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On the Tenth Report on economic, social and territorial cohesion

Chapter 2.3 Regional attractiveness and the right to stay

{COM(2026) 966 final}

Chapter 2.3
Regional attractiveness and the right to stay

2.3.1. Introduction

The population in the 27 current EU Member States has been growing since at least the 1960s (European Commission, 2024d). Until the early 1990s, natural population growth (i.e. births minus deaths) was the main reason for this increase; afterwards net migration (immigrants minus emigrants) contributed more. From 2012, there was a natural decline in the population, but this was offset by net in-migration (more immigrants than emigrants). Projections indicate a population decline starting in 2029.([66]) In 2024, 40 % of people in the EU already lived in a region that lost population over the preceding decade due to natural decline and net out-migration (i.e. more emigrants than immigrants).

Demographic decline poses significant challenges, particularly in rural and peripheral regions. As populations shrink, these areas face a range of interconnected issues that threaten their long-term sustainability (OECD, 2025d). The working-age population shrinks faster than the general population, in particular in rural regions, and this trend is projected to persist ([67]). As fewer people remain in these regions, there is a reduction in the local labour force, often leading to a loss of human capital and associated lower productivity, fewer business opportunities, and a decline in economic activity. This deepens regional inequalities and makes it harder to attract investment and create jobs. At the same time, public services and infrastructure are under strain. With fewer residents, the per capita cost of maintaining essential services such as healthcare, education and transport increases. Rural and shrinking regions often struggle to maintain the financial resources to sustain these services, leading to reduced access to vital services and lower quality of life.

The Letta report highlights demographic challenges in EU regions, which many young people leave for better opportunities, contributing to a cycle of decline, which in turn limits the economic opportunities and increases the risks of poverty and social exclusion.([68]) While the right to move is crucial in the context of the single market, the report argues that mobility should be a real choice rather than a necessity. As such it advocates for the "freedom to stay", promoting policies that help individuals to remain in their communities while addressing demographic challenges, particularly in regions affected by migration.([69]) The Letta report stresses the importance of EU cohesion policy, advocating for targeted measures to support the most affected regions. The 'right to stay' is noted in the 2026 European Semester Spring Package, the Communication for which states that: '*The EU is taking action to tackle key challenges specific to certain territories to ensure the right to stay*'. (European Commission, 2026a) Demographic decline and related challenges - gaps in the availability or accessibility of local public services - are highlighted as major competitiveness and cohesion bottlenecks across a number of Member States and regions. This chapter aims to provide an overview of which EU regions are most affected by net out-migration and most vulnerable in the context of the right to stay based on their attractiveness as a place to live, work or study.([70])

([66]) Eurostat's population projections (Eurostat[proj_25_n]) used here result from the application of a set of assumptions on future fertility, mortality, and migration developments to the official statistics provided by national statistical institutes. The projections should not be considered forecasts but 'what-if' scenarios that indicate how population will change in the future on the basis of these assumptions.

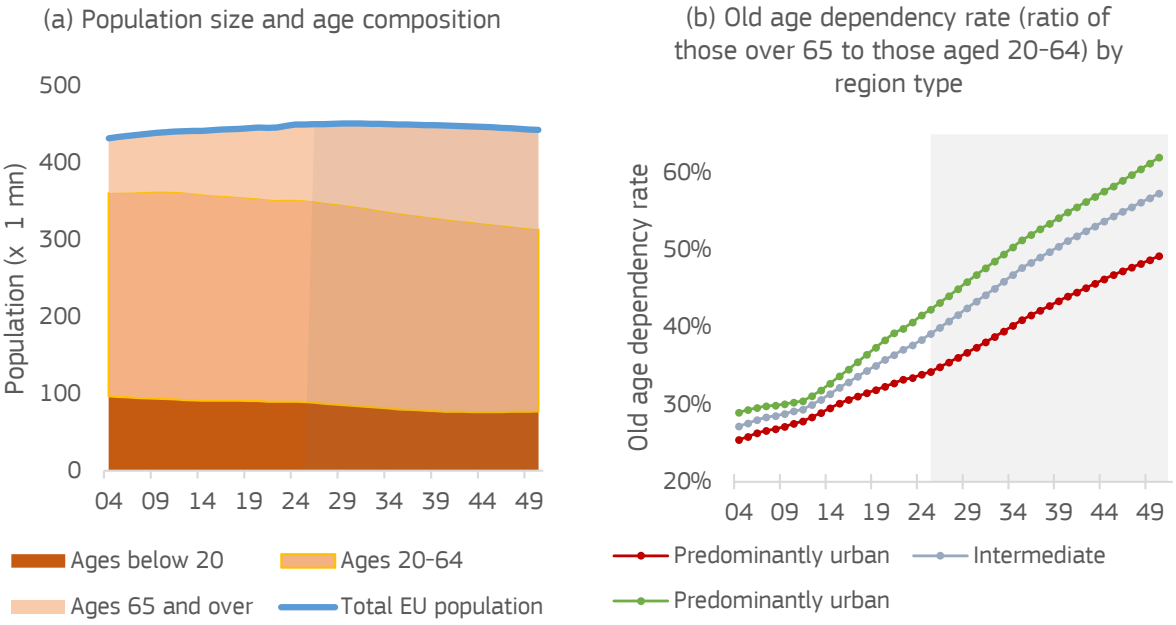
([67]) Based on regional population projections (Eurostat [proj_25_r]).

([68]) (Letta, 2024).

([69]) The Long-term Vision for the EU's Rural Areas COM(2021)345 and its Rural Action Plan have been pursuing a related ambition for rural areas over the past five years by coordinating action across Commission services and working with national, regional and local governments and rural stakeholders.

([70]) Although the focus of this chapter is on net out-migration, regions where natural population decline outweighs net in-migration are also facing significant pressures on local economies and services, with key implications for the right to stay concept.

