

# Part A

Achieving the Balanced and  
Sustainable Development of the Territory of the EU:  
The Contribution of the Spatial Development Policy

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# 1 The Spatial Approach at European Level

## 1.1 The “Territory”: a New Dimension of European Policy

(1) The characteristic territorial feature of the European Union (EU) is its cultural variety, concentrated in a small area. This distinguishes it from other large economic zones of the world, such as the USA, Japan and MERCOSUR<sup>1</sup>. This variety – potentially one of the most significant development factors for the EU – must be retained in the face of European integration. Spatial development policies, therefore, must not standardize local and regional identities in the EU, which help enrich the quality of life of its citizens.

(2) Since European Economic and Monetary Union (EMU) came into force, European integration has made considerable progress<sup>2</sup>. With growing economic and social integration, internal borders are increasingly losing their separating character and more intensive relationships and inter-dependencies are emerging between cities and regions of the Member States. This implies that effects of regional, national or Community projects in one country can have a considerable impact on the spatial structure of other Member States. In implementing Community policy, greater attention must be paid, in future, to spatial factors at an early stage, particularly because it will no longer be possible to compensate for regional productivity disparities by consequently adjusting exchange rates. In that respect, spatial planning can help avoid increases in such regional disparities.

(3) Development projects in different Member States complement each other best, if they are directed towards common objectives for spatial development. Therefore, national spatial development policies of the Member States and sectoral policies of the EU require clear spatially transcendent development guidelines. These are presented in this **European Spatial Development Perspective (ESDP)**, drawn up by the Member States in co-operation with the European Commission.

(4) Competition in the Single European Market is one of the driving forces for spatial development in the EU and will be intensified even more by EMU. Even though regions, cities and local authorities have already started co-operating in diverse fields, they compete with each other for economic activities, jobs and infrastructure. Currently, however, not all European regions start from a similar point. This complicates the strengthening of the economic and social cohesion of the EU. It is therefore important gradually to aim at

a spatial balance designed to provide a more even geographical distribution of growth across the territory of the EU (aiming at cohesion).

(5) In view of the grave labour market problems in the majority of the regions of the EU, spatial development policy has to support the aim of ensuring new and sustainable jobs for its citizens. Citizens can only take full responsibility for shaping their lives and experience the advantages of European integration in a positive way in their own regions if there are well balanced regional labour markets.

(6) Long-term spatial development trends in the EU are above all influenced by three factors:

- ⊠ the progressive economic integration and related increased co-operation between the Member States,
- ⊠ the growing importance of local and regional communities and their role in spatial development, and
- ⊠ the anticipated enlargement of the EU and the development of closer relations with its neighbours.

These three development factors must be seen against the background of global economic and technological developments, as well as general demographic, social and ecological trends. If used properly they will provide the framework for the increased cohesion of the European territory.

(7) Spatial development issues in the EU can, in future, only be resolved through co-operation between different governmental and administrative levels. In the wake of European integration, closer relations at all levels are developing: between the regions themselves and between the regions and the national and European authorities. Cities and regions are becoming more dependent, both on global trends and decisions at the Community level. European integration could benefit spatial development by encouraging the participation of cities and regions.

(8) The ESDP provides the possibility of widening the horizon beyond purely sectoral policy measures, to focus on the overall situation of the European territory and also take into account the development opportunities which arise for individual regions. New forms of co-operation proposed in the ESDP should, in future, contribute towards a co-operative setting up of sectoral policies – which up to now have been implemented independently – when they affect the same territory. The Community also requires the active co-operation of cities and regions in particular to be

able to realise the objectives of the EU in a citizen-friendly way. This is how the subsidiarity principle, rooted in the Treaty on EU, is realised.

