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# European Territorialization and the Eastern Neighbourhood: Spatial Development Co-operation between the EU and Russia

Matti Fritsch

## Abstract

The advancing European discourse on spatial development policy and, more recently, territorial cohesion contributes to the emergence of an increasingly sharpened territorial profile of the European Union by supporting the development of a single, more integrated and cohesive EU territory. This internal European Union process obviously also has external implications for the wider European neighbourhood. Within this setting at the interface between the internal and external dimensions of European territorialization, this article investigates co-operation in spatial development policy between the two major regional actors, the European Union and the Russian Federation. Initially, the analysis is theoretically framed by clarification of the concept of territory/ality and its relation to European Union governance while exploring the influence of geopolitical relations between the EU and Russia on existing co-operation in this policy field. An investigation is then made of CEMAT, ESPON, the ESDP process, VASAB, and the INTERREG Community Initiative as channels for co-operation between the EU and Russia. It is argued that EU-Russian co-operation in spatial development policy is of an explicitly multi-level nature that incorporates a peculiar mix of regional, national/bilateral, and pan-European/supranational co-operation initiatives, although the main channels of Russian access to European Union spatial policy initiatives are those in which the national level retains a strong role. Thus, collaboration efforts across the EU's external border cannot be generalized but rather are contingent on broader geopolitical relations between the EU – as well as its member states – and Russia.

**Keywords:** spatial development policy, European Union, Russia, territoriality, spatial planning

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## 1. Introduction

In recent years the European spatial development policy<sup>i</sup> discourse has taken a ‘territorial turn’. The prevailing discourse and rhetoric is increasingly littered with references to territory or territoriality. Examples of this include the European spatial policy concept of territorial cohesion, the *Territorial Agenda of the European Union* policy document (BMVBS 2007), and the re-branding of European spatial planning itself into what is now often termed territorial governance or even territorial development policy. The territorial nature of the European Union as an institution and political project has attracted attention in a variety of academic fields ranging from International Relations to Geography, but has also inspired a number of cross-disciplinary approaches (see, for example, Ruggie 1993, Mamadouh 2001, Bialasiewicz *et al.* 2005, Berezin & Schain 2003). Interestingly, however, the *concept* of territory/ality, as opposed to the *term*, has not been much used within the scholarly debate on the spatio-territorial development of the European continent and has, despite its increasing usage, remained undefined and vague. This, to some extent, may be due to the fact that there is a mismatch between the traditional and state-centred use of the notion of territory/ality (mainly in International Relations) and the complex and shifting realities of territorial development as a constituent of European integration and policy-making.

Being a relatively ambiguous and hard-to-grasp policy field, spatial development policy and planning can be defined as comprising “all sorts of policies aimed at influencing locational decisions, or the distribution of activities, at any geographical scale” (Böhme 2006, 149). It emphasises strategy-building, horizontal integration (between sectors), vertical integration (between different levels of government) and combines environmental, social, and economic objectives. However, it should be noted that co-operation in territorially relevant issues is common practice within a range of sectors (even across the external borders of the EU) also without institutionalized spatial development policy at the European Union level. This is illustrated by the fact that many transport projects, border crossings, tourism projects, environmental protection initiatives, energy development and a plethora of additional initiatives indeed have been, are being, and will be carried out without even referring to them as being part of spatial or territorial development policy.

This paper aims to shed some light on the intricate processes of European territorialization as it manifests itself in territorial development co-operation between two major regional actors, the European Union and the Russian Federation. Co-operation in territorial matters across the external border of the EU takes place at a variety of levels, ranging from the pan-European to the local and geographically includes southern, eastern, and northern dimensions. In the following, focus is placed on the latter by narrowing in on territorial policy co-operation in the geographical area where Russia and the EU actually meet, i.e. North-eastern Europe. Since Finland’s accession in 1995, the EU shares for the first time a common border with the Russian Federation, which has had a lasting impact on European foreign and neighbourhood policy in general and also highlighted the spatial interdependencies triggered by increasingly permeable borders, re-adjusting transport systems, cross-border tourism, and economic interaction<sup>ii</sup>. This altered

setting naturally calls for increased spatial co-ordination and co-operation between the relevant actors in both Russia and the EU and at all levels of territorial governance. Based on an extended notion of territoriality, this paper aims to answer the question, to what extent is Russia able to participate in activities within this policy field carried out within a European/European Union context? Consequently, this article contributes to an analysis of collaboration and potential conflict at the interface of external and internal processes of European territorialization.

