

COTER-VI/008

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OPINION

Territorial Vision 2050: What future?

THE EUROPEAN COMMITTEE OF THE REGIONS

- believes that more than 15 years after the European Spatial Development Perspective adopted in Potsdam in 1999 the European Union needs a new territorial vision;
- calls for a broad Europe-wide consultation on the future territorial vision of the European Union building on the Green Paper on Territorial Cohesion (COM(2008) 616 final) and reiterates its call for a White Paper on Territorial Cohesion;
- stresses that the majority of EU policies have a regional and local dimension which can be assessed through a Territorial Impact Assessment (TIA) and should be taken into account when these policies are being designed and revised;
- requests that Member States and the European Union invest considerably more resources to acquire the missing statistical data reflecting various territorial challenges and strongly develop data collection at the lowest administrative level. The CoR reiterates the need to decrease the administrative burden on various stakeholders, including local and regional authorities, by developing suitable tools to enable collection of statistical data and reporting to be made more rigorously and selectively systematic, in order to streamline processing;
- underlines that the place-based approach entails specific roles for actors at different levels of governance. Spatial planning and development strategies should always take into account the level closest to the people, which in most cases means the local or regional levels;
- a more cohesive and coordinated approach to European territorial Strategy/Vision at European level is needed;
- finally, believes that a European Strategy/Vision must evolve constantly, notably by using bottom-up feedback provided by continuous cooperation with European and national associations representing local and regional authorities and by taking into account global developments such as the challenges of migration and climate change;

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Rapporteur

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Reference document

Opinion of the European Committee of the Regions – Territorial Vision 2050: What future?

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

GENERAL COMMENTS

- 1. welcomes the efforts by the Luxembourg Presidency to discuss Territorial Vision 2050 and is pleased that the Luxembourg Presidency has decided to consult the CoR on this matter;
- 2. emphasises the importance of explicitly recognising the broad range of territorial realities in the European Union that need different approaches and strategies to tackle their problems;
- 3. believes that more than 15 years after the European Spatial Development Perspective adopted in Potsdam in 1999 the European Union needs a new territorial vision which:
 - translates the concept of territorial cohesion as enshrined in the Lisbon Treaty into operational policy guidelines,
 - goes beyond a merely spatial development perspective,
 - addresses the key territorial challenges of the European Union,
 - gives direction to all EU policies with a territorial dimension and is linked and consistent with cohesion policy and its measures co-financed by the ESIF,
 - provides orientation for all EU policies with a territorial dimension,
 - is linked with the future long term economic, environmental and social objectives of European policies, and
 - is based on the principle of subsidiarity and multi-level governance;
- 4. therefore calls for a broad Europe-wide consultation on the future territorial vision of the European Union building on the Green Paper on Territorial Cohesion (COM(2008) 616 final) and reiterates its call for a White Paper on Territorial Cohesion, which could be used as a building block for other EU policies with a stronger territorial dimension already in the next post-2020 programming period;
- 5. stresses the importance of identifying global trends and challenges early enough to adequately adapt public policy. In this respect the CoR welcomes various forward-looking reports which have been conducted by the European institutions and highlights the CoR study entitled "Challenges at the Horizon 2025 Key trends and Impact on the LRAs¹;"
- 6. makes reference to global trends and challenges which the European Union is facing, as identified in the report entitled "Global trends to 2030: Can the EU meet the challenges ahead?" by the ESPAS project², and which entail a territorial dimension as their impacts differ from one

¹ http://cor.europa.eu/en/documentation/studies/Documents/challenges-horizon-2025.pdf.

