



Federal Institute for
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RESEARCH NEWS

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Dear Reader,

The Research News are available with a modified concept. From this issue on, we will focus on one topic, supplemented by other current articles from the fields of urban and spatial development, housing, building and architecture.

In this issue, we start with a focus on the German EU Council Presidency. Germany will take over the EU Council Presidency on 1 July 2020 – due to the current corona pandemic under difficult conditions. In addition to the difficult negotiations on the next seven-year EU budget, an agreement now has to be reached on the recovery plan proposed by the European Commission to combat the consequences of the corona crisis in the EU and to support the economy.

Apart from these mega topics, the many other policy areas should not be overlooked. In the fields of spatial and urban development, the adoption of the Territorial Agenda 2030 of the EU and the New Leipzig Charter are on the agenda (see page 3 and 5). The BBSR is also intensively involved in the preparation of various events in the context of the German EU Council Presidency (see page 6).

The corona crisis is one more reason why we increasingly focus on the topic of resilience. The BBSR has been dealing with issues of urban resilience and risk management in the field of spatial planning for more than ten years. However, the current crisis shows that politics and scientific policy advice are required to become even more active in these areas (see page 8).

Happy reading and stay healthy!

On behalf of the editorial team
Brigitte Ahlke

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EU COUNCIL PRESIDENCY

Actions of the Partnerships on Culture and Cultural Heritage and Digital Transition and the New Leipzig Charter



Culture and cultural heritage in European cities

Source: L. Hatzelhoffer

The Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) supports the Federal Ministry of the Interior, Building and Community (BMI) with scientific expertise and advice in implementing the Partnership on Culture and Cultural Heritage. Germany (BMI) and Italy (Agency for Territorial Cohesion and Ministry of Cultural Heritage and Activities and Tourism) coordinate the Partnership that was launched in November 2018 within the Urban Agenda for the EU. It brings together about 30 very diverse European partners from various relevant governmental levels and organisations. The aim of the Partnership is to identify and promote actions that improve the legislation ("better regulation"), the financial capacity ("better funding") and the knowledge transfer ("better knowledge") in the field of culture and cultural heritage at EU level. A national advisory board supports the German coordinators.

The Partnership finalised its preparatory work in autumn 2019 with the official adoption of the Orientation Paper by the Directors-General responsible for Urban Matters (DGUM). The document describes a holistic and integrated approach for dealing with culture and cultural heritage and defines focus areas. Following its orientation phase, the Partnership currently identifies possible actions for better regulation, better funding and better knowledge along its five main topics: "cultural tourism", "creative and cultural sectors", "transformation, adaptive reuse and urban reconversion", "resilience of cultural and natural heritage", and "cultural services and culture for inclusive cities". The members of the Partnership organise themselves in working groups and receive support from relevant external experts who have been commissioned.

BMI and BBSR jointly coordinate the working group on resilience. The group's action ideas

emphasise the importance of culture and cultural heritage as a source for resilience and as a crucial element of future debates on creating urban resilience and helping communities recover from disasters and crises. Hence, the action ideas, which include formats like knowledge hubs, handbooks or peer learning activities, aim at fostering and strengthening integrated approaches to preserving, adapting and developing culture and cultural heritage in the context of disaster risk management and climate change.

Up to now, the five working groups have developed a total of 40 action ideas. In the upcoming weeks, the members of the partnership will further discuss, merge, cluster and revise these ideas. The current COVID-19 pandemic hits the Partnership at an important strategic step towards the so-called Action Plan. Not only may the pandemic lead to specific new actions or strategies, but the partnership now also has to find new ways and procedures of cooperation. Instead of face-to-face discussions, the Partnership now relies on virtual meetings – a new experience among the Partnerships of the Urban Agenda for the EU. By summer, the Partnership will select the most promising and important action ideas using criteria like feasibility, relevance, possible impact and innovation. These selected actions will be the core of the Action Plan and will be implemented as Pilot Actions in 2021.

BBSR was also part of the Partnership on Digital Transition that released its Action Plan in 2018. The Action Plan incorporates 15 actions: a special focus was given to the topics of digital skills and data. The actions were to provide recommendations for public policies aiming to strengthen digital participation and to promote digital skills or to foster the development of strategies. Besides, the actions focused on the need of public access and the use of data as a key to digital transition.

Actions and ideas are also reflected by the current dialogue on the New Leipzig Charter that is developed during the German EU Presidency. In the current draft, digitisation is seen as a means to serve the goals of a just, green and productive city and the common good. In order to make sure not to leave anybody behind, digital transformation and

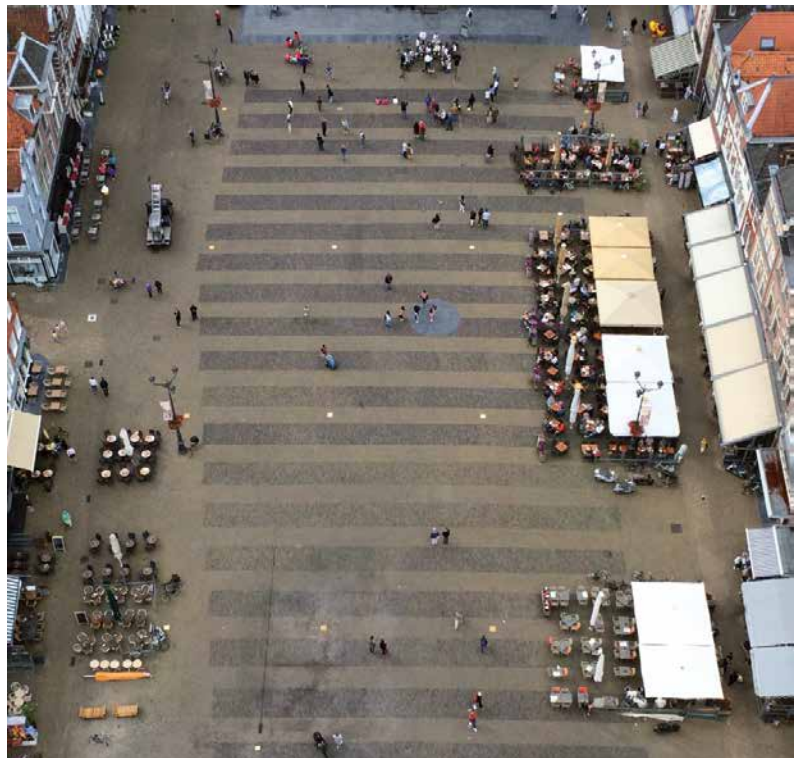
cooperations should be based on common human values – such as inclusiveness, human-centredness, human rights, international law and transparency. Cities should be able to shape digital transformation in pursuit of the common good: Therefore, digital skills of cities and citizens have to be fostered and methods of using data in a responsible and ethical manner to be developed and implemented. Besides, cities should have access to data relevant to their public tasks.

