

# Nordregio News

Issue 1 October 2011

## Europe's Strive for Territorial Cohesion

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### Welcome to Nordregio News

We are very happy to welcome you to the first issue of Nordregio News. Our wish is to present current issues, to give new perspectives and to dive deeper under the surface within the broad field of regional development. We will also provide you with information about interesting research results from Nordregio.

With Nordregio research as a strong basis, each issue will provide multiple perspectives on a specific theme of regional development. In this first issue of Nordregio News we aim to provide a better understanding of the ongoing discussion on the future European Territorial Cohesion policy; and specifically the role of the **Territorial Agenda of the European Union 2020** (TA 2020).

The TA 2020 was adopted in May 2011 by the ministers responsible for Spatial Planning and Territorial Development in the 27 EU Member States. It is developed by the Member States in cooperation with the EU Commission and is intended as a 'territorial' supplement for the **Europe 2020 Strategy**. Consequently, it is viewed as the road map for alignment of the EU Cohesion policies for the next decade.

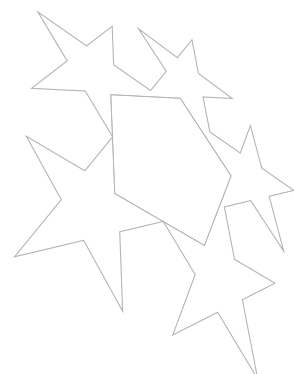
Peter Schmitt's contribution to this issue, **The Territorial Agenda of the European Union 2020 – A turning point in striving for Territorial Cohesion?**, discusses how the concept of Territorial Cohesion is addressed in the TA 2020. It also elaborates on the specific context and complex policy framework in which it is embedded and highlights some of the key messages communicated by the TA 2020. Further, the question of what can be expected in terms of policy implementation is discussed.

### Contents:

**The Territorial Agenda of the European Union 2020 - a turning point in striving for Territorial Cohesion**  
*By Peter Schmitt* ..... **3**

**Storylines on Territorial Cohesion**  
*By Erik Gløersen and Kai Böhme* ..... **9**

**The EU Territorial Agenda 2020 and Territorial Cohesion - a Swedish Policy Viewpoint**  
*By Sverker Lindblad* ..... **16**



In Erik Gløersen's and Kai Böhme's article, **Storylines on Territorial Cohesion**, you can read about how the concept of Territorial Cohesion can be understood and measured. The challenge lies in the fact that rather than trying to impose a specific definition the European Commission prefers to have an open dialogue on the meaning and policy implications of Territorial Cohesion. Measures of Territorial Cohesion therefore need to reflect different prevailing understandings of this notion. Gløersen and Böhme refer to the ongoing **ESPON INTERCO** project, where six different storylines are proposed as the basis for developing the needed indicators of Territorial Cohesion.

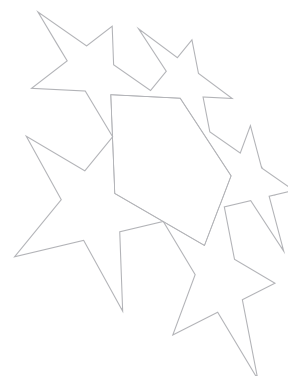
In his article, **The EU Territorial Agenda 2020 and Territorial Cohesion – a Swedish Policy Viewpoint**, Sverker Lindblad provides a Swedish perspective to Territorial Cohesion. The question of how the TA 2020 shall be implemented and the possible impacts on Swedish policy is discussed. He especially points out the implementation of the TA 2020 and the needed commitment from the national and regional stakeholders as crucial challenges.

With this first issue of Nordregio News we want to welcome all our readers, both new and old, to a new media for dissemination of important research on territorial development and policy. It is also our ambition to enable a dialogue with the different actors within our field, such as our European research colleagues and those stakeholders who use the research carried out by Nordregio.

We hope you enjoy reading Nordregio News!



**Ole Damsgaard**  
Director  
and the **Editorial Board of Nordregio News**



# The Territorial Agenda of the European Union 2020 – A turning point in striving for Territorial Cohesion?

*By Peter Schmitt*

The Territorial Agenda of the European Union 2020 (TA 2020) is the most recent informal strategic policy paper concerned with Territorial Cohesion in Europe. The ministers responsible for Spatial Planning and Territorial Development under the Hungarian Presidency approved it in May 2011. This paper joins a tradition of informal joint efforts by the same group of authors to emphasise the need and potential for an integrated spatial or, as it is has come to be termed in recent years, territorial perspective on strategic transnational policymaking. This article sheds some light on the specific context and complex policy framework in which the TA 2020 is embedded, the key messages this policy paper communicates, and how it approaches Territorial Cohesion as a joint EU policy target. In doing so, it also paves the way for the two other contributions to this newsletter that tackle more specific related issues.