^{2 &}lt;u>http://europa.eu/espas/</u>

region to another depending on territorial specificities and contexts. The CoR notes, however, that the territorial dimension was not sufficiently taken into consideration in the ESPAS report, therefore, looks forward to contributing to address the territorial dimension in the future work of the ESPAS project;

- 7. believes that a clear European territorial vision is necessary in order to respond effectively to current and future trends and challenges and that it should strengthen the territorial dimension in policy-making, i.a. by applying the place-based approach;
- 8. highlights, in this respect, the role of the Territorial Agenda 2020 which remains valid and needs to be implemented better. In view of this, the CoR refers to its recent opinion on "The improvement of the implementation of the Territorial Agenda of the European Union 2020³";
- 9. stresses, moreover, that strategic planning and setting clear and achievable policy objectives, which could be part of a "vision", are an essential element of good policy-making;
- 10. reiterates that at EU level the Treaty (TFEU Art. 174) sets an overarching territorial objective for the development of the European Union by stipulating that "in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of economic, social and territorial cohesion". Territorial cohesion means ensuring the balanced development of all territories of the EU;

THE TERRITORIAL DIMENSION OF POLICY-MAKING

- 11. draws attention to the advantages and benefits of applying the place-based approach⁴, whose essential elements concern the integration of sectors in a particular territorial strategy and a results-oriented territorial dialogue. If implemented effectively, the place-based approach makes it possible to value and revive territorial identity and territorial specificities as a unique asset;
- 12. notes that while the place-based approach is often discussed in the EU institutions, it is not yet fully implemented everywhere at EU and Member State level. The European Committee of the Regions reiterates its firm belief that the place-based approach of EU policies will bring the best results as the policies will be adapted to specific local conditions and as such will more effectively address the challenges of the regions, cities and municipalities, thereby reducing the differences between their levels of development;
- 13. notes that while it also remains necessary to strengthen sectoral policies, the place-based approach is the most effective approach for achieving the treaty objective of overall harmonious development. In this respect, the CoR makes reference to a study conducted by the European Commission which identified five common features of successful implementation of the place-based approach⁵. Such features include the important role of valuing a territorial identity,

³ <u>OJ C 195, 12.6.2015, p. 30–35</u>.

⁴ Place-based approach can be defined as stakeholders engaging in a collaborative process to address issues as they are experienced within a geographic space, be it a neighbourhood, region, or an ecosystem.

⁵ http://ec.europa.eu/regional_policy/en/newsroom/news/2015/07/territorial-agenda-2020-put-in-practice.

expanding beyond geographical and sectoral boundaries, an open governance system, a strong leading capacity and experimenting and learning by doing;

- 14. believes that while sectoral policies are important for territorial development, the place-based approach is an important starting point for adapted local and regional development. The concept of a common framework (partnership agreement) for implementing the European Structural and Investment Funds in this programming period is commendable, but in order to be able to implement the whole policy effectively, the obstacles created by the different rules must be removed. The regulatory framework for the European Structural and Investment Funds should be simplified with the input and involvement of local and regional authorities. Projects with a territorially-integrated approach should be able to obtain financing from a range of funds and should be accountable to a single regulatory framework;
- 15. points out the analysis in the 6th Cohesion Report which stated that "regional disparities have widened during the last few years because the economic crisis has affected regions differently⁶". In fact, not only the crisis itself, but also policy decisions, notably austerity measures as part of the European Semester, have had very different impacts on European regions. For example, financially strong regions could mitigate the effects of the crisis and comply with requirements of the European Semester, while on the other hand, financially weak regions had to cut public investments as a consequence of austerity measures, which led to economic difficulties. This analysis leads to the conclusion that there is a territorial impact even in policy areas and external factors which previously have not been considered in a territorial perspective, such as banking or fiscal policy. The CoR notes that the crisis has particularly deepened disparities between regions and has most affected the countries whose development is lagging behind. It therefore stresses that for policies to have a unified impact they must be implemented on the principle of restoring balance and a territorial approach. This means applying an even-handed approach to austerity measures;
- 16. notes that since the 2009 debate on "GDP and Beyond" the available data at the EU level has significantly increased and there is a need to explore other indicators that complement GDP when measuring progress in particular at the level of EU regions and cities in completing EU objectives;
- 17. stresses that the majority of EU policies have a regional and local dimension which can be assessed through a Territorial Impact Assessment (TIA) and should be taken into account when these policies are being designed and revised. The CoR started the pilot phase of its TIA Strategy in 2014 on selected files, during which different methodologies and approaches were tested. It strongly welcomes the fact that, following the Better Regulation Package published on 19 May 2015, the Commission will be using TIAs as one element of impact assessment. In line with the above, the CoR therefore stresses the role of the EU urban agenda with particular reference to internal areas and the overriding importance of implementing it for the development of regions. The CoR refers to its opinion Towards an integrated urban agenda for