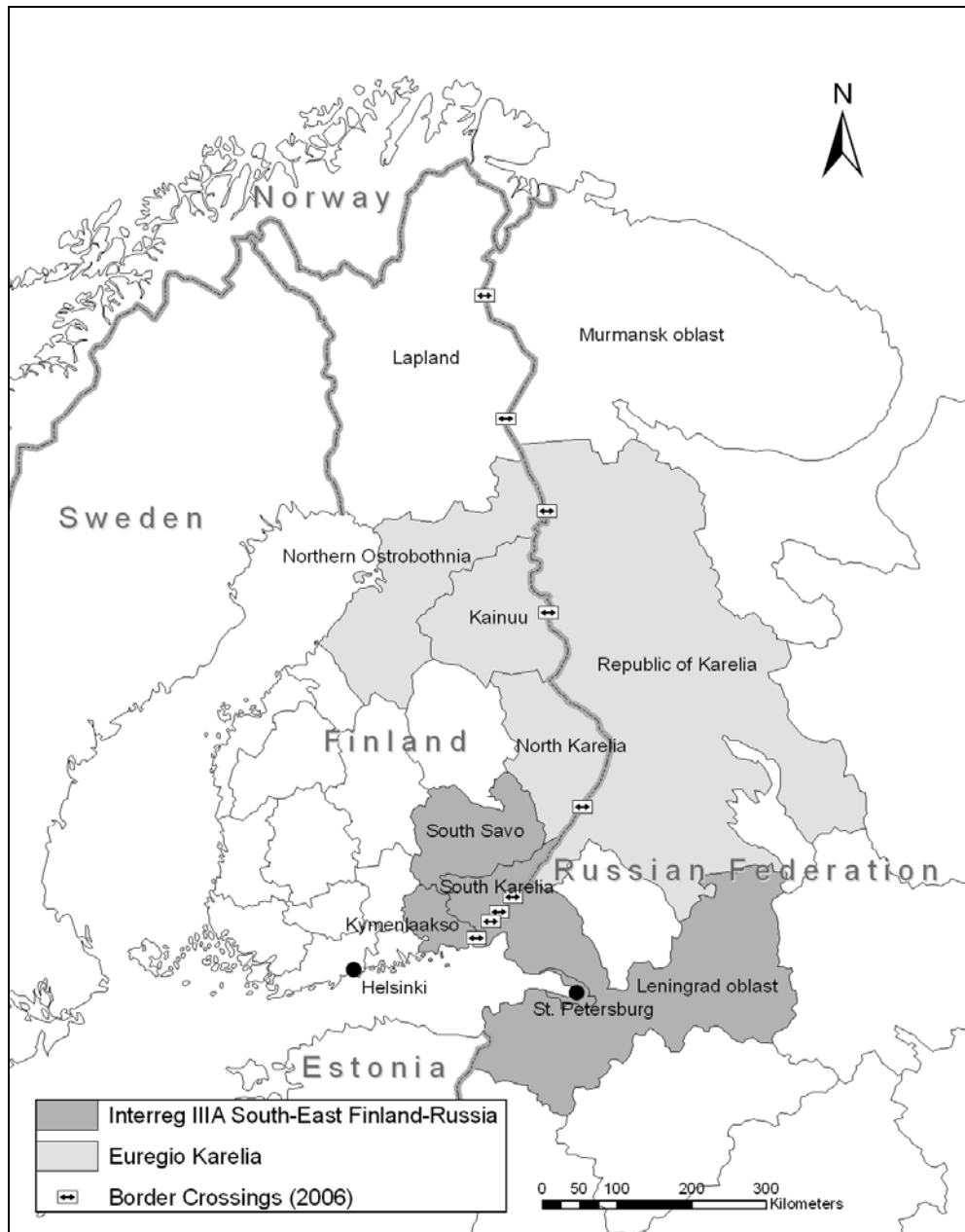


Figure 1: Map of EU-Russian Interface in northeastern Europe (including Finnish-Russian cross-border co-operation frameworks and border crossings).

The approach taken within this paper is a qualitative one, based on published and unpublished documents as well as interviews with decision-makers involved in spatial policy activities at the European level (ESPON, CEMAT), the Finnish regional and national levels, as well as with Russian actors involved in European initiatives. In terms of the regional and cross-border dimensions, particular attention is paid to the Finnish-Russian context (see Map 1) due to Finland's relatively long history of co-operation with Russia in an EU context, the reasonably straightforward geopolitical relationship between the two countries, and the resulting comparatively high levels of co-operation. In the first section, the theoretical framework for the analysis is introduced by clarifying the concept of territory/ality and its relation to European Union governance. The changing geopolitical setting in which the EU and Russia operate is then reviewed and its impact on co-operation in spatial development policy assessed. The empirical part of the paper investigates channels of co-operation in spatial development policy between the EU and Russia in this changing geopolitical setting. In the last section, the main findings are discussed and conclusions drawn.

## **2. Territoriality, European Territorialization and its External Dimension**

Territory, or territoriality, has become an increasingly prevalent notion in the budding discourse on the organization, development, and planning of European, i.e. European Union, space. In fact, it appears that the notion of territory/ality has quietly eclipsed the notion of space or spatiality. This necessitates an elucidation of the implications and connotation of this shift from a 'spatial' to a 'territorial' discourse. In what is typical for such a discursive notion, the interpretations of what territory/ality actually denotes differ widely and change according to the context in which it is used and the professional community that it is evoked within. Recognizing these amorphous qualities of the concept of territory, it is particularly necessary to delineate its use in the European spatial development discourse, dominated by planning professionals/researchers and geographers, as opposed to its traditional use in International Relations (IR) and Political Science. Although they espouse different connotations, which will be clarified below, 'spatial' and 'territorial' development policy will be used interchangeably. This is due to the ambiguous use of the terms in the prevailing debate itself.

### *The Notion of Territory and Territoriality*

Jönsson *et al.* (2000, 3) define territory as "a cohesive section of the earth's surface that is distinguished from its surroundings by a boundary". In the traditional (IR) discourse, this boundary generally constitutes a nation-state's border, which signifies both the need and the tool for the demarcation, enforcement, and protection of the territory. Thus, conventional scholarly literature on territoriality is mainly concerned with the control over space and, henceforth, the "spatialities of power" traditionally grouped around categories such as the nation, state, and boundaries (Paasi 2008, 110). In other words, under the influence of a source of power and demarcated by a border, a politically neutral 'space' becomes, as Jönsson *et al.* (2000, 3) describe it, a "politically-laden 'territory'". In this sense, "territories are clearly defined spatial units, which usually are formed as political and administrative entities, mostly with some form of self-government" (Schön 2005, 391). The mainstream, state-centred debate on territory has run into difficulties

explaining the territorial nature of the European Union, a *'sui generis'* institution that represents a peculiar mix of political, economic, social and, ultimately, territorial forms of organization. European integration also challenges the very foundations of (the debate on) territoriality in a number of ways.

Firstly, the uncertainty surrounding the conceptualization of European territoriality more generally reflects the uncertainty about the institutional form and nature of the European Union as such. Are we witnessing the formation of a federal state, the construction of an 'empire' (Weaver 1997, Aalto 2006), or even the creation of an entirely new form of socio-political organization? Secondly, the European Union strives to overcome precisely those elements that constitute the building blocs of modern territoriality by focusing on the negation of the separating nature of (internal) borders and, in a range of sectors, the transcendence of the nation-state. Indeed, cross-border co-operation is today common currency along intra-EU borders and the EU is frequently put forth as a main causal factor in the decline of the traditional socio-economic power container and the primary manifestation of territoriality, i.e. the nation-state. There is some consensus among scholars that a process of 're-scaling' and a concomitant 're-territorialization' of competencies and powers from the national level up to the supranational and down to the sub-national level is now underway, which results in the simultaneous strengthening of European cities and regions as well as European Union institutions (Brenner 1999, Heeg and Ossenbrügge 2002). This is however not to suggest that the nation-state, in times of being challenged by globalization and European integration processes, is becoming obsolete, particularly in the field of spatial development policy where the EU has no statutory powers and responsibility lies with national governments.

### *European Territorialization: Internal and External Dimensions*

This paper addresses the hypothesis that the European Union is currently undergoing a process of sharpening its territorial profile, which manifests itself in different ways in its internal (within the EU territory) and external dimensions (in relation to the wider European neighbourhood). This process of 'European territorialization', as invoked in the title of this paper, emphasizes the process-based nature of this development rather than referring to a static quality inherent to the term 'European territoriality'. There is some indication that the privilege of territoriality within the realm of the European Union is no longer confined to the member states. The unprecedented and specific character of the emerging territoriality of the European Union raises various questions and requires an analytical framework that goes beyond the traditional focus on nations, states, boundaries, and power relationships. Is the EU involved in the process of blurring member states' territoriality whilst simultaneously raising its own territorial profile as a mega-region and becoming a functionally integrated territorial entity? Is nation-state territoriality slowly being replaced by a supranational, EU territoriality?