## Background and context of the TA 2020

The starting point for this sequence of strategic transnational policy papers has undoubtedly been the **European Spatial Development Perspective** (ESDP), which was agreed upon in 1999 by the ministers of the Member States of the European Union responsible for spatial planning and development. The ESDP has certainly not developed out of thin air, having been in gestation for almost a decade. During this time, it has coined specific normative notions such as urban–rural partnerships and polycentric development that have since then trickled down into various transnational, national and even regional policy documents. In addition, the 'INTERREG programme' (since 2007 labelled as 'European Territorial Cooperation programme'), which aims at fostering cross-border and transnational cooperation, has been a vital instrument in applying most of the policy options suggested in the ESDP. The ESDP (1999) has not explicitly delineated the concept of Territorial Cohesion. A relatively similar notion that is very central to the ESDP, namely polycentric development, is claimed to stimulate economic growth, be more environmentally sustainable and support territorial 'coherence'.

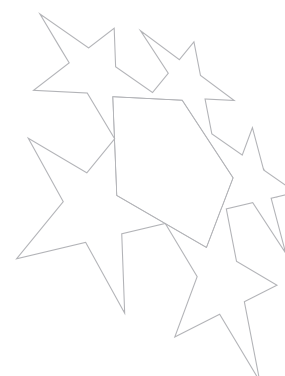
Exactly eight years later, a follow-up document was adopted by the same group of stakeholders who elaborated and agreed upon the



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ESDP. The **'Territorial Agenda' (TA 2007)**, or, as it is named in the sub-title, 'Towards a more competitive and sustainable Europe of diverse regions', is more abstract and less detailed than the ESDP concerning the number and level of its policy messages. Of most note is that it declares the normative notion of Territorial Cohesion the most prominent task of territorial policies. This notion had only been touched upon so far by other policy papers, such as the Cohesion Reports issued by the European Commission. A central motivation appears to lie in better exploiting existing territorial diversity within the EU. The concept of polycentric development is addressed, but apparently it has been downgraded to a kind of subcomponent of a striving for Territorial Cohesion.

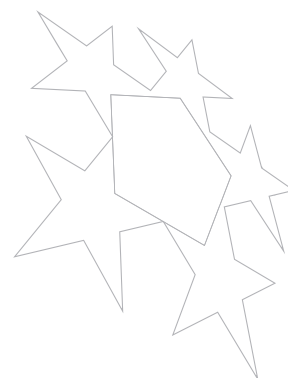
The recent **Territorial Agenda, the TA 2020**, has been adapted to the **Europe 2020 strategy**. The latter was launched by the European Commission in March 2010 and approved by the Heads of States and Governments of EU countries in June 2010. It can be seen as the general road map of EU policy targets within this decade in regards to central policy fields (employment, energy, education and innovation). It can also be understood in this light as a central plank in the future alignment of EU Cohesion policies between 2014 and 2020.

Consequently, the TA 2020 takes up the 'policy triad' proposed by the Europe 2020 strategy—namely, smart, sustainable and inclusive growth—and rephrases it in its sub-title "Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions". It appears that in doing so, the authors of the TA 2020, as the ministers responsible for spatial planning and development of the Member States of the European Union, are exploiting a window of opportunity as Territorial Cohesion has become a shared competence of the EU and its Member States in the 'Treaty on the Functioning of the European Union' of December, 2009. That is, in the TA 2020, this 'specific group' claims in a very pronounced way to incorporate the territorial dimension as an integral part of economic and social cohesion policy undertaken by the EU.

### **Coping with fuzziness and complexity**

Before examining the contents of the TA 2020, some further, partly tricky, aspects need to be taken into account. Firstly, the nature of transnational territorial strategic policy papers such as the TA 2020 and its forerunners the ESDP and the TA 2007 must be qualified. They are elaborated on and disseminated by a very specific epistemic community, referred to by Sverker Lindblad in his article in this issue, as a group of 'true believers', who propose a very distinct language of fuzzy normative constructs.

However, constructs such as Territorial Cohesion do not stem from the statute book where it is defined, and what it should do, what its limits are, etc. Indeed, the Green Paper on Territorial Cohesion issued by the European Commission (DG Regio) in 2008 was an



attempt to achieve a shared and mutually agreeable definition of Territorial Cohesion and, more importantly, the implications for policy. Although hundreds of contributions from national governments, local and regional authorities, EU institutions, economic and social partners, civil society organisations, academics and citizens were submitted in response to the 'open consultation process', a synthesised report including a more narrow definition has not yet been released.

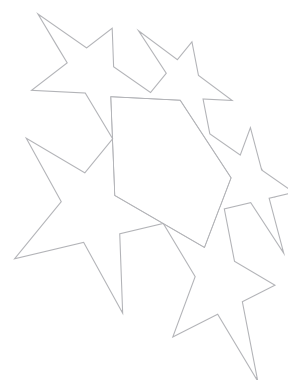
This task appears to have been left to the scientific and policy advisory communities. Most notably, the **ESPON** (European Observation Network for Territorial Development and Cohesion) programme is the nucleus of knowledge, applicability and identification of policy options of territorially relevant policy notions. The concept of Territorial Cohesion remains the focus of several transnational research projects that aim to deconstruct its potential components and principles and decode its meanings in different territorial contexts. In addition, and perhaps most importantly in the world of policymaking, ESPON shall help to develop scientifically robust and at best quantifiable indicators for measuring the impacts of policies of Territorial Cohesion (cf. the **contribution by Erik Gløersen and Kai Böhme** in this issue).

