

# **Territorial Cohesion under the Looking Glass**

## **Synthesis paper about the history of the concept and policy background to territorial cohesion**

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### ***Executive Summary***

*Concepts change depending on who uses them. First discussed by the Assembly of European Regions, Barnier invoked territorial cohesion in lieu of spatial planning for which Member States denied the Community a proper role. This against the backdrop of a European construct that casts Member States represented on the Council and the Commission into different roles. Also, depending on their makeup and tradition, the attitudes of countries differ. France has affinity with Brussels, seeing opportunities for a kind of aménagement du territoire: the formulation of strategic spatial frameworks for EU policies. The Netherlands and Germany share a tradition of land-use regulation but Dutch national planning is about broad policy and sector coordination, bringing it closer to the French model. From the beginning of European integration it was recognised that integrating markets would require regional policy to counteract imbalances, but Member States were reticent about a Community role in this. The Commission kept on studying the issues. With the 1970s enlargement, it became necessary to compensate the UK for the little use it had for the CAP. A regional policy only in name, paybacks to national budgets for assisting them with their regional policies was the solution. Delors introduced a programmatic approach to what was now called cohesion policy. This is when a French-Dutch initiative put a spatial framework à la française on the agenda, leading with ups and downs in 1999 to the intergovernmental ESDP. Subsequently, the Commission ceased supporting intergovernmental spatial planning. Under the territorial cohesion heading, the Constitution promised a role for the EU, forcing Member States to reconsider their positions. The present context is shaped by the Lisbon Strategy and the ups and downs of the Treaty of Lisbon. So is the evolving Commission position, with the Green Paper its latest initiative. In the consultations, the EP, EESC and CoR are supportive, and so are the AER, CPMR, AEER. Of the sample of Member States reactions studied, France is supportive while Germany and the UK keep their distance. Managing the review of the Territorial Agenda, Hungary sees territorial cohesion policy as close to spatial planning, but nevertheless has no problem with an EU role. Poland is supportive, too, but draws a line between territorial cohesion policy and spatial planning as an exclusive matter for the Member States. Professional voices are supportive, too. A road map must take into account the Lisbon Treaty, the coming of the next Commission and the Financial Framework discussions.*

## **Introduction**

Addressing the informal ministerial meeting at the Azores in 2007, Commissioner Hübner already gave a glimpse of the Green Paper on Territorial Cohesion: Many interpretations notwithstanding, a common understanding of territorial cohesion was needed, but no ‘one size fits all’ solutions. Indeed, the Green Paper puts the definition up for debate.

Concepts are like wax in our hands: we can shape them to suit our purposes, and as they change, so do meanings. In different contexts different words may even have the same meaning. Thus, territorial cohesion may mean the same as what sometimes has been subsumed under spatial planning which in turn has multiple interpretations, too. So to understand the concept, we must ask: who has invoked it, when, and why?

### **Who has done it?**

The answer is: the Assembly of European Regions (AER) under its vice president Robert Savy (then president of the Limousin Region and chairman of the French *Comité interministériel de l'aménagement du territoire* (CIAT) has coined the term. As Minister of European Affairs, Michel Barnier then ensured that territorial cohesion received a mention in relation to general services of economic interest in the Treaty of Amsterdam coming into force in 1997. The intention was to counteract the liberalisation of public services. This in turn was considered essential to sustain the standard of living and the competitiveness of less populous regions. The underlying values will be discussed below.

Savy was disappointed by the restricted meaning of territorial cohesion in the Treaty. As Commissioner, Barnier gave it a broader one in the Second Cohesion Report. The Commission had just ended its support for the ESDP process. Previously, Member States, some more urgently than others, had argued that the EU had no competence in the matter. As a consequence, the Commission no longer talked about spatial planning.

The Constitution was an opportunity for formalising an EU role in this. A proposal to this effect came from the, as it was then called, *Délégation à l'aménagement du territoire et à l'action régionale* (DATAR). With Barnier representing the Commission, the Convention on the Future of Europe decided to complement economic and social with territorial cohesion in the Constitution. The planning ministers of the Member States reconsidered their positions. Their Territorial Agenda and the First Action Programme – the adoption of the latter the occasion for Commissioner Hübner making the comments above – are full of territorial cohesion. It became part also of the Treaty of Lisbon replacing the ill-fated Constitution. The French Presidency of 2008 saw to it that the focus of the Marseille ministerial meeting was on territorial cohesion as part of cohesion policy.

Who has done it is thus clear: a French Commissioner adopting French proposals. As regards why, we not only need to discuss the French context, but also the Commission being kept at arm's length, as it was, by the Member States. Their planning systems and policies, and how they may – or may not – relate to regional policy are relevant. I start with *aménagement du territoire* followed by its Dutch and German equivalents. This I follow with the European construct casting the Commission in the role of the initiator of EU policies. Such a role makes that its relations with Member States is ambivalent. After all, its proposals go at the expense of Member State control over their own affairs. I then

show the various stages in which the Commission and other actors have advocated territorial cohesion. To the adversarial roles into which the institutional setup casts the Commission and the Member States one may add the conflicting positions of neoclassical and regional economists. Initially, the Common Market was based more on the neoclassic position expecting that competition in a larger market would generate enough wealth for it to trickle down to the regions. In fact, the only region in the original six members with real problems was the Italian Mezzogiorno.

### **Planning Systems and Policies**

When discussing reactions to the Green Paper, the French will be shown to be with the Commission on territorial cohesion because it articulates what *aménagement du territoire* is about. A Commission-sponsored 'Compendium of EU Spatial Planning Systems and Policies' discusses other systems as well. Accordingly, planning is often seen as the management – mainly the containment – of urban growth by means of land-use plans. Such plans exist in France, too – but then the Compendium recognises that countries can represent mixtures of two or more systems. Thus, there are statutory land-use plans at local and inter-communal scale in France, but they are not part of *aménagement du territoire*. Operating at the regional and national and increasingly the European scale – and thus internationally better known – the latter is by definition strategic.

Although a key instrument, presently the statutory plan nowhere retains the monopoly in managing places. Rather, spatial planning, as it is now called, shares in the general reliance on governance. Still, where the competence to regulate development rests remains a defining issue. Where planning exists on the regional or even the national level, it takes into account the socio-economic make-up, position and future of the region or country. In this it is like *aménagement du territoire*. But the latter focuses entirely on stimulating development. Its classic targets were areas suffering from rural exodus, industrial decline or otherwise handicapped regions. This was common in post-war Europe, implying the formulation of criteria. The specific French approach was to invoke a conceptualisation of territory and its shape in the form of scenarios, or *prospectives*. *Aménagement du territoire* is accordingly about a strategic spatial framework for intervention. The interventions are what '*l'action régionale*' stands for, hence '*Délégation à l'aménagement du territoire et à l'action régionale*'. Reflecting changing priorities, also at EU level, the name now is *Délégation interministérielle à l'aménagement et à la compétitivité des territoires*: DIACT.

Attached to the prime minister and working with the CIAT, DATAR coordinated various ministries. The roots were in the *Jacobin* tradition of central control and the Saint-Simonian one of expert leadership. DATAR orchestrated the relevant agreements, in so doing coordinating them with EU policies, a role now fulfilled by DIACT.

France has become a decentralised state where regions are partners, sharing the costs of and responsibility for regional development. Importantly, relying on financial engineering – covenants setting out conditions under which regions receive funds – *aménagement du territoire* can do without a land-use plan. Having seen EU cohesion policy being modelled on their *contrats de plan État-region*, the French are content.

