

ÖROK

Austrian conference on spatial planning



AUSTRIAN POSITION

„GREEN PAPER ON TERRITORIAL COHESION –TURNING TERRITORIAL DIVERSITY INTO STRENGTH“

Unofficial English working translation
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Resolution by written procedure of the Austrian Conference on Spatial Planning
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1. GENERAL

Shortly after publication of the Green Paper, the Austrian Conference on Spatial Planning (ÖROK) has adopted a policy recommendation, containing the following "Austrian principles and perspectives with a view to Territorial Cohesion in the EU":

- Austria underlines that Territorial Cohesion is stipulated in the EU Treaty as a shared competence between the Union and the Member States and therefore the principle of subsidiarity has to be applied. Accordingly, mentioning "Territorial Cohesion" in the planned EU Treaty does not mean an extension of competences of the EU in the area of spatial planning, either within material or formal legislation.
- In accordance with the above mentioned shared competence Austria underlines the necessity to conceive territorial challenges as a cross-sectoral and multi-level common remit of EU, Member States, regions, cities and municipalities.
- The presentation of the Green Paper by the European Commission as a means to clarify its ideas concerning Territorial Cohesion is welcomed by Austria. Austria expects that this Green Paper will provide orientation for a Europe-wide and open consultation about "Territorial Cohesion" to which it wants to contribute through this opinion.
- From the Austrian point of view, "Territorial Cohesion" with respect to "the advancement of a harmonious development of the Union as a whole" (Treaty on the Functioning of the EU – TFEU, Art 185) based on the principles of the European Spatial Development Perspective 1999 (ESDP) and the Territorial Agenda 2007 decided in Leipzig relates to a multi-functional perception of the EU-Territory. By including "Territorial Cohesion" in the EU Treaty it is positioned as a task for all policy levels and for all policies with territorial impacts. Pursuing the principal of subsidiarity, the regional and the local level do have particular importance within territorial themes.
- The presentation of the Green Paper and the inclusion of the notion of "Territorial Cohesion" in a future EU Treaty acknowledges for Austria the importance of the territorial dimension for the effectiveness of public policies. In this respect, the co-ordination of EU policies and the consideration of their territorial impacts is of particular importance. These policies may exert direct as well as indirect territorial effects but may also impact specifically on individual types of territories. In this context both, policies with a marked territorial dimension (e.g. cohesion policy, agricultural policy, environmental, transport and infrastructure policies) and policy areas with a less obvious territorial dimension (e.g. competition, internal market, energy, education, research, employment but also finance and currency policy) are of relevance. For the assessment of the territorial impacts of individual EU policies, the instrument of Impact Assessment, which is already in use, should be extended to cover also territorial aspects without creating new formal instruments.
- For EU cohesion policy the objective of Territorial Cohesion puts additional emphasis on the necessity to optimize the effectiveness of policies for economic and social cohesion by taking into account the territorial aspects.
- The inclusion of Territorial Cohesion into the EU Treaties however does not automatically imply a mandate for the EU to develop new aid categories within the Structural Funds nor to redefine the set of indicators for the definition of the eligibility of territories.

- Austria encourages the European Commission to elaborate more on the concept on Territorial Cohesion seen from the angle of a shared task, including all relevant General Directorates and in cooperation with Member States and regions. This elaboration should also serve to foster the common understanding of central challenges for the development of the European territory as well as the territorial impacts of the policies applied.
- In any case, appropriate and efficient forms of discussion and of governance need to be developed for the cross-sectoral and multi-level cooperation.

These general statements are maintained by Austria also after detailed study of the Green Paper's content and supplemented by answering the posed questions. The consultation started by the Green Paper should not be restricted to these questions though. A systematic linkage with the state of knowledge concerning Europe's territorial dimension and with the concept of Territorial Cohesion as embodied into the Territorial Agenda and the Leipzig Charta (including the related background papers) is still to be provided. In the course of implementation of the Territorial Agenda (by the Action Programme), Austria will continue its participation in the European discourse on the definition and application of the concept of Territorial Cohesion and expects that the European Commission will support this concept of Territorial Cohesion also beyond the current consultation process.