The authors of the TA 2020 also deserve a comment. The ministers responsible for spatial planning and development of the Member States of the European Union are generally not supported by any established sectors with strong political influence and/or financial resources. Because of the coordinating function of what is termed here 'spatial planning and development', the tone in such transnational strategic policy papers is normally suggestive rather than straightforward, and the messages rather strategic and programmatic. This means that they do not contain very specific guidelines on the 'what' and the 'how', nor are they explicit about the 'who' of their intended audience. In addition, they are process oriented, which implies that they try to identify promising avenues for coordination between different sectors, and make suggestions for improving cooperation between territories and their associated stakeholders by emphasising the strength and necessity of improved multilevel territorial governance.

## **Towards Territorial Cohesion? – Key messages of the TA 2020**

Before lamenting further on fuzziness and complexity in these territorial policy papers, some crucial questions remain: what is in the TA 2020; how is Territorial Cohesion addressed and to what extent is it framed as a central, relevant new dimension in cohesion policy; and finally, what can be expected in terms of policy implementation and delivery?

The TA 2020 is more assertive in tone than the TA 2007. Its very first paragraph emphasises that the ministers responsible for spatial planning and territorial development, in cooperation with the European Commission and with the endorsement of the Committee of

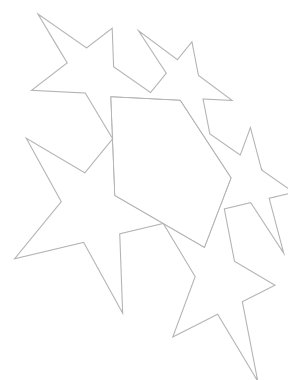


the Regions, are seizing the moment to point out some major avenues in which to use their shared competence in Territorial Cohesion. In doing so, they are setting out a so-called 'action oriented policy framework' with a time horizon of 2020 which should initially integrate the territorial dimension within different policies at all levels of governance. Here, the effective coordination of different (sectoral) policies, instruments and competences is a central issue as regards its application. Consequently, robust and efficient modes of multilevel territorial governance are demanded for the challenging task of organising the interplay of different political bodies (e.g. the EU and the Member States), regional and local authorities and private actors, with their inherently different territorial interests and logics ultimately traceable to their institutional affiliations.

A central concern of the TA 2020 is to ensure implementation of the Europe 2020 strategy. It states that the key objectives of smart, sustainable and inclusive growth can only be achieved by taking into account variations in the territorial dimension such as different development opportunities of the different regions in Europe. However, this should be done according to 'territorial cohesion principles'. The reference to 'principles' here indicates this paper does not intend to make any further attempts to clarify this policy, which is apparently a mission impossible. Consequently, in paragraphs (8) and (9), some of the statements regarding these principles as suggested in the EU Green Paper are rephrased: *"We believe that territorial cohesion is a set of principles for harmonious, balanced, efficient, sustainable territorial development. It enables equal opportunities for citizens and enterprises, wherever they are located, to make the most of their territorial potentials. Territorial cohesion reinforces the principle of solidarity to promote convergence between the economies of better-off territories and those whose development is lagging behind.(...) Regional interdependencies are increasingly important, which calls for continued networking, cooperation and integration between various regions of the EU at all relevant territorial levels."*

As suggested in the so-called Barca Report (2009), this 'place-based approach' to policymaking and delivery is considered to be particularly aligned with principles of Territorial Cohesion, resting as it does on horizontal coordination, evidence-based policymaking, and integrated functional area development. Finally, it is argued that a place-based approach should assist in implementation of the subsidiarity principle through a multilevel governance approach.

The TA 2020 identifies some key challenges and potentials for territorial development. These include increased exposure to globalisation, demographic changes, social and economic exclusion, climate change, and loss of biodiversity. It also addresses six so-called territorial priorities for the development of the European Union. However, these will not be discussed here in greater detail. Nevertheless, the appearance of polycentric development as a key element in achieving

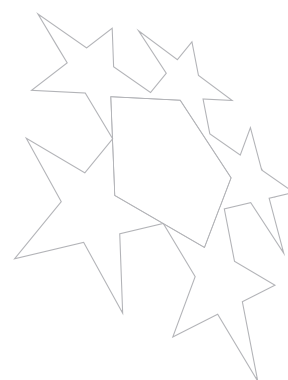


Territorial Cohesion is noteworthy: *"Where the most developed cities and regions within Europe cooperate as parts of a polycentric pattern they add value and act as centres contributing to the development of their wider regions. (...) Polycentric territorial development policy should foster the territorial competitiveness of the EU territory also outside the core 'Pentagon area'. We encourage cities to form networks in an innovative manner, which may allow them to improve their performance in European and global competition and promote economic prosperity towards sustainable development."*