Figure 2.3.1: Population size, age composition and old age dependency rate in the EU, 2004-2050



Data for 2025-2050 is based on national and regional population projections and is reflected shaded

Source: DG REGIO based on ARDECO and Eurostat.

2.3.2. Demographic trends vary between territories and age groups

During the last 20 years the EU population has been growing. However, growth has varied among different age groups. The annual average growth rate people aged 65 and over was 16 per 1 000 people, whereas for people under 20 and the population aged 20-64 the rate was negative at -3.8 for the former and -0.3 for the latter (Figure 2.3.1.a). This has resulted in a change in the age composition over time, leading to an increase in the old age dependency rate, i.e. the ratio of the population over 65 to the population aged 20-64, which is projected to persist up to 2050. The increase of this ratio since 2004 (Figure 2.3.1.b) leads to an increased economic and social burden on workers and public support systems such as pensions and healthcare, and also a structural shift across sectors, redirecting labour and capital toward growing demands in for instance healthcare, and age-adapted infrastructure. This is particularly the case in rural regions, where the dependency rate increased from 29% to 42% between 2004 and 2024 and is projected to increase even further up to 2050. In many regions the decrease in the working-age population is related to net out migration of this age group.

Between 2004 and 2024 the overall net migration rate for the EU as a whole was a positive 2.5 per 1 000 inhabitants, meaning that more people are moving from non-EU countries into the EU than moving out of the EU (Table 2.3.1). Net migration is particularly high among the young working-age population (aged 15-39) and people under 15, groups for whom mobility needs are often greater due to employment and education opportunities. In contrast, among the 40-64 and 65 and over age groups, net migration remains significantly lower. Migration patterns vary by territory ([71]). Net migration among the young working-age population is high in urban regions([72]), likely reflecting better work and/or education opportunities. In rural and remote regions, where such opportunities are often scarcer, net migration is on average negative for this group. Among people aged 40-64 and over 65 the pattern is the opposite; net migration in

([71]) Note that migration rates for specific territories or parts of the EU reflect both migration flows within the EU as well as those between EU regions and non-EU countries.

([72]) This section applies the urban-rural typology which classifies NUTS 3 regions as predominantly urban, intermediate or predominantly rural, based on the share of population living in urban clusters. Table 2.3.1 applies a refined version which further classifies regions as close to a city or remote, based on the share of population living within 45 minutes driving to a city.

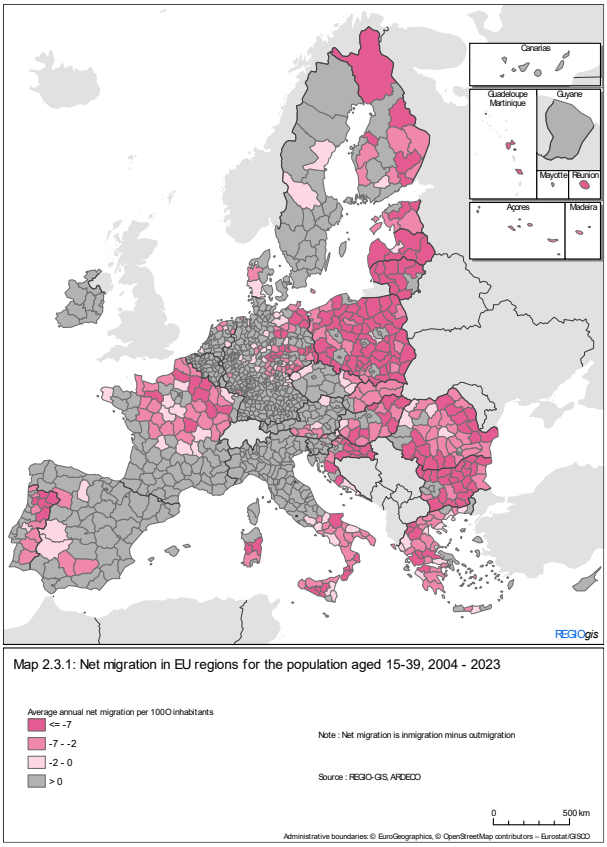
Table 2.3.1: Net migration in EU regions by age group, urban-rural typology and part of the EU, 2004-2023

	All age groups	Ages 0-14	Ages 15-39	Ages 40-64	Ages 65 and over
Average annual net migration per 1 000 inhabitants					
EU-27	**2.5**	**3.7**	**5.0**	**0.1**	**1.4**
Predominantly urban	3.4	1.7	10.3	-0.9	0.1
Intermediate - close to a city	2.6	5.6	3.2	0.9	2.4
Intermediate - remote	0.4	2.7	-0.6	-0.3	1.5
Predominantly rural - close to a city	1.0	4.8	-1.9	1.1	2.3
Predominantly rural - remote	-0.5	2.7	-5.0	0.7	1.7
Eastern EU	**-1.0**	**0.4**	**-2.7**	**-1.8**	**2.6**
Predominantly urban	1.8	-1.6	8.6	-2.8	0.2
Intermediate - close to a city	-0.6	1.5	-3.2	-1.0	3.5
Intermediate - remote	-3.1	-3.7	-7.8	-1.8	2.2
Predominantly rural - close to a city	-2.6	0.6	-7.3	-2.4	2.9
Predominantly rural - remote	-3.4	-0.1	-9.8	-2.1	2.5
North-western EU	**3.2**	**4.8**	**7.1**	**0.3**	**0.6**
Predominantly urban	3.0	0.8	11.1	-1.8	-1.4
Intermediate - close to a city	3.5	8.1	4.5	1.3	1.9
Intermediate - remote	3.6	7.5	5.8	1.1	1.2
Predominantly rural - close to a city	3.6	8.4	2.3	3.2	2.3
Predominantly rural - remote	2.0	5.7	-0.6	2.8	1.3
Southern EU	**4.1**	**4.6**	**8.2**	**1.4**	**2.0**
Predominantly urban	4.4	4.0	9.7	0.8	1.9
Intermediate - close to a city	4.4	5.7	8.1	2.0	2.3
Intermediate - remote	0.1	3.3	-1.2	-0.4	0.8
Predominantly rural - close to a city	2.4	4.9	0.9	3.4	1.6
Predominantly rural - remote	1.0	2.3	-1.2	2.4	0.8