In the current draft, also the role of Baukultur as a transformative force and need to achieve compact, socially and economically mixed cities is mentioned. To ensure a high-quality Baukultur, good urban planning and design ought to be reinforced, based on a thorough planning and design process.

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Public space and public life in European cities

Source: L. Hatzelhoffer

Further information:

<https://ec.europa.eu/futurium/en/culturecultural-heritage/about-0>

<https://ec.europa.eu/futurium/en/digital-transition>

<https://www.bbsr.bund.de/BBSR/DE/FP/ExWoSt/Studien/2018/eu-ratspraesidentschaft/01-start.html>

EU COUNCIL PRESIDENCY

A future for all places – the Territorial Agenda 2030

The Territorial Agenda is a strategic policy document for Europe, its regions and communities. It provides a framework for action towards territorial cohesion, i. e. reducing regional disparities and creating sustainable development perspectives for all European regions. A task force representing EU member states, the European Commission, the Committee of the Regions and ESPON prepares an update of the Agenda agreed upon in 2011. The new version is to be adopted at an informal ministerial meeting in early December 2020 during the German EU Council Presidency. The BBSR is an active member of the task force and, on behalf of the German Federal Ministry of the Interior, Building and Community (BMI), prepares a pilot action for implementation.

Why is the Agenda now being revised? There have been some changes across Europe in recognising the role of municipalities and regions in which people live. The consequences of the financial and economic crises from 2007 have brought to mind that the intensive globalisation of the past decades does not only affect individuals very differently but that this also applies to cities and regions as a whole. While in the past two decades especially metropolises and larger cities have been the focus of economic policy-related and of many planning discussions, they now also take other

places into account – they have opened for a more holistic view of the territory.

A keyword in this context is the "geography of discontent". Based on the results of the Brexit vote in the United Kingdom and the election results of the 2016 US presidential elections, this term describes the relationship between long-term economic decline and approval of positions considered to be populist. This was also demonstrated for the national elections in the regions of the EU between 2013 and 2018 (Dijkstra et al. 2018).

The economic impact of the major recession and the euro crisis ten years ago also revealed that regions were differently affected. By 2013, the economic output in Spain fell to 85% and in Greece even to 75% of the level before the crises. In 2017, Greece and Italy, among others, had not reached the 2008 level again. Spain as a whole was just above that level, but, apart from Madrid and three other regions, most regions were still below the 2008 level. In other countries such as Italy, France and Portugal the very different economic recovery consolidated the regional differences within the country (for more information see „Europa-Atlas“ of the BBSR October 2019).

These developments have raised awareness of territorial cohesion in Europe and led the responsible ministers to strive for a renewal of the EU's Territorial Agenda. The consequences of the Corona epidemic on this process and its spatial effects cannot yet be foreseen. However, it seems clear that the crisis affects the EU member states, but also regions and even cities very differently and that the disparities are likely to increase.

Challenges and priorities

The draft of the revised version takes up the contents and provisions of the previous version and, where necessary, adapts them to the new challenges. They can be divided into two large groups: On the one hand, both individual and spatial imbalances have been increasing for quite a while – a topic that is discussed in Germany under the heading of equivalent living conditions. Second, the climate crisis requires a courageous and coordinated approach to reduce CO₂ emissions, which in turn may have an impact on the imbalances – related keywords are coal regions or energy poverty.



Reducing disparities between regions in the EU is a clear objective of the EU

© Free-Photos / Pixabay

Implementing the Territorial Agenda in Europe's regions

At the beginning of December, the ministers will decide on the updated objectives and approaches of the Territorial Agenda. The real work is going to start afterwards. EU member states, their regions and municipalities and the European Commission are required to take the priorities of the Agenda – on an informal basis – into account at all levels. Especially at national level, the integration of relevant sectoral policies, of the civil society and of subnational institutions is important.

In this context, a variety of ongoing activities may be considered which already today put the Territorial Agenda priorities on a regional level into action. In the medium term, the Interreg programmes may also support the implementation of the Territorial Agenda.

In order to put the objectives of the Agenda into practice on all levels and in all regions, it is important to derive and apply them to the action level of local and regional authorities and regional associations and to translate them into concrete projects.

A concrete element of implementation are pilot actions that are to be launched by the ministries at the ministerial meeting. Unlike the Urban Agenda for the EU, in which the so-called urban partnerships have created their own category of projects, these pilot actions are flexible and should use existing structures and budgets.

Germany, represented by the BMI, will implement one of probably four European pilot actions. On behalf of the BMI, the BBSR has launched a Demonstration Project of Spatial Planning during which German and European pilot regions will implement strategic projects in the field of services of general interest and projects helping to increase the quality of life. The pilot action coordinated by Germany is called "a future for lagging regions" and will run until 2023.

It deals with sparsely populated areas with limited access to public services and to economic and social opportunities and is supposed to contribute to reducing imbalances and disparities between people and places. Especially smaller towns and counties as



Six priorities in the draft Territorial Agenda

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well as supralocal mergers such as unions of municipalities and regions play a decisive role for the economic development and the social well-being at regional level. They create economic, social and cultural centres and hubs ensuring services of general interest and quality of life outside large cities. They fulfil elementary supply functions for the region.