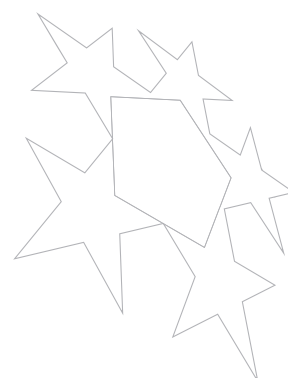
In addition, a number of mechanisms are identified in the TA 2020 that should help in implementing Territorial Cohesion on different spatial scales. At the EU level, it claims that a more territorially integrated perspective would improve the monitoring system of EU policies generally and implementation of the Europe 2020 strategy in particular. This would also guarantee a closer consideration of the existing diversity of territories and their specific development potentials and distinct identities. It also argues that programmes such as the current transnational cooperation programmes (formerly INTERREG strand B), macro-regional strategies (such as those adopted for the Baltic Sea region and the Danube region) or instruments, such as the European Grouping for Territorial Cooperation (EGTC), can be better utilised for Territorial Cohesion through, for instance, monitoring and evaluation of their benefits. What is perhaps most remarkable here is that the TA 2020 also addresses the Member States: *"To integrate the principles of territorial cohesion into their own national sectoral and integrated development policies and spatial planning mechanisms"* as well as the *"regions and cities to develop and adopt integrated strategies and spatial plans as appropriate to increase the efficiency of all interventions in the given territory"*. In other words, the authors of the TA 2020 demand a further harmonisation and trickling down of central territorial policy concepts that stem from the relevant prevailing EU policy discourse.

### **Taking the TA 2020 further**

Nevertheless, the section of the TA 2020 entitled 'Making EU territorial cohesion a reality' may be criticised for not being as far-reaching as it could be. A more distinct road map for further implementation would have been more desirable than merely asking the future EU Presidencies or other EU bodies and institutions to support the implementation or to carry out evaluations. More detailed examples of how future cohesion policies could be designed to better integrate a territorial perspective would also have been helpful in this respect. It can certainly be positively noted that the current Polish EU Presidency in the second half of 2011 has reacted immediately by commissioning a group of consultants to write a report identifying further options for strengthening the territorial dimension of future EU (cohesion) policies. Most importantly in this respect, it also asks for answers to the question of how Territorial Cohesion can be enhanced within the



given policy frameworks (cf. Böhme et al., 2011). The extent to which the proposals and advice it offers are taken up or even incorporated in future policy packages remains to be seen. However, time is running out fast before the next period of EU (cohesion) policies, as the elaboration process is already underway.





# Storylines on Territorial Cohesion

By Erik Gløersen and Kai Böhme

What role can researchers play in discussions on Territorial Cohesion? Policymakers and stakeholders with ambitions in Territorial Cohesion request statistical measures and maps that support its implementation in policy. Such evidence is needed, for example, in debates on the future of structural funds after 2013. The present article presents some reflections on the role that applied research may play in such a context, based on experience from the ongoing ESPON project 'Indicators of Territorial Cohesion' (ESPON INTERCO).

## What is Territorial Cohesion?

Territorial Cohesion is a notion with a wide range of meanings and implications that are dependent on the policy agendas and analytical perspectives of those using it. Debates over its meaning and implications have gained momentum since the Treaty of Lisbon included it as one of the goals of the European Union (EU) in 2009. However, its introduction can be regarded as a way of further specifying the notion of 'harmonious development', one of the major initial ambitions of European cooperation. Its meaning has been progressively extended to incorporate an increasing number of policy fields. The Treaty of Rome that established the European Economic Community in 1957 refers to the "harmonious development of economic activities" (art. 2), "of the common market" (art. 128) and "of world trade" (art. 110). The social dimension is added by the Single European Act of 1986, according to which the promotion of "overall harmonious development" shall be based on "actions leading to the strengthening of Europe's economic and social cohesion" (art. 130a). In the meantime, establishment of the European Regional Development Fund (ERDF) in 1975 reflected an increasing awareness that one cannot overlook territorial structures when seeking to achieve cohesion. The creation of the ERDF also reflected the conviction that a dialogue between the EU and the regions would be needed for this purpose. Since the enlargement of the EU from 15 Member States to 25 in 2004 and 27 in 2007, the European Commission has emphasised the objective of the regional policy to be promoting balanced, sustainable development through functional integration between territories and cross-sectoral policy coordination, and not merely facilitating integration in the European Single Market through increased economic and social convergence. Considering the disparities between the 'new' and 'old' Member States, this latter perspective would indeed have entailed regional policy measures merely concerning the 12 countries that joined in either 2004 or 2007. Avoiding a renationalisation of regional policy therefore necessitated



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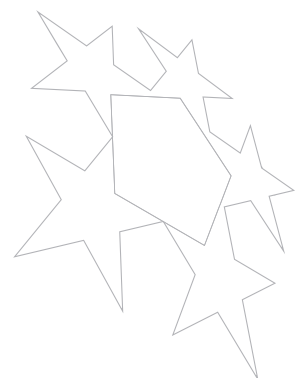
Both Erik and Kai have worked at Nordregio.

**Spatial Foresight GmbH** is a Luxembourg-based company which provides territorial policy support and research.

revision and enlargement of its rationale (Begg, 2010). The inclusion of Territorial Cohesion as a shared competence of the EU and of the Member States in the Treaty of Lisbon also needs to be understood in this light.