**1.2 Spatial Development Disparities**

(9) With more than 370 million inhabitants covering an area of 3.2 million km<sup>2</sup> and with an annual gross domestic product (GDP) of 6.8 trillion ECU, the EU is one of the largest and economically strongest regions in the world.<sup>3</sup>

(10) Nevertheless, the EU shows serious economic imbalances impeding the realisation of regionally balanced and sustainable spatial development. The associated imbalanced distribution of economic potential could be described

as follows (see Map 1). The area in the centre of the EU including the metropolises of London, Paris, Milan, Munich and Hamburg has 40 % of the EU's population, accounts for 50% of the EU's GDP and covers 20% of the EU territory<sup>4</sup>. However, at the southern border of the EU - from Portugal to Southern Spain, Southern Italy and Greece - as well as in the new Länder in Germany, the GDP per capita only reaches about 50% to 65% of the EU average. In some regions at the northern periphery of the EU territory - e.g. Northern Finland and the North of the United Kingdom - the economic situation is not much better; the regions overseas in most cases reach only a GDP per capita of less than 50% of the EU average<sup>5</sup>. The ESDP can contribute to achieving, in the medium term, a spatially more balanced development.

**Map 1: Gross Domestic Product**

GDP by PPS Per Capita 1995  
Index: EUR 15 = 100

NUTS 2



Source: Eurostat

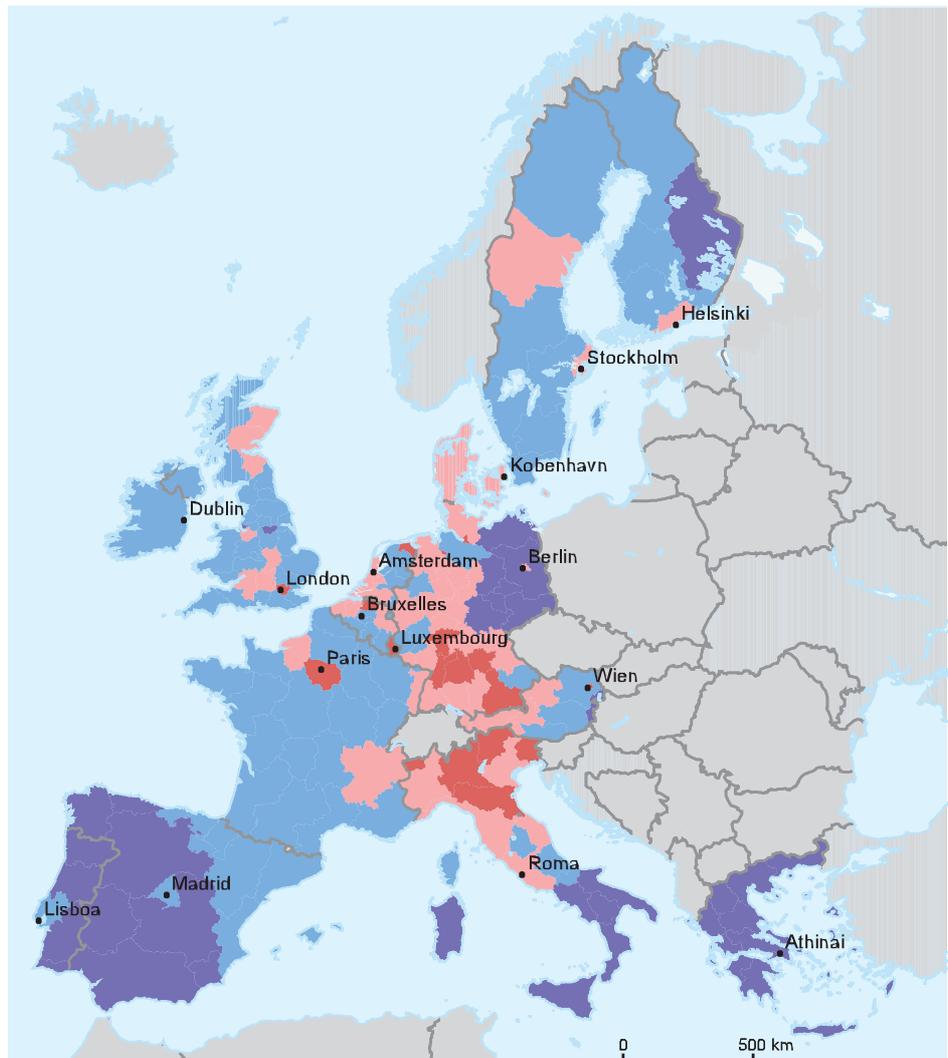
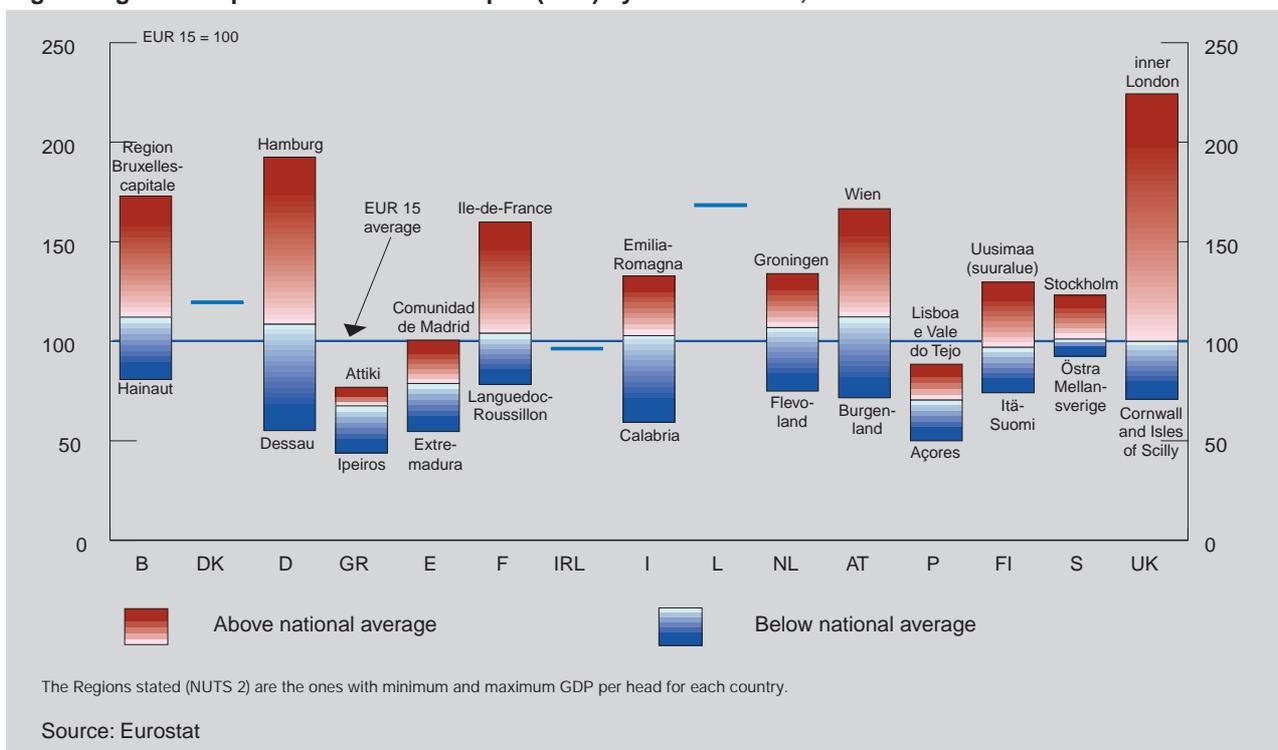


Fig. 1: Regional Disparities in GDP Per Capita (PPS) by Member State, 1996

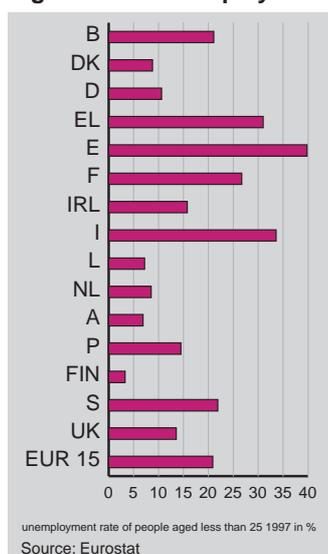


(11) Between 1986 and 1996 the 25 regions<sup>6</sup> of the EU with the lowest GDP per capita were only partly able to reduce their relative backwardness. Their GDP per capita level rose from 52 % of the EU average in 1986 to 59 % in 1996. In 1986 the GDP per capita of the 25 most prosperous regions was 2.7 times larger than that of the 25 poorest regions; ten years later the GDP per capita difference was only 2.4 times as large. With this slow catching up, disparities within the EU continue to be high. According to calculations of the European Commission (DG XVI), the 1996 disparities between the states of the USA are less than 50 % of those between comparable regional units in the EU<sup>7</sup>.