Source: DG REGIO based on ARDECO

urban regions is low or even negative and in most other region's there is net in-migration. This suggests that these groups tend to relocate to less central places, which may reflect peri-urbanisation trends or a return to the country or region of origin.([73])

Migration patterns also vary between different parts of the EU. In the eastern Member States total net migration is negative, the result of net in-migration in urban regions in combination with higher net out-migration in rural regions. This is largely driven by net migration flows among the young working-age population, which may include migration from rural and remote to urban areas within Member States. In the northwestern and southern Member States net migration rates are higher than in the eastern ones, with even rural regions showing on average a positive net migration rate. However, for the young working-age population in these countries the rates are on average negative in rural remote regions and, in the case of southern Member States, also in intermediate remote regions. Looking beyond these aggregate trends, individual regions that have experienced net outmigration of the young working-age population are found in all parts of the EU (Map 2.3.1). In fact, apart from Luxembourg, Ireland, Cyprus and Malta, all Member States have been affected by regional out-migration of this age group. Furthermore, even regions where net migration is positive may contain rural areas that see net out-migration.



Map 2.3.1: Net migration in EU regions for the population aged 15-39, 2004 - 2023

Average annual net migration per 1000 inhabitants
<= -7
-7 - -2
-2 - 0
> 0

Note : Net migration is inmigration minus outmigration

Source : REGIO-GIS, ARDECO

0 500 km

Administrative boundaries: © EuroGeographics, © OpenStreetMap contributors – Eurostat/GISCO

([73]) Although the net migration rate does not directly inform about the level of the in- and out-migration rates, the correlation is positive; a higher net value tends to be associated with higher levels of in- and out-migration.

Box 2.3.1: Location chocie along the life cycle

At$ the$ local$ scale,$ urbanisation$ and$ suburbanisation$ processes$ are$ primarily$ driven$ by$ distinct$ age-specific$ migration$ patterns.ArecentJRCreport$distinguishes$ migration$patterns$between$cities,$and$towns$ and$rural$areas$according$to$whether$theyare within$commuting$distance$from$a$large$city,$ definedbya$one-hour$drive.$Young$adults,$ especially$ those$ at$ the$ age$ of$ tertiary$ educationandearly$career$opportunities$(20$ to29years$old),$concentrate$their$moves$ towards$cities.$The$annual$net$migration$rate$ to$cities$for$this$age$group$isatabout30per$ 1$000$population$(see$Figure$B.1).$Young$ adults$move$away$from$rural$areas$both$close$ toandfar$from$large$cities,$andtoa$lesser$ extent$from$towns.$

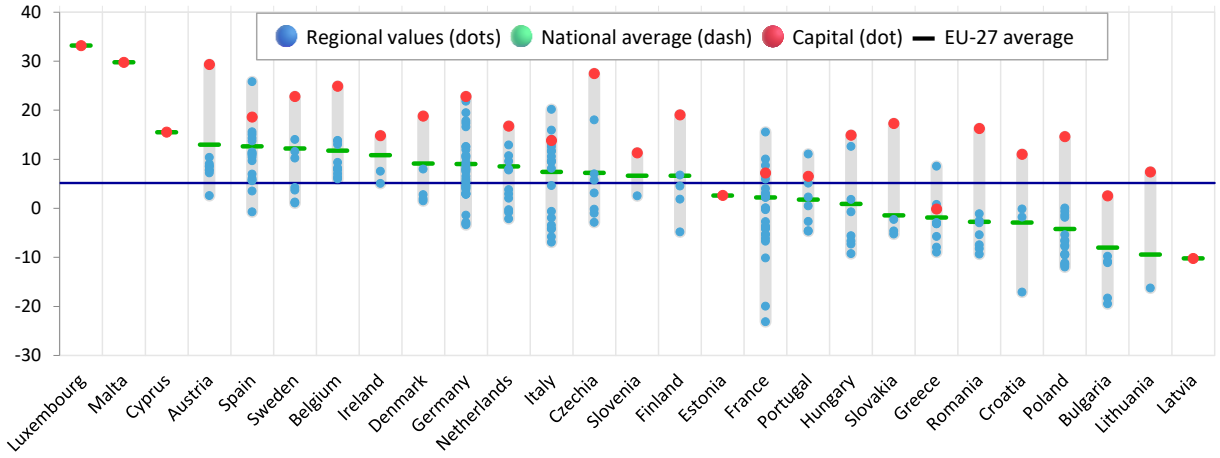
Average annual net migration rates by age group, degree of urbanisation and distance to cities, 2011-2021



Source:

Migration$patterns$shiftforpeopleintheir$30s.$ For$this$age$group,$citiesarebecoming$less$attractive,$while$townsandrural$areas$closetolarge$cities$record the$strongest$net$inflows.$Middle-aged$adults,$often$setting$up$families,$tendtosuburbanisebyrelocating to$smaller$townsandrural$areas$surrounding$cities.$By$contrast,$townsandrural$areas$far$from$large$cities do$not,onaverage,$benefit$from$these$movements.Atolder$age,$the$differences$innetmigration$rates flatten$out,$with$a$slight$increaseforrural$areas.$These$findings$are$robust$across$diverse$European countries,$highlighting$the$role$of$age$and$spatial$contextinshaping$migration$and$urbanisation$processes.