One of the elements of the covenant of the republic with its citizens, *égalité*, obliges the state to guarantee basic services, with *La Poste* the emblematic example. This is also

reflected in the Charter of Fundamental Rights and part of a European social model, a concept invoked in the explanation relating to the Treaty provision on services of general economic interest. There is evidence that the French have been rather successful in providing services, thus promoting equity as much as the competitiveness of territories. The rationale of EU cohesion policy that people should not be disadvantaged by where they happen to live and work echoes the same concern and points to similar solutions. Indeed, *aménagement du territoire* resonates with EU cohesion policy where equity considerations rather than the management of urban development dominate. Now, allocating funds to projects does not infringe upon sovereignty. So, other than any EU role in land-use planning, regional policy raises no legal eyebrows. The issue is rather: who pays and who benefits.

Spatial planners were absent in debates about European integration. The only ones known to have had an early interest were the Dutch. In the 1950s, they were seeking to contain urban growth in the Western Netherlands. Regional policy – called ‘industrialisation policy’ – was not their responsibility, but they sought to oversee it by means of an overall plan. In addition, Dutch planners positioned the country in its European context. From there it was a small step to wishing – with little success, it should be said – Europe to play a role in spatial planning.

When it later came to the ESDP, Dutch planners were amongst its proponents. They took the initiative also for the Territorial Agenda. The Netherlands is a trading nation dependent on, but at the same time well embedded in, Europe. The Dutch were with the French in the late-1980s asking for a spatial framework for managing the Structural Funds. It did not come to their minds that this might raise the issue of a competence – nor did it to French EU officials: *aménagement du territoire* requires after all no competence.

The Germans were however alert to this issue. In their federal system, the *Länder* have a key role in regulating development. There is strict separation also between spatial planning and regional policy, the latter the province of the economics ministry in conjunction with the *Länder*. This coalition is enamoured neither with the EU constraining it to operate within Community guidelines, nor with spatial planning. Those participating in the ESDP process were however the federal spatial planners. The fact that the planning competence was with the *Länder*, and that regional policy makers were averse to any increase of the Community role made them pursue the intergovernmental line.

I already portrayed relations between EU institutions and in particular the Commission and Member States as ambivalent. This is a feature of the EU generally and will be explained next where I discuss whether the EU is supranational or a club run by its members.

### **An ambivalent construct**

On 1<sup>st</sup> January 2008, the European Union (EU) could have celebrated its 50<sup>th</sup> anniversary, but the celebrations were about the earlier Treaty of Rome. Each step since has involved a so-called Intergovernmental Conferences (IGC) preparing a draft treaty, with representatives of the governments signing it and the treaty being ratified under national law. States, including federal ones, have a ‘competence-competence’: some rule for

making and changing their constitutions. Not so with the EU where integration proceeds by Member States signing away specific competences.

Integration can give rise to territorial issues: The EEC removed barriers to boost economic activity, but by then the Nobel Laureate Myrdal had demonstrated already that underdeveloped regions were a systemic problem and the theorist of growth poles Perroux had expressed concern about the effects of the Common Market on French regions. Nevertheless, governments ignored calls for coordinating regional policies. Lack of coordination of national policies is one dimension of the coherence issue.

The EEC engaged in the CAP, an example of a single-objective, so-called sector policy. Other examples were competition policy and the ESF assisting migrant workers. Seconded by mighty lobbies, national ministries and their Brussels counterparts formed coalitions. They took no responsibility for any territorial impacts. Regional and local actors might have signalled such impacts but had no role in European integration. Lack of coordination between sector policies is the second dimension of the coherence issue.

Vertical and horizontal coordination within a Community framework would have been the answer, but national as well as sector interests militated against this. Territorial cohesion represents attempts to solve this situation. Whether this will be a success is for the future, but what this shows is that the nature of the EU is important to understand what territorial cohesion is about.

At first glance, the EU seems like NAFTA, MERCOSUR and ASEAN, the latter now bent on emulating the EU. However, the EU has gone further in integrating, not only markets, but also policies to promote, for instance, the free movement of people. The supra-national element is also stronger. Cohesion policy is witness to this. Before discussing how it has come about, I turn to the way EU legislation comes into being. It represents a balance between integration and national interests. Thus, the Commission makes proposals for the consideration of the Council representing the Member States and the European Parliament the citizens. This 'Community method' differs from decision-making in nation-states. Rifkin describes the EU as 'the first postmodern governing institution'.

The Community method gives the Commission a central role, but how does the Council decide? The treaties define the rules, whether by unanimity or by QMV. Preparing decisions is, however, an opaque process, engaging the permanent representatives of the Member States (COREPER). Working groups of national experts support them. For cohesion policy, there is a permanent Structural Action Working Party. Here, Commission initiatives that meet opposition from Member States have a difficult time. This is why attitudes of Member States are important.

For this reason, and even assuming that all remaining Member States ratify the Treaty of Lisbon, the future of territorial cohesion policy still remains in abeyance: The Commission has a choice of whether or not to make proposals. But even if not, it would be able to operate territorial cohesion policy in the shadow of the new EU competence. Nobody would be able to query its position on the ground that the EU had no role.

Although not a state, the EU is nevertheless a political system. The distinction between 'high' and 'low' politics is useful. The Financial Framework is high politics; the

management of the Structural Funds low politics dominated by experts. They have different professional allegiances and work in different bureaus, like the Brussels directorates-general. Some of them form coalitions with their national counterparts and/or outside interests. Some also form coalitions amongst each other. No directorate-general prevails upon others, so this comes naturally. Jacques Delors once charged a new DG XXIV with coordinating the Structural Funds, but it was quickly disbanded. Coordinating cohesion policy then became the task of DG XVI, now DG Regio, negotiating with the others on an equal footing. So, arrangements for achieving coherence as regards territory are weak.

Arrangements for coherence between the regional policies of Member States are not strong either. Integration is always contested, not only at IGCs and during the ratification of treaties. The contest takes place right within the EU. Those articulating the positions of Member States are the European Council and the various forms and shapes of the Council of Ministers representing the intergovernmental element. The EP, but above all the Commission and not to forget the European Court of Justice promote integration. The position of the EP is particularly vexing: It cannot legislate like national parliaments – but it holds sway over the budget, and most other proposals require its assent.

### **From implicit to explicit territorial cohesion policy**

As integration proceeds, territorial issues come to the fore. Albeit under different names, an implicit territorial cohesion policy has always been on the agenda. However, it would be anachronistic to invoke the term territorial cohesion for the situation before the 2000s. So sometimes I talk about regional policy or regional planning and spatial planning or spatial development policy. To remind the reader that the concepts can represent similar ideas, I sometimes also say: spatial planning/territorial cohesion policy. Of course, in the present context, European spatial planning is anathema: Some Member States are adamant in saying, also in their reactions to the Green Paper to be discussed, that the EU has no competence in the matter. The Green Paper itself draws a line between spatial planning and territorial cohesion policy. But this distinction has not always been made and not everybody sees all forms of spatial planning as far apart from what territorial cohesion stands for. In UK parlance, for instance, spatial planning is presented as being broader than ‘town and country planning’, the latter being primarily about land-use.

Another issue is how to divide history into periods. I am opting for four: The launch era when the Treaty of Rome was coming into operation; the doldrums after the ‘empty chairs crisis’ provoked by President Charles De Gaulle; the boom era after the Single European Act until the Maastricht Treaty; and the present crisis and the responses to the Green Paper. I show that some actors have recognised territorial issues from the start, leading to the, albeit halting development of requisite policies. In fact, ever since the early 1960s, the Commission has been involved. Member States have often either ignored its arguments or, where there has been agreement in principle, sought to weaken the policy during implementation.

Bringing spatial planners with their specific skills and outlooks into the process, the ESDP has been a side show in this, but not without impact. Being taken further in the INTERREG programme, it brings actors together. However, it is still secondary to the main thing, which is the, so far implicit, EU territorial cohesion policy.