(12) Thus, while the differences in economic power between “prosperous” and “poor” regions are declining slightly, the regional disparities within most Member States are increasing. This is because the urban centres with relatively strong economic power in the four cohesion countries (Greece, Spain, Portugal and Ireland) often have higher growth rates than the poorer, mainly rural regions in these Member States. Furthermore, in the “more prosperous” Member States, there are often disparities between formerly prosperous regions with a declining industry, showing relatively weak economic dynamics, and those regions with steady economic growth (see Fig. 1).

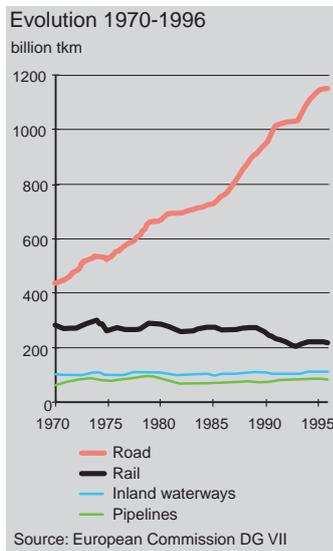
(13) The ESDP starts from the assumption that growth in itself or convergence of economic key figures is not sufficient to develop a balanced and sustainable economic and spatial structure in the EU. Economic growth must be reached a broader population through increased employment. One of the most important challenges in the EU is the fight against high

Fig. 2: Youth Unemployment



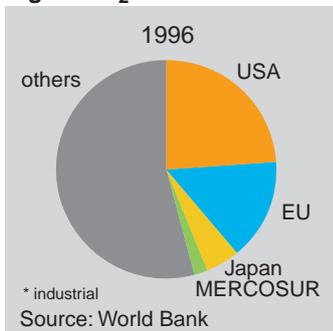
unemployment. Following a peak level of 18.5 million unemployed people (1994), the number of unemployed fell to 16.5 million by the end of 1998. But this still corresponds to almost 10 % of the working population. Unemployment results in serious disruption in the life of the individual and leads, more generally, to a devaluation of qualifications and a loss of production and value added potential for the whole EU. 50 % of

**Fig. 3: Goods Transport**



transport. In particular, European freight transport volumes by road have clearly increased, resulting in regional pressures on settlements and transport infrastructure (see Fig. 3).

**Fig. 4: CO<sub>2</sub> Emissions\***



contribute to the objectives, announced by the EU during international conferences concerning the environment and climate, of reducing emissions into the global ecological system.

(16) Natural and cultural heritage in the EU is endangered by economic and social modernisation processes. European cultural landscapes, cities and towns, as well as a variety of natural and historic monuments are part of the European heritage. Its fostering should be an important task for modern architecture, urban and landscape planning in all regions of the EU.

unemployed persons have been without gainful employment for more than one year. Youth unemployment in the EU exceeds 20 % and shows very important disparities between the Member States (see Fig. 2).