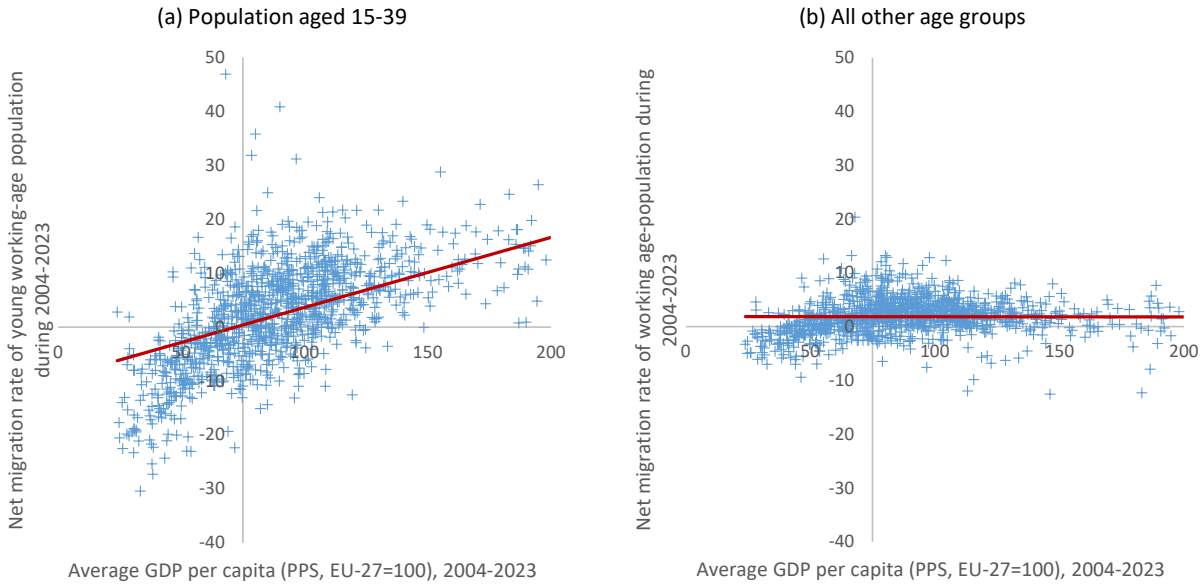
Figure 2.3.2: Regional variation in average annual net migration rates of the population aged 15-39 by Member State, 2004-2023, NUTS 2 regions



Source: DG REGIO based on ARDECO.

The average net migration rate among the young working-age population over the period 2004-2023 varies both between and within Member States (Figure 2.3.2). Regional variation is high in large countries such as Spain, Italy and France, but also in certain smaller countries that have fewer NUTS 2 regions such as Czechia, Croatia and Austria. Capital regions report net migration rates for this age group which are in most countries higher than in other regions and in almost all cases positive, France, Italy and Greece being notable exceptions. The divide between capital and other regions is particularly pronounced in eastern Member States. As the introduction says, depopulation is associated with lower productivity, human capital losses and

Figure 2.3.3: Correlation between average annual net migration rates and regional level of development in NUTS 3 region for different age groups, 2004-2023



Source: DG REGIO based on ARDECO.

ultimately risks to long-term sustainability. The 2026 European Semester has identified this challenge, which has resulted in some country-specific recommendations adopted by the Council.

2.3.3. Migration flows are linked to regional development

To a significant extent, the urban-rural and east-west differences in migration trends can be attributed to differences in economic development or attractiveness. Cities benefit from agglomeration economics and have on average a higher level of economic development than rural places. Regions in the eastern Member States, while reporting rapid growwth, still lag behind in economic development compared to regions in north-western Member States and (to a lesser extent) southern Member States. Indeed, during 2004-2023, net migration rates were highest in more developed regions and lowest in less developed regions (Table 2.3.2). This pattern was largely driven by migration flows among the young working-age population for whom the net in-migration rate of 10.2 in more developed regions contrasts sharply with net out-migration in less developed regions. For the 40-64 age group there was actually net out-migration from more developed regions. Apparently, economic development is not an significant driver of migration for this age group and people aged 65 and over. The lower cost of living in other regions may be more important, besides various other factors outside of the economic sphere that are discussed below.

Table 2.3.2: Net migration by age group and regional level of development, NUTS 3, 2004-2023

	All ages	0-14	15-39	40-64	65+
Average annual net migration per 1 000 inhabitants					
EU-27	**2.5**	**3.7**	**5.0**	**0.1**	**1.4**
Less developed	0.6	2.2	0.0	-0.4	2.2
Transition	3.4	5.4	6.1	1.0	1.6
More developed	3.9	3.8	10.2	0.0	0.3

Here, 'less developed' regions are those where the average GDP per capita in PPS terms over the period 2014-2023 was below 75% of the EU average. For 'transition' regions this is 75-100% and for 'more developed regions this is above 100%.

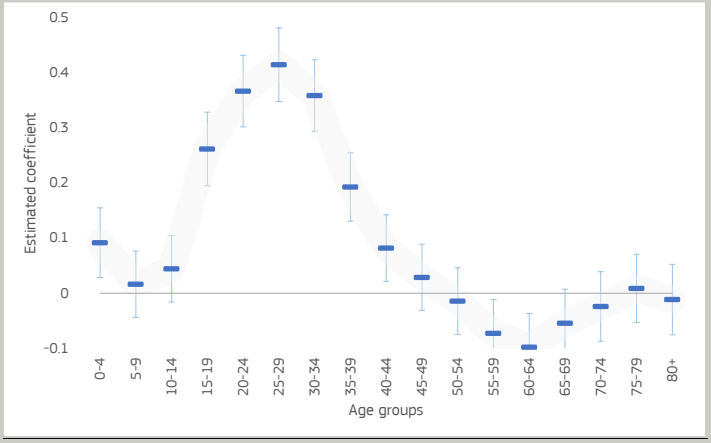
Source: DG REGIO based on ARDECO.

