



Tying the pieces together: the 5th Cohesion Report, ESPON and the Territorial Agenda

Between late 2010 and May 2011 three reports will have been published, all of which will have set out perspectives on the territorial condition of Europe and the future of the territorial dimension of cohesion policy. *New Evidence on Smart, Sustainable and Inclusive Territories* is ESPON's first Synthesis Report of the 2013 programme. *Investing in Europe's Future* is the "preliminary version" of the Fifth Cohesion Report, on which comments are invited. Meanwhile in their offices above the Danube on the Buda side of Budapest, a team of Hungarian researchers and officials are busy drafting the update to the *Territorial State and Perspectives of the EU* and the linked but shorter policy document *The EU's Territorial Agenda*. Maybe it's fitting that under the Belgian Presidency building territorial cohesion policy is being done in three documents rather than one.

ESPON's Synthesis Report has already been discussed on the UK ESPON Network website, so there is no need to summarise it at any length in this short article. Suffice to say that it connects ESPON's findings very directly to the EU's recovery strategy "Europe 2020". It argues that Europe's territorial diversity is an asset for competitiveness, cohesion and economic recovery and that place-based governance has an important role to play in realising the Europe 2020 aspirations.

The Cohesion Report

While ESPON sits in the blurred landscape between DG Regio and the Member States, the Cohesion Report is unambiguously the Commission's document, albeit one on which comments are invited. *Investing in Europe's Future* is not just about territorial cohesion – indeed one feature of the report is its attempts to introduce territorial cohesion (post- the Lisbon Reform Treaty) alongside the traditional focus on economic and social cohesion. Crucially the Cohesion Report is also much more focused on discussions about the future of cohesion funding than the ESPON report is, or than the Territorial Agenda will be. No surprise there; that's what DG Regio does, but worth noting, nevertheless.

A very clear message is given. It is that future cohesion programmes "should concentrate on only a few priorities closely linked to the Europe 2020 strategy so that each priority receives enough funding to deliver a real impact." As ever, harassed officials in DG Regio crave a clear, objective and limited set of indicators to counter the special pleading that sees limited funds spread widely and thinly. The Commission therefore promises to prepare a common assessment of the strengths and weaknesses of each member state and its regions. This sounds like a much more focused and functional exercise than the more discursive commentaries on particular aspects of national or regional performance in the ESPON Synthesis Report. One issue is likely to be about the



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situation of what have been called “regions in industrial transition”. Within the EU as a whole one-time “socialist boom towns” of central and eastern Europe figure most prominently in this category – places where traditional heavy industry has collapsed. However, there are important issues here for the UK too. Although our de-industrialisation came sooner, and much regeneration has taken place, the scars of closure and loss of well paid jobs still constitute a major challenge in some former coalfield communities, for example. One issue will be over what time scale transition is measured.

It is clear from the Report that future cohesion policy objectives will be closely aligned with the Europe 2020 strategy. It could scarcely be otherwise. This is where the focus in the ESPON Synthesis Report is likely to prove valuable. The Synthesis Report spells out ways in which the 2020 aspirations can be put into practice through place-based policies. In terms of cohesion policy, the Cohesion Report promises “clear conditions, strong incentives and strict standards”. Support will continue to be directed at the poorest regions, but notwithstanding the “clear conditions”, the door will still be open to others “such as deprived urban neighbourhoods”, and to assist economic restructuring towards a more innovative and knowledge-based economy.

What does territorial cohesion add?

So if this is the first Cohesion Report with a specific competence in respect of territorial cohesion, how does it envisage embedding territorial cohesion into future cohesion policy? There are some very clear clues. New programmes are promised with a particular emphasis on “the role of cities, functional geographies, areas facing specific geographical or demographic problems and macro-regional strategies.”

Thus there are signs that the cities may be important beneficiaries. This is also consistent with the new emphasis on urban areas in the ESPON Synthesis Report, particularly in the Chapter on “Smart, connected places”. The fact that the ESPON report says “smart, connected places are not only urban” tells you that overwhelmingly they are urban! Of course behind these policy shifts is the new economic geography with its emphasis on agglomeration economies and innovative urban milieux, as well as the pressure to give top priority to economic recovery.

Although the cohesion report includes a chapter on “Enhancing environmental sustainability” that argues that climate change will hit southern and eastern Europe hardest, that chapter gives few clues about how environmental concerns will be reflected in future cohesion policy. This contrasts with the strong statement that “an urban agenda should be developed where financial resources are identified more clearly to address urban issues and urban authorities would play a stronger role in designing and implementing urban development strategies. The intention is that “urban action, the related resources and the cities





concerned" (my emphasis) will be explicitly identified in the programme documents. This will be the starting pistol for cities across Europe to make their case for inclusion and access to future resources. There is also a call for local development strategies to be reinforced, including in respect of inclusion, social innovation, innovation strategies and regeneration of deprived areas.

The Territorial Agenda

So after the ESPON and Cohesion Reports what will the Territorial Agenda have to say? The report due out next spring will, in effect, be the "grandchild" of the European Spatial Development Perspective (ESDP). In 1999, the ESDP undoubtedly gave a significant boost within the UK to the idea of spatial planning as a viable step beyond traditional regulatory land use planning. However, the promised follow up to the ESDP did not come until the 2007 German presidency, and the current efforts of the impending Hungarian presidency are to update what the Germans produced.

The Hungarian team have an unenviable task. They are following asked to produce an update of four-year old documents (the analytical "State and Perspective" and the policy-based "Agenda"), which must necessarily rake over ground already ploughed by the ESPON and Cohesion Reports. It will be hard to avoid a sense of anticlimax, the more so since the political shifts of member states to the Right has been accompanied by a distaste for spatial planning which is seen as regulatory and statist. Furthermore, member states today have little enthusiasm for top-down instruction about what they should or should not do. So don't expect to see words like "should" appearing very often in the text when it finally comes.

The risk then is that there will be a strong line of continuity from ESDP through the 2007 Territorial Agenda and into the 2011 version, and that Europe's spatial planners will be bequeathed a set of ideas from the 1990s to pitch at the territorial development challenges of the second decade of the 21st century. To escape this fate, the Territorial State and Perspective document should really highlight the emergent territorial dynamics of Europe, specifically:

- cities connected into global networks but internally divided socially;
- the vulnerability of the non- or weakly-regenerating de-industrial areas heavily dependent on flows of public investment and welfare;
- the demographical hollowing of less accessible rural regions where agriculture is still a significant sector;
- the complex issues of transport connectivity between and within regions, and the risks to functionality posed by overload or capacity restrictions due to climatic volatility, market shifts or fiscal policies; and
- issues of territorial governance, including the capacity of institutions to plan and to implement plans to manage territorial development.



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The Territorial Agenda itself might still be a lukewarm confection. That might be no bad thing, as long as it recognizes that we are in a new situation where it may be premature to imagine that we have new answers to role out across Europe. And, yes, of course, there is strength in diversity and we all recognise the value of endogenous approaches. For all that, might it still be possible to say boldly and unambiguously that we can no longer afford to ignore the territorial impacts of policies or the role of territorial plans and strategies in delivering smart, sustainable and inclusive territories?



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