Austria's position towards Territorial Cohesion (TC) may be summarised by the following short statements:

- TC is a **process** (not a status)
- TC points to the usage of territorial **potentials**
- TC means close **cooperation** within and between regions
- TC demands consideration of **external effects**
- TC is **in excess of EU Cohesion Policy**
- TC on EU level needs **coordination between the General Directorates** of the European Commission
- TC on EU level demands a **differentiation of the European Commission's role** (formal in legislation and funds administration; informal as partner in the coordination of networks and in information transfer)
- TC on EU level means focusing the European Commission's activities on **Union-wide and transnational demand**
- TC must be more than a top-down **analysis using uniform standard indicators**
- **All regions** show specific **geographical characteristics** which have to be taken into account when designing or evaluating policies.

2. REPLY TO THE QUESTIONS FOR DEBATE OF THE GREEN PAPER

2.1. Definition

[QUESTION: WHAT IS THE MOST APPROPRIATE DEFINITION OF TERRITORIAL COHESION?]

Territorial Cohesion denotes the intention of decision makers in public policy in the EU to put all territorial units (regions, territories, municipalities) **in a position to develop respectively make use of their potentials and strengths in the best possible and most sustainable way** and to reduce existing weaknesses and bottlenecks for development. This needs to take into account aspects of quality of life, of sustainable economic growth respecting natural resources and appropriately securing social cohesion.

In particular, this requires also to take account of territorial effects (impacts) of policy measures of all territorial levels and the integration on all concerned territories.

[QUESTION: WHAT ADDITIONAL ELEMENTS WOULD IT BRING TO THE CURRENT APPROACH TO ECONOMIC AND SOCIAL COHESION AS PRACTICED BY THE EUROPEAN UNION?]

- a. Taking into account **functionally defined territories** when designing and implementing co-operative policies, in addition to the presently prevailing fixed administrative demarcations
- b. Taking into account **external effects** of economic decisions by private and public bodies, which exert territorial impacts (e.g. investment in infrastructure, particularly the transport system, location decision by corporate head quarters, but also the property business). Whereas strengthening of economic cohesion is primarily oriented towards direct and indirect aid and the improvement of the framework conditions of entrepreneurial activities, social cohesion stipulates the inclusion of (all) social groups as its prime criterion. In contrast, the positive and negative external effects of socio-economic activities onto the functional territories, defined according to the issue at stake, are decisive for Territorial Cohesion.
- c. The necessary development of **new forms of governance** both within the territorial levels - in order to be able to take account of the territorial effects of different measures – as well as between territorial levels (multi-level-governance) – in order to gain a better integration and more effectiveness of measures in the targeted territories. For example the formal impact assessment on EU level should also consider the territorial dimension of the impacts (Territorial Impact Assessment). We can only speak of Territorial Cohesion when the principle of subsidiarity is observed on the one hand and when on the other hand territorial impacts become a criterion for all territorially relevant policy areas on all institutional levels.

2.2. The scale and scope of territorial action

[QUESTION: IS THERE A ROLE FOR THE EU IN PROMOTING TERRITORIAL COHESION? HOW COULD SUCH A RULE BE DEFINED AGAINST THE BACKGROUND OF THE PRINCIPLE OF SUBSIDIARITY?]

- a. Awareness raising for the territorial dimension of the EU by an integrated view on the relevant territories and a territorial perspective on the interrelation of different policies.
- b. Institutionalisation of the required functions of co-ordination within the European Commission.
- c. Description and assessment of territorial impacts in all relevant policy areas.
- d. Supporting the discourse on the concept of Territorial Cohesion in the Member States with the aim of reaching a comprehensive basic European consensus about its meaning and its importance.
- e. Differentiation of regulations for different types of territories in order to be able to take regional characteristics better into account.

