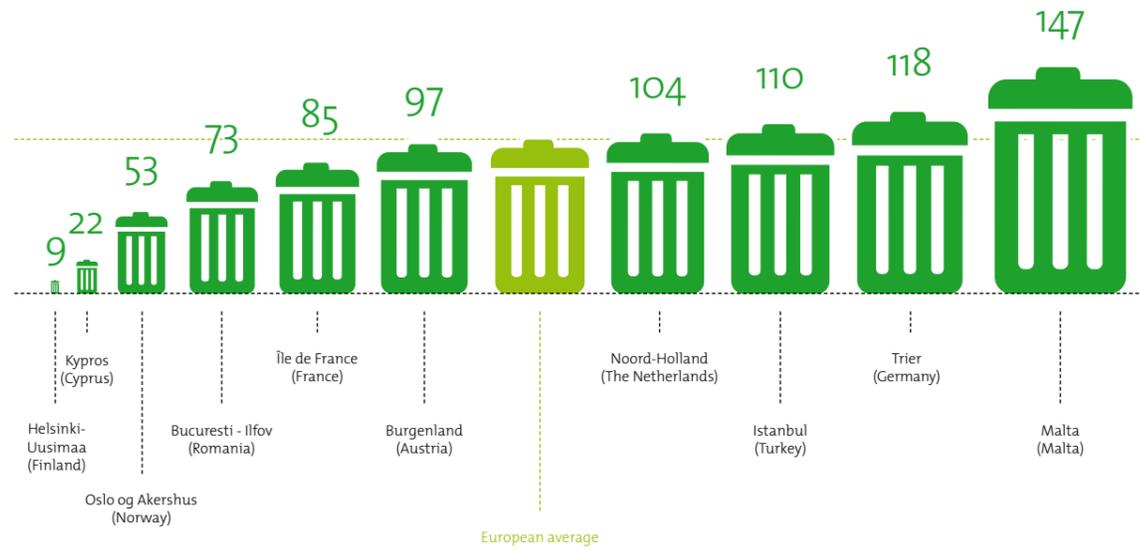


Top 5 regions

1. Malta (Malta)
2. Latvija (Latvia)
3. Vorarlberg (Austria) / Salzburg (Austria)
5. Tirol (Austria)

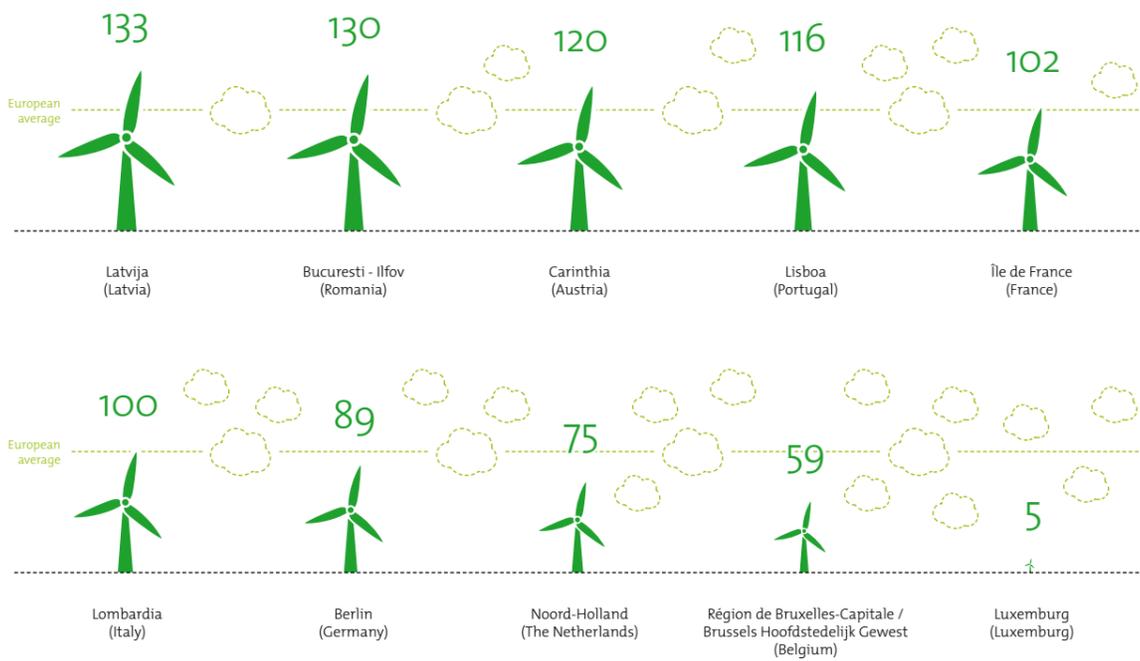
Materials and Waste

Aggregated score of all indicators within the theme
(European median = 100)