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http://ec.europa.eu/regional_policy/en/information/publications/reports/2014/6th-report-on-economic-social-and-territorialcohesion p.3

the EU (25 June 2014)⁷, highlighting the proposal therein for a white paper on an integrated urban policy. Finally, the CoR emphasises that it agrees with the statement of the European Commission which announced concrete steps towards adopting the EU urban agenda, for which EUR 80 billion of the EU budget would be allocated⁸. Calls on the Commission to build on the CoR experiences;

EVIDENCE-BASED POLICY-MAKING

- 18. is concerned that the current statistical units in the EU Member States do not necessarily represent the real socio-economic situation and as such should not be the sole basis for the future design and implementation of policies. The policies should be integrated with a strong cross-sectoral, cross-regional and cross-border character, taking into account the spillover effects on the other regions;
- 19. reiterates that in order to determine these effects, the Member States and the European Union need to implement Territorial Impact Assessments as a standard practice in the policy-making process and when programming and implementing sectoral investments. If the possible asymmetric effects of the EU and national policies are not taken into account, these policies can never be sufficiently efficient or effective, potentially resulting in unwanted effects;
- 20. highlights that when examining the effects of the EU policies, the fact that more and more EU citizens are living in urban areas needs to be taken into account both in terms of the urban and the rural challenges this creates. Currently, statistical data on the urban level does not exist or is very limited, which makes it difficult to make a coherent and thorough assessment of the effects. The CoR and the European Commission are currently working on an Urban Impact Assessment pilot project which should be further developed in the future and could serve as a valuable tool for assessing these effects which would result in better law-making. Also underlines that the Committee of the Regions has been calling for EU policies to better take into account the accumulative impact of small and medium size towns and cities;
- 21. recalls that rural areas are also diverse in terms of their characteristics and challenges and their level of development is lower than that of the EU, particularly compared to development levels in urban areas and the gap is widening. It will not be possible to attain the territorial cohesion without harnessing all the available potential, which includes the potential offered byall territorial areas. This is particularly important given that functional interdependencies between urban and rural areas, for example through commuting or recreation activities, make it almost impossible in certain cases to draw clear boundaries between areas;
- 22. as technology is expected to rapidly develop in the coming decades, so will the tools to assess these impacts in a quick, efficient and objective manner. Models such as this are already being created and are developing quickly and a good example of such a tool is the ESPON Quick

⁷ COTER-V-046.

⁸ Statement by Commissioner for Regional Policy Corinna Crețu at the 2nd Urban Forum (held in Brussels on 2 June 2015).

Scan. Currently the main obstacle to having these kinds of instruments is the lack of a sufficient and complete database of statistical data, above all at the local level;

- 23. believes that it is equally important to assess the Territorial Impacts of certain EU policies in areas listed in TFEU Article 174, affected by structural, natural or demographic handicaps, be that northernmost regions with very low population density, island, cross-border or mountain regions;
- 24. requests that Member States and the European Union invest considerably more resources to acquire the missing statistical data reflecting various territorial challenges and strongly develop data collection at the lowest administrative level. This is particularly important in those countries where Eurostat territorial units do not really reflect real geographies at local or regional level. Without a complete and evolving picture of the European Union's regions, it is not possible to create effective policies that address the challenges they face. The CoR recalls that in the new Structural Funds Regulations there is a Thematic Objective 11 of the Structural Funds that is precisely available for funding investments in developing better data at local and regional level but that is regrettably little used for that purpose so far. At the same time, the CoR reiterates the need to decrease the administrative burden on various stakeholders, including local and regional authorities, by developing suitable tools to enable collection of statistical data and reporting to be made more rigorously and selectively systematic, in order to streamline processing. It is important to ensure that the resources available under thematic objective 11 are widely known;
- 25. highlights the useful work of the ESPON programme⁹ which is gathering territorial evidence across Europe. In particular, the projections in its report entitled "Making Europe Open and Polycentric" are relevant for making informed decisions on how to invest in order to strengthen regional development. Considering different scenarios, the CoR believes that polycentric development should be the objective and an essential element of the Territorial Vision 2050 which encompasses local authorities of all sizes, across all Member States of the EU. With metropolitan regions growing, balanced development should be promoted while at the same time paying attention to small villages and less developed regions and the interconnectedness of adjacent territories;

