## Territory matters to make Europe 2020 a success

Joint contribution by the Director Generals of ministerial departments responsible for territorial development policy in the European Union

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- [1] EU 2020 takes over from the Lisbon strategy. To ensure the achievement of the defined objectives, we believe that two conditions at least should be fulfilled: first, full account should be taken of the territorial dimension of EU 2020; second, related decision-making and governance mechanisms should be improved. Actually, these two conditions are closely connected.
- [2] On 25/26 March 2010, the European Council agreed on the main elements of the Europe 2020 strategy elaborated by the European Commission. This is an important milestone of the EU 2020 process, expected to implement a 'European strategy for smart, sustainable and inclusive growth' over the next decade.
- [3] Although references made to Territorial Cohesion (TC) in the EU 2020 communication could have been more evident, several issues addressed in the proposed strategy have considerable bearing on European territorial development. Importantly, it is also stressed that 'economic, social and territorial cohesion will remain at the heart of the Europe 2020 strategy to ensure that all energies and capacities are mobilised and focused on the pursuit of the strategy's priorities', from the integration and coordination point of view, with special attention to subsidiarity based in territorial characteristics.
- [4] Therefore, we want to propose the reconsideration of governance mechanisms in order to secure better consistency between various sector policies with a territorial impact. Among these, not only budgetary, economic and employment policies (already mentioned in the EU2020 Communication) could be taken into account, but also transport, environmental, rural and energy policies. Moreover, a wide reporting system based in the existing information, could be set up by the member states, as a contribution to the permanent dialogue between the various tiers of government advocated by EU 2020, without an increase neither of administrative burden nor of budget cost.
- [5] In this respect, a better coordination of the work between the initiatives of the MS and the Commission concerning the Territorial Agenda and the Territorial Cohesion should be achieved, as well as an exchange of policy information and good practices. We welcome the recent decision from the Commission to resume the activities of an inter-service group on Territorial Cohesion.
- [6] Such initiatives geared towards a more integrated approach to territorial policy and a better horizontal coordination of sector-related policies should be encouraged, as long as it is relevant. In this framework, due attention should be paid to the Territorial Impact Assessment (TIA). The ESPON 2013 Programme has elaborated relevant tools for TIA that show clear potential for policymakers. Progress now should be made (1) to better understand the variation in regional sensitivities to European directives and (2) to test the different tools together with national, regional and local practitioners in a practical policymaking environment. New ESPON projects are expected to address these issues in the forthcoming months. The aim is not to prescribe additional formal procedures (all the more so as the heaviness of EIA and SEA procedures has sometimes been criticised), but instead to inform and improve decision making on an efficient and pragmatic basis.

[7] The formal recognition of TC as a key aim of the EU was the main outcome of a two-decade long policy process. Regular informal meetings were held between EU Ministers responsible for territorial development policy and the Member of the European Commission responsible for regional policy. In this framework, the European Spatial Development Perspective ('ESDP', 1999) and the EU Territorial Agenda ('TA', 2007) were approved. Other key-players actively contributed to the policy debate, in particular the European Parliament and the Committee of the Regions. The European Commission promoted TC in its 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Cohesion Reports and the Green Paper on Territorial Cohesion (2008). Strong linkages were also established between the ESDP/TA policy process and INTERREG territorial cooperation, especially its transnational strand.

[8] Six main 'territorial priorities' were put forward in the TA:

- 1. Stronger polycentric development and innovation through networking of cities
- 2. New forms of partnerships and territorial governance between urban and rural areas
- 3. Promotion of regional clusters of competition and innovation in Europe
- 4. Strengthening and extension of TENs
- 5. Promotion of trans-European risk management, including the impacts of climate change
- 6. Stronger ecological structures and cultural resources as added value for development

[9] There is a significant overlap between these six priorities and issues of relevance for territorial development addressed in the EU 2020 strategy. In this context, it could be envisaged to bring TA and EU 2020 closer to each other by addressing various questions, in particular:

- the practical implications of the 'place-based' development approach advocated by the Barca report and the OECD as the 'new paradigm of regional policy'; Europe as a whole will be more competitive if better use is made of the territorial potential in all the regions;
- the growing territorial interdependence between regions and the resulting need for territorial integration; various issues have to be tackled at different geographic scales, such as areas overlapping two or more national territories; the macro-regional context is of special interest in this respect;
- the four other types of interdependence identified by the Commission in its 'Consultation on the future EU 2020 strategy' [COM(2009)647 final, p.9], namely interdependence between Member States, between different levels of government, between different policies, and at the global level.

[10] Much emphasis has been placed in Heading 5.2 ('Who does what?') of the EU 2020 Communication on the need for 'greater ownership' of the strategy. The territorial Cohesion could contribute in this sense as far as it is not restricted to a vague or abstract concept and as long as it is experimented and popularised through field action involving a wide array of stakeholders. For this purpose, an intense mobilisation of all the key-players of the European territorial development will prove instrumental. Their involvement is key to secure the best possible consistency of the EU 2020 process, and to favour horizontal and vertical integration of policies (i.e. respectively between sectors and between tiers of government at local, regional and national level).

[11] Finally, we are deeply convinced that territory matters to secure a successful outcome of EU 2020, and are committed on to take an active part in the Europe 2020 Strategy, a process in which all the agents will be involved. The Territorial Agenda (TA) of the EU was first approved in 2007. It is being revised, and its update will be approved in 2011 under Hungarian presidency, in search of more integrated development. The TA provides a very useful reference framework to coordinate European territorial development and should serve as an inspiration to make the implementation of EU2020 as efficient as possible.

[12] Therefore we address this joint contribution to all those actors who are called on to take an active part in the process, and to all the interested people.