In all this, the difference between France and Germany is a constant. At the outset, there was of course the highly successful French policy of integrating – and thereby containing – Germany into Western Europe. This cast the larger of the two, Germany, into a junior role, which it willingly accepted. As German economic might increased, it also made Germany the paymaster and as such wary of increasing expenditure. As regards cohesion policy, there is little that Germany and France have in common: France is a centralised state, albeit one decentralising government functions; Germany is a federal state. France has DATAR/DIACT coordinating sector ministries; Germany has no equivalent. French financial engineering coaxes actors into pursuing common objectives; German planning relies on statutory plans. France has good rapport with Brussels (which France has helped shaping); Berlin is figuratively and literally speaking far away. French-inspired cohesion policy suits France; until reunification added least-favoured regions to its territory, for Germany cohesion policy was more of a nuisance, especially since state-aid rules took away some of their toys from *Länder* bosses. In interpreting the course of events, these respective dispositions need to be taken into account.

### I. The launch era

There were early attempts to make spatial planning part of the European project. Already before the war, there had been conferences and international exchanges. Metropolitan park systems and the Tennessee Valley Authority in the US and garden cities and the green belt in the UK had been sources of inspiration for Northwest European planners. Their vanguard pursued spatial planning on the national and even the international scale. The war had brought much destruction, and regional policy became common. Issues of urban growth were expected to arise, so planners wanted to be on board.

The Dutch were a force in this. They wanted to guide industrial development by means of a national plan so as to avoid overconcentration in the core and they also positioned their agglomerations in a European context. With an eye on the US Atlantic Seaboard, they imagined a future West European megalopolis. Their incentive was that European institutions embracing planning would improve their national position. What they had in mind was some form of, albeit broad-brush European plan.

Through international contacts planners discovered that they were pursuing different ideas. I said before that Dutch and also German planners saw a land-use plan as their vehicle of choice, and we know that *aménagement du territoire* was different: state funded projects designed to smooth out imbalances. But there was no immediate need to resolve such differences. The planning community had to be held together. The EEC was being set up, and the Spaak Report laying the foundations of the Treaty of Rome recommended a fund to promote balanced development – the French view. It highlighted the need also for coordination. So from the word go two rationales for European spatial planning/territorial cohesion policy, balanced development and good territorial governance – cohesion and coherence – were on the wish list, based on the recognition that the removal of customs barriers would change economic geography.

In the Treaty of Rome Member States went no further, though, than declaring in the preamble that they were “[a]nxious to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions”, and in Article 2

giving the EEC the task of “reducing the differences existing in various regions and by mitigating the backwardness of the less favoured”. There was no following this through. Under discretionary powers, the Commission could merely grant temporary relief from measures to complete the Common Market.

The only spatial planners known to have expressed an interest were the Dutch: The Dutch negotiators and co-signatory of the Treaty of Rome had been chairman of the national planning commission. He was to be disappointed by the lack of attention to planning.

## II. The doldrums

Through an international network, Dutch planners explored further options. A Conference of the Regions of North-West Europe collected data, mapped the European territory and proposed transnational plans. The future Channel Tunnel aroused much interest. There were murmurings of the need for a European agency, but to no avail.

The Benelux Economic Union was more receptive, but it was to take until 1986 before it published its first Structural Outline Sketch. Germany and The Netherlands set up a joint planning commission and the prototype Euregio was set up alongside with other examples of cross-border planning antedating INTERREG. Meanwhile, the Parliamentary Assembly – forerunner of the EP – pleaded for European regional policy. The Commission organised a ‘Conference on the Regional Economies’ where President Hallstein spelled out the rationale of a common regional policy in terms that sound remarkably modern. There was even a proposition of an *aménagement du territoire européen*. The Commission followed this through with proposals to the Council of Ministers. However, De Gaulle instigated the ‘policy of the empty chairs’ causing the EEC to enter the doldrums. His aim was to counteract a proactive Commission, so the Commission initiative could not have come at a worse moment!

Nevertheless, the Commission formed a directorate-general for studying regional issues. It formulated what amounted to a rationale of continuing validity: Since European integration re-shaped territory, regional policy was not only a national, but also a European issue. Like in France, funds were needed to combat excessive concentration.

Once De Gaulle had left the scene, opening the way for the UK, together with Denmark and Ireland to join, the situation changed. The UK could not profit from the CAP in proportion to its contribution but had industrial areas in decline. A minimalistic regional policy subsidising national budgets was introduced. This only changed with Delors’ programmatic approach modelled on French regional policy. Before discussing it, I turn to the Council of Europe (CoE).

Set up in 1949, with the European Convention of Human Rights its most important achievement, the CoE offered an avenue for articulating European planning issues. Pointing to overconcentration of population and regional disparities, it passed a resolution saying that ‘harmonious geographical development’ – cohesion – was a task for European institutions. A working party published ‘Regional Planning a European Problem’ in 1968. Region was a generic term, so in fact this was about spatial planning.

The working party formulated a planning programme with the European Conference of Local Authorities. In the EEC, the latter were not at the negotiating table. Many states

were centralised and saw no need to involve other authorities. Bretagne offers a well-documented case of a region straining against, in this case the French state bureaucracy. The CoE provided an outlet for articulating such concerns. 'Regional Planning a European Problem' recounted the failed attempt also of the Commission to get approval for any truly European regional policy, but the main recommendation was directed at the CoE itself: A permanent conference. This was inter-governmental planning, the only form that the CoE was capable of, but one of the 'main axes of development of the European society of tomorrow'.

Germany hosted the first meeting of what became known by its French acronym as CEMAT (Conférence Européenne des Ministres responsable de l'aménagement du territoire). CEMAT produced the 'European Regional/Spatial Planning Charter'. It identified basic planning principles: balanced social-economic development; quality of life; responsible management of nature and the environment and a rational use of land. Beyond this, the Charter underlined the right of citizens to participate, and it underscored the importance of horizontal and vertical coordination. One sees future themes in this, like cohesion, coherence and cooperation. The ministers decided to turn the Charter into a European regional planning strategy, but two CEMAT meetings further down the line, in 1988, a draft by a Luxembourg expert did not even get a hearing. Due to cost-savings, the Council of Europe had curtailed CEMAT activities. In the margins of the meeting, the Dutch and the French minister decided to shift to the arena of the European Community, then undergoing its revival under Delors.

The EP, too, had continued its lobby for planning. One initiative had come from a member from Belgium, Gendebien. His 1983 report invited the Commission 'to implement an overall European regional planning policy which will give expression to the political determination to effectively administer and to preserve the territory of Europe as a common domain'. This would have gone beyond doling out support to disadvantaged regions. Three objectives had been stipulated: coordination of Community measures; promoting balanced and integrated regional development; pursuing a proactive policy to guarantee the lasting survival of the European heritage. This is like the subsequent ESDP guidelines.

Gendebien had also set out the procedures and proposed the formation of a dedicated unit under one of the Commissioners. His had been a comprehensive analysis of the historical and legal context, on the way debunking the argument that Community did not possess a competence by pointing out that (a) regional and environmental policy were not explicitly mentioned in the Treaty of Rome either but had been set up under its Article 232, and (b) that the Community already pursued de-facto regional planning.

When there was no response – the EP had less clout than today – the EP passed further resolutions. In a presentation to its Committee on Regional Policy and Regional Planning, the CEMAT chair, a Dutch minister, argued for both the EC as well as the CoE, each in its own area of responsibility, to engage in spatial planning. As far as the EC was concerned, this was still to no avail.

