

# AGENDA

## Peer-to-peer knowledge exchange event

*Adapting governance, finance,  
services and infrastructure  
smartly in shrinking regions*

15 December 2023

9:30-17:30 (CET)

 OECD Headquarters (Paris)

## ■ About the project

The OECD initiated the project “Shrinking Smartly and Sustainably: Preparing Regions for Demographic Change”, financed by the European Commission (DG REGIO), in February 2023. This project aims at producing a framework and associated guidelines to manage demographic change in regions experiencing strong and sustained population decline. It comprises two main pillars:

1. The **analytical pillar** uses internationally comparable data and complementary sources for selected countries to disentangle the drivers of demographic change and produce indicators relevant to regions facing population decline. It uses new and updated data on demographics, land-use, built environment, housing, infrastructure and fiscal data to analyse population shrinkage. The pillar will propose:
  - internationally comparable indicators relevant for shrinking regions:
    - on demographic scenarios and their consequences;
    - on land use, infrastructure, housing density/quality, and environment;
    - and on multi-level governance, public finances, and service delivery and infrastructure.
  - and a technical paper on demographic scenarios.
2. The **policy pillar** explores the relationship between depopulation, ageing, multi-level governance structures and finance, including for service delivery and infrastructure. Looking at policy options available at the national and regional levels, mainly adaptation measures, but also mitigation, the policy pillar will propose:
  - a **working paper** proposing a policy framework to address demographic change;
  - a **compendium of good policy practices** to manage population decline;
  - a set of **guidelines** for the multi-level governance of demographic change;
  - three **peer-to-peer knowledge-exchange dialogues** – bringing together policy practitioners from a variety of OECD member states and providing a wealth of different experiences that will feed the project’s deliverables – on:
    - adapting governance, finance, services and infrastructure smartly in shrinking regions (15 December 2023);
    - shrinking small cities (2024);
    - and spatial planning, land use, infrastructure, and housing (2024).

In addition, the project combines cross-country and case-study evidence, in particular through **three country case studies**:

- Shrinking small cities, in **Portugal**
- Land use planning, built-up growth, and housing, in **South Korea**
- Multi-level governance and finance – with a focus on service delivery and infrastructure – in **Finland**.

A Consultation Group made up of experts and academics reflecting the various policy areas of the project is supporting the OECD throughout the project.

Finally, all the deliverables of this project will be summarised in a comprehensive synthesis report to be published at the end of the project.

# AGENDA

9:00-9:30		<i>Welcome coffee</i>
9:30-9:45		<b>Welcome and Opening Remarks</b> <ul style="list-style-type: none"><li>▪ OECD</li><li>▪ European Commission</li></ul>
9:45-11:00	<b>OPENING SESSION</b>	<b>Setting-the-scene presentation</b> delivered by the <b>OECD</b> <b>Round-table: Discussions on the implications of shrinking for multi-level governance, subnational finance, and service and infrastructure delivery,</b> moderated by the OECD <b>Speakers:</b> <ul style="list-style-type: none"><li>▪ <b>Dr. Josefina Syssner</b>, Professor of Human Geography, Linköping University</li><li>▪ <b>Dr. Vlad Mykhnenko</b>, Associate Professor of Sustainable Urban Development at the University of Oxford and Research Fellow at St. Peter's College, Oxford.</li><li>▪ <b>Dr. Petri Kahila</b>, Adjunct Professor at the University of Eastern Finland and Research Director at the Karelian Institute.</li></ul> <b>Q&amp;A discussion</b> moderated by OECD
11:00-11:30		<i>Coffee Break</i>
11:30-12:45	<b>SESSION 1</b>	<b>Enhancing multi-level governance for regional resilience to demographic change</b> <p>As populations shrink, existing institutional structures may no longer align with the demographic realities on the ground, leading to inefficiencies in resource allocation, policy implementation, and decision-making. The number of elected representatives and public staff may also diminish, affecting local leadership and stakeholder participation. In addition to a decrease in human resources, demographic change may render existing institutional and territorial structures obsolete. Addressing these issues is essential not only for effective governance but also for ensuring the continued prosperity and resilience of regions facing demographic challenges.</p> <p>The session will examine the impact of demographic decline on multi-level governance and explore various policy options available to address these challenges. Topics of discussion will include co-ordination mechanisms among government levels, territorial and decentralisation reforms, participatory models of local democracy, and broader stakeholder collaboration fora.</p> <b>Policy case studies</b> moderated by OECD <b>Speakers:</b> <ul style="list-style-type: none"><li>▪ Ms. Luisa María García, Technician, General Director of Budgets and European Funds, Castilla-y-León, <b>Spain</b></li><li>▪ Mr János Ádám Karácsony, Rapporteur on Demography, Committee of the Regions, <b>European Union</b></li><li>▪ Ms. Ina Kathrine Ruud, Specialist Director, Department of Local Government, Ministry of Local Government and Regional Development, <b>Norway</b></li><li>▪ Ms. Sabrina Lucatelli, Senior Expert on Regional Policy and Director of Riabitare</li></ul>