[QUESTION: HOW FAR SHOULD THE TERRITORIAL SCALE OF POLICY INTERVENTION VARY ACCORDING TO THE NATURE OF THE PROBLEMS ADDRESSED?]

Generally speaking the territorial scale has to be chosen **according to the given competences in conjunction with the principle of subsidiarity**. If for a certain policy intervention these two criteria do not suffice to define the territorial scale of an intervention appropriately, **all levels concerned, according to the subject matter under scrutiny, need to be involved**.

[QUESTION: DO AREAS WITH SPECIFIC GEOGRAPHICAL FEATURES REQUIRE SPECIAL POLICY MEASURES? IF SO, WHICH MEASURES?]

- a. In general, the respective geographical features need to be taken into account when designing or implementing policy measures in all territories. A compulsory (political) classification does not seem to be helpful, at least at the present state of knowledge about EU territories. Types of territories may however be useful to understand better the territorial dimension of policy measures and thus help to arrive at more appropriate policy actions. Let us give an example:
 - One of these types of territories, in itself rather inhomogeneous, are the mountain regions. Their common specific geographical feature is the importance of the “3rd dimension”, i.e. the vertical formation of the territory. The mountainous character affects all dimensions of sustainable development, frequently demands specific measures and causes particular strengths, weaknesses, chances and risks. In this context this is by no means about declaring mountain regions a priori as disadvantaged. Combined with other relevant factors (e.g. distance to and accessibility of dynamic centres) some mountain regions are indeed disadvantaged, but others may be able to make use of specific options of development (e.g. in tourism).

Territorial Cohesion means to identify such specific options and to appreciate them and to base the action of public institutions on them.

Hence community measures with a direct or indirect territorial reference need to take systematically into account the specific situation of the respective type of region or the respective region.

- b. **By no means new territorial intervention categories** need to be created nor is it feasible to make specific geographical features as an (additional) basis for the eligibility within different EU funds. Furthermore the regions with specific geographical features mentioned in the Green Paper are too heterogeneous to justify an additional eligibility criterion (besides economic performance). Additional territorial eligibility criteria would also complicate the administration of Structural Funds programmes, thus undermining the current efforts for their simplification.
- c. Territorial challenges do not only occur in regions with specific geographical features, but also in areas with high concentration of economic activity and high population density, as we find them in **urban agglomerations** or in some major valleys within mountain regions. It is of utmost importance to screen both the strengths and the weaknesses of the different territories in order to fully exploit the potential of each individual region. This cannot only be valid for regions with specific geographical features, no matter how they are selected.

2.3. Better cooperation

[QUESTION: WHAT ROLE SHOULD THE COMMISSION PLAY IN ENCOURAGING AND SUPPORTING TERRITORIAL COOPERATION?]

- a. The European Commission has been strongly and successfully supporting Territorial Cohesion by the **regional differentiation of the disbursement of the EU funds within cohesion policy**. In this context an as simple as possible administration of the **Structural Funds programmes** in particular within the objective of European Territorial Cooperation should be secured beyond 2013 - without mitigating the protection of the financial interest of the community. In other policy areas the support to Territorial Cohesion so far has been small or accidental, as has been shown by several studies of the ESPON 2006 programme.
- b. Also within **legislation** the EU has given little to no attention to Territorial Cohesion. Here, the European Commission could contribute much more through the **better co-ordination of measures and better observation of their territorial impacts**, by adapting the legal instruments to the conditions of cooperation programmes and by making these legal instruments available in good time.
- c. **The European Commission** could play an important role as a **potential partner** in the implementation of territorial measures at other levels, a role which could change case by case between initiator, observer or co-ordinator. As an example one could cite the active participation of regional actors in European initiatives “Towards joint programming in research” as proposed in a Commission communication (11935/08 [COM(2008)468]).