A EUROPEAN TERRITORIAL VISION AND GOVERNANCE

- 26. given that global trends and challenges impact European territories differently and given that all public policies entail a territorial dimension, a European Territorial Vision should mainly focus on applying a territorial dimension to European Governance;
- 27. recalls that the CoR has adopted a Charter for Multi-Level Governance¹⁰ in Europe which outlines the key principles of European Governance that should help strengthen the territorial

^{9 &}lt;u>http://www.espon.eu/main/.</u>

^{10 &}lt;u>http://cor.europa.eu/en/activities/governance/Pages/charter-for-multiLevel-governance.aspx.</u>

dimension of policy-making and achieve greater economic, social and territorial cohesion in Europe, as stated repeatedly by the CoR in all of its opinions on territorial policy;

- 28. believes that in this context emphasis should be placed on, and special support should be given to, diverse forms of cooperation between local and regional authorities and other decentralised authorities as an effective, efficient and legitimate tool for delivering public services;
- 29. emphasises that cross-border cooperation of local and regional authorities has proven as a key instrument for the development of border regions. Therefore it should be further supported by the EU and Member States;
- 30. highlights that innovative financial instruments and public-private partnerships with clear rules can be important tools for territorial development in the place-based approach in certain areas where private financing can complement public financing and where returns are attractive enough. However, attention needs to be paid to ensure that local and regional authorities are provided with guidance on the use of financial instruments¹¹;
- 31. emphasises the crucial role of local political leadership and democratically elected local governments in developing a place-based approach and notes that this kind of approach requires participation from stakeholders and openness from all levels of governance. It is important that the process, its value and benefits are well understood by all the actors in the process;
- 32. underlines that the place-based approach entails specific roles for actors at different levels of governance. Spatial planning and development strategies should always take into account the level closest to the people, which in most cases means the local or regional levels;
- 33. in policy areas in which competencies lie at the European level, a territorial dimension must be considered systematically. In this respect, the CoR welcomes the EC's better regulation initiative and agrees that "applying the principles of better regulation will ensure that measures are evidence-based, well designed and deliver tangible and sustainable benefits for citizens, business and society as a whole¹²". The CoR is particularly pleased that the better regulations initiative takes up key principles outlined in its charter for multi-level governance in Europe;
- 34. recalls that the CoR has set up a Europe 2020 Monitoring Platform in order to monitor the regional dimension of the Europe 2020 Strategy which has come to the conclusion that a renewed Europe 2020 strategy should be based on stronger partnership and ownership of all levels of government, introducing a territorial dimension, more transparency and accountability and multi-level governance¹³;
- 35. in line with the European Code of Conduct on Partnership, believes that Local and Regional authorities should be given responsibility for drafting plans for development using their

¹¹ CoR Opinion on Financial Instruments in support of territorial development adopted on 13 October 2015, COTER-VI/005

¹² COM(2015) 215, p.3.