Six pilot regions are supported when putting measures of strategic relevance to ensure services of general interest into practice. The regional objective shall be to involve overall strategic approaches better in regional and special planning activities and concepts to push implementation ahead. At the same time, the pilot regions will share their experiences with formulating and implementing integrated development concepts and regional strategies coordinated on a supralocal level with other regions in Germany and Europe.

In addition, German regions or municipalities will take part in the pilot actions of other member states. Other countries have so far declared their interest in the topics "understanding how sector policies shape spatial (im)balances – in depth territorial impact assessment" (coordinated by Poland), "understanding how small places can boost their role for the development of a wider territory" (coordinated by Norway) and "cross-border spatial planning – a vision for a cross-border functional region" (coordinated by Luxembourg).

Current information on the renewed Territorial Agenda:

www.territorialagenda.eu

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EU COUNCIL PRESIDENCY

Living the City – an exhibition about Cities, People and Stories

An exhibition on urban development with Europe-wide reach will be held in autumn 2020 to mark the German EU Council Presidency. Coordinated by BBSR, the main hall of the former Tempelhof Airport in Berlin will be converted into an accessible urban landscape to tell numerous stories about city-making and city-makers from all over Europe. The exhibition aims to communicate the city as a living space just as the field of integrated urban development to a broad public in a vivid and lively way. An expert team with Lukas Feireiss, Tatjana Schneider and the TheGreenEyl office will curate the exhibition.

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www.livingthecity.eu

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Cities are full of stories – simultaneous, inconsistent, overlapping and inseparable. Such stories are told in the Living the City exhibition by means of various projects in the fields of architecture, art and urban planning. The aim is to show urban development processes and possibilities for action. By discussing the connections between city and people, civil society and politics, economy and nature, spaces of possibility will be opened up to rethink the city and the production of

the city. The exhibition will use a playful approach, encouraging active participation and involvement in the design of urban space. The exhibition, with over 50 projects from all over Europe, will be based on the everyday experiences of people, asking questions about very basic activities such as loving, living, moving, working, learning, playing, dreaming and participating in the city. Stories that move and touch, that make us empathise and reflect.

At the same time, the exhibition will be an active part of actual city-making. For the duration of three months, the walk-through urban landscape with its diverse public events and educational programme will become the central venue for the discussion of urban development. Numerous events, weekly lectures, film screenings and workshops with a wide variety of participants from all over the world as well as an online radio and temporary studios will help to establish Living the City as a place of participation and an important cultural contact point for all local residents, tourists and, in times of the Covid-19 crisis, digital visitors.



Source: Nicola Zolin; Klaus Thymann; Superflex, Torben Eskerod; ZUS, Ossip van Duivenbode; Bêka & Lemoine, Homo Urbanus; Jeppe Hein, Modified Social Benches for Lemvig, 2017, Courtesy: KÖNIG GALERIE, Berlin, London, Tokyo, 303 GALLERY, New York, and Galleri Nicolai Wallner, Copenhagen, Photo Anders Sune Berg; Platzprojekt, Sam Green; morePlatz, Heinrich Holtgreve; Torhaus; Teple Misto; We Are City Plaza, Claude Somot & Xiaofu Wang, Hassan

Forum on the Action Plan for the heritage of culture and Baukultur in Europe (stakeholder conference)

24th and 25th November 2020, Berlin (Former Tempelhof Airport)

The Partnership on Culture and Cultural Heritage of the Urban Agenda for the EU is coordinated by the German Federal Ministry of the Interior, Building and Community (BMI) and Italy. The Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) provides support to the BMI. The Partnership's aim is to draw more attention to the heritage of culture and Baukultur in Europe with its development potentials. As part of the EU Council Presidency, the BMI and the BBSR will host a conference for the Partnership on 24th and 25th November 2020. At the conference, expert lectures, parallel forums and moderated podiums will offer opportunities for discussion and exchange. The conference is designed to complete the current work process during which the Action Plan is developed. In 2021, pilot actions will be put into practice.

ESPON Week

16th to 20th November 2020, Berlin

The ESPON Week in the second half of 2020 is scheduled for Monday, 16th to Friday, 20th November 2020 and will take place during the German EU Council Presidency. An important issue will be the ESPON 2021 annual schedule. The seminar on 18th and 19th November 2020 will concentrate on the policy briefs which ESPON is preparing for the German Presidency: a) cross-border observation (in times of COVID-19) and b) regional structural changes. The seminar will also promote the new Territorial Atlas for Europe coproduced by the BBSR and the ESPON EGTC. It will take place at the Holiday Inn Berlin City-West located in the district of Charlottenburg. All seminars, workshops and other events will be organised under one roof. In case the current CORONA crisis makes personal contacts difficult or even impossible, the hosts will discuss alternative forms of communication and participation.



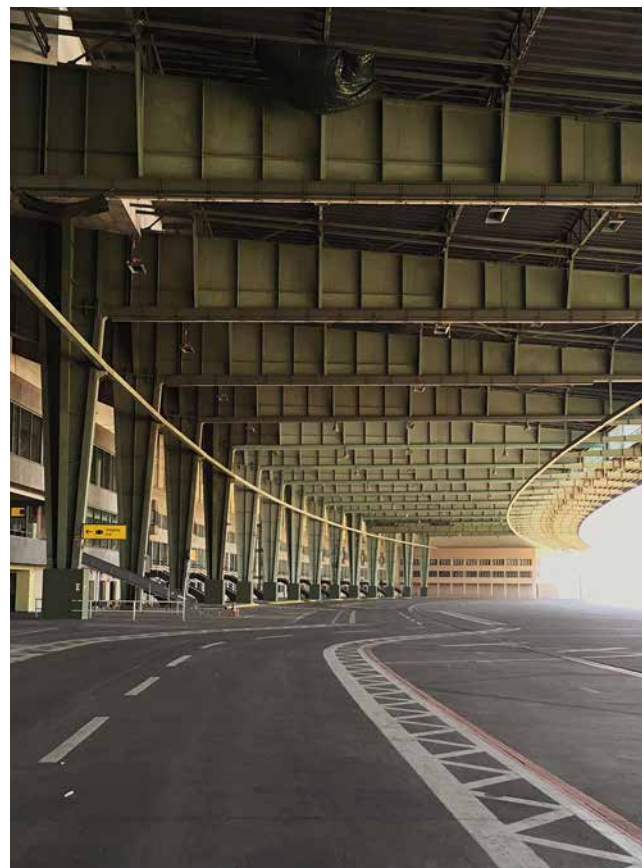
Co-financed by the European Regional Development Fund