The European Commission has so far chosen not to provide a definition of Territorial Cohesion, but has oriented debates through a series of suggestions on what this goal entails. In the third report on economic and social cohesion, the fact that *“people should not be disadvantaged by wherever they happen to live or work in the Union”* is presented as a justification for the inclusion of Territorial Cohesion in the Treaty as a policy goal (European Commission, 2004, p. 27). The European Commission’s Green Paper on Territorial Cohesion, published in October 2008, emphasises that territorial analyses and territorial instruments better account for interactions between different policy fields in the design of more coordinated interventions. Thus, Territorial Cohesion can be understood as an inclusive principle that assists in targeting of policy interventions and supports the effectiveness of policymaking, rather than a strict definition that risks excluding certain stakeholder groups or alternative understandings (cf. Böhme et al., 2008). This argument in favour of a more inclusive approach is inspired by the concept of sustainable development, proponents of which traditionally focus on the need to combine economic, social and ecological sustainability. Using Territorial Cohesion as a principle for the coordination of sector policies is a popular idea within the circle of people working on territorial policy. Other actors consider either that this presupposes an unrealistic ascendancy of ‘territorial policy’ over other policy fields or seek to extend their own area of competence by incorporating the territorial dimension. The European Commission’s Directorates General for Maritime Affairs and Fisheries (DG MARE) and for the Environment (DG ENV) have, for example, launched initiatives in favour of Maritime Spatial Planning (MSP) and Integrated Coastal Zones Management (ICZM). The Directorate General for Agriculture and Rural Development (DG AGRI) similarly seeks to demonstrate that Territorial Cohesion policies in rural areas would belong within its area of competence.

Other documents suggest that Territorial Cohesion could be an instrument for improving the economic and social performance of Europe. In its background document to the Conference on Cohesion Policy and Territorial Development in December 2009 (European Commission, 2009), the European Commission focused on the need for a ‘Local Development Methodology’ that would be a component of cohesion policy. ‘Unleashing the territorial potential’ is, from this perspective, the motto of cohesion policy. The underlying rationale is that the market does not automatically exploit the possibilities for economic development equally in all European territories. The European Treaty gives some indication of the areas that would be concerned, and specifies that *“particular attention shall be paid to rural areas, areas*



*affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions”* (art. 174). In the **Europe 2020 strategy** formulated by the European Commission in March 2010, Territorial Cohesion is associated with the objective of ‘inclusive growth’. It is closely associated with the objectives of a ‘high-employment economy’ and ‘social cohesion’ and of sharing the benefits of growth and employment more widely (European Commission 2010).

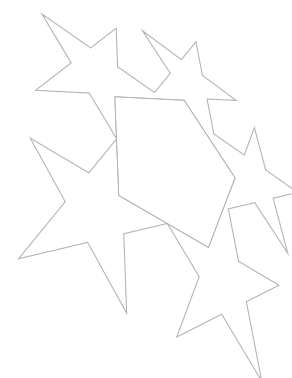
## **How to measure Territorial Cohesion**

The researcher must employ diverse approaches in attempting to construct indicators of Territorial Cohesion (cf. e.g. Hamez, 2005). Such indicators can be constructed from data in EU documents regarding Territorial Cohesion, together with additional territorial structures and trends considered relevant in other policy documents or by stakeholders. However, this selection, the multivariate statistical methods used to combine them and the scale of analysis used necessarily presuppose a large number of choices. In practice, this implies that the construction of indicators of Territorial Cohesion is necessarily linked to the position taken within debates on Territorial Cohesion. One example is the linking of policy processes and scientific evidence in the form of indicators and maps by the Polish EU Presidency in pursuing its ambitions of implementing the Territorial Agenda (cf. Böhme et al., 2011).

In its attempts to produce indicators of Territorial Cohesion for the European Commission and the Member States and as part of the ESPON programme, the **ESPON INTERCO** transnational project group therefore first decided to address this difficulty through a series of workshops with stakeholders, practitioners and other researchers in the territorial policy field. As a starting point for the analysis, a series of ‘storylines’ of Territorial Cohesion were proposed. These initial storylines not only described the main objectives different groups of actors referred to when discussing Territorial Cohesion, but also purported to synthesise the causal processes that these actors would presume to be initiated by the types of actions they promote.

The formulation and description of the storylines is an iterative process, whereby an initial list based on policy documents, academic articles and ongoing debates would be progressively amended in the workshops. The list of storylines would also be modified by, for example, adding a storyline on the environmental dimension, or by merging storylines dealing with local development and geographically specific areas. As a result of this process, six storylines were proposed:

The storyline ‘Smart growth in a competitive and polycentric Europe’ focuses on the contribution of Territorial Cohesion to the achievement of the aims of Europe 2020, particularly higher economic growth and improved European competitiveness. This implies a focus



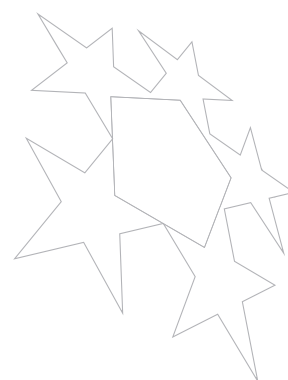
on territorial potentials, on the support of smart growth and on the connectivity of Europe's economic centres in a polycentric system of cooperation and integration. The short- to medium-term policy ambition is to maximise growth in the strongest nodes by drawing on factors such as a highly educated workforce, excellent infrastructure and agglomeration economies to generate highly innovative and competitive activities and substantial income. Balanced and harmonious territorial development would subsequently be achieved on the basis of diffusion processes.