In any case, the EU's territoriality is less fixed and less exclusive than that encountered in modern states (Mamadouh 2001, 434) and progresses in a complex, multifaceted, and non-linear fashion through, on the one hand, 'conventional' and externally-oriented processes such as the peaceful enlargement of the territory (accession of new member

states) and securing of (the shifting) external borders via the Schengen Agreement. The fact that some member states joined Schengen while others remained outside<sup>iii</sup>, similar to the Euro zone, also illustrates the variability of European territory (Mamadouh 2001). On the other hand, the European Union territorialization process also includes activities and policy areas that proactively aim to shape the union's spatial development and are more internally oriented. This can occur via a range of mechanisms and practices of spatial ordering and planning, of which the development of supranational spatial development policy constitutes an integral part. This distinction between the European Union's external and internal territoriality and the resulting ambiguities are also echoed by the findings of Bialasiewicz *et al.* (2005) based on their analysis of how territoriality is understood within the Draft Constitution of the European Union. Bialasiewicz *et al.* (2005, 335) distinguish between 'hard' and 'aspirational' territoriality where the former refers to 'conventional' contexts grouped around issues such as "border controls, jurisdictional limits, and a concern for territorial integrity and sovereign rights". Regarding this external dimension of European territorialization, it may be argued that the EU is becoming a geopolitically stronger actor involved in spatial ordering not only within its own territory but also in relation to its close neighbours. This sharpened EU geopolitical profile is fuelled by a range of aspects that include the following:

- some foreign policy competencies are gradually being transferred from the national to the European level, strengthening the EU's status as an actor on the world stage
- increasingly integrated European space is demarcated and secured, i.e. the EU aims at dissolving its internal borders and simultaneously strengthens and secures its external borders with the Schengen border regime, a process that led to the coining of the term 'fortress Europe'
- soft policy instruments, such as the European Neighbourhood Programme and a range of partnership agreements promote inter-regional co-operation across external borders, which contributes to the export of European governance beyond the territory of the EU

Internal or 'aspirational' territoriality, on the other hand, revolves around "Europe as a putative space of values and area of solidarity, evoking the idea of territorial cohesion" (Bialasiewicz *et al.* 2005, 335). Indeed, territorial cohesion has been promoted by the European Commission in co-operation with the member states as a replacement policy for spatial planning, for which the European Union has failed to attain competencies from the member states. However, there is currently no real consensus on the question of what territorial cohesion actually means and entails, and a number of, and to some extent conflicting, goals and definitions have been put forth (see Waterhout 2007, Böhme *et al.* 2008, Netherlands Environmental Assessment Agency 2009). Nevertheless, territorial cohesion appears to be more limited in its focus than spatial planning/development policy, as it is mainly concerned with harmonious development across the European territory and aims to diminish inequalities and disparities across the European territory rather than proactive planning policies and strategic visioning (Schön 2005). This re-orientation and re-branding of European spatial development policy is the latest turning

point in a relatively long history of internal territorialization processes within the EU that have been an ongoing since the beginning of European integration. Particularly over the last two decades or so we have witnessed the increasing integration of supranational and national territorial development policy, which ultimately led to the emergence of a common European discourse on spatial planning and policy (see Faludi 2002; Böhme 2006). This appears to be paradoxical, since statutory competencies in this policy field lie with the individual member states. However, by taking part in the preparation and promotion of the policy framework of the European Spatial Development Perspective (ESDP) (CEC 1999, see Faludi & Waterhout 2002), which thus far has been the apex of the common European spatial development discourse, the European Commission, in co-operation with the national governments, has been able to establish a new European policy field that sooner or later may become an EU statutory competence (Böhme 2002). Indeed, the concept of territorial cohesion, as already noted, has found its way into the Draft Constitution and subsequently into the Reform Treaty, adding a third dimension in conjunction with economic and social cohesion and provided spatial development policy and planning with renewed legitimacy. In addition, a Green Paper on territorial cohesion has been published by the European Commission in October 2008. Indeed, the increasing prevalence of the notion of “territoriality (as introduced in the Reform Treaty) rather than spatiality (as introduced in the ESDP)” (Schön 2005, 391) in the European discourse may be indicative of the internal territorial aspirations and ambitions that remain at the EU level.

The EU’s increasing territorial aspirations certainly also hold ramifications for the countries surrounding the EU territory, i.e. the European neighbourhood. Based on a wider interpretative framework built around the notion of territoriality, this paper aims to provide an analysis of co-operation and potential conflict at the interface of external and internal processes of European territorialization using collaboration efforts in spatial development policy between Russia and the EU as a case in point. Policy co-operation between the two regional powers in the territorial development sector can be understood as being a minor part of a wider and complex process of EU external governance, in which, according to Lavenex (2004, 681), “internal and foreign policy goals come together”. As such, it constitutes an integral part of the process of externally-oriented ‘Europeanization’ where “forms of political organization and governance that are typical and distinct for Europe are exported beyond the European territory” (Olsen 2002, 924). Clearly, European spatial development policy itself is a policy area in the making and is by no means formally institutionalized at the EU level, although a number of initiatives, such as ESPON and the INTERREG Community Initiative, have certainly contributed to some form of institutionalisation.

As such, it represents, particularly in its external dimension, a fairly ‘soft’, broad-based, and cross-sectoral policy field where processes and their effects are much more subtle and harder to detect as, for example, in ‘hard’, mono-sectoral policy areas like the common foreign and security policy (CFSP) or the Schengen Agreement. Due to the broad and cross-sectoral nature of spatial development policy, it remains challenging to distinguish between policy outcomes and their effects on the ground that can be attributed



to spatial development policy and those that are not. In other words, various spatial developments, although broadly belonging to the spatial development policy sector, may be dependent on market-based processes or mono-sectoral, *ad-hoc* decisions rather than government-led, cross-sectoral planning.

### *European Territorialization vis-à-vis Russian Re-territorialization*

As argued previously, co-operation in spatial development policy between the EU and Russia takes place within a fuzzy interface that includes both external and internal elements of territorialization. Obviously, relations and co-operation in spatial development policy do not emanate mono-directionally from the EU towards Russia. If we accept that Russia, by virtue of being within the sphere of European external governance, might be the recipient of European practices and ‘ways of doing’ in the spatial development policy sector, the territorial character of and development within Russia becomes an important variable. Although a conventional nation-state on paper, Russia’s territoriality, along with most other social, economic, and political spheres, has gone through a succession of turmoil, transition, and recent consolidation.

After the collapse of the Soviet Union, the subsequent independence of many of its former Republics, and the formation of the Commonwealth of Independent States, modern Russia’s territoriality, and with it the legacy of Soviet spatial development policy, has been tumultuous. With regard to the external dimension of Russia’s territoriality, it should be noted that, similar to the European Union, its borders have been shifting, albeit in the opposite direction. After the collapse of the Soviet Union, Russia in the early 1990s lost large swathes of territory to the newly-independent former Soviet Republics. Even today, Russia is involved in a number of border and territorial disputes, the most disastrous being the bloody conflict in Chechnya and the recent, geopolitically alarming Russia-Georgia war. Russia has likewise witnessed an internal process of re-territorialization. As Lynn & Fryer (1998, 567) argue, “Soviet disintegration quickly encouraged an intensive process of national-state formation in the republics” aiming to establish “‘sovereign’ territorial sub-units within the Russian Federation”. However, these processes of regionalization have since been curbed by the post-2000 administration amidst a general re-centralization of policy and decision-making and a subsequent strengthening of the central state.

In contrast to the turbulent developments within this sphere of ‘hard’ Russian territoriality, soft issues in terms of spatial development policy and territorial cohesion *à la* European Union have largely laid dormant in Russia until recently. A thorough review of the emerging spatial development policy field in Russia goes beyond the scope of this paper, but it should be noted that economic and judicial uncertainties, socio-economic hardships during the 1990s, and continually changing ministerial and regional administrative structures undoubtedly hampered the development of an institutionalized spatial development policy. In consequence, Russia’s planning system remains in its developmental stage.