From a regional competitiveness perspective, the out-migration with the most far-reaching repercussions is that of the young working-age population aged 15-39. They represent the main source of new entrants into the labour force, bring new skills, entrepreneurship and innovation, and play a fundamental role in family formation and hence the future workforce. At the same time they are the most mobile and responsive to economic opportunity. For this age group there is a clear positive relationship with GDP per capita

Box 2.3.2: Impact of GDP per capita on bilateral migration flows

Differences in regional economic development are an important driver of internal migration among younger people. A recent JRC report analyses the relevance of the difference in GDP per capita between regions for the mobility of the population. It uses data on bilateral migration flows between NUTS3 regions within countries and differentiates for migration patterns across age groups.

Estimated coefficients associated with the impact of GDP per capita on regional migration based on a gravity model



The horizontal dash markers represent the estimated coefficients. The vertical error bars show the 95% confidence interval around the estimates.

Source: (Alessandrini et al., 2025)

The report identifies differences in GDP per capita between origin and destination regions as the main explanatory factor for migration flows. Higher GDP per capita ratios, which indicate larger gaps in economic development, are associated with stronger migration flows from poorer to richer regions for individuals up to the age of 44 (see Figure B.1). The effect is the strongest for people aged 20 to 34: a 1% increase in the gap of GDP per capita is associated with an increase of around 0.4% in the number of migrants in that age group. The gravity model accounts for confounding factors that can influence the level of internal migration, namely the distance between regions and common characteristics in neighbouring regions. The findings confirm that economic incentives matter for younger people who are likely to enter the labour market after tertiary education. For people aged 45 and over, the effect is either slightly negative or not significantly different from zero.

([74]), suggesting that development gaps drive mobility (Figure 2.3.3). For the other age groups the relationship is very weak.

Table 2.3.3 compares the average values for GDP per capita and its components([75]) in regions with net out-migration of the young working-age population with those in other regions. Consistent with the results above, GDP per capita is lower in regions with net out-migration. This is mainly related to lower productivity, measured as GDP per hour, as well as a lower employment rate. The number of hours worked is higher in regions with net out migration and the share of people of working age in the total population is comparable across regions.

Table 2.3.3: Comparison of GDP per capita and its components in regions with and without net out-migration of the young working-age population during 2004-2023

	Net out-migration	Net in-migration
GDP per capita (PPS, EU-27=100)	18 578	30 405
- GDP per hour	27.3	41.4
- Hours per worker	1 737	1 543
- Employment rate	0.69	0.80
- Working-age population share	0.59	0.60

Source: DG REGIO based on ARDECO.

2.3.4. Regional attractiveness: why people stay or leave their region

GDP per capita is an important driver of migration flows but is itself determined by many underlying regional characteristics and therefore does not directly offer concrete policy levers. It may also not capture the full range of factors influencing an individual's decision to stay or leave, which

([74]) The correlation coefficient between GDP per capita and net migration is 0.585 for the young working-age population and -0.005 for the other age groups.

([75]) GDP per capita can be broken down into the components in the table using the following equation:

$$\frac{GDP}{pop.} = \frac{GDP}{hrs\ worked} \times \frac{hrs\ worked}{pop.employed} \times \frac{pop.employed}{pop.\ 20\ to\ 64} \times \frac{pop.\ 20\ to\ 64}{pop.}$$

also includes social and broader socio-economic considerations.([76]) A more comprehensive understanding therefore requires looking in more detail at these factors. Factors relating to the economy, labour market, infrastructure, and services should be considered (see Table 2.3.4).

Table 2.3.4: Areas and subdimensions of regional attractiveness

Areas	Subdimensions
1. Economy	- Productivity - Sectoral efficiency - Innovation
2. Labour market	- Job opportunities - Education level and skills - Worker compensation
3. Infrastructure	- Transport networks - Digital connections - Climate-resilient infrastructure
4. Services	- Access to essential services - Housing - Quality of governance

Source: DG REGIO.

Economic and labour market factors tend to be important drivers for the young working-age population, but less so for other age groups, some of which may place a higher value on socio-economic or social dimensions. Substantial correlation can be expected between these areas. In less economically competitive places, the labour market tends to be less favourable. The provision of transport infrastructure also tends to be poorer in these regions, which in turn affects access to essential public services. This implies that there may be many regions that either do well in most of these areas, or where performance is poor across the board. For each of these areas a set of four representative indicators is identified. ([77]).

Competitiveness is key to attracting investment, creating quality jobs and expanding opportunities for career development and entrepreneurship. This helps retain talent and enables people to build their future locally. Agglomeration economics tend to favour cities in terms of the development of such ecosystems. Business-friendly environments can be assessed using indicators such as productivity (GDP per hour worked) and its growth, while industrial intellectual property and the share of GDP spent on R&D are important measures of innovation in a region. Regions with net out-migration of the young working-age population perform considerably worse on each of these indicators than other regions, with productivity growth being the only exception (Table 2.3.5). For example, GDP per hour worked is almost 40% lower in these regions and the share of R&D investment is less than half that in other regions

Table 2.3.5: Selected economic competitiveness indicators in regions with and without net out-migration during 2019-2023

	(1) GDP per hour (level)	(2) GDP per hour (growth)	(3) Intellectual property	(4) Share of R&D in GDP
Ages 15-39				
Out-migration	68	1.15	-0.54	1.06
In-migration	109	1.08	0.23	2.42
Other age groups				
Out-migration	80	1.15	0.19	1.45
In-migration	101	1.09	0.06	2.18

Indicators: (1) GDP per hour worked (PPS, EU-27=100) (2019-2023). (2) Growth of GDP per hour worked in constant terms (2013-2023). (3) Composite index based on nr of patents, trademarks and industrial designs held per 100 000 inhabitants (2023/2025). (4) Share of R&D investment in GDP (2019-2023).