¹³ http://cor.europa.eu/en/news/Pages/regions-cities-athens-declaration.aspx.

territorial specificities as unique assets and taking agreed European objectives and the need to involve organised interests into consideration. The CoR stresses that Cohesion Policy is essential in financial assistance and for methodological guidance of local and regional authorities implementing their development plans. Efficient governance is fundamentally important when it comes to improving programme implementation, as is good project design;

- 36. notes that, according to the 6th Monitoring Report on Europe 2020 and the European Semester recently issued (in October 2015) by the CoR's Europe 2020 Monitoring Platform, local and regional authorities in 15 EU Member States were closely involved in preparation of the National Reform Programmes. Moreover, during implementation of the programmes, 23 of the 28 governments specifically referred to the role of local and regional authorities in certain areas, such as labour market policy, social inclusion and healthcare. With respect to the Europe 2020 strategy, 20 Member States emphasised the role of local authorities in the National Reform Programmes in the spheres of social inclusion, renewable energy and climate change. Calls therefore for the review of the Europe 2020 strategy to further strengthen the territorial dimension of EU policies so that all the Member States respect the Subsidiarity and multi-level governance and partnership principles when drawing up the National Reform Programmes;
- 37. Cohesion Policy should ensure coherence of local and regional plans with European objectives. Partnership Agreements and Operational Programmes are the main instruments in this respect. The CoR underlines that Cohesion Policy funding through the European Structural and Investment funds can contribute to the necessary financial assistance in order to implement plans. It also stresses that implementation of local and regional development plans can further be facilitated through specific instruments of Cohesion Policy such as Integrated Territorial Investments (ITI) and Community-Led Local Development (CLLD), which should be used more widely;
- 38. many other EU policies such as Agriculture and Rural development, Transport and Energy or Environmental protection among others have a territorial dimension which is as important as that of Cohesion Policy itself. Therefore these other sectoral policies must also be adapted in order to assist local and regional development plans. Indeed the Territorial Vision 2050 must comprise all EU policies with a significant territorial dimension so that the place-based approach to policy-making across all relevant EU policies is mainstreamed;
- 39. a more cohesive and coordinated approach to European territorial Strategy/Vision at European level is needed; continuous cooperation with national and European associations, representing local and regional authorities, should be established. This approach should also include a structured and systematic exchange of experience and knowledge when developing various sectoral policies;
- 40. finally, believes that a European Strategy/Vision must evolve constantly, notably by using bottom-up feedback provided by continuous cooperation with European and national association representing local and regional authorities and by taking into account global developments such as the challenges of migration and climate change where EU local and regional authorities play an important role on the basis of the principle of solidarity.

Brussels, 3 December 2015

The President of the European Committee of the Regions

Markku Markkula

The Secretary-General of the European Committee of the Regions

Jiří Buriánek

II. PROCEDURE

Title	Territorial Vision 2050: What future?
Reference(s)	
Legal basis	Article 307 TFEU
Procedural basis	Own-initiative (under 41 b) i) - Luxembourg Presidency
	referral)
Date of Council/EP referral/Date of	29 June 2015
Commission letter	
Date of Bureau/President's decision	N.A.
Commission responsible	Commission for Territorial Cohesion Policy and EU
	Budget (COTER)
Rapporteur	Oldřich Vlasák (CZ/ECR)
	Councillor of the City of Hradec Králové
Analysis	13 August 2015
Discussed in commission	2 October 2015
Date adopted by commission	2 October 2015
Result of the vote in commission	Majority
(majority, unanimous)	
Date adopted in plenary	3 December 2015
Previous Committee opinions	- Opinion on The improvement of the implementation
	of the Territorial Agenda of the European Union 2020
	(COR-2015-00487-00-00-AC) ¹⁴
	- Opinion on Assessing Territorial Impacts (CDR29-
	2013_00_00_AC) ¹⁵
	- Opinion on 6th Cohesion Report (COR-2014-04896-
	00-01-AC) ¹⁶
	– Opinion on Community-Led Local Development
	(CDR1684-2012_00_00_AC) ¹⁷
	 Opinion on an Integrated Urban Agenda for the EU
	(COR-2013-06902-00-00-AC) ¹⁸
Date of subsidiarity monitoring	N.A.
consultation	

^{14 &}lt;u>OJ C 195, 12.6.2015</u>.

^{15 &}lt;u>OJ C 280, 27.9.2013</u>.

^{16 &}lt;u>OJ C 19, 21.1.2015</u>.

^{17 &}lt;u>OJ C 17, 19.1.2013</u>.

^{18 &}lt;u>OJ C 271, 19.8.2014</u>.