On the federal level, the Russian Committee for Housing and Construction (*Gosstroï*) is responsible for the drawing up of the document “General Spatial Structure for Planning and Housing in Russia”. However, the validity of the document and its actual influence on planning practice is uncertain among planning circles in Russia. On a regional level, subjects of the Russian Federation can draw up regional and urban development plans that are in accordance with the goals set forth at the federal level. Only a few examples of regional planning documents are however known to exist, primarily in the Sverdlovsk and Leningrad *oblasts*, which are regional subjects of the Russian Federation. (Tynkkynen 2006, 72)

Currently, however, a number of regional structural plans, e.g. for the Karelian Republic, are in the process of being drawn up, with private consultancy firms carrying out the majority of the work. In addition, the newly-founded Ministry for Regional Development is becoming an important actor in this field.

### **3. EU-Russian Territorial Relations in a Changing Geopolitical Setting**

As has been outlined previously, co-operation between Russia and the European Union in the spatial development policy field involves a peculiar mix of external and internal as well as ‘hard’ and ‘soft’ policy issues. As both the European Union and Russia are redefining and sharpening their territorial profiles, not only internally but also *vis-à-vis* their neighbours, territorial relations between the two mega-regions have developed into an item of particular interest. Due to the specific aspects inherent in the relations between the two regional actors in general and their territorial relations in particular, co-operation in this policy field cannot be detached from broader geopolitical relations between the EU, including its member states, and Russia. From an EU point of view, this also echoes Scott’s suggestion (Scott 2002, 137) that the “geopolitics of EU integration and enlargement can be interpreted in terms of the wilful and strategic organization of a supranational European space”.

#### *Broad Geopolitical Relations between the EU and Russia*

Few could have expected the massive geopolitical and geo-economic changes that have occurred in Europe since 1989. The collapse of the Soviet Union, the independence of many of its former republics, and EU accession for some of these former Soviet territories, as well as other eastern, northern, and southern European countries, thus increasing the number of EU member states from 12 in 1990 to 27 in 2008, all these factors have obviously had significant territorial implications. The re-calibration of political, functional, and territorial EU-Russian relations, underscored by the accession-induced proximity and the resulting perceived need for enhanced neighbourhood relations with a country that has no immediate prospect of becoming an EU member, physically manifests itself in an EU-Russia land-border that was non-existent in 1990 and increased to 1300 km upon Finland’s accession in 1995. This new geopolitical setting and its reverberations at a variety of territorial scales (regional/cross-border, bilateral, and supranational) obviously also has significant effects on spatial development co-operation between the EU and Russia.

In this context, Finland's accession to the EU in 1995 marked a 'historic' event and a time when the EU truly "encountered a post-Soviet Russia in the North", which highlighted the necessity of the signing of the Partnership and Cooperation Agreement (PCA) in 1994 (Kononenko 2004, 6). The PCA reflected a stage in EU-Russian relations that was characterized by a broadly integrationist and pro-western mood in a Russia that was shaken by the magnitude of its transition crisis during the 1990s.

This geopolitically unproblematic setting, however, changed significantly after the turn of the millennium, when EU-Russian relations took a different direction amidst further EU enlargement, the economic resurgence of the Russian Federation, and Russia's altered approach towards co-operation with the West during the Putin-era. The accession of Estonia, Latvia, Lithuania, and Poland in 2004 increased the length of the EU-Russian border again to almost 2400 km further complicating the EU-Russian geopolitical setting. The accession rounds of 1995 and 2004 raised intricate questions concerning the European Union's changing geo-economic and geopolitical relationship with Russia, as the EU has extended its territory to the threshold of another regional power, which gradually extended the line of contact (and exclusion). This also illustrates well the "unprecedented challenge" that the EU faces in "defining its relations with neighbouring countries which will not, at least in the foreseeable future, receive the prospect of EU membership" (Lavenex 2004, 681). Concomitantly, the European Union has become an important geopolitical actor in northern Europe by extending its institutional power in this region and by including Russia, particularly northwest Russia and the Kaliningrad *oblast*, as a close outsider in a so-called wider Europe (Aalto 2006). Despite this geopolitically and geo-economically transformed setting the EU struggled with the issue of developing a coherent policy towards Russia and its border regions. In fact, the EU's regional co-operation framework for northern Europe and Russia, the Northern Dimension, was initiated and promoted by Finland (an individual member state that due to its history and geographic location is interested in pragmatic relations with Russia) and was only later, in 1998, adopted by the European Commission as EU policy.

From a Russian viewpoint, the 2004 accession round represented a particularly touchy subject geopolitically as three of the former Soviet Union's Republics joined the European Union as well as NATO. The looming expansion of the European Union at the beginning of the new millennium also coincided with a sea change in Russia's attitude towards integration and co-operation with the West. Contrary to the situation pertaining during the early to mid- 1990s when Russia's political and economic system was in turmoil and the country's leader's happily accepted both financial and policy support not only from the European Union but also from around the world, Russia today exhibits a more reserved attitude towards European and other foreign methods of action and its growing self-confidence on a world stage and increasing resistance to the export of European systems of governance and excessive integration efforts is clearly discernible. Logically, this also had implications for EU-Russian relations, the effects of which have commonly been summarized under the 'limits to integration' heading (e.g. Zimin 2002, Prozorov 2004). In the same context, Aalto (2006, 127) remarks that Russia's preference for future relations has well and truly shifted away from the "blind outward-orientedness as was in evidence in the

euphoric times of the early 1990s.” Fuelled by a resurgent economy and rising energy prices, Russia’s altered geopolitical discourse and the attached re-discovery of attributes such as sovereignty and great power status, resulted in, for instance, the fact that Russia “will not participate in supranational governance in strategic areas of state policy, key sectors are kept under state control and various protectionist measures are implemented to develop domestic industries” (Eskelinen 2008, 3).

More recently, EU policy towards its external border regions and neighbourhood has received impetus through the development of the European Neighbourhood Policy (ENP), set into motion in 2003. However, the EU-centric political context within which the ENP was developed, being based on the assumption that the EU is the only normative power in the region, today already appears outmoded as, according to Popescu (2006, 1) also Russia “develops ideological instruments illustrated by the ‘sovereign democracy’ slogan”. This provides an indication that Russia aims to become a normative power, too (Emerson *et al.* 2006). Unsurprisingly then, based on the argument that it should be given a special status, Russia declined to be included in the ENP and instead opted to co-operate with the EU through the formation of four EU-Russia Common Spaces<sup>iv</sup>.

#### *Implications for Territorial Co-operation across the EU-Russian Border*

The wide-ranging geopolitical developments outlined above obviously have reverberations for cross-border, trans-regional, and supranational co-operation in spatial development policy between the EU and Russia. In terms of cross-border co-operation, it has to be stressed, moreover, that we cannot speak of *the* European external border as such. Much of the external dimensions of EU territorialization, particularly on the cross-border/regional level and in relation to hard policy, are still to a significant extent influenced by bilateral relations of a given EU member with Russia, and as such exhibit specific qualities. For example, whereas the Finnish-Russian border and its attached border regime is characterized by very utilitarian, pragmatic relations and political stability between Finland and Russia, deteriorating Estonian-Russian relations have so far prevented the signing of a border treaty between the countries, which illustrate that this issue is nothing short of a territorial dispute. The territorially precarious situation of the Kaliningrad *oblast*, being completely surrounded by European Union and NATO territory, also serves as an example of the complex territorial inter-relations between the EU and Russia, particularly with regard to Russia’s strained relations with Kaliningrad’s neighbours Poland and Lithuania.