Source: DG REGIO based on ARDECO

Furthermore, a healthy labour market and quality workforce as well as education and training systems are essential for making the choice to stay a realistic and viable option. These opportunities tend to be more readily available in urban than in rural territories. Relevant indicators of this area, including the employment rate, the share of the population with tertiary education, the share of young people not in employment, education or training (NEETs) and the hourly wage rate show below-average performance in regions with net out-migration of the young working-age population (Table 2.3.6). The employment rate is 10 percentage point lower in those regions and the hourly wage rate is almost 40% lower, than that of other regions.

([76]) See e.g. (Letta, 2024), (De Haas et al., 2019), (Simpson, 2022), (Vasyltsiv et al., 2023)

([77]) Because of limitations regarding data availability the set of 16 indicators does not cover all dimensions in Table 2.3.4 (e.g. housing and climate resilient infrastructure).

Table 2.3.6: Selected labour market and workforce indicators in regions with and without net out-migration during 2019-2023

	(1) Employment rate	(2) % with tert education	(3) Share of NEETs	(4) Hourly wage
Ages 15-39				
Out-migration	67	27	17	19
In-migration	77	33	10	31
Other age groups				
Out-migration	69	29	16	21
In-migration	76	32	11	29

Indicators: (1) Share of population aged 20-64 in employment (2019-2023). (2) Share of population aged 25-64 with tertiary education (2019-2023). (3) Share of population aged 15-29 not in employment, education or training (NEETs) (2015-2024). (4) Average compensation per hour worked (2020-2024).

Source: DG REGIO based on ARDECO.

Table 2.3.7: Selected infrastructure and connectivity indicators in regions with and without net out-migration during 2019-2023

	(1) Rail connectivity	(2) Road connectivity	(3) Access to flights	(4) Internet speed
Ages 15-39				
Out-migration	5	63	143	128
In-migration	14	82	535	136
Other age groups				
Out-migration	12	69	322	132
In-migration	11	78	448	134

Indicators: (1) Share of population within 120 km that can be reached within 1.5 hour by rail (2019). (2) Share of population within 120 km that can be reached within 1.5 hours driving time (2023). (3) Nr of flights per day from airports within 90 minutes driving time (2024). (4) Average speed of fixed internet network, Mbps (2023).

Source: DG REGIO based on TomTom, International Union of Railways (UIC), Eurostat-GISCO, JRC, EEA.

Connectivity is also vital for regional attractiveness, as it links people to jobs, education, healthcare and markets without requiring relocation. Transport performance by car ([78]) in 2023 varies substantially between regions and territories within Member States. Outside cities, public transport tends to provide lower network density and service frequency. Road performance tends to be relatively low in rural regions, in particular in eastern Europe. Most of the capital metro regions have high road transport performance, including in countries such as Bulgaria, Croatia, Romania and Slovakia, where the overall road performance is low. When commuting and accessing services is easier, people are more likely to stay in their communities. Relevant indicators, in particular those for rail connectivity and access to flights all show lower values for regions with net out-migration of the young working-age population (Table 2.3.7).

Ensuring physical access to local services including healthcare, child and elderly care, education and training can support human capital, labour market participation and economic performance. Housing and local transport are crucial for ensuring regions remain attractive places to work and live for their inhabitants. In many regions there is a need for improvements in such access, in particular in rural areas and areas affected by depopulation. In these places, limited local revenues and high demand for services (particularly elderly care) often put a strain on local public services. This was analysed in several 2026 European Semester country reports([79]), a notable example being the case of the northern sparsely populated areas of Finland and Sweden (European Commission, 2026a).

The quality of governance is an important aspect of regional attractiveness. Effective governance ensures balanced regional development, quality public services, and inclusive economic growth, reducing disparities between regions. Strong institutions and multilevel coordination help prevent brain drain and territorial decline. Key indicators include access to healthcare, access to schools and universities and the quality of government index. (Charron, Lapuente and Bauhr, 2024); (European Commission, 2025g) In regions with net out migration of the young working-age population the performance for each of these

([78]) Measured as the average share of population within 120 kilometres that can be reached within 45 minutes driving.

([79]) Other examples of bottlenecks identified by the 2026 CSRs include the need to tackle geographical imbalances in the availability of doctors and healthcare professionals in Bulgaria, Croatia and Greece, and availability of long-term care in remote areas of Lithuania and regional disparities in Estonia, France and Portugal. (Council of the European Union, 2026).

indicators tends to be poorer than in other regions (Table 2.3.8).

Table 2.3.8: Service and community indicators in regions with and without net out-migration during 2019-2023

	(1) Access to healthcare	(2) Access to primary educ	(3) Access to university	(4) EQI index
Ages 15-39				
Out-migration	48	45	66	-0.59
In-migration	59	47	89	0.61
Other age groups				
Out-migration	58	54	76	-0.59
In-migration	55	44	84	0.50

Indicators: (1) Share of population with a healthcare centre within 10 minutes driving time (2023). (2) Share of population aged 0-15 with a primary school within 10 minutes walking (2023). (3) Share of population with a university main campus within 45 minutes driving time (2022). (4) Composite index capturing average citizens' perceptions and experiences with corruption, quality and impartiality of three essential public services – health, education and policing (2024).

Source: DG REGIO based on Eurostat-GISCO, TomTom, JRC, University of Gothenburg.