Further information: www.bbsr.bund.de

European Conference for Housing Policy

6th November 2020, Berlin

The European Conference for Housing Policy is part of the German contribution to the EU Council Presidency. Among the presentation and discussion of the results of the ExWoSt research project „Housing Policies in the European Union“, other relevant housing policy topics will be addressed and debated. The research project aims at providing a comprehensive overview of the different programmatic approaches and characteristics of national housing policies in the European Union. Goal of the conference is to initiate and intensify the European exchange about housing policy and existing challenges in providing housing. The conference will take place on 6th November, 2020 in the former airport Berlin-Tempelhof, due to the current circumstances as an online event with only limited onsite presence of attendees. State Secretaries Bohle and Vogel (German Federal Ministry of the Interior, Building and Community) will participate in the conference with a keynote address and a panel discussion.



Tempelhof Airport

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SPATIAL DEVELOPMENT

How to deal with risks

How vulnerable our society is to disruptive events and what suddenly turns out to be critical infrastructure and systemically relevant becomes alarmingly clear in times of a corona pandemic. Was such an event not predictable? This crisis shows how vulnerable an efficient economic system is when a non-calculated enemy in the form of a virus attacks the system - more or less worldwide.

Early warning is one of the core tasks of the BBSR as a departmental research institution. The BBSR has therefore been dealing with issues of urban resilience and risk management in the field of spatial planning for more than ten years. In 2015, the BBSR concentrated these activities in the "Digital Cities, Risk Prevention and Transportation" division.

Already in early 2013, a scenario with the title "Pandemie durch Virus Modi-SARS" (Modi-SARS pandemic) had been published by the Federal Government in issue 17/12051 of its parliamentary papers. It was based on the activities of the Federal Office of Civil Protection and Disaster Assistance (BBK) in the context of a large alliance of authorities. Such analyses are not only important in cases of a pandemic but also in the case of natural events such as long lasting heat, cold or heavy rain days or technology-based events such as persistent failures of the energy supply. Since 2012, the BBK has been performing various risk analyses in which, since 2013, the BBSR has also been intensively involved.

With its Transport Flow Visualisation Model (TraViMo) and its accessibility model, the BBSR has important tools at its disposal helping to estimate the impacts of various risks on the traffic in an empirically based way. With the TraViMo it is possible to model the national economic significance of transport

infrastructures, to identify weak spots and thus to demonstrate possibilities how to make critical infrastructures more resilient against disruptions.

Cases in which supraregional up to nationwide transport infrastructures are impaired, damaged or destroyed due to damage events, have a considerable impact on the freight transport. In rail freight transport, damages to rails, overhead lines and signals may disturb the transport – and thus impair the industrial production considerably. Such impairments again have negative consequences for the national economy.

Depending on function and situation, certain elements of the transport infrastructures are differently relevant for a smooth freight transport. This is why information and assessment basics are needed e.g. to prioritise certain sections of transport routes with regard to their function and importance for the freight transport.

But it is also important to analyse the robustness of critical infrastructures e.g. with regard to their accessibility. However, research is still needed to gradually improve the knowledge about holistic impacts on the system.

Preventive measures (creating redundancies, precautionary warehousing, protective buildings, emergency planning) especially have to be taken in those cases where a very high damage potential meets with high criticality. For example in the case of the communication and energy infrastructure where a failure or disruption may have large consequences for other areas as well and for the secure supply of the society. The priorities identified in this way would then have to be considered in case of emergency when removing damages.

Critical infrastructures form the backbone of modern societies: They ensure the medical care of sick and injured persons, provide electricity and water and enable the transport of persons, goods and information. Thus they make up a functioning community. If e.g. motorways, power stations or power lines suffer damage, this has a considerable impact on a community. Not only the intensity and frequency of extreme weather events like floods, heavy rain or storms increases but also

The results of the risk analyses of the German Federal Government and the federal states are published in related Bundestag reports:

- **2012:** Extreme melt flood from low mountain ranges and Modi-SARS pandemic)
- **2013:** Winter storm
- **2014:** Storm tide
- **2015:** Release of radioactive substances from a nuclear power plant
- **2016:** Release of chemical substances
- **2017:** Analysis of previous risk analyses
- **2018:** Drought



Climate change poses risk to cities: water flooding the area (Cologne)

© Philipp Blaschke – EyeEm / Getty Images

their damage proportions. As a society, we are forced to deal with the effects and risks of such events more intensively than in the past. The complex system of critical infrastructures is hardly tangible though, especially their interactions and dependences.

It is therefore all the more important to take a look ahead at possible risks. In order to deal appropriately with risks, rational debates about risks and the search for common solutions are required. Networks strengthen exchange, advise actors and disseminate action-oriented knowledge.

The transfer of results is an important task of the BBSR in this context. In its issue 4.2019, the BBSR's "Information on Spatial Development" magazine focuses on many aspects of risks. It deals with risk assessment methods, the function of early warning systems and cooperation in the context of civil defence. The aim is to intensify the public discussion about risks in Germany.