Thus I could show that in the doldrums the rationale for European spatial planning/territorial cohesion policy as a response to issues inherent to integration had emerged. The Commission, with the EP and the CoE in the wings, had taken initiatives which the Member States either had ignored or, once agreed, had tried to bring back into their fold. Community funding was in fact used to subsidise state budgets, reflecting the ambiguities of the European construct.

### III The boom era

Thus a veritable European spatial planning/territorial cohesion programme existed. Coinciding with the terms of Delors, the boom era inexorably raised the question of its role in relation to Community policies. After all, cohesion policy became serious business: Re-iterating that the core stood to benefit disproportionately and that they needed assistance so as to be able to compete, the ‘cohesion countries’ had made acceptance of the Single Market and EMU contingent upon a doubling of the funds.

This forms the backdrop to the ESDP process resulting from the French-Dutch initiative on which the two ministers had come to an agreement at Lausanne. Although coming from different traditions, their countries shared a common purpose: To give a spatial dimension to Community policies, but not by way of statutory planning. To the French, this had never occurred. Since 1965, the Dutch, too, had abrogated a statutory national plan, replacing it with indicative policies. In albeit modified form, such policies could be invoked at Community level, but for reasons indicated Germany was less relaxed. Eventually all countries agreed that the Community had no planning competence. They saw planning as part of their sovereign control over their territory.

Before the issue had crystallised, the French idea had been to encourage the Commission to formulate the first planning document pertaining to the EU12, ‘Europe 2000’ followed by ‘Europe 2000+’. Meanwhile, the ministers of spatial planning and regional policy had started their informal meetings. There was no Council of Ministers for regional policy, and some may have seen this as a forerunner. Indeed, in 1993 and 1994 the meetings styled themselves as informal ministerial ‘councils’. However, it never came to a Council of Ministers proper. Rather, under its general mandate to coordinate policy, the GAC looks after cohesion policy.

Back in the late-1980s, DATAR and the Dutch wanted to invoke spatial scenarios: *Aménagement du territoire* applied to the Community. It was difficult to convey this to the other participants. Anyhow, the Italians held a follow-up, and so did the Dutch. By that time the Germans had started their campaign for European spatial planning to be intergovernmental. Had European planning been framed as the formulation of spatial strategy, or French-style *prospectives*, this so-called competence issue might not have arisen. However, once again, the Germans in particular framed the issue in terms of sovereignty over territory. I have described the German, alongside with the Dutch and the French motivation above. Here I add that, whereas sovereignty is not at issue – Member States can elect not to avail themselves of available funds and anyway have much leeway in deciding on modalities of the ensuing policy – autonomy is. The logic of ‘just return’, of the spreadsheet logging payments and benefits, forces Member States to take funding

offers seriously. One can sympathise with their unease, but insisting on sovereignty does not mitigate the problem. Indeed, it is worth noting that mitigating effects of globalisation, the EU increased the collective autonomy of Member States.

Be that as it may, from when the Germans raised this issue, the result was tension, and this was the Commission's problem which territorial cohesion should solve. Territorial cohesion avoids the association, never intended, with land-use regulation. It is a complement to economic and social cohesion. Invoking the term spatial planning, back in 1995 Commissioner Wulf-Mathies had made the same point to the planning ministers, i.e. spatial planning being implied in the Community competence to pursue economic and social cohesion! This had been to no avail, and the Commission resigned itself to merely facilitating the completion of the ESDP, but this indulgence was now a thing of the past.

From a legal point of view, competence was of course a non-issue. I recounted Gendebien having drawn attention to EU regional and environmental policy operating long before being enshrined in the Single European Act. The same route was open to spatial planning, but the will to solve the problem in this way was nonexistent.

There was consensus, however, about the need for what was called the 'spatial planning approach' as formulated in the ESDP: The pursuit of coherence between sector policies as they were affecting space at various scales. The ESDP also articulated a set of basic principles, similar to what the Gendebien Report had proposed: the pursuit of polycentric development in Europe, and also urban-rural partnership; parity of access to infrastructure and knowledge throughout Europe; prudent management of the natural and cultural environment. On this basis, it outlined sixty policy options as a kind of menu for stimulating the 'Europeanisation' of national, regional and local planning.

Even though informal, the ESDP did have an, albeit diffuse influence. Among others, a transnational strand was added to the Community initiative INTERREG with tens of thousands of experts involved in mutual learning.

#### IV. Crisis – and Beyond?

I said that merely assisting with the ESDP had been unsatisfactory for the Commission. As a complement to economic and social cohesion and a stand-in for strategic spatial planning for which the Community was said to be lacking a competence, territorial cohesion should justify Community involvement. Importantly, reacting to the Lisbon Strategy, Barnier factored competitiveness into the equation. Indeed, the ESDP had already put forward polycentric development as enhancing Europe's competitiveness.

Barnier must have been instrumental also in including territorial cohesion in the Constitution. Its rejection threw not just EU territorial cohesion policy, but Europe as such into disarray. The Lisbon Agenda was in trouble, too. The Commission put cohesion policy in its service and the CSF formulated an implicit territorial cohesion policy.

An emphasis on competitiveness came in handy when the Sapir Report criticised cohesion policy. This put the renationalisation of cohesion policy on the agenda of the heated debate over the Financial Framework 2007-2013. This ended in a last-minute

compromise in December 2005. The compromise included an agreement to review the EU budget in 2008-2009. This discussion is under way. It is clear that territorial cohesion needs to be seen to contribute to competitiveness. The Territorial Agenda sings from the same hymnbook and so does the Green Paper.

Territorial cohesion remains touchy, though. This comes through in the consultation after the Green Paper, with more than 350 reactions, a sign of the interest which territorial cohesion evokes. Now, this overwhelming number extinguishes all hope to do justice to all contributions. I focus on three EU institutions and NGOs, several key Member States and two professional bodies.

### *EU Institutions*

The EU institutions are the EP, the EESC and the CoR. As I have shown, the EP has always taken an interest in EU spatial planning/territorial cohesion policy. The consultative committees emphasise aspects of interest to social and economic respectively regional and local stakeholders. All three make reference to previous contributions and in some cases cross-reference each other's opinions. Obviously, they have both the desire and resources to follow EU territorial cohesion policy to a point where they can remind the authors of the Green Paper of their previous statements and of any inconsistencies arising.

EU institutions are supportive of territorial cohesion and opposed to the renationalisation of cohesion policy. They point out that territorial cohesion is implied in existing policies. Without being specific, they also figure that it can contribute to tackling the current crisis.

The EP and the CoR both argue for the Green Paper to be followed through with a White Paper with concrete proposals, an argument echoed in some other contributions, like that of Poland. The EESC suggests a road map for the development of the concept and of relevant measures with concrete proposals for immediate action to be followed with measures to be taken post-2013.

EU institutions are impatient with the Green Paper leaving the definition of territorial cohesion in abeyance. The EESC and the CoR recall that the Third Cohesion Report gave one already and complain that the Green Paper overlooks interregional cooperation.

Naturally, all three institutions make use of the opportunity to reiterate existing concerns, like balanced and sustainable development, the need for a proper regard to regional and local diversity, and access to services of general economic interest (in the case of the EESC also to services of general social interest). Some comments underline the importance of solidarity and sustainability, concerns that are not exclusive to territorial cohesion. Territorial governance – improving coherence through cooperation – can render policies more effective. This is why they recommend that territorial cohesion becomes a cross-cutting EU political objective. The EP presents it as a pillar of cohesion policy, giving particular emphasis to the governance dimension.

All argue for improved coordination, also at EU level. We find arguments for territorial strategies forming platforms for good governance and the call also for an EU-wide vision or territorial strategy by the EESC. The Green Paper takes multi-level governance lightly, and there is reference to the open method of coordination (OMC). Indeed, the main recommendations over and above preserving and even strengthening cohesion policy are

of this nature. The opinions invariably argue for impact assessments, including ex-ante assessments ('looking at the map **before** implementing policies' - CoR) invoking indicators, also and in particular of a qualitative kind. Statistics and cartography should be improved. The CoR draws attention to the relevant approaches in spatial planning.