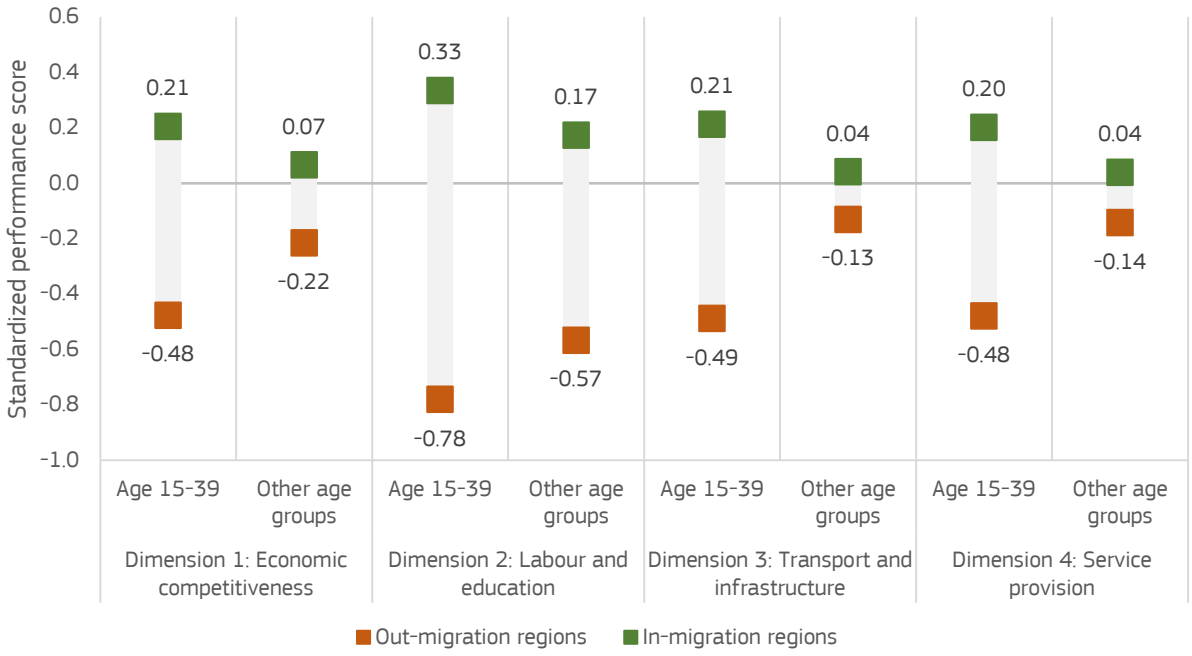
2.3.4.1. Overall performance in areas of regional attractiveness

For each of the areas the set of indicators selected as representative are aggregated into an index which measures the performance at dimension level (Box 3 explains the methodology). As expected, regions with net out-migration of the young working-age population show poorer performance than other regions for each of the identified areas (Figure 2.3.4). The largest differences are seen for 'labour and education' . When focusing on migration of other age groups, regions with net out-migration also perform worse than those with net in-migration but the differences are much smaller, in particular for the other areas.

Overall, regional performances in these areas to some extent resemble that of regional economic development. Poor performance is seen in regions in the eastern Member States, with the exception of some capital regions, and in southern Member States. Regions in the north-western part of the EU perform better on average. Performance also tends to be poor in rural regions and specific territories such as eastern border regions, outermost regions and islands. However, there are some deviations from this general pattern for individual areas.

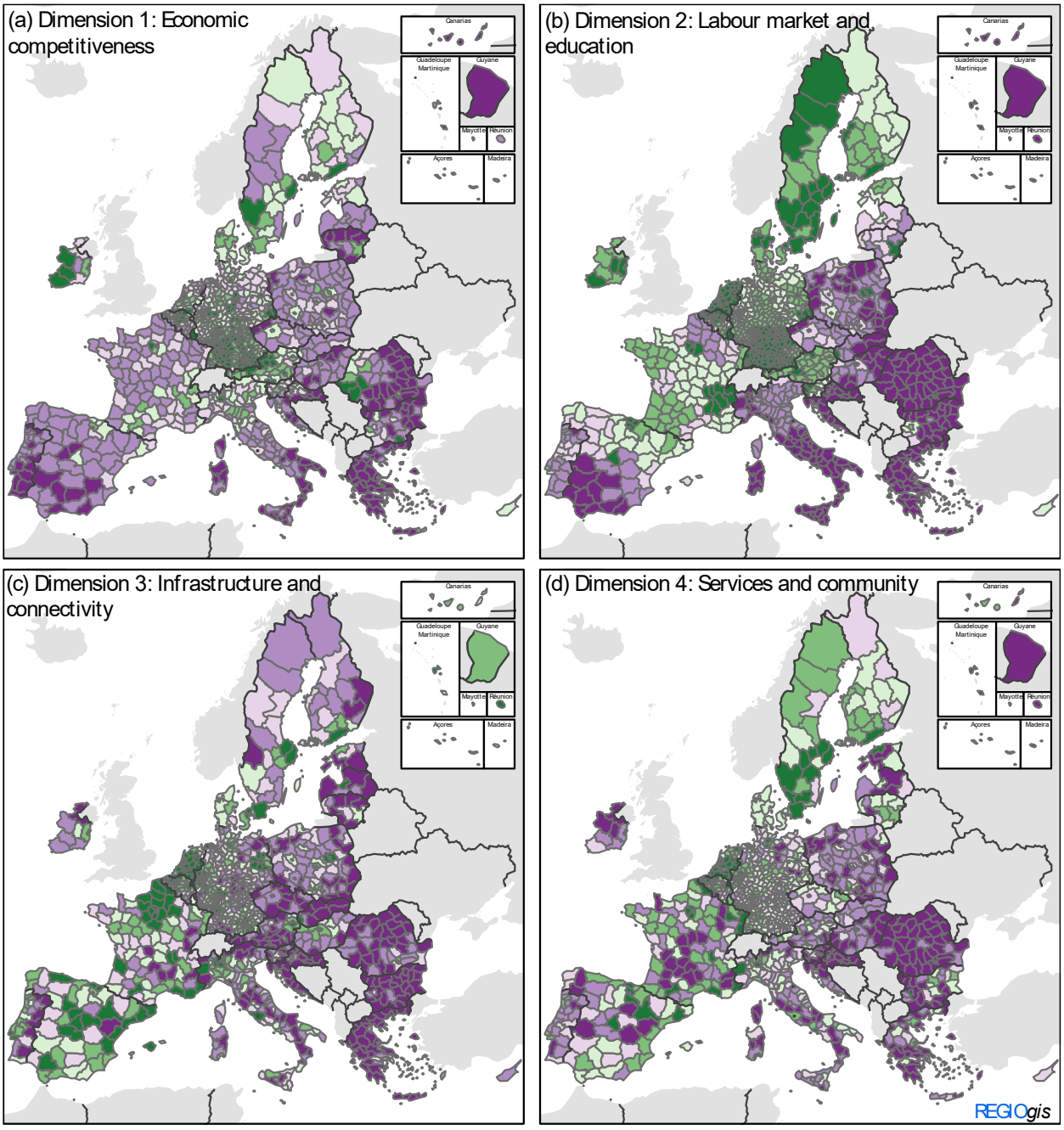
The pattern in the area of economy is more nuanced (Map 2.3.2.a). Some of the less developed regions have actually experienced relatively high productivity growth, while some more developed regions have low productivity growth. This is consistent with convergence theory. In some eastern Member States, including Poland, Romania and Estonia, there are various high-performing regions, whereas in most of the