Notwithstanding these bilateral peculiarities, the EU has been instrumental in harmonizing border regimes on its external border via the Schengen Agreement. However, the agreement’s implementation has had different effects for different parts of the external border. On the Finnish-Russian border, for example, the border and associated visa regime did not change much from the previously existing one. On the Lithuanian-Russian and Polish-Ukrainian borders, on the other hand, a tightening visa and border regime has, to some extent, inconvenienced interaction across these borders.

In a Finnish-Russian context, as opposed to the sometimes thorny territorial relations between Russia and some former Soviet Republics turned EU members, interaction and co-operation across the external border, particularly on the sub-national level, has increased in recent years. In a multi-level Europe, the EU has emerged as an important actor, facilitator, and regulatory power in cross-border settings. 'Soft' policy instruments such as TACIS and INTERREG, the latter of which has been transplanted from internal to external border settings, have been instrumental in both the development of physical infrastructures, such as border crossings and cross-border connections, and the establishment of co-operation networks between a variety of sub-national actors on both sides of the border.

#### **4. Spatial Development Policy Co-operation between Russia and the EU**

As the preceding sections have shown, co-operation in spatial development issues represents only a relatively minor aspect in the wider sphere of European external governance and is at this point in time still characterized by low levels of institutionalization. Although being generally inward-looking, EU spatial development policy-making and research is exercised in a variety of arenas involving a multitude of practitioners, decision-makers, and researchers and bears relevance and significance also for the wider European neighbourhood. The aim of this empirical part of the paper is to review the different *loci* of policymaking, research, and practice in this policy field and to examine their potential functions as channels of co-operation between the EU and Russia. As such, the analysis contributes to the identification of potential interfaces between the internal and external dimensions of European territorialization.

##### *CEMAT – The Bridgehead to non-EU Europe?*

From a Russian point of view, the most important forum for European co-operation in spatial development matters, and the only one that Russia has direct access to, is the European Conference of Ministers responsible for Regional Planning (CEMAT); a European Council body that includes 47 European countries and is, in fact, currently chaired by Russia. This pan-European inter-governmental body, as opposed to what could be termed supranational co-operation exercised within a European Union context, is, in fact, the longest existing forum for international co-operation in spatial planning and operates on a very high political level. The activities of the Council of Europe, relating to spatial policy and planning, began in 1970 in Bonn with the first European ministerial conference on spatial and regional planning.

Two of the most important outcomes of this pan-European co-operation process have been, firstly, the Torremolinas Charter in 1984, which for the first time identified the need for international co-operation to concretize the European approach to planning issues. Secondly, the 'Guiding Principles for Sustainable Spatial Development of the European Continent', adopted at the 12th Session of CEMAT held in Hanover in 2000, acknowledge the need for balanced territorial development across the European continent and state that "trans-European, interregional and trans-frontier co-operation between states, regional authorities and local authorities in the sphere of spatial development has to be strengthened, especially between the countries of west Europe and central and east

Europe [sic] in order to ensure the social and territorial cohesion of the European continent as a whole” (CEMAT 2002, 4). Holding the current presidency of CEMAT, Russia has a unique opportunity to respond to European spatial planning activities by shaping CEMAT’s response to current EU/member states’ initiatives and activities in spatial development policy. Indeed, CEMAT has done so by drawing up a position document on the “Territorial Agenda of the European Union and its Relations to CEMAT” during its 14th Session in Lisbon in October 2006 (CEMAT 2006, 2). In this document, CEMAT stresses that:

“the aim of strengthening the global competitiveness of all regions of Europe applies equally to European Union and non- European Union Member States... and the European Conference of Ministers responsible for Spatial/Regional Planning (CEMAT) is the only European forum uniting European Union and non-European Union Member States with the aim of sustainable spatial and socio-economic development of the European Continent” (CEMAT 2006, 2)

As CEMAT is referred to as the main channel of co-operation between the EU and its wider neighbourhood in most EU initiatives (see the Territorial Agenda §12, European Spatial Development Perspective §188), it indeed acts as a bridgehead or interface between pan-European and internal EU spatial development policy. The importance of CEMAT for Russia as a forum for co-operation and exchange with the EU is illustrated by the high status it enjoys in Moscow with strong representation from the Ministry of Regional Development as opposed to, for example, the regional initiative ‘Vision and Strategies around the Baltic Sea’ (VASAB), which does not enjoy such backing on the ministerial level in Russia.

In addition to its role as an issuer of strategic documents and policy guidance, CEMAT also contains an interesting example of bilateral spatial planning co-operation between Germany and Russia within the “CEMAT Model-Regions” framework, which was established in 2001 and had the aim of establishing local and regional co-operational structures in Leningrad and Moscow *oblasts* and to transfer necessary spatial planning ‘know-how’ and experience from German regions, particularly those that were part of the GDR, to Russian regions. In its second phase from 2003 to 2005 the *oblasts* of Kaliningrad and Pskov joined the existing network. Particular emphasis in this collaboration is paid to the development of energy-efficient settlement patterns, with funding for particular projects being sought from a variety of INTERREG programmes.

This work has been prolonged as the German Federal Ministry of Transport, Building and Urban Affairs and the Russian Ministry of Regional Development, which was established in 2004 and is becoming a major driving force in Russia’s emerging spatial development policy field, signed a Memorandum of Understanding on the continuation of co-operation in the field of spatial development policy at the CEMAT Lisbon Conference in 2006. This bilateral co-operation between Germany and Russia circumventing the EU-Russian level, it could be argued, is a manifestation of the persisting importance of national co-operation, particularly when dealing with Russia, and of a lack of high level co-operation forums in applied spatial development policy at the level above the nation state. Other EU countries, on the other hand, such as Finland, which actually shares a common border

with Russia, have refrained from this type of bilateral activity. Instead, the Finnish national level has made a conscious decision to retreat from bilateral co-operation and devolved responsibilities to supranational and sub-national forms of collaboration. The German activities may also be due to the existence of the large and resourceful Federal Office for Building and Regional Planning (BBR), which is the main actor in German-Russian co-operation in spatial planning.

*The ESDP process and the Territorial Agenda - a Strictly European Union Affair?*

Concerning spatial development policy on the supranational (i.e. European Union) level, participation by Russia is much more limited due to a range of political, institutional, and technical issues and as such currently represents the real challenge in relation to combining internal and external aspects of European territorialization. This is particularly problematic in the respect that this arena is the most active in producing a truly European transnational development discourse. Nearly all of the recent common European spatial planning concepts, documents, and practices have evolved within this locus of collaboration. This is rather surprising in light of the already mentioned paradox that a common European spatial planning discourse has emerged, notwithstanding the fact that it is the statutory responsibility of the individual members states, which in turn has had a significant impact on national and trans-regional activities, often in a complex and non-linear fashion due to the intricate balance between intergovernmental and supranational activities, informal co-operation, and non-binding nature of the work (see Janin Rivolin & Faludi 2005 and Böhme 2002).