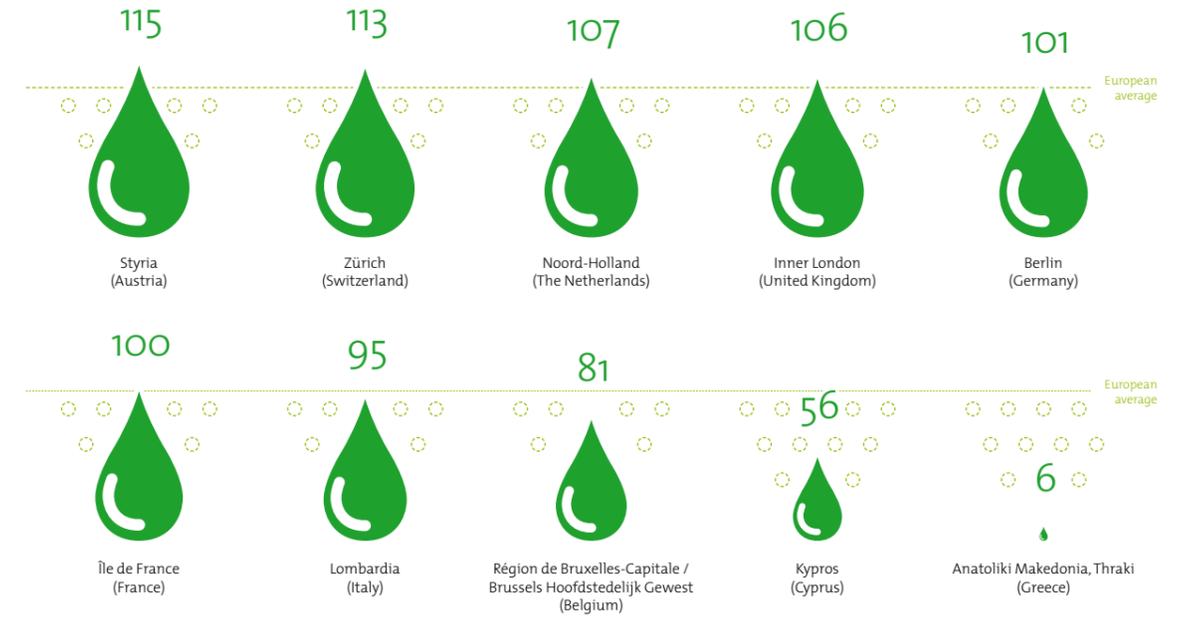
Climate and Energy

Aggregated score of all indicators within the theme
(European median = 100)



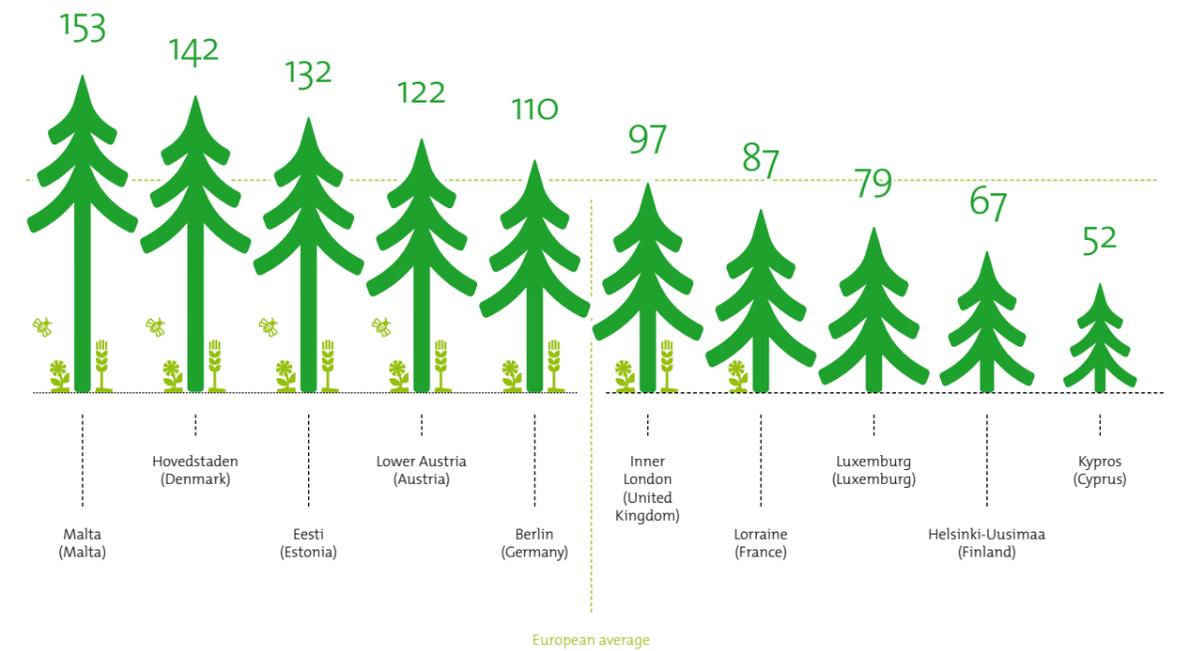
Emissions and Water

Aggregated score of all indicators within the theme
(European median = 100)



Land

Aggregated score of all indicators within the theme
(European median = 100)



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