The BBSR's goal is to advance interdisciplinary research activities and to derive political recommendations from this. Since the amendment of the Federal Spatial Planning Act in 2009, at the latest, the topics "protecting critical infrastructures" and "risk prevention" are on the agenda of the spatial science sector. The BBSR has already taken up these issues by initiating several model projects in which the potentials of regional planning with regard to risk prevention are analysed across sectors and with regard to critical infrastructures. For

this purpose, an approach to integrated risk management was developed in cooperation with regional planning authorities, which is to be used when updating or developing regional plans.

Other current research activities by the BBSR refer to flood protection: the work ranges from the structural protection of properties, recommendations of action for better integrating flood protection in regional planning to a possible federal spatial planning plan "flood protection".

Another smaller step was made with the project "Urban Stress Test – Learning to plan and live with new risks", which future considerations may also take up. The current pandemic will not only determine its own agenda, but also influence ongoing developments and processes. It is important to consider, analyse and evaluate this possible influence. How does the pandemic affect price developments on the housing and real estate markets? How does the pandemic affect the penetration of urban working environments by digital technologies? What are the trends in the field of sustainable construction? Do migration gains for cities, especially large cities, go down? What follows from the crisis for the deconcentration policy in terms of promoting equivalent living conditions?

Both for politics and for scientific policy advice, new agendas and new research agendas will have to be developed when dealing and after having dealt with this pandemic.

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SPATIAL DEVELOPMENT

New project supports mobility in rural areas

The BBSR has been doing research and carrying out projects to support mobility in rural areas for many years. With the German government focus on achieving equivalent living conditions in all areas of Germany, the new project “Improving mobility in rural areas to achieve equivalent living conditions” (MogLeb) aims to make a constant contribution to the broad implementation of sustainable and future-oriented mobility solutions in rural areas.

The Federal Rural Development Scheme (BULE) funds the new project and the BBSR manages it together with the Federal Ministry of the Interior, Building and Community. The goal of this project is to help municipalities to implement mobility management measures in rural areas and to strengthen local skills. In order to do this, in a first step, knowledge and lessons learned from various research and pilot projects are collected and the findings are integrated into targeted guidelines. In a second step, an online platform for mobility in rural areas will provide measures, instruments, implementation aids and practical examples that are to serve local authorities as concrete practical aids for implementing mobility mana-

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gement measures. Additionally, a network is to be founded by the Federal Government and the federal states to further support mobility in rural areas.

Demographic change and heterogeneity of rural areas represent specific challenges, so does the lack of financial resources, which makes it increasingly difficult to provide traditional public transportation. Additionally, in some rural areas, services of public interest and supply infrastructure have disappeared. Therefore, the population living in rural areas often has to cover long distances to get to school, to do everyday shopping or visit a doctor. This problematic development particularly affects children, adolescents and senior citizens – groups of people who do not own cars and depend on public transportation.

The new project MogLeb was developed based on the findings of a pilot project called “Long-term protection of services of public interest and mobility in rural areas”. In this project, 18 regions located in rural areas across Germany tested innovative municipal mobility management approaches. The pilot regions are very heterogeneous in terms of size, number of municipalities as well as population size and density.

The measures of the pilot regions cover a broad range: In addition to the development of mobility management concepts, specific examples of measures are flexible and alternative forms of transport, car sharing, ride-sharing, digital information platforms, multi-modal transportation hubs, improvements of accessibility, and improvements of public transport

Outcomes and conclusions of this former pilot project show that it is crucial to consider local circumstances and engage the local population in determining specific needs and demands. In order to be successful, mobility management measures have to be targeted and meet the demands of a specific region. A cookie-cutter principle cannot be applied and the local situations need to be considered.

The new MogLeb project aims to help municipalities to find the right solutions and support the implementation of targeted mobility management measures in rural areas.