There is approval of EGTCs and there are calls for Member States to transpose relevant EU legislation. ESPON, and in particular the scenarios, are seen in a positive light.

#### *NGOs*

This refers to the Association of European Regions (AER), the Council of Peripheral Maritime Regions (CPMR), the Association of European Border Regions (AEBR) and EUROMOT, the European Network of Cross-border Local Authorities, together with the *Mission Opérationnelle Transfrontalière* (MOT)

AER. Territorial cohesion as a concept has of course been coined by the AER, so I start with its submission. Naturally, it recalls its 1995 report and emphasises territorial governance, in particular sector coordination. The AER is not particularly keen on preferential treatment for regions with specific features, arguing for a case-by-case approach instead. As with all reactions, territorial cooperation receives approval. There is mention of difficulties posed by different national rules and approaches.

Connecting territories by means of sustainable public transport and broadband is welcomed and there is emphasis on improving territorial governance at all levels, but without prejudice to the existing distribution of competences.

CPMR. A key lobbyist for regional policy, the CPMR has always taken an interest in spatial planning/territorial cohesion. It welcomes the Green Paper for rendering explicit processes that have so far been implicit. There is reference to the present crisis and to citizen involvement in formulating responses. CPMR welcomes the reassertion of solidarity and cohesion as enhancing Europe's competitiveness but regrets the Green Paper being technical. Territorial cohesion is a political concept requiring a broad Europe-wide debate. So the Green Paper should be followed by a White Paper with concrete measures, but CPMR wants to keep the definition in abeyance.

The submission does not follow the questions in the Green Paper but engages in a broad discourse. It outlines an ambitious two-pronged political strategy: territorial cohesion implying a cross-sectoral approach to EU policies, and being an issue for multi-level governance culminating in a European Territorial Pact – a concept to be developed in the White Paper. The submission then goes into detail as regards the application in EU policies, starting with cohesion policy, regretting at the same time that the EU borders receive little mention and pointing out the geostrategic importance of the Baltic Sea, the Black Sea, the Mediterranean and the outermost regions.

AEBR. The AEBR focuses on cross-border cooperation as an essential part of cohesion policy, insisting that border regions should be treated on *a par* with others with special geographical features. It supports EU cohesion policy and rejects its renationalisation. Territorial cohesion policy should reduce disparities and promote harmonious development by means of polycentrism, a revised rural policy and, once again, cross-border cooperation. The AEBR sees territorial cohesion as closely connected to the configuration of European space and as a horizontal objective. If one wishes to define it,

then as the strategic political framework for all sector policies. Territorial cohesion adds to economic and social cohesion by involving citizens and thus promoting the development of the EU as a community of values. In this, the role of regional and local authorities needs to be strengthened.

The EU should lay down guidelines to secure the coherence of programmes, conceptualising Europe as an integrated system. Rules need to be clear and simple. DG Regio should be responsible also for cooperation in the Neighbourhood Programme, and the instrument of EGTCs should be improved.

Elaborating on Europe as an integrated system, the AEBR argues for overcoming fragmentation. Territorial cooperation in spatial planning should help meeting new challenges. The themes listed remind one of the ESDP and the Territorial Agenda. Where discussed territorial cooperation, the AEBR offers a spirited defence of INTERREG A. This feeds into a consideration of the need for more territorial cooperation, but rejecting more emphasis being put on 'lighthouse projects': Member States would never accept a shift in domestic priorities, and funds would be inadequate to make any difference. Maritime cooperation need not be enhanced either.

The AEBR endorses multi-level governance, pointing out that this is common practice in cross-border cooperation. Being up against outdated hierarchies, cooperation remains difficult though, and there is a danger of the lowest common denominator prevailing. Cross-border cooperation structures, including EGTCs, need no competence. They work on agreed tasks, invoking where need should be delegated competences. In the new governance, reference to administrative levels and competences should be avoided.

Horizontal and vertical coordination of territorial and sector policies concerns all essential EU policies. The result must promote polycentric development of the Community territory. Regional policy, along with the ESDP, should be given a coordinating function.

There is support for citizen participation at local and regional level as a shared characteristic of European decision-making and for bottom-up decision making paying due regard to subsidiarity. Stakeholders must be involved from the start and stay on board during implementation. There is support for including qualitative indicators.

The AEBR presents itself as a lobbyist with much expertise and a feel for German achievements like the ESDP and the Territorial Agenda, at the same time rejecting the focus on competences. Competences do not matter; task fulfilment does.

MOT/EUROMOT. The focus of MOT/EUROMOT is likewise on what it calls trans-frontier regions, but its language is more in tune with the Commission's discourse. The acid-test of integration takes place along borders. The territories concerned are laboratories of integration. Against this backdrop, the submission begins with the question of a definition. Territorial cohesion policy is said to be a response to the absence of a spatial dimension in sector policies and requires horizontal and vertical coordination following a variable geometry. In the framework of cohesion policy, it seeks compromises between equalising unacceptable disparities on the one hand, and the danger of all regions converging towards the same low standard on the other. To counteract it, each region needs to make use of its territorial capital. Obstacles are

manmade: administrative boundaries, linguistic and cultural barriers and so forth. The current definition of territorial cohesion in terms of equality of opportunities and of quality of life thus poses special challenges for border regions. What is needed are integrated territorial projects along European frontiers.

The submission points out that territorial cohesion policy will render EU sector policies more coherent and allow to measure their effectiveness and to give them higher visibility. To this end, more attention should go to trans-frontier territories as areas of interaction (*bassins de vie*) identified and sustained by elected representatives and forming the object of coordinated action according to the needs of their inhabitants. Without prejudice to the principle of subsidiarity, the EU can pursue territorial cohesion by promoting relevant projects and by coordinating local, regional, national and European policies. The submission is adamant about the need for a variable geometry. MOT/EUROMOT make another plea for the EGTCs which they themselves have helped creating. Warning against high exceptions, it, too, seems no fan of priority treatment for regions with special characteristics.

Concerning the role of the Commission, this is said to be indirect, but important: giving technical assistance to cooperation projects involving local, regional and national actors. Thematic priorities can restrict the scope of partnerships, and innovation should not be seen in a purely economic sense. Under new forms of cooperation, the submission refers to the need for improving knowledge in and of trans-frontier regions and to turn them into the sites for the convergence of national and Community policies in the framework of European strategic endeavours. Beyond the EGTCs and other existing instruments, no new instruments are needed, but EGTCs should be made applicable to the external borders of the EU.

Coherence requires integrated development concepts, also and in particular relating to EU sector policies, with social, health, fiscal and transport policies being of particular relevance to trans-frontier regions. Policies relating to services of general interest get a special mention. This submission, too, argues for ex-ante territorial impact studies and supports the involvement of new partners. It gives a list of territorial cohesion indicators.

So these NGOs are all supportive. Some of them, in particular CPMR, are critical of the Green Paper not being more forthright. Understandably, they – some more than others – plead for special interests. The NGOs with secretariats in France have more rapport with Community policies than the AEBR with its seat in Germany.

#### *A Selection of Member State Reactions*

Member State reactions are diverse. I have selected France and Germany on the strength of the argument that as regards territorial cohesion they represent opposites. Being one of the key advocates the renationalisation of much of cohesion policy, I have added the reaction of the UK. The new Member States may be expected to be unencumbered by the competence issue and at the same time sympathetic to EU cohesion policy. So I decided to summarise the views of Hungary taking charge of the review of the Territorial Agenda, alongside with those of the largest new member, Poland.