The European Spatial Planning Perspective, the most important document yet to emerge from this discourse, defines common objectives and policy options for spatial development in the EU and provides a framework for sectoral policy measures that have spatial impacts (CEC 1999). The document also contains a cross-border and transnational dimension that can trace its roots back to the 'Europe 2000' document published by the European Commission in 1991 (CEC 1991). Since then, there has been growing support for the notion that spatial planning should not stop at national borders and that co-operation in cross-border spatial planning should be encouraged for the sake of increased cohesion and balanced development across the EU space. In this context, the ESDP recognises the importance of cross-border co-operation and highlights the role of sub-national government therein by stating that:

“regional and local authorities are key players in European spatial development policy. The application of policy options requires the active support of the regional and local levels, from small towns in rural areas to metropolitan regions...a great number of development tasks can only be solved with satisfaction through cross-border cooperation with local governments. Co-operation beyond national borders, therefore, plays a key role in applying the ESDP” (CEC 1999, 43).

Moreover, the ESDP includes a strategic take on cross-border co-operation by promoting the “preparation of cross-border spatial visions”, “cross-border fine-tuning of all spatially-related planning and measures”, and “the setting up of common cross-border regional plans” (Ibid 1999, 44). Although Russia is not explicitly mentioned in the ESDP, attention is paid to co-operation across the EU’s external borders, which was almost

certainly directed to the future accession countries rather than towards Russia. More recently, the Territorial Agenda of the European Union (BMVBS 2007, 5) in addition to the direct referral to CEMAT as an important forum for pan-European co-operation “supports European co-operation between city regions as well as with small and medium-sized towns at internal borders and also beyond the external borders of the EU.” As a recent document, the Territorial Agenda deals with the future of territorial development in the EU and builds on the ESDP by incorporating the objective of territorial cohesion. In addition, the Territorial Agenda represents an instrument to connect spatial development policy to the goals set out in the Lisbon and the Gothenburg Agendas. However, due to the tendency of EU spatial policy initiatives to only refer to Russia by cross-referencing co-operation within a CEMAT framework, there is the danger that CEMAT turns out to be a straightforward justification and excuse for excluding Russia from the territorial “groundwork” carried out at the EU level; a problematic development particularly if spatial development policy becomes more institutionalized at a supranational level.

### *The European Spatial Planning Observation Network – territorial evidence beyond the European Union?*

An important effect of the an increasingly European take on spatial planning was the realization that a adequate knowledge base concerning spatial structures and policies necessary promote and carry out transnational spatial planning across the European territory did not exist. Consequently, the European Spatial Planning Observation Network (ESPON), which was preceded by the Study Programme on European Spatial Planning (SPESP), was implemented between the years 2002 and 2006 and developed into a large transnational spatial policy research network that resulted in 34 transnational projects designed to produce “hard evidence” in the form of “databases, quantifiable territorial indicators and evaluation models” for the assessment of “the relationship between EU policies and territorial development” (Zonneveld & Waterhout 2005, 20).

Fundamentally, ESPON has contributed to a “deepening and widening of the Europeanization process in spatial policy research, reduced the gap between experts and policy-makers and created a platform from which a more powerful voice for promoting the spatial dimension of EU policies has emerged” (Davoudi 2007, 100). In fact, the work carried out within the ESPON 2006 programme has significantly contributed to the process of internal territorialization within the EU as, regardless of problems with data harmonization, scientific scrutiny and an intricate relationship between policy and research, territorial structures were for the first time analysed and mapped in a manner that represented a truly European effort by hundreds of researchers from the so-called ESPON space (EU27 plus Norway and Switzerland) who paid attention to NUTS<sup>v</sup> areas rather than national territories.

However, from a Russian point of view and also from the viewpoint of many countries that share a border with Russia and are thus affected by spatial developments in Russia, most ESPON projects are inadequate in the respect that they completely neglect the Russian dimension. The relatively inward-looking nature of European analyses of



territorial structures and trends, as exemplified by ESPON, is illustrated well by the fact that in the maps produced within the ESPON programme, Russia predominantly appears as a white space with no connections to its Western neighbours. In the Finnish-Russian context, for example, this is rather paradoxical as the importance of North-western Russia and particularly the 5 million metropolis of St. Petersburg to Finland in terms of transport, economic exchange, and tourism and the resulting spatial interdependencies cannot be underestimated. The neglect of Russia in EU territorial research is evidently due to a range of organizational, political, and practical reasons. First and foremost, Russia is not considered to be one of the 29 countries forming the ESPON space which almost certainly can be attributed to both political and funding issues. On a more practical level, the availability of “relevant, reliable and harmonized data”, despite the existence of Eurostat, already posed a problem within the existing ESPON programme, which would have been exacerbated by taking onboard non-EU/EEA members that do not have comparable data collection methods (Bengs 2006, 90).

Territorial co-operation between the EU and Russia in general and the inter-relationship between ESPON and Russia in particular may, however, take a different turn in the future. On May 23, 2007, a Memorandum of Understanding on regional co-operation between the European Commission (represented by Commissioner Danuta Hübner) and the Russian Ministry for Regional Development (represented by Vladimir Yakovlev) was signed. The memorandum lists a number of goals, notably the exchange of information on regional policies, sharing ideas in developing multi-level governance, fostering trans-frontier co-operation, promoting co-operation in R&D, and enhancing interaction in multi-lateral forums such as CEMAT. At the same time, Danuta Hübner even invited Russia “to benefit from the work (though how is yet to be identified) carried out by ESPON programme” (Prokhorova 2007). Although, so far, no discussions or negotiations between ESPON and the European Commission or the Russian Ministry for Regional Development has taken place, representatives of CEMAT were invited to an ESPON 2013 Programme Open Seminar in June 2008 with the aim of laying the groundwork for future networking on territorial evidence and information, including with Russia (Mehlbye, P. 2008, pers.comm., 7 May).