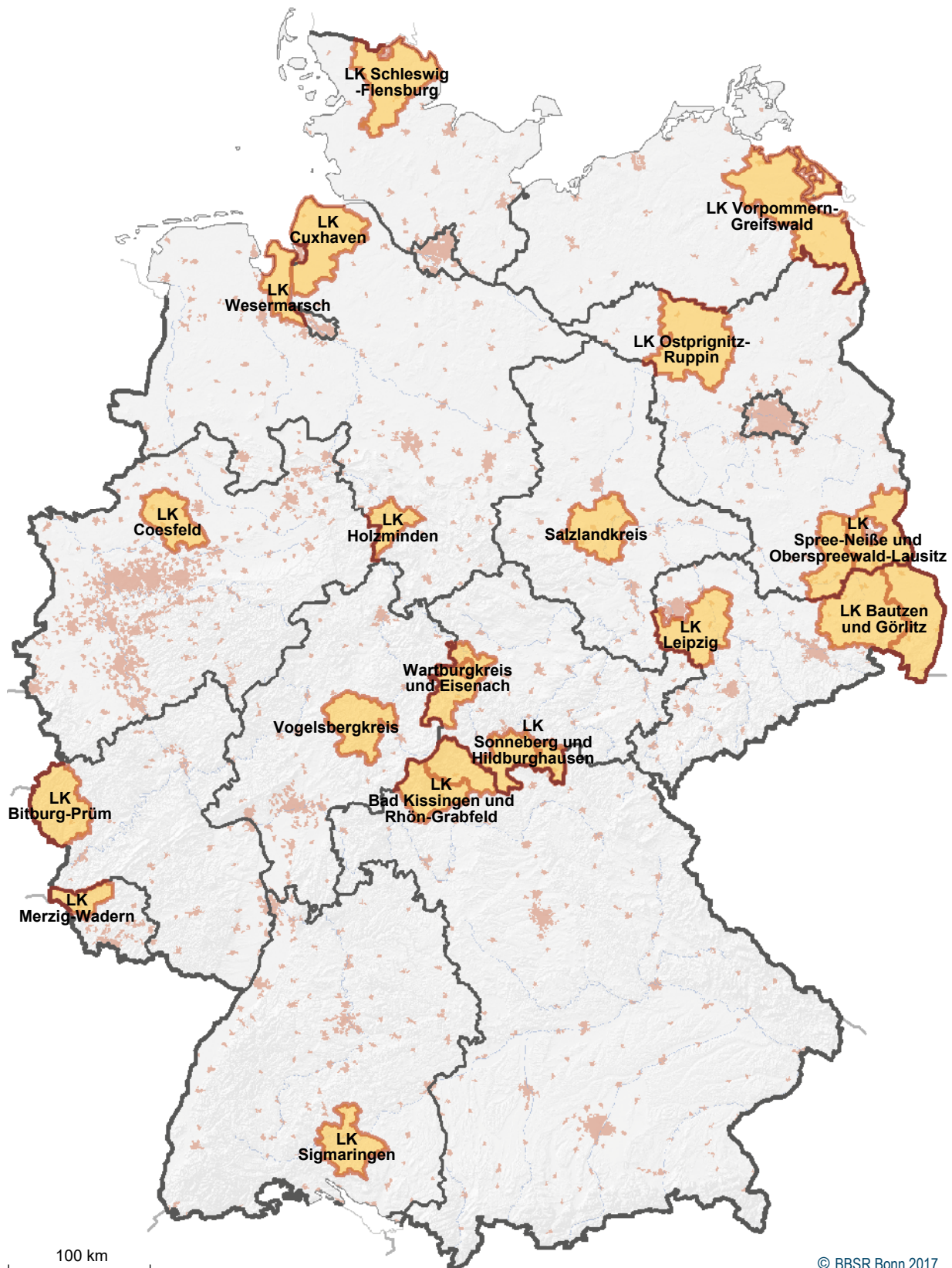


Commuter bus driving through agricultural field

© Thomas Winz / Getty Images

SPATIAL DEVELOPMENT

Long-term protection of services of public interest and mobility in rural areas – 18 pilot regions



© BBSR Bonn 2017



HOUSING

Housing markets in Germany – developments in different directions

The housing and real estate markets have developed very differently in the past ten years. Main drivers for the regionally different developments and problem situations are the regionally different economic dynamics, internal and external migration flows, low interest rates and the overall long-term economic growth until the first quarter of this year.

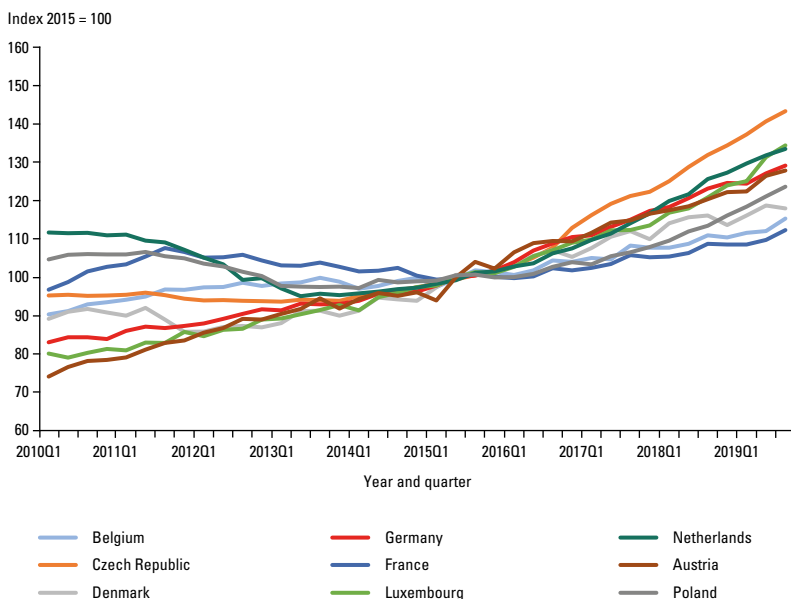
Many cities, surrounding counties and attractive tourist areas are interesting for people from home and abroad: They have a high economic power and offer many work and training opportunities for people with different qualifications. Growing urban and rural counties have gained just over 3 million inhabitants in the last ten years. Internal migration flows concentrate on these growth areas and at the same time cause population losses, housing vacancies, stagnating or falling property prices and problems in providing services of general interest in structurally weak and partly peripheral regions. The population in these shrinking areas has decreased by more than 580,000 since 2009. According to estimates by the BBSR, on average every tenth flat there is unoccupied. Where migration and aging come together,

the challenges associated with it will become even greater.

The boom cities and their surrounding areas, however, have been characterised by housing shortages, rising property prices, high flat rents and competition for use for years. The construction activities have grown rapidly within ten years. In 2018, 287,000 flats were completed - more than twice as much than in 2009. However, the demand for housing has increased even more during this period so that housing is still missing. In addition to the migration flows and the higher individual land consumption, the low interest rates fuel the demand for living space, since, in view of favourable loan conditions, many households want to realise the dream of their own four walls. Given the currently low yields and high uncertainties on the financial and stock markets, investors often prefer real estate to other forms of investment.

According to the Federal Statistical Office, the property prices have risen nationwide by 46 percent in the last fifteen years, especially since 2010 very constantly. In neighbouring countries such as the Netherlands and Poland, the prices have risen again with some delay – only since 2014 – as a result of the financial market crisis in 2008.

House price indices in Germany and its neighbouring EU countries from 2010 to 2019



Database: BBSR Housing Market System, EUROSTAT: House Price Index

© BBSR Bonn 2020

The prices rose very intensively in the growing German cities. According to the Association of German Pfandbrief Banks, the prices for owner-occupied housing in the seven largest German cities rose by 80 per cent between 2010 and 2018. The BBSR study "Faktencheck zur Wohneigentumsbildung" (Fact check on the creation of home ownership) shows that more and more property buyers switch to surrounding areas for financial reasons when looking for flats, houses or building land. The proportion of buyers of existing buildings compared to buyers of new buildings also increases.