l'Italia, Italy

**Q&A discussion**

**Key takeaways and summary** by **Dr. Josefina Syssner**

12:45-14:15

*Lunch Break*

14:15-15:30

**SESSION 2**

**Fiscal resilience in the face of demographic change: sustaining subnational finances**

Demographic changes, including a shrinking working-age population and higher proportion of elderly people, place considerable strain on public finances. This often leads to a challenging 'scissors effect,' with declining revenues and relatively stable or even rising per-capita expenditures. Subnational governments, especially in decentralised systems, may face declining transfers and diminished revenue sources from various taxes and user charges. Access to borrowing may be also particularly difficult. The financial challenges may result in deficits and expenditure cuts, impacting the long-term stability of public finances, service delivery and infrastructure maintenance.

This session will delve into the financial implications of demographic shrinkage and explore policy options to maintain fiscal stability and sustainability in depopulating regions. These will include reforming fiscal frameworks, reconfiguring inter-governmental transfers and equalisation mechanisms, broadening revenue sources, introducing innovative tax models, and adjusting fiscal regulations.

**Policy case studies** moderated by OECD

**Speakers:**

- Mr. Jesus Ramón Asensio Echegoyen, Director, Regional Office of Castilla-La Mancha to the European Union, **Spain**
- Dr. Carsten Colombier, Economic Adviser, Federal Department of Finance, **Switzerland** (online)
- Ms. Emelie Värja, Head Secretary, Parliamentary Inquiry on Sweden's Equalisation System, **Sweden**
- Mr. Matthieu Collette, Vice-President and Senior Analyst, **Moody's Investors Service**

**Q&A discussion**

**Key takeaways and summary** by **Dr. Vlad Mykhnenko**

15:30-16:00

*Coffee Break*

16:00-17:15

**SESSION 3**

**Navigating service and infrastructure delivery in shrinking regions: challenges and policy solutions**

Shrinking regions across the OECD often suffer from public service cutbacks, underinvestment in new infrastructure, and increasing maintenance costs, which creates significant long-term challenges. They often face the difficult decision of closing vital public services and facilities, resulting in domino effects on private services and community cohesion. Infrastructure neglect may also lead to deteriorating roads and buildings, compromising safety and quality of life. These challenges deter private investment, limit economic opportunities, and trigger a vicious cycle of population decline that becomes increasingly difficult to escape.

The session will include a discussion on the impact of shrinkage on access to and the quality of service and infrastructure delivery, and will explore policy options to ensure

their provision. These will encompass redeploying underutilised infrastructure, harnessing the potential of digitalisation for service optimisation, implementing demand management solutions, and fostering inter-municipal co-operative arrangements.

**Policy case studies** moderated by OECD

**Speakers:**

- Ms. Angelique van Wingerden, Province of Groningen, **Netherlands**
- Ms. Elin Cedergren, Research Fellow, **Nordregio**
- Ms. Elisa Muzzini, Senior Technical Advisor, **Council of Europe Development Bank**
- Ms. Anjariitta Carlson, Päijät-Häme county, **Finland** (online)
- Mr. Romain Briot, *Intercommunalités de France*, **France** (TBC)

**Q&A discussion**

**Key takeaways and summary** by **Dr. Petri Kahila**

17:15-17:30

**CLOSING  
SESSION**

**Conclusions and Way Forward**

- **European Commission**
- **OECD**

## ▪ Participants

The conference is hybrid. The link to follow the webinar is the following:

<https://meetoe.cd1.zoom.us/meeting/register/JUodumggDsrHtKtIEsn7JVkclBuT8ZLWzcH>

## ▪ Meeting information

The meeting will be held in **Room CC20** of the OECD Conference centre. The entrance is located at: 2, rue André Pascal – 75016 Paris. More information available here: [www.oecd.org/conference-centre/](http://www.oecd.org/conference-centre/)

### Public transport:

Metro/RER

- Line 9, La Muette station (9 minutes by foot)
- RER C, Avenue Henri Martin (7 minutes by foot) or Boulainvilliers station (11 minutes by foot)

Bus routes 22, 32, 52, 63, PC1 Stations

- La Muette-Boulainvilliers • Octave feuillet • Porte de La Muette

More information at: [https://www.oecd.org/site/conferencecentre/Get\\_to\\_OECD\\_Muette.pdf](https://www.oecd.org/site/conferencecentre/Get_to_OECD_Muette.pdf)

**Hotels close to OECD:** <https://www.oecd.org/conference-centre/planyourtrip/hotels-close-to-oecd.htm>

## ▪ Badge and security

Security arrangements are tight around the OECD complex. Participants will need to be registered for the meeting to obtain access to the conference centre (security badge). There is an initial security check outside the Conference Centre where participants must show a QR pass (sent out by email to registered participants and can be in either printed form or on a smart phone) to receive a visitor's badge. There is a second security check inside the OECD. Please bring an ID with you.

You need to plan around 30 minutes to go through the security measures at the entrance. For security reasons, you must wear your visitor's badge at all times.

### Contact

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