This timely initiative to widen the ESPON community coincides with the commencement of the ESPON 2013 Programme<sup>vi</sup>. Although the work carried out in ESPON 2013 will not treat Russia and its territorial relations with the EU territory in a fundamentally different way, there is a growing understanding that when “looking at the wider territorial context of Europe more evidence and information is necessary about Europe in the World and on the neighbourhood of the European Union” (Mehlbye, P. 2008, pers.comm., 7 May). An initial step in this direction has already been taken with a report produced as part of the ESPON 2006 Project 3.4.1 (ESPON 2007) that aims to trace the role and place of Europe in the world and thus contributes to, in a wider sense, the positioning of the continent in a global context. Interestingly, the report distils from the current European debate four different “Visions of Europe in the World” (ESPON 2007, 57-83). These include:

- the “continents” vision, which clearly distinguishes between the internal and external dimensions of European territorial development and emphasizes Europe as a protected and closed territory with an emphasis on internal territorial cohesion and securitization against external threats
- the “centre-periphery” vision, which echoes the common notion that the EU’s political and economic sphere of influence is based on concentric rings formed around a wealthy and powerful centre and extending into the peripheries even beyond its external borders (Mouritzen cited in Aalto 2006). In practice this would mean economic but not institutional integration of the European neighbourhood, particularly south of the Mediterranean, resulting in long-term persistence of centre-periphery development
- the “archipelago” vision is based on network relations rather than geographical proximity and emphasizes Europe’s role in a global economy rather than regional integration. The territorial implications would be a strengthening of European metropolitan areas and rising territorial disparities within Europe and increasing asymmetries with the immediate neighbourhood.
- the “regional” vision represents a proactive and strategic vision of Europe in the world as favoured by the authors of the report. In this vision, the ENP is ascribed an important role in proactively connecting the European territory with its neighbouring regions in the East (including Russia and the Caucasus) and the South (including the entire African continent), which exhibit a variety of development stages, through establishing reciprocal economic, social, and political connections in the fields of capital, ‘know-how’, markets, labour force, and the environment. As a result, the European Union’s eastern and southern territories would evolve into interfaces between the former Soviet Union and the African continent.

This provides some indication that territorial research, mainly in the form of ESPON, is currently spearheading the debate on how to combine internal and external territorial European Union policies and as such may contribute to enhanced territorial inter-relations with the wider European neighbourhood.

#### *VASAB 2010 – Russian participation in Baltic Spatial Visioning?*

‘Vision and Strategies around the Baltic Sea – VASAB 2010’ aims to support co-operation on spatial planning and development between the countries around the Baltic Sea and thus represents a framework for territorial development within a transnational action area that represents an increasingly important meso-region within EU territory, the Baltic Sea Region (BSR). After the 2004 accession round, the Baltic Sea has often been perceived, in a very politically-laden fashion, as an inland sea of the European Union. This viewpoint doubtlessly neglects the strategic importance that the Baltic Sea has for

Russia in terms of being a ‘window’ to the West and as a transport and energy corridor to Europe and the rest of the world. Territorial issues within the BSR are by no means free of conflict. As highlighted previously, tensions between the Baltic States and Russia still exist in a variety of territorially relevant fields, which again shows the complex inter-relationship between territorial co-operation and geopolitical concerns. Recently, the prestigious gas pipeline project between Russia and Germany has caused considerable resistance among the other Baltic Sea countries.

In any case, VASAB, which is not confined to EU members but also includes Norway, Russia, and Belarus, has initiated both spatial visioning and subsequent concrete implementation via a range of mainly INTERREG-funded projects. Indeed, VASAB has been identified as a source of inspiration for the ESDP process (Böhme 2002). Of particular interest is the recently launched East-West Window project that aims to “promote territorial integration of North-West Russia and Kaliningrad into the Baltic Sea Region through joint spatial planning and development actions in the priority fields such as business development, transport and ICT development as well as in the sea use planning and Integrated Coastal Zone Management” (VASAB 2008). In terms of Russia’s participation in VASAB, a particular challenge is the fact that VASAB has no political backing at the national level, as currently no ministerial representative is involved in the work carried out within VASAB.

The main institution representing Russian interest is the Leontief Institute of St. Petersburg, which is struggling to raise awareness of VASAB at the national-level, i.e. the Ministry for Regional Development, whose support is invaluable in the current Russian political climate of re-centralization. In addition, the majority of other member countries have strong representation from the national level in VASAB activities, which signifies Russia’s asymmetric status within the organization. In any case, a number of Russian regional actors have been involved in VASAB projects that have been funded by the INTERREG Community initiative, which is one of the main facilitators of spatial development policy co-operation not only on the meso-regional but also on the regional, cross-border level. In the context of Baltic Sea co-operation, it is also interesting to note that in June 2009 the European Commission will present an ‘EU Strategy for the Baltic Sea Region’, especially as this appears to be the first time that the EU has aspired to the development of a spatial strategy for a particular macro-region.

#### *INTERREG – implementing the ESDP across external borders?*

European spatial development policy also includes a strong sub-national/regional dimension, which had significant implications for co-operation across the EU’s external border. In terms of implementation, the key instrument identified for the application of the ESDP recommendations is the INTERREG Community Initiative<sup>vii</sup>, which gave the ESDP policy framework substance and meaning. By being the first EU regional policy instrument to include a geographic criterion, “borders and border areas between EU member states and the European Union and non-member states are at the heart of this Community Initiative” (Drevet 2007, 154). Indeed, some of the most important platforms for cross-border co-operation in the spatial planning sector, the so-called *Euroregions*,

were recently funded by and comprised an integral part of INTERREG, although *Euroregions* were established long before INTERREG-funding in its current form was available. Prior to the arrival of the new European Neighbourhood and Partnership Instrument (ENPI), which is the funding instrument for the European Neighbourhood Policy (ENP), *Euroregions* and other INTERREG-funded initiatives on the external border often encountered practical problems in terms of funding. This was simply due to the fact that INTERREG was not designed to be implemented on the external borders of the EU and there was a need to combine the, to some extent incompatible, funding instruments of INTERREG and TACIS. This also indicates the lack of coherent EU policies concerning co-operation across its external borders, a situation that the ENP/ENPI aims to remedy.

In any case, after positive results were achieved on the internal borders of the EU, this model of sub-national cross-border co-operation was piloted on the external border in the form of *Euregio Karelia*, which spans the Finnish-Russian border and was established in the 2000 (see Map 1). Similar arrangements have subsequently been established all along the external border including, in addition to Russia, countries such as Belarus and Ukraine. *Euroregions* represent a local/regional manifestation of spatial development policy co-operation and provide an example of how collaboration regarding territorial inter-relationships can be deployed and carried out between regional actors across the external border in concrete terms.

In this context, the previously mentioned *Euregio Karelia* serves as a case in point. The establishment of *Euregio Karelia* had an important impact on sub-national spatial planning activities within its geographical boundaries both in terms of funding and legitimization. In the programming period from 2004 to 2006, *Euregio Karelia*, as part of the Neighbourhood programme, had as its main objective “to increase welfare in the programme area through cross-border cooperation and to create a new operational model of cooperation for the border region between the EU and Russia” (*Euregio Karelia* 2004, 49). Although spatial development policy is not directly referred to in the programme document, a number of its priority areas broadly relate to territorial development policy. The priority area of *Transport and Communication* in particular, which promotes cross-border regional planning and the development of border crossings as well as improvements in traffic and telecommunication connections, is of high relevance to spatial development policy.

The most important outcome of the work carried out within the *Euregio Karelia* context regarding territorial development matters were two documents, with the rather uninspiring names *Regional Structure 2000* and *Regional Structure 2000+*, drawn up to “investigate opportunities for pursuing joint regional planning and removing obstacles to practical planning co-operation in order to make mutual contacts a regular practice in future” (*Euregio Karelia* 2000; *Euregio Karelia* 2005: 5). Contrary to earlier activities in this field during the 1990s co-ordinated by the Finnish Ministry of Environment (see Ministry of Environment 1997), this represented a truly sub-national exercise with the

Finnish Regional Councils and the Karelian Research Centre as well as Ministry of Economic Development of the Karelian Republic carrying out the work.