Due to the consequences of the corona pandemic, the future trends of housing demand, of purchasing power and of the general economic conditions are currently difficult to assess. There are good arguments for further growth, but stagnating or even falling prices are also possible. The BBSR will continuously analyse these trends.

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Trading in large rental housing stocks remains limited

Trading in rented housing portfolios from 800 units in 2019 was at the level of the previous years. However, there was a shift among the actors involved. According to a current analysis of the BBSR Housing Transaction Database, German private investors and the public sector were increasingly active as buyers.

In 2019, the BBSR registered a total of 24 sales transactions with more than 800 units on the German market for existing housing portfolios. These were two transactions more than in the year before, but less than in 2016 and 2017. The number of traded housing units gives a similar picture. In 2019, players sold 70,900 housing units – roughly as many as in 2018. The trading volume has thus been at a comparatively low level since 2016.

Foreign players dominated the seller side in 2019 when trading large residential portfolios: with six transactions with more than 800 housing units, Continental European companies were particularly active as sellers in 2019. They sold over 18,000 housing units.

The by far most important group of buyers in 2019 was formed by German private companies. They acquired eight portfolios with a total of 29,500 residential units. This corresponds to a share of 42 percent of the trade turnover.

The public sector increasingly appeared as a buyer: altogether 17,500 housing units were acquired in the context of four local purchases as well as two transactions by federal state-owned holdings. Thus the public sector is on

place two among the buyer categories. This is by far the highest participation in the buying activities of the last ten years. Especially the city of Berlin bought additional housing stocks in 2019. With 17,000 housing units, the listed housing companies acquired almost as many housing units as the public sector.

Fewer portfolios with 100 to 800 units traded
Trading in portfolios between 100 and 800 units also declined in 2019. The BBSR recorded 83 small transactions with stocks between 100 and 800 housing units. This value is significantly below the values of the two years before when 94 and 93 small sales respectively were registered.

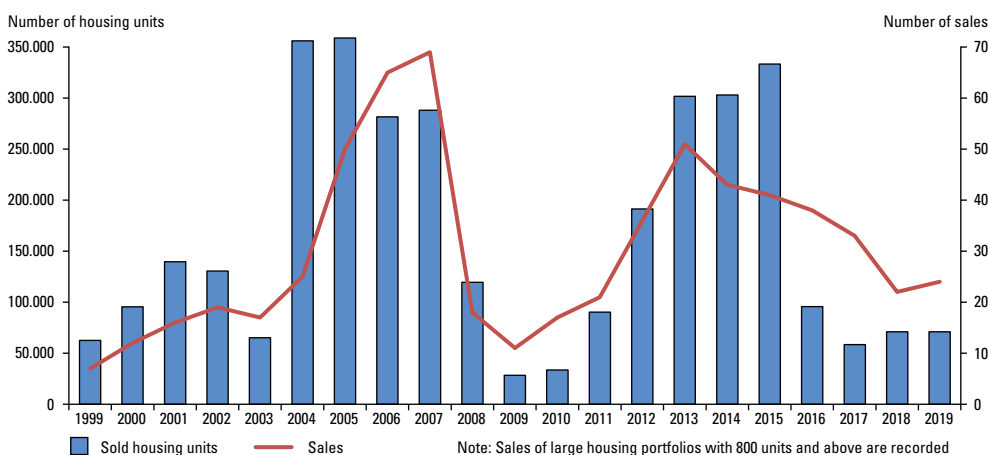
As a consequence, the number of units traded in small transactions with 100 to 800 units declined: 22,200 residential units were traded in 2019, around 15 percent less than in 2018. The transaction volume has thus fallen for the second time in a row and is at the lowest level since 2015. As exceptionally high sales figures were recorded for small transactions in the past three years, the market activities in 2019 continued to be in the multi-year average despite the decline.

The analysis was published in the "BBSR-Analysen KOMPAKT" publication series and is available free of charge (forschung.wohnen@bbr.bund.de). A (German-speaking) digital version is available on the BBSR website: <https://www.bbsr.bund.de/BBSR/DE/Veroeffentlichungen/AnalysenKompakt/2020/ak-05-2020.html>

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Sale transactions and sold housing units in the BBSR Housing Transaction Database, 1999–2019



Source: BBSR Housing Transaction Database

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LATEST MAP

Older people in Europe

The population in Europe is older than in many other parts of the world. The population's median age in the EU was 43.7 years in 2019. In the United States it was 38.3 years though, in China 38.3 years and in India 28.4 years. Worldwide the median age was 31 years in 2019.

The median age divides the population in two halves: one with persons younger and one with persons older than that age.

The median age of the population varies widely between the member states of the European Union. With a median age of 37.6 years, Cyprus leads the list of countries with a comparatively young population. In Germany, the age is 45.8 years on average. At the bottom of the list is Italy (46.7 years).

There are also large differences between regions: the lowest median age can be found

in the French overseas department of Mayotte (18.1 years). In Continental Europe it is the Greater Copenhagen region (33.8 years). The oldest region though is the Evrytania region in Central Greece (55.5 years).

Another criterion of the population's age structure is the share of older people in the total number of residents. In the EU, one in five residents is now 65 years and older. The share of people aged 65 and over in the total population of the EU is thus more than twice as high as the worldwide average (8.9 per cent). Also compared with other countries, the share is much higher. In the US, 16 per cent of the population are at least 65 years old, in China 11.2 per cent and in India only 6.2 per cent.

Italy has the highest proportion of people aged 65 and over in the population of the EU. The situation is different in Ireland, where the share is only 14.1 per cent. In Germany, 21.5 per cent of the population are at least 65 years old.

Compared with the NUTS 3 regions of the EU, the share of people aged 65 and over is lowest in the French overseas department of Mayotte (3 per cent). In Continental Europe, Fuerteventura (10.9 per cent) and Copenhagen City (11.9 per cent) have the lowest proportions. In contrast, the German independent city of Suhl (32.2 per cent), the arrondissement of Veurne (32.5 per cent) in Belgium and the Evrytania region (36.7 per cent) in Greece have high shares.