France. Predictably, the French reaction, including as it does reactions by the associations of territorial institutions (*collectivités territoriales*) is supportive. Territorial cohesion has

been a central theme of the 2008 French Presidency, and the Structural Actions Working Party reported upon in a separate submission have discussed best practices in articulating territorial cohesion in mainstream cohesion policies.

The 16 pages of text follow the questions in the Green Paper. Accordingly, the meaning of territorial cohesion cannot be captured in one succinct definition. Nevertheless, the contours of the concept – one of the essential objectives of the EU – can be outlined: It assists territorial institutions realising their potential, reduces spatial disparities, improves coherence of sector policies with territorial impact and reinforces territorial integration by means of cooperation.

Territorial cohesion is an EU objective relevant for all Community policies with territorial impact, above all for economic and social cohesion policy. The French reaction then deals with various spatial categories from ultra-peripheral to frontier regions and restates the frequently stated rationale for territorial cohesion policy: Integration enforcing spatial concentration and thus increasing regional imbalances, and Community policies sometimes being at cross-purposes with each other.

Reflecting the French approach to its manifold administrative divisions, the reaction identifies infra-regional and supra-regional territories as objects of tailor-made cooperation arrangements. There is support for multi-level governance, with special attention to key Community policies, including services of general interest, requiring clarification of internal market and competition rules.

As regards the EU, the French argue for the inclusion of territorial aspects in general impact assessments and for the simplification of rules and regulations. At the Azores, Hübner has raised – and at Marseille the ministers have reiterated – the issue of a dedicated Council formation, but the official French view is that the GAC should continue to be responsible.

Concerning the last issue in the Green Paper, improving the understanding of territorial cohesion, there is a list of indicators beyond GNP and unemployment to be studied at NUTS III or NUTS II/III level by ESPON. The submission ends with reiterating French support for EU territorial cohesion policy.

Germany. Equally predictably, the German reaction coming from the ministry of economic affairs and technology and recounting separately the opinions of the *Länder* is mooted. The preamble emphasises subsidiarity, like the Green Paper itself brackets budgetary issues and reiterates that regions themselves are the ones to identify their strengths and that spatial development continues to be a Member State competence.

The Germans answer in similar detail as the French. There is frequent reference to subsidiarity and to spatial development and urban policy being the responsibility of Member States. In lieu of a definition, the Germans identify elements of territorial cohesion: balanced development; territorial integration; networking, all of them already covered in cohesion policy. Territorial integration is thus nothing new and, as far as spatial development is concerned, the ESDP and the Territorial Agenda and the Leipzig Charter are already adequate as frameworks for Community, national and regional policy. Top-down strategies, let alone EU regulations, are rejected.

As regards areas with specific geographic features – not a German concern – they are not necessarily disadvantaged, which suggests one common framework rather than any special favours. For the rest, the Germans keep their distance. Existing approaches suffice. Comprising a number of NUTS II areas that continue to be recipients of funds, the Germans also want to stick to the present criteria in terms of GDP per capita.

While sharing the concerns of the federal government, the *Länder* are more sympathetic, admitting that territorial cohesion gives added value to cohesion policy. They refer to improved communication and cooperation thanks to cross-border, transnational and interregional strategies and to the potential for improved management of the Structural Funds based on an understanding of the territorial effects of economic and social policies. There is thus support for territorial cooperation, including ESPON. As with the federal government, the *Länder* emphasise the need to involve NGOs and civil society. They see no need for new legislative or administrative measures.

The UK. In keeping with its position during the negotiations over the Financial Framework 2000-2006 that the added value of cohesion policy support for the wealthier Member States is questionable, the UK keeps its distance from EU territorial cohesion policy. The Germans have been shown to take the same attitude, but advance legal arguments. Building on the strength of the argument that, albeit under a different name, the UK already practices territorial cohesion, the outcome is the same: ‘Territorial cohesion policies are primarily for Member States to develop and implement’. The UK is said to be doing this under the flag of a ‘place based’ approach combining integrated policies in an effort to focus on the endogenous potential of every spatial unit or place, with decisions taken at the right spatial level (admitting that this sometimes requires cross-boundary, sub boundary and cross border work) and pursuing sustainable development, reflecting social, environmental and economic considerations. Key elements of delivering the place based approach are said to be a sound evidence-base, clear, spatially expressed strategies, flexible and strong governance and sustainable policies under which the UK subjects proposals to sustainability and environmental appraisal, including the effects on climate change.

On this basis, the UK government responds to the issues raised in the Green Paper, starting with the definition where it points out that this has already been settled in various documents. The priority should be on how the EU can help Member States deliver territorial cohesion. For the rest, the reaction makes clear that cohesion policy should continue to address disparities in economic development, admitting that the development of institutional capacity within some Member States might do with EU support.

This leads the UK government to suggest a number of areas for EU intervention. The first one is an EU evidence base (ESPON, URBACT and INTEREACT, but also the sharing of lessons from INTERREG). The second one is pursuing territorial cohesion in cohesion policy by simply making existing provisions work more effectively, but without detracting from its primary focus on the Lisbon Agenda. The third one is integrating EU policies, requiring ‘cross Directorate working’. The submission adds immediately, though, that the inclusion of a territorial objective in the Lisbon Treaty does not confer any new EU competence. This seems disingenuous, since territorial cohesion will indeed be a new shared competence. However, like Germany, the UK seems to want to pre-empt

any discussion about whether, and to what extent, this might imply the need for any legislative proposals under the Community method.

The remainder of the UK submission reflects the same sceptical attitude: Territorial cohesion is primarily the responsibility of Member States. If there is a need for considering areas with special geographical features as deserving separate attention, then the Member States should do it. Member States themselves should decide the governance structures within their own territory, and the EU should restrict its operations to providing consistent evidence, promoting good practice and capacity building. There is some praise for EGTCs as generic solutions to legal problems of cross border cooperation. There is scope also for increasing the effectiveness of INTERREG by making funding priorities more flexible and based on regional and national rather than EU strategies. Achieving consistency and coherence, too, is primarily a matter for Member States based on their spatial strategies – but the Commission also needs to put its house in order.

The UK reaction thus exudes confidence in the own capacity to handle any issues arising, allowing for only a minimum role for the EU, one that by implication would mainly target other Member States where, other than in the UK, capacity might be a problem.

Hungary. The Hungarians claim that territorial cohesion is already implied in their National Concept for Regional Development. Hungary has also incorporated territorial cohesion in its NSRF and made serious efforts to take this further in the OPs. Hungary also has produced Territorial Cohesion Guidelines – to be translated into English – clarifying the concept and evaluation criteria. So Hungary is a supported of the Green Paper, relating it at the same time to the intergovernmental Territorial Agenda. Holding the presidency in 2011, Hungary is committed to managing its review.

Like with the Germans, there is disquiet about the attention to regions with specific geographic features as being contrary to the principles of EU support. As against his, the Green Paper is said to pay insufficient attention to lagging regions and also to how sector programmes might take account of territorial aspects, as well as to the comprehensive and integrated management of territorial cohesion, in particular at EU level.

Hungary accepts that financial aspects have been excluded and that the Green Paper restricts itself to professional aspects. The expectation is, though, that the outcomes will influence the debate on the future of cohesion policy and other EU policies.

After these general remarks, the submission gives answers the questions in the Green Paper. They betray familiarity with relevant discussions, but also willingness to invoke concepts derived from the ESDP. Thus, territorial cohesion is said to contribute to reconciling economic, social and environmental policies and to the more efficient use of territorial capital. It stands for a place-based approach taking account of differences between regions as well as their development potential. Implementing territorial cohesion policy requires a multilevel and multiplayer form of governance pursuing horizontal and vertical coordination.