'Governance, coordination of policies and territorial impacts' is a storyline that emphasises the importance of dialogue and integration to strengthen Territorial Cohesion. Key concerns are with improved use of synergies between different policies (vertical and horizontal coordination) as well as the actual costs of non-coordination. According to this approach, Territorial Cohesion can result from a combination of more developed horizontal exchanges between actors from different sectors and vertical processes in which the design and implementation of policy is coordinated at the local, regional, national and European levels and based on subsidiarity. Particular emphasis is therefore placed on the need for a dialogue on Territorial Cohesion with 'non-believers'.

If territory is considered an interface between human activities and the physical environment, Territorial Cohesion can be an instrument for achieving sustainable economic, social and ecological development. The storyline 'Environmental dimension and sustainable development' stresses this aspect of Territorial Cohesion debates. From this perspective, the hallmark of Territorial Cohesion would be the capacity to deliver sustainable development. Policies based on a territorial approach would take into account interactions among a diversity of issues. Economic development measures and welfare policies would incorporate long-term strategies to meet key challenges such as biodiversity preservation, climate change adaptation and reducing environmental impacts of manufacturing and transport.

The storyline 'Local development conditions' considers Territorial Cohesion as place-based policymaking. It goes below the regional level to focus on local development conditions and the comparative advantages of places. This includes factors such as tacit knowledge, local networks and access to economic centres. Different local areas react differently to sector policies. Achieving Territorial Cohesion therefore requires adapting these policies to different geographical contexts.

The storyline 'Geographical specificities' draws on the previously mentioned article 174 of the Treaty. It commits the EU to paying particular attention to certain categories of areas, including those that 'suffer from permanent natural or demographic handicaps', for example, mountains, islands and sparsely populated areas. The limited demographic and economic functional mass in most of these areas is a key challenge. It leads to higher costs for service provision, limited

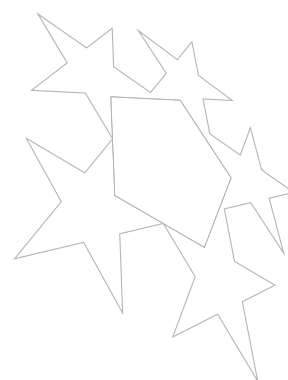


access to transport infrastructure and few possibilities for benefiting from economies of agglomeration. Additionally, the ecosystems in many cases present specific forms of vulnerability, requiring adapted policies and dedicated innovation policies to preserve long-term sustainable development perspectives while improving their economic performance. Policies preserving settlement patterns in geographically specific areas may not be justified from a narrow economic point of view, insofar as their overall productivity is lower than in more central areas with fewer constraints. However, the cost–benefit ratio of these policies may appear more favourable if the strategic importance of outputs of some of these areas, such as natural resource exploitation and opportunities for leisure activities, are taken into account.

Finally, the storyline ‘Inclusive, balanced development, and fair access to services’ was inspired by the Third Cohesion Report definition of Territorial Cohesion, which states that “people should not be disadvantaged by wherever they happen to live or work in the Union”. A key issue in this respect is defining minimum levels of service provision across the European Territory, which some use to invoke the notion of a European model of society. However, the demands and expectations of European citizens in terms of service provision vary significantly across regions. The idea of ‘equal’ or fair development opportunities in all areas is widely supported. However, the need for European settlement patterns to adapt to a changing economic framework also needs to be considered. The challenge is to organise demographic decline in a socially and ecologically responsible way in areas where it is considered unavoidable. Reflections on how modes of service delivery may be adapted to Europe’s diverse territorial contexts are also needed.

Indicators may be elaborated on the basis of such storylines, since they are progressively amended through interactions with stakeholders. On this basis, researchers may produce quantitative analyses that guide the formulation of Territorial Cohesion strategies within a given policy framework. The data, scale and statistical tools that are used can then be justified on the basis of the strategic priorities and underlying hypotheses of stakeholders referring to Territorial Cohesion, rather than being an arbitrary choice of the researcher.

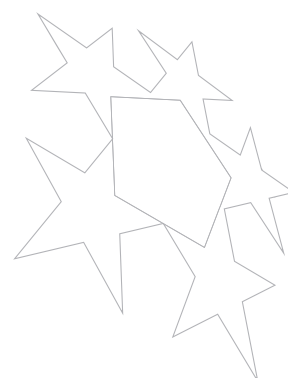
During the series of workshops that were organised as part of the ESPON INTERCO, many stakeholders insisted that, irrespective of storylines, only analyses based on functional areas would provide evidence of direct usefulness in debates on Territorial Cohesion. Constructing traditional indicators is complicated. While the scale and delimitation of ‘functional regions’ is specific to each policy issue, Territorial Cohesion purports to be a ‘bridging concept’ encouraging coordinated cross-sectoral measures and initiatives. An alternative objective may be to formulate a more precise ‘territorial method’ in the analysis of various sectoral issues, and to combine findings from these separate analyses in a more qualitative way.