(14) The growing economic integration within the EU and increasing internal trade between the EU Member States is leading to a steady increase in passenger and goods

(15) Growing traffic volumes and an inefficient organisation of settlement structures help to make the EU a major contributor to world-wide CO<sub>2</sub> emissions together with the other large industrial countries and regions (see Fig. 4). A big challenge for spatial development policy is to contribute

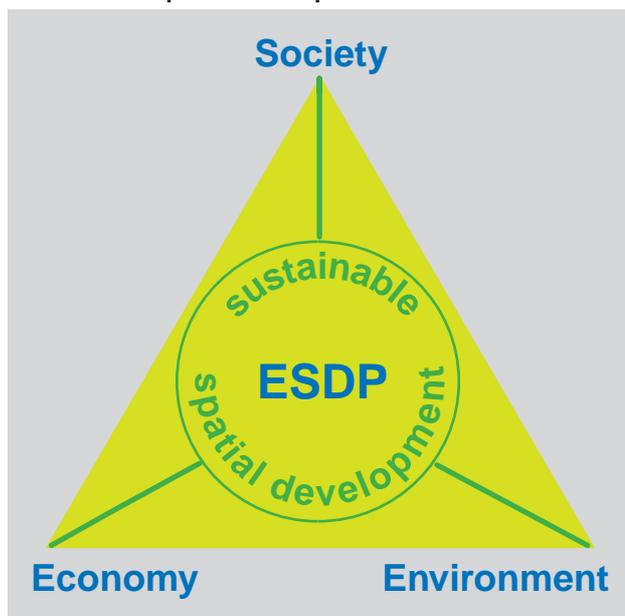
### 1.3 Underlying Objectives of the ESDP

(17) Considering the existing regional disparities of development and the – in some cases - still contradictory spatial effects of Community policies, all those responsible for spatial development should appreciate the policy guidelines for spatial development. The European Spatial Development Perspective is based on the EU aim of achieving a balanced and sustainable development, in particular by strengthening economic and social cohesion<sup>8</sup>. In accordance with the definition laid down in the United Nations Brundtland Report<sup>9</sup>, sustainable development covers not only environmentally sound economic development which preserves present resources for use by future generations but also includes a balanced spatial development. This means, in particular, reconciling the social and economic claims for spatial development with the area's ecological and cultural functions and, hence, contributing to a sustainable, and at larger scale, balanced territorial development. The EU will therefore gradually develop, in line with safeguarding regional diversity, from an Economic Union into an Environmental Union and into a Social Union (see Fig. 5).

(18) This is reflected in the triangle of objectives linking the three following fundamental goals of European policy:

- I economic and social cohesion;
- I conservation of natural resources and cultural heritage; and
- I more balanced competitiveness of the European territory.

**Fig. 5: Triangle of Objectives: a Balanced and Sustainable Spatial Development**



To achieve more spatially balanced development, these goals must be pursued simultaneously in all regions of the EU and their interactions taken into account.

(19) Spatial development policies promote sustainable development of the EU through a balanced spatial structure. As early as 1994, the Ministers responsible for spatial planning agreed on three policy guidelines for the spatial development of the EU<sup>10</sup>:

- ⊠ development of a balanced and polycentric urban system and a new urban-rural relationship;
- ⊠ securing parity of access to infrastructure and knowledge; and
- ⊠ sustainable development, prudent management and protection of nature and cultural heritage.

The objectives set out in the ESDP should be pursued by the European institutions and government and administrative authorities at national, regional and local level.

(20) Strengthening structurally weaker areas of the EU and improving, across national borders, living and working conditions of areas with different development levels, presents an enormous challenge. The objectives of development, balance and protection must be reconciled. Policy aimed exclusively at balance would lead to weakening economically stronger regions and, simultaneously, increasing the dependency of less favoured regions. Development alone would favour an increase of regional disparities. An overemphasis on protection or preservation of spatial structures, on the other hand, bears the risk of stagnation since it might slow down modernisation trends. Determining the emphasis to be accorded to the objectives and their interrelationship according to the local situation is the only possible way of achieving balanced and sustainable development in the EU.

(21) The ESDP conveys a vision of the future territory of the EU. In its aims and guidelines it provides a general source of reference for actions with a spatial impact, taken by public and private decision-makers. Beyond that, it should act as a positive signal for broad public participation in the political debate on decisions at European level and their impact on cities and regions in the EU.