Whereas the first *Regional Structure* report provided a very basic description of the components of *Euregio Karelia's* regional structure and the Finnish and Russian planning regimes, the follow-up 2000+ report took a somewhat more strategic stance by linking its analysis to recent changes in Finnish planning legislation and the Strategic Plan for Petrozavodsk, which was in preparation at the time. However, within both documents, echoing the earlier work carried out under the auspices of the Ministry of the Environment, the main emphasis is on the promotion of tourism and the improvement of border crossing facilities, which, to some extent, neglects other sectoral interests. Concerning Russia's interest in sub-national co-operation, it is interesting to note that no such document has been produced in the more southerly located South Karelia-Leningrad Oblast/St. Petersburg co-operation area, although a similar institutional and funding arrangement in the form of the Southeast Finland - Russia INTERREG IIIA programme existed (see Map 1). According to sources from the Finnish Ministry of Environment and the Regional Councils, this may be due to a lack of interest on the Russian side, partially caused by federal strategic interests (for example, in the port and energy sector) that hamper close involvement of Russian sub-national entities in such an exercise and induces the holding back of information on infrastructural investments and developments.

Generally, the collaboration efforts mentioned above have provided useful insights on and knowledge of regional structures, development issues, with the planning systems in the cross-border regions gaining from this on both sides. However, during the process it had to be conceded that the planning environments and cultures as well as administrative structures in Finland and Russia differ significantly from each other. As a consequence, co-operative efforts have fallen somewhat short of initial expectations in terms of strategic and visionary outlook and have thus remained focused on the project-based level.

## **5. Conclusions**

In this paper it has been argued that European spatial development policy is part of a wider process of European territorialization which signifies the gradual emergence of a sharpened European territorial profile supported by, among many other things, increasingly supranational spatial policy practices and a shifting rhetoric from a politically neutral discourse on European *space* to a politically-laden discourse on European *territory*. This process includes both an internal (within the European territory) as well as an external dimension (relations with the wider European neighbourhood). Territory should therefore be understood as a concept rather than a term, which is often the case in the European spatial development policy debate.

Spatial development policy and, more recently, the policy concept of territorial cohesion, i.e. the EU's latest ambition to enter the spatial policy field, represent 'soft' policy instruments to support the development of a single, more integrated and cohesive internal

European territory. The collaborative efforts in this soft policy field between the EU and Russia, which are explored in this paper, occur at the interface between the above-mentioned external and internal dimensions of European territorialization and as such meet 'hard' policy, such as securitisation in form of the Schengen Agreement, which is emblematic of the EU's external territoriality.

Within this intricate setting, the analysis has shown that EU-Russian co-operation in spatial development policy is of an explicitly multi-level nature incorporating a peculiar mix of regional, national/bilateral, and pan-European/supranational co-operation initiatives. Thus, collaboration efforts across the EU's external border cannot be generalized, but are contingent on broader geopolitical relations between the EU – as well as its given member states – and Russia. In effect this means that geopolitically relevant legacies and current conflicts can impede interaction and co-operation across the EU's external borders, particularly in the geopolitically sensitive policy field of spatial development policy. In addition, the situation is further complicated by the fact that the European Union – in form of the European Commission – is a weak actor in spatial development policy. This is due to the fact that competences in this policy field still lie exclusively with the member states, although with the adoption of territorial cohesion as an official policy concept the EU has made an import inroad into territorial governance issues. Consequently, it does not come as a surprise that Russia's main channel of access to European Union spatial policy is the European Conference of Ministers responsible for Regional Planning (CEMAT), in which the national level retains a strong role; aptly illustrated by the bilateral co-operation between Russia and Germany within the CEMAT framework.

At the lower echelons of European governance, INTERREG, particularly via *Euroregions*, has been an important facilitator of cross-border co-operation in spatial development issues across the external border. In this context, however, limitations in terms of funding, the lack of harmonized regional structures and, in some cases, geopolitical tensions remain. In the Finnish-Russian case, nevertheless, a straightforward geopolitical setting, pragmatic relations, a stable border regime, and readily available funding provides fertile ground for cross-border, sub-national co-operation. With regard to the new ENP/ENPI, it must be stressed that only time will tell how the universalizing nature, focus on security aspects and the prevailing perception of the EU as the only normative power in the region will affect co-operation with Russia at the lower echelons of cross-border governance.

Currently, European spatial policy *research* provides one of the most interesting examples of Europe looking beyond its immediate border in terms of territorial governance. Fuelled by the growing understanding that EU territorial policies cannot be developed in isolation from its wider neighbourhood, ESPON's "Europe in the World" document, which has aroused strong interest in the political community, implicitly questions whether territorial policies should stop at the external border of the EU; a logical progression from the earlier realization in the Europe 2000 document that spatial planning should not stop at national borders within the European Union. Corresponding

to the eastern dimension involving Russia, spatial interdependencies with and territorial policies towards the southern neighbours across the Mediterranean are also attracting increasing attention (see Beckouche & Grasland 2008).

Finally, there is little doubt that the European discourse on spatial development issues is still in a formative phase, but it produces new transnational territorial knowledge and establishes policy concepts that are utilized and tested in a wide array of arenas every day. These experiences should be communicated to the eastern and southern neighbours with whom the European Union shares increasing spatial interdependencies.

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<sup>i</sup> With European spatial development policy I mean the debate and policy-making in relation to the organization, development and planning of the European continent that normally includes proactive planning policies and strategic visioning. The terminology regarding this policy field is remarkably ambiguous. In the existing literature, spatial development policy may also be referred to as spatial planning, territorial governance or even territorial development policy. The significance of the distinction between 'spatial' and 'territorial' is an important part of the discussion in this article.

<sup>ii</sup> For instance, Russia is today the EU's third largest trading partner and the EU is by far Russia's main trading partner, accounting for more than 54% of its overall trade (EU 2007). In addition, Russia has regained its status as one of Finland's most important trading partners.

<sup>iii</sup> The Schengen agreement even includes states that are not EU members, such as Norway, Iceland and Switzerland

<sup>iv</sup> These include the *Common Economic Space*, the *Common Space of Freedom, Security and Justice*, the *Common Space on External Security* and the *Common Space on Research, Education, Culture*

<sup>v</sup> NUTS refers to the Nomenclature of Territorial Units of Statistics

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<sup>vi</sup> As a successor to the ESPON 2006 Programme, the European Commission adopted the ESPON 2013 Programme in November 2007. Interestingly, the programme's name was changed to European observation network for territorial observation and cohesion, again reflecting the shift from 'spatial' to 'territorial' issues in the European discourse. In ESPON 2013, the so-called ESPON space has been extended to include 31 countries (EU 27 + Norway, Switzerland, Liechtenstein and Iceland)

<sup>vii</sup> The INTERREG Community Initiative comprises three strands. Strand A involves joint projects between neighbouring regions. Strand B allows for the elaboration of spatial development strategies in large transnational "European Regions" which cover a number of neighbouring states in specific regions. Strand C provides for inter-regional cooperation, particularly between the different INTERREG regions specified under Strand B.