Going beyond economic and social cohesion, territorial cohesion includes all sector policies in a comprehensive approach to – spatial planning! Referring to the five-year gestation period of the ESDP, the Hungarians wish the Commission to be the driver, formulating and applying an, in so many words, spatial development concept for the

whole of Europe. Cross-border, pan-European and transnational planning all require collaboration. In addition, the directorates-general of the Commission need to be coordinated from a territorial point of view. While arguing for flexibility, the submission still calls for standardisation in the sense of Member States submitting reports on territorial development, applying standardised spatial planning methods; formulating uniform action plans and assisting with multi-language planning dictionaries.

Naturally, there is agreement that policy intervention should vary according to the nature of the problem, but there is once again scepticism as regards giving special consideration to areas with specific geographic features.

Support for cross-border and transnational cooperation is an important Commission role, but there is no need for new forms of cooperation, not along the internal borders anyhow. External borders still pose problems, and so does the new instrument of EGTCs.

Under the title of better coordination, there is support for coordinating sectoral and territorial policies. There is once again reference to spatial planning as a tool and to ex-ante territorial impact assessment of sector policies. All this requires clear and transparent planning systems.

Poland. The Polish reaction comes in two parts: a general discourse and a point-by-point reply to the questions in the Green Paper. The Poles consider the first part more important. It reflects the Polish position also as regards cohesion policy post-2013.

Interestingly, like the Hungarians, the Poles see a seamless development from the ESDP (in which they did not participate) to the Green Paper and the Lisbon Treaty. They welcome the introduction of territorial cohesion into what they call growth policy, emphasising the territorial dimension as an element which will integrate Community policies, the more so since, requiring public action, the economic crisis suggests a revival of cohesion policy and more recognition of the unevenness of its territorial impact.

Against this backdrop the reaction is to welcome the Green Paper but to criticise perceived shortcomings: the lack of a definition and concrete suggestions as to practical implications for EU policies or as to territorial indicators to be used. Like others, the reaction is unenthusiastic about the attention paid to regions with specific geographic features. The densely argued submission then discusses the definition, stating that territorial cohesion is a state of territorial development in which economic and social transactions achieve socially and economically effective outcomes. It is also a process of shaping the EU for optimising, through integrated development plans, the unique potentials of its territories. In this context, rather than referring to existing administrative units, territory refers to functional areas as defined from an overall Community perspective. This means that territorial cohesion policy should be carried out at all levels and that it should involve all Community, national and regional policies being implemented in an integrated way. There is special mention of the need for integrated development also of sea areas. Territorial cohesion so defined does not, however, regard Member States competences for spatial planning and development.

The bases of achieving territorial cohesion are identified as making the most of the endogenous potential while maintaining the existing indicators for identifying the need for Community funds and pursuing an integrated approach. The instruments

recommended are multi-level governance reflecting a new balance in the architecture of relations between the Commission, the Member States, regions, local players and other interested parties, an architecture that depends on the functional regions concerned. This has implications for Brussels as well.

A new architecture could have meant something like OMC, but this is rejected in favour of the Community method. The Polish submission thus asks for a White Paper on Territorial Cohesion giving concrete proposals, with the results of the next round of consultations feeding into the Fifth Cohesion Report. In addition, it asks for a joint political document of the EU and the Member States concerning the territorial development of the EU as the basis for implementing territorial cohesion policy. The EU Strategy for the BSR is presented as a pilot project. Next to a White Paper and an EU-wide territorial development strategy, the submission also asks for coordination, in particular within the Commission, more concretely an inter-sectoral coordination body within the Secretariat-General or a Directorate-General with coordinative and executive competences. There are further discussions of territorial impact assessment, territorial indicators and territorial cooperation programmes. Under the same heading of instruments for territorial cohesion policy, the reaction returns to the figure of functional areas. Referring to metropolitan areas and cities with their hinterlands and to rural areas, it points out that development cannot be contained within existing administrative divisions. The EU should thus frame its support in terms of functional areas.

The answers to the questions in the Green Paper regurgitate the above without adding points of substance, so I do not discuss them further.

#### *Professional Voices*

Two reactions from the world of professionals are by the Academy for Spatial Research and Planning known by its German acronym as ARL and the Council of European Spatial Planners known by an acronym reflecting its former name as ECTP.

ARL. This is a service organisation for German planning research. The ARL paper is unusual in that it names its authors: four Germans working in various national and international capacities. It does not address the questions in the Green Paper directly but engages in a more fundamental discourse. Accordingly, territorial cohesion is the operational expression of European solidarity and vital to Europe's economic future. Fundamentally a geographic principle, it must pervade all European policies. For this purpose, the paper identifies a four-part rationale for territorial cohesion and five principles for its implementation.

The four-part rationale is that: (a) costs of non-coordination need to be reduced; (b) the Lisbon and Gothenburg Agendas require the sustainable use of Europe's diversity; (c) territorial cohesion is the price to be paid for the positive effects of the Single Market; and (d) solidarity is crucial for keeping the Union together. The five principles are: (a) recognition of territorial diversity; (b) identification of potentials in relation to integrated development strategies reflecting territorial specificities as a basis for a functional division of labour; (c) acknowledgement of the territorial context and its dynamics as a key to success; (d) ensuring fair access to infrastructure and services; and (e) refining governance, in particular by involving local and regional stakeholders, a process that does not necessarily require additional resources.

From this the position paper proceeds to discussing an action framework, starting with the need to identify the territorial impacts of EU policies and arguing the case for tailor-made integrated territorial strategies translating development objectives into the specific territorial context, thereby paying attention to the mix of sector policies per territory and potential synergies between them. There is special attention for the stakeholder and governance dimension as means to achieve territorial cohesion, emphasising once again that this does not necessarily require additional resources. In the conclusions, the paper asks for something like a Brundtland Report for territorial cohesion policy: ‘Soft processes, awareness raising and advocacy by strong champions presenting facts and the need for action are required’. There is a list of instruments, including the designation of a Commissioner with the right to get involved in all activities with significant territorial implications. This is echoed further down under concrete proposals where it is argued that, as with the Single Market, one Commission service or a strengthened inter-service group should be given the mission to get involved in all territorially relevant debates.

ECTP. This is a federation of national professional organisations of spatial planners. Making no distinction between spatial planning and territorial cohesion policy, the paper sees much similarity between the Green Paper and its own views of spatial planning as laid down in a number of policy papers, including one on ‘Strategic Planning towards Territorial Cohesion’. Like territorial cohesion policy, the submission says spatial planning is characterised by taking integrative approaches to sustainable development, climate change, the Lisbon/Gothenburg Agendas and demographic developments. As such it requires horizontal and vertical coordination, implying the involvement of relevant sectors and of various levels of public and private bodies, as well as public participation – say, governance – to build a common vision for the development of a territory. The ECTP then gives a definition of territorial cohesion as the ‘Reinforcing Power of the Qualities and Synergies of an area’.

For the rest, the submission answers the questions in the Green Paper. It includes the full text of its latest policy paper on territorial cohesion. The ECTP is supportive of territorial cohesion as an EU objective and of the relevant policies, making in some instances detailed recommendations. As a representative of the planning profession, it stresses that it is only by involving professional practitioners in the field of spatial planning that EU spatial development policy will have a chance of success. The submission does not, however, betray close affinity with relevant policy debates, a fact that becomes evident by its equating, without much ado, spatial planning with territorial cohesion policy.

### *The Way Forward*

The Commission can take heart from the reactions, but it is clear that old divisions persist, divisions that would come to the fore if and when the Commission were to present any far-reaching proposals. A road map as requested by the EESC phasing Commission actions seems sensible. The Lisbon Treaty, the composition of the next Commission and the schedule for dealing with relevant dossiers up to and including the next Financial Framework are the signposts which this roadmap would have to observe.