## 1.4 The Status of the ESDP

(22) With the ESDP the Member States in co-operation with the European Commission have indicated that, following European integration, they want to retain variety and achieve regionally more balanced and sustainable develop-

ment in the EU. This position is supported by the European Parliament, the Committee of the Regions and by the Economic and Social Committee. The ESDP, as a legally non-binding document, is a policy framework for better co-operation between Community sectoral policies with significant spatial impacts and between Member States, their regions and cities. It is, therefore, consistent with the political principles, agreed in 1994, as follows:

- ⊠ spatial development can contribute in a decisive way to the achievement of the goal of economic and social cohesion,
- ⊠ the existing competencies of the institutions responsible for Community policies remain unchanged. The ESDP may contribute to the implementation of Community policies which have a territorial impact, but without constraining the responsible institutions in exercising their responsibilities,
- ⊠ the central aim will be to achieve sustainable and balanced development,
- ⊠ it will be prepared respecting existing institutions and will be non-binding on Member States,
- ⊠ it will respect the principle of subsidiarity,
- ⊠ each country will take it forward according to the extent it wishes to take account of European spatial development aspects in its national policies<sup>11</sup>.

## 1.5 The ESDP as a Process

(23) The ESDP is the result of intensive discussion among the Member States themselves and with the European Commission on the spatial development of the EU. The Belgian Presidency made the proposal to draw up the ESDP<sup>12</sup>. The Ministers responsible for Spatial Planning agreed in Corfu<sup>13</sup> on the framework and initial policy options for spatial development in the EU. The main spatial development principles (concepts) for settlement development were established at the Ministerial meeting in Leipzig<sup>14</sup>. The subsequent French<sup>15</sup>, Spanish<sup>16</sup> and Italian<sup>17</sup> Presidencies developed important scenarios and analyses for an appropriate assessment of spatial development. Since the Irish Presidency, the potential of the Troika to undertake co-operative work, within the Committee on Spatial Development, has been strengthened in order to ensure continuity of its work<sup>18</sup>. The Dutch Presidency presented the first draft of the ESDP which was followed by a broadly-based debate throughout Europe<sup>19</sup>. The Luxembourg<sup>20</sup> and United Kingdom<sup>21</sup> Presidencies placed the emphasis on the implementation or application of the ESDP. In addition, the dialogue pursued with the Accession Countries was intensified during the Austrian Presidency<sup>22</sup>.

(24) Through consultations at both national and European level, widespread participation of the institutions and groups responsible for spatial development was achieved. On the basis of the "First Official Draft of the ESDP" (Noordwijk Document/June 1997) comprehensive consultations took place in the fifteen Member States, involving central governments, regions and social groups. In addition, the European Commission staged a series of public seminars, together with the Member States, on the key issues of the ESDP. The opinions of the European institutions (European Parliament<sup>23</sup>, Committee of the Regions<sup>24</sup>, Economic and Social Committee<sup>25</sup>) and the inter-service consultations of the European Commission have also provided important contributions for the ESDP. The ESDP is, thus, the result of a Europe-wide process of public debate.

(25) The political objectives and options proposed in the ESDP are aimed at guiding spatial development of the spatial structure in the fifteen Member States. The consideration of current spatial circumstances at an early stage and the appropriate evaluation of possible impacts of sectoral planning decisions on the development of cities and regions is an ongoing process. As in the case of other documents, plans and programmes aimed at further promoting

spatial development, the European Spatial Development Perspective must, therefore, periodically be subject to review. EU enlargement and other political events, for instance an intensification of the dialogue with the States bordering the Mediterranean, will have a great influence on future European spatial development. When the ESDP is revised, the main focus is likely to be on the enlargement of the EU and related spatial development issues.

(26) The Member States should co-operate closely with each other and with the European Commission in applying the ESDP. The translation of the objectives and options set out in Chapter 3 into concrete political action will take place gradually. Initial proposals for the application of the ESDP by the various actors at different levels are presented in Chapter 4. It will be possible to carry out some measures and projects immediately after the ESDP has been agreed. Other options and proposals will require further discussion and fleshing out at European level. This includes, in particular, the exchange of experience and the monitoring and evaluation of spatial developments. The discussion on the future orientation of spatial development policy in Europe within the Committee on Spatial Development will also have to be continued after the ESDP has been agreed.