The map shows a clear west-east divide in the proportions of older people in the population. In the Eastern European countries, the regional peak values often correspond almost to the lowest regional values in Western European countries.

Basically, the regions with the highest proportions of older people are predominantly, but not necessarily, more rural regions away from centres. In Germany, nearly all eastern German counties with the exception of the surrounding area of Berlin have a comparatively high proportion of older people. In Italy such regions can be found in the middle of the country (Tuscany, Umbria and Marche). In France, it is the south-western part of the country. Outside the European Union, such regions cover Greater London and the Midlands in the United Kingdom.

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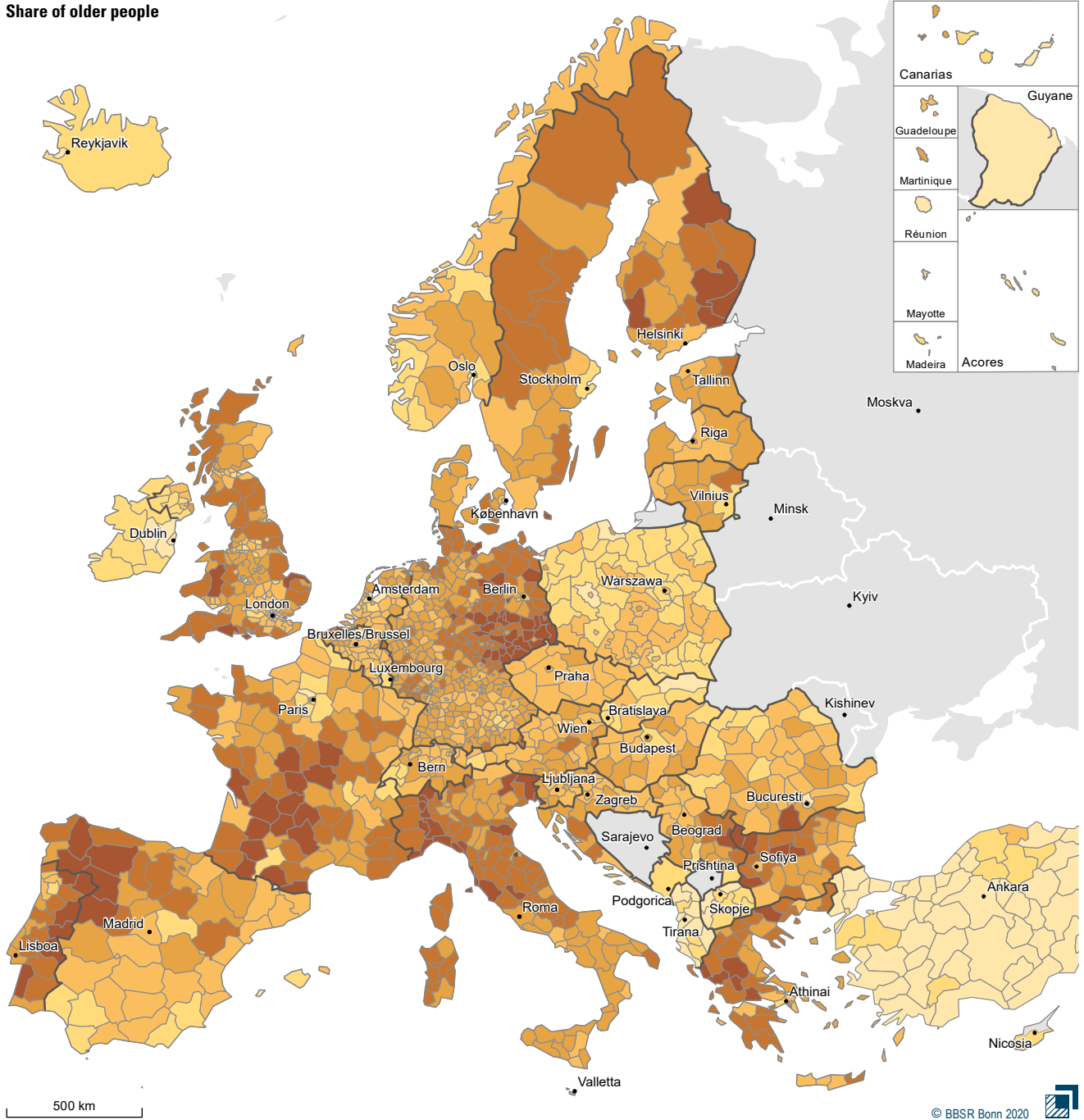


Suhl / Thuringia ist one of the oldest regions in the EU27 (Median age: 54,7)

Source: undulatus / Pixabay

LATEST MAP

Share of older people



Share of the population aged 65 and more in % in 2019

- up to below 14
- 14 to below 17
- 17 to below 20
- 20 to below 23
- 23 to below 26
- 26 an more
- no data

Source: Spatial Monitoring System for Europe
 Origin of data: Eurostat REGIO
 Administrative boundaries: GfK GeoMarketing, NUTS 3 regions
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CURRENT RESEARCH PROJECTS

Global urban transformation

The objective of the "global urban transformation" project was to process the practical experience of municipalities when dealing with the global and European agendas and to formulate recommendations how they can be considered when further developing the German National Urban Development Policy programme, when updating the Leipzig Charter and the Urban Agenda for the EU.

New Urban Agenda of the United Nations

The project aims at characterising, measuring and visualising the progress achieved in Germany in implementing the New Urban Agenda by texts and graphics and in close cooperation with selected cities and communities.

People and Success Stories 2019

The focus of the competition "Menschen und Erfolge 2019" was "Living in small towns and communities of rural areas" and searched for projects that have successfully contributed to the improvement of housing and the living environment. A total of 136 entries were submitted, from which eight award winners and eight recognitions were selected by a jury and awarded at a public event.

Further information: www.bbsr.bund.de