[QUESTION: IS THERE A NEED FOR NEW FORMS OF TERRITORIAL COOPERATION?]

In the Member States, territorial cooperation is characterised by a **multitude of very different and often well established forms**. For cross border cooperation the new legal instrument of EGTC has been introduced only recently, and is presently in its first test phase.

Within the programmes for Cross-border, Transnational and Interregional Cooperation the existing forms of cooperation are being continuously further developed and intensified.

Beyond this, there is **no need for additional forms of territorial cooperation identified in Austria**.

[QUESTION: IS THERE A NEED TO DEVELOP NEW LEGISLATIVE AND MANAGEMENT TOOLS TO FACILITATE COOPERATION, INCLUDING ALONG THE EXTERNAL BORDERS?]

Such a need is presently not seen, as the Instruments ENPI (European Neighbourhood Policy Instrument) and IPA (Instrument for Pre-accession) are still in the stage of implementation.

2.4. Better coordination

[QUESTION: HOW CAN COORDINATION BETWEEN TERRITORIAL AND SECTORAL POLICIES BE IMPROVED?]

- a. The distinction between territorial and sectoral policies does not seem to be appropriate in the context of coordination. **All policy measures may exert territorial effects; territorial measures** (measures taken by territorial bodies or measures with explicitly territorially discriminating effects) **always do have a considerable sectoral component.** The duality of material and territorial content of any policy should not be neglected particularly in the context of Territorial Cohesion.
- b. An important attribute and precondition of good and promising coordination constitutes **the political choice (selection) of what is to be (and can be) coordinated,** as well as the choice of the coordinator. The issue of better coordination prevails not only on European level but equally in the Member States and in regions, which not least also need adequate resources, the allocation of which falls under the responsibility of the EU.
- c. The **coordination of community measures is the task of the European Commission.** The European Commission needs to install multi- and internal coordination units with the aim to secure coherent action of the European Commission as a whole through the harmonisation of different policy areas. By empowering specific units territorial aspects should be better positioned within the European Commission. The same is true for the harmonisation between regional policy and other territorially important policy areas. These conflicts e.g. between transport policy and environmental policy or between competition policy and measures of general economic interest could be if not resolved at least decreased (at best, could be brought to the territorial level where appropriate solutions can be sought and found).

[QUESTION: WHICH SECTORAL POLICIES SHOULD GIVE MORE CONSIDERATION TO THEIR TERRITORIAL IMPACT WHEN BEING DESIGNED? WHAT TOOLS COULD BE DEVELOPED IN THIS REGARD?]

- a. Generally **all policy measures should give more attention to their territorial impacts** and not only to the impacts but also to the territorial preconditions. As a rule this appears to be easier on local and regional level than on EU level. After all first attempts can be recognised in the area of transport policy and environmental policy; in the areas of competition policy, energy, employment, finance policy but also research policy additional efforts are necessary.
- b. Best suited for this are **forms of information** which make conflicting targets between individual measures explicit, serving the exchange of information by bridging linguistic and technical barriers. In some cases (but not generally) these forms may also be used for a cooperative decision-making process.

- c. Furthermore, improvement of the instruments of territorial monitoring (including regional statistics) is necessary since without such instruments the (territorial) impacts of any measure cannot be described and evaluated.

[QUESTION: HOW CAN THE COHERENCE OF TERRITORIAL POLICIES BE STRENGTHENED?]

Territorial coherence of policy measures – as we would rather formulate it – can only be strengthened by acknowledging, that policy making is never free of conflicts and simultaneously by striving for solving or diminishing the conflicts in question through win-win solutions. With a view to the multitude of actors and their different interests this is a very challenging task. According to the (rich) Austrian experience territorial coherence of policy measures can only be successful if

- consensus is reached as to the meaning of terms used by the partners;