## Conclusions

Territorial Cohesion is a good example of the difficulties of producing scientifically sound evidence related to a concept that is, fundamentally, of a political nature. The 'storylines' that capture prevailing types of thinking linked to this notion are one way of acknowledging it as a political construct, while allowing for further analyses that would support policy debates. By operating with multiple parallel definitions of Territorial Cohesion, as we have done in the six storylines, we take into account the ways in which stakeholders in policy debates have sought to use the notion as an instrument to promote their respective agendas. Admittedly, multiple definitions of specific concepts and notions also occur in scientific debates where they are operationalised in different models of social and natural processes. However, while the heuristic value of concepts is considered in scientific debates, policy stakeholders focus on the efficiency of the explanatory and predictive power of the models built around them in reaching certain goals. The synthesis of differing conceptual approaches is generally possible from a scientific point of view, at least within the context of a given study or analysis. However, it is difficult to envisage the same process for diverging understandings of policy notions insofar as it would presuppose a political legitimacy that the researcher does not possess.

Operationalising Territorial Cohesion as a scientific concept in a project seeking to support policy debates is therefore not an option. The scientific enquiry on this subject is nonetheless possible, but needs to be based on the synthesis and critical analysis of policy discourses referring to Territorial Cohesion. The formulation of storylines is a first step in this process. It offers a snap-shot of currently prevailing policy approaches and a translation of the various lines of argument into hypothetical causal processes. While, as Böhme and Schön (2006: 61) put it, "*the story of European spatial development policy is at the same time also the story of the search for evidence on European spatial development*", these two parallel processes advance along different and partly contradictory lines of logic. The 'storylines' are part of an attempt at bridging this gap.



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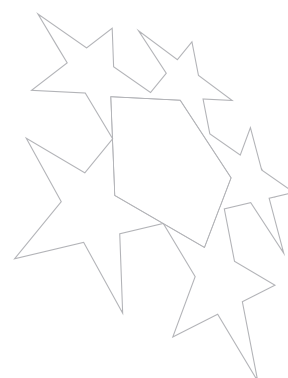
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# The EU Territorial Agenda 2020 and Territorial Cohesion - a Swedish Policy Viewpoint

By Sverker Lindblad

The second generation of the EU Territorial Agenda has arrived with high expectations on policy impacts at all levels and in different territorial contexts. Closer linkages with the EU Cohesion Policy could occur through the integration of Territorial Cohesion in the Lisbon Treaty and ambitious efforts from the Polish EU Presidency, but the concrete way forward remains unclear.

In May 2011, during the Hungarian Presidency, the ministers responsible for Spatial Planning and Territorial Development in the EU adopted the revised **Territorial Agenda 2020** (TA 2020) to extend and reinforce the **Territorial Agenda of 2007**. There was a broad consensus about the content and priorities of the TA 2020 document at the informal ministerial meeting held in Gödöllő. However, as with its 2007 predecessor, the document did not provide clear guidance on how to implement the agenda, despite having been highlighted as a weakness in the follow-up and assessment during the Swedish EU Presidency in the second half of 2009.

The Swedish assessment report (Böhme, 2009) concluded that the Territorial Agenda and its Action Programme had successfully engaged 'believers' among spatial planners and regional development experts of what to do, but it remains necessary to re-establish the political momentum and evaluate the work carried out thus far. The question 'What do we want to do with the Territorial Agenda?' still requires an answer. The assessment also pointed out a demand for strengthened leadership and coordination of the work to get better continuity and to increase the awareness among 'non-believers' of the Territorial Agenda and the aim for Territorial Cohesion. The core need remains to maintain dialogue with other sectors and to strengthen the territorial dimension in various policy fields (e.g. transport, sustainability, labour market, innovation).

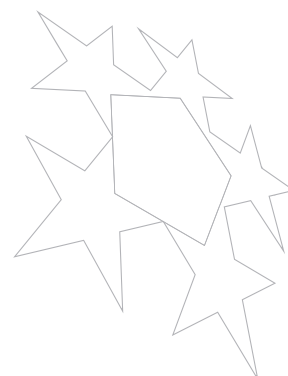
## **Territorial Cohesion a new dimension of Cohesion Policy**

However, new circumstances and developments have since then arisen. First, Territorial Cohesion has been added to the Economic and Social dimension of Cohesion Policy in the Treaty of Lisbon. This addition gives the EU Commission and the Member States a stronger mandate to place regions and territories at the heart of policy deve-



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lopment. Expected outcomes include strengthening of the territorial perspective in policy design, improvements in the coordination of different sector policies and a clearer mandate to develop multilevel governance.

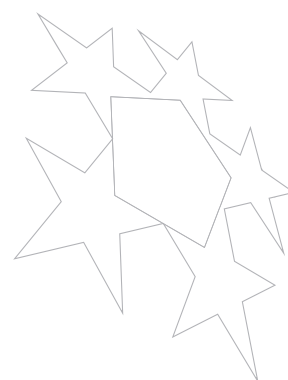
Second, the Presidency troika of Spain, Belgium and Hungary has further developed and implemented proposals from the Swedish Presidency. These include linking the Territorial Agenda and the **Europe 2020 Strategy** in a joint contribution entitled 'Territory matters to make Europe 2020 a success'. Belgium arranged the first 'Territorial Agenda Annual Conference' with a special focus on the connection between Territorial Cohesion and EU transport policy. Hungary has coordinated and finalised impressive work with TA 2020 and the underlying analysis in the Territorial State and Perspectives report. In the course of this process, they have disseminated and discussed the content of these documents at frequent working group meetings and at more than ten international conferences during the last year.