There is of course no way of telling whether and when the Lisbon Treaty will come into operation, except that, if so, then hardly within the term of the present Commission. Nor can I divine the composition of the next Commission but, assuming that the Lisbon

Treaty will have come about, one can surmise that Member States will once again be jockeying for positions in the new setup of territorial cohesion policy. The Portuguese Presidency at the Azores already marked their common position. In the presence of the Commissioner, it emphasised partnership between the ministers and the Commission. The review of the Territorial Agenda, with the Hungarians in the driving seat, recommends itself as the occasion for the Commission to enter into such a partnership.

This suggests eschewing the road of the Community method in favour of a collaborative relationship – something like OMC – as recommended by some (but not by all) submissions discussed. This is the more so since the next Commission may not see territorial cohesion as a priority. It will have other worries, such as the future of cohesion policy as such. But even without such capital problems, the Commission agenda is notoriously overloaded, and Brussels has a capacity problem. Pursuing the issues in the Green Paper has already stretched Commission resources, and administering any serious territorial cohesion policy would require more personnel, a commodity in short supply. So the implicit territorial cohesion policy under the CSF may have to do, but the Commission could turn the screws on the requirement that NSRFs and OPs should attend to territorial issues.

Alternatively – but this would require a major rethink – the Commission could put territorial cohesion forward as a new rationale for sustaining cohesion policy and as a platform for improving, by means of integrated territorial strategies, upon its famous programmatic approach. Beyond investments in human resources, this need mean neither extra funds for territorial cohesion policy nor new regulations. Indeed, squaring the complex, multi-dimensional and sometimes conflicting objectives of EU and national sector policies with each other would represent a great leap forward. It would require some common framework, which dovetails with ideas of a 2001 Commission Working Group that have quite likely formed the basis for the CSF.

Invoking territorial cohesion as a structural element of cohesion policy would be logical on the strength of the argument that programming requires attending to the constellation of actors in space. In effect, a territorial framework should be an instrument, and not the least obvious for that matter, for putting flesh on the bones of the programming of the Structural Funds. Emphasising that geography matters, this is really what the CSF says.

So the road map need not take territorial cohesion down the lane of the Community method, not at the first junction in any case. All reactions to the Green Paper stress the point that coordination of EU policies is a first requirement, maybe the most important one. Whether the Commission will pursue this line depends on various factors, like the internal position of DG Regio respectively of the next Commissioner. The key role of DG Regio in preparing the EU Strategy for the BSR, involving most other directorates-general as it does, is a positive sign. Many directorates-general provide an input, with the Territorial Cooperation Unit of DG Regio holding the pen. Already, there is talk of regional strategies for the Danube River Basin and possibly others. Such macro-regional strategies represent examples of territorial governance transcending the difference between the Community method and an intergovernmental approach and as such form pointers to the future. What is needed is a dynamic understanding of EU governance; of the role of territory; and of spatial planning/territorial cohesion policy.

## Conclusions

I have reported on the CoE 1960s working party saying that ‘regional planning’ should be one of the ‘main axes of development of the European society of tomorrow’. Territorial cohesion could indeed become the mainstay of cohesion policy but, given bureaucratic inertia, this is a tall order. However, Commission inventiveness should not be underestimated.

The governance issues involved are not unique, and experts generally agree on how to approach them. There is consensus also about the need to surpass thinking in terms derived from the nation-state. Globalisation changes not only the context within which it operates, it changes the nation-state itself. The competence issue is a reflection of the fear that loosing control over territory undermines sovereignty, but there is a distinction between formal rights and effective control. In a globalising world, control over territory, the uncontested right of nation states notwithstanding, is subject to many influences. So in exercising their right to regulate land use, jurisdictions are no longer autonomous.

Returning to a situation (if ever it existed) when nation states had full territorial control is impossible. In fact, what governance stands for is the diffusion of control, and the need to cooperate across levels and sectors, with state authorities and EU institutions representing nodal points in a complex network. This is a general characteristic of territorial governance. European integration adds to this, but is not the root cause of any loss of autonomy. The fact that the world is interdependent is.

Implied in the above is that we also need to look at the very concept of space or territory. Jurisdictions continue to be the object of statutory land-use planning but, as the Polish reaction to the Green Paper points out, they are not necessarily the most relevant, let alone the exclusive reference frameworks. With a term that speaks to the imagination, two UK authors, Allmendinger and Haughton, speak of these, what the Poles describe as functional areas, as ‘soft’ spaces: configurations relevant to the real and shifting processes that become the object of formulating spatial visions or strategies. The French talk about *interterritorialités* and the MOT/EUROMOT about trans-frontier territories. In all these instances, territorial governance involves tailor-made arrangements. The story of European spatial planning/territorial cohesion policy, too, is full of tailor-made arrangements, with EGTCs and the arrangements for the Baltic Sea Strategy, but the latest example. So we need to re-think the governance for ‘soft’ spaces. Statutory plans relating to clearly demarcated sections of the surface of the globe are but one element of the equation. ‘Soft’ territorial governance requires well known tools like spatial analysis and strategies, or visions, but no longer exclusively for local, regional or national jurisdictions. Rather, there can and should be many strategies for the many spaces into which the world is splintering.

This is a confusing prospect, but no more confusing than our splintering reality. EU territorial cohesion policy should not resist this complexity. Rather, it is to promote territorial coherence and cooperation, knowing that this is the work of Sisyphus.

## **Appendix: Territorial Cohesion – Definition**

One of the issues raised in the Green Paper is that of the definition of territorial cohesion. Needless to say, the answers given in the various contributions are not unanimous. Some reactions point out that earlier on the Commission had already given a definition. Others warn against attempts to give a narrow definition. Yet other submissions have a stab at giving their own.

In this work, defining territorial cohesion has not been a priority. Challenged to do so, I say that definitions are either relative – depending on who gives them, when, and with which purpose – or attempts to get at the essence of the thing defined. But essences are elusive, so the first is the realistic alternative.

In this spirit we need to ask: who has invoked territorial cohesion, when, with which purpose and intentions as regards concrete measures? This is tantamount to asking: who wanted to solve which problem by proposing to do what? And: are more owners acquiring the concept, does it absorb other meanings, becoming more complex in the process? Definition is thus a process and an outcome. The work on which I reported here has sought to answer these questions. Needless to say, the process is not necessarily a harmonious one and the outcome not necessarily consistent.

Thus, the owner of the concept is DG Regio. In the 1990s, Member States refused to give it a role in European spatial development. DG Regio argued anyhow that such a role was implied in EU economic and social cohesion policy. The Constitution provided the opportunity for formalising this by adding territorial to economic and social cohesion. In concrete terms this means adding to policies of reducing disparities, enhancing competitiveness and promoting sustainability. The added value lies in responding to the fact, emphasised in the CSG, that ‘geography matters’. The unique selling point of territorial cohesion policy is thus that, by attending to where policies are implemented and to which effect, it promises more coherence, and thus more effectiveness and efficiency. Investments in capacity apart, territorial cohesion does not require extra funding. It requires good territorial governance, from the EU to the local level. The pursuit of good territorial governance is thus the chief consequence of adopting territorial cohesion as an objective of the Union.

The above amounts to what may count as a definition:

**Territorial cohesion refers to a situation whereby policies to reduce disparities, enhance competitiveness and promote sustainability acquire added value by forming coherent packages, taking account of where they take effect, the specific opportunities and constraints there, now and in the future.**

**Territorial cohesion policy refers to measures promoting good territorial governance with the aim of achieving coherence as described. European territorial cohesion policy more in particular refers to such measures taken by EU institutions.**