Figure 2.3.4: Socio-economic performance in regions with and without net out-migration during 2019-2023



The values in the chart are standardized scores with mean zero and a standard deviation of one. Positive values indicate above-average performance; negative values indicate below-average performance.

Source: DG REGIO based on ARDECO, Eurostat, JRC, TomTom, UIC, IEA, University of Gothenburg.



Map 2.3.2: Regional performance on the four dimensions of regional attractiveness

Composite index score (mean = 0)

- > 0.60
- 0.25 to 0.60
- 0 to 0.25
- -0.25 to 0
- -0.60 to -0.25
- <= -0.60

Dimension 1: Composite index based on GDP per hour worked (level and growth), industrial property rights and R&D investment
Dimension 2: Composite index based on employment rate, tertiary education, NEETs and wage level
Dimension 3: Composite index based on connectivity by rail, road and flight and internet speed
Dimension 4: Composite index based on accessibility of schools and healthcare and quality of government

Source : DG Regio based on ARDECO, Eurostat-GISCO, JRC, TomTom, UIC, EEA, University of Gothenburg.

0 500 km

Administrative boundaries: © EuroGeographics, © OpenStreetMap contributors – Eurostat/GISCO

Box 2.3.3: Creating composite indices for the four dimensions of regional attractiveness

To summarize the set of indicators across the four dimensions, we first standardized each indicator using the mean and standard deviation method. (To ensure that for all indicators higher scores mean better performances we 'flipped' the sign of the NEETs indicator.) The standardization ensures that all indicators are on a comparable scale, with a mean of 0 and a standard deviation of 1, eliminating any differences in units or scales. Next, we computed a composite value for each of the four dimensions by taking the simple average of the standardized indicators of that dimensions. These composite values represent the overall performance on each dimensions, based on the performance on each of its individual indicators.

more developed countries, including Sweden, Finland and particularly France, there is a fair share of regions that perform poorly. When it comes to labour market, the regional performance pattern is more closely aligned with the regional level of development, although regions in some eastern Member States, including Slovenia and Estonia, perform rather well (Map 2.3.2.b). The clustered pattern of performances reflects the fact that some of the underlying indicators for this area are available only at NUTS 2 level, which mitigates regional differences at NUTS 3 level.

Regarding 'infrastructure and connectivity' the pattern differs to some extent from the general pattern (Map 2.3.2.c). There are regions in more developed countries such as Sweden, Finland, Ireland and Austria where performances are poor. This is likely to be related to the low population density in these regions. Conversely, Spain, coastal Portugal and Hungary perform rather well, which may be attributable to good rail connections and/or clustered rather than sprawled population. In 'services and community' the pattern is also closely aligned with that of the regional level of development, with the exception of Ireland and Austria where sparse population may compromise access to services (Map 2.3.3.d).

2.3.5. Conclusions

The EU is undergoing significant demographic change. Since the 1990s, population growth has increasingly depended on net migration, while many regions are now experiencing natural population decline and out-migration, particularly in rural and remote regions. These trends contribute to labour shortages, reduced access to essential services, weaker economic performance, and widening regional inequalities. Population ageing is intensifying these challenges. The number of people aged 65 and over has increased significantly, while younger and working-age populations have stagnated or declined. This has increased old-age dependency and placed additional pressure on labour markets, public services, and regional economies. Young adults are also increasingly concentrated in cities and economically dynamic regions, while many rural and less developed areas lose young working-age residents due to natural change and net out-migration. Such out-migration is associated with lower employment rates and productivity and can reinforce a cycle of demographic and economic decline

Providing opportunities and adequate services can allow or motivate individuals and families to remain in, return to, or settle in regions affected by demographic decline rather than being compelled to leave. The four interconnected dimensions discussed in this section play an important role. Regions performing poorly in these areas are more likely to experience out-migration among young working-age populations. Challenges are particularly pronounced in eastern and southern Member States, rural areas, islands, and outermost regions. However, population density and geographical characteristics also influence connectivity and service provision, including in some relatively prosperous but sparsely populated or remote north-western regions.