Third, the Commission has been active in its efforts to concretise the implications of the incorporation of Territorial Cohesion in the EU Treaty. DG Regio seminars with Member States and stakeholders and an inter-service group with other DGs have been important in that respect. In addition, ESPON has prioritised and contributed to the development of analytical concepts, knowledge and indicators in the area of Territorial Cohesion.

### **High ambitions from the Polish EU Presidency**

Despite all these efforts to implement the Territorial Agenda more efficiently, there is still a demand for more direct involvement in policy development, especially at the EU level, but also at national and regional levels. With Territorial Cohesion in the EU Treaty as a base, the present Polish EU Presidency aims to translate TA 2020 into operational principles for implementing the Europe 2020 and Cohesion Policy in particular. The first step in this process was to set up an expert group to write the report '**How to strengthen the territorial dimension of Europe 2020 and EU Cohesion Policy – based on the Territorial Agenda 2020**'.

The report builds on an analysis of priorities in the Europe 2020 Strategy and the TA 2020 in adding value of a territorial dimension in development policy. On this basis, so-called 'territorial keys' have been identified: accessibility, services of general economic interest, territorial capacities, city networking and functional regions. The report concludes with proposals for programming and monitoring actions within the framework of Cohesion Policy, while its principles and suggestions could also be valid for sector policies that need to take better account of territorial specificities. Based on the report and reflections by Member States, the EU Commission and stakeholders, Poland will produce an issue paper for the informal ministerial meeting in November 2011.



The argument by the expert group, for more formalised ways to incorporate Territorial Cohesion principles in the design of the future Cohesion Policy, opens the possibility for more direct influence on how to allocate money within this EU Policy. The coming negotiations on the future Cohesion Policy could mean a window of opportunity in this respect. At the same time, it will be much more complex and sensitive to get all actors on board. In many countries, Territorial Cohesion and Cohesion Policy are managed by separate ministries. Moving from a purely methodological approach to influencing expenditures in the Cohesion Policy also means that ministries of finance or economy will be involved.

To put such a process into operation implies protracted consultation at national and EU levels to convince all these actors of the added value of Territorial Cohesion and the need for a more formal incorporation in Cohesion Policy. In many cases, these actors are barely familiar with Territorial Cohesion and the Territorial Agenda before it. The 'true believers' of Territorial Cohesion may not be sufficiently persuasive. An obviously necessary step in achieving more 'territorialisation' of Cohesion Policy will be clear statements from the ministers and the EU Commission at the informal ministerial meeting in November. However, since statements made at these types of meetings are not formally binding, even with such support, the task may be difficult to complete.

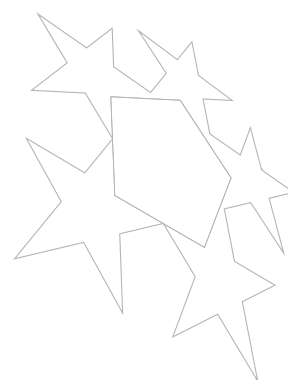
### **Many ways to Territorial Cohesion**

Complementary to the high ambitions of the Polish Presidency, we should not forget the alternative means of implementing the TA 2020 principles at EU level. The Commission has an important task in developing and carrying through territorial impact assessments of different EU policies with methodologies that could also be adjusted and applied at Member State level.

Sweden has suggested a closer link between Territorial Agenda implementation and the work on macro-regional strategies such as the EU Baltic Sea Strategy. A first step could be to present work related to the Territorial Agenda at macro-regional events. A future aim could be to strategically represent macro-regional strategies as frameworks for implementation of the TA 2020.

There is also a need to improve information exchange among the Member States on what they actually do to strengthen cross-sectoral dialogue and multilevel governance. A simple synthesis of actions and results could be made and disseminated from a central website.

Implementation of the TA 2020 at national and regional levels requires flexible approaches in respect of subsidiarity. The Member States and their regions need to determine strategies and relevant measures depending on their geographical circumstances, political culture, and legal and administrative systems. The TA 2020 will have an important role in that respect as the guiding tool for developing



place-based strategies and policies.

There are many Swedish examples of how strategies and policy development at both national and regional levels have been influenced by ideas and methodologies stemming from the Territorial Agenda and the work for Territorial Cohesion. One such example is the National Forum on regional competitiveness, entrepreneurship and employment, which has both a multilevel governance and a cross-sectoral approach. It serves as a platform for ongoing political dialogue among national and regional representatives. Another cross-sectoral example is the national strategy to strengthen development in rural areas by directing each ministry to utilise the resources in rural areas in their own policy area.

Awareness is growing that the aim for regional development and sustainable growth is most efficiently met by integrated strategies and policies, even though methodologies could be further developed. The work should be done across sectoral borders, in functional geographical areas regardless of administrative boundaries and between different levels of governance. Furthermore, policies for spatial planning and regional economic development must be more closely linked.

The TA 2020 has the capacity to be a guiding tool for such work. The task is to handle the challenges in territories with special needs whilst also unleashing potential in all territories. Every region can perform better if the policy mix and the governance can be adjusted to territorial specificities and regional assets, which is even more urgent in the present times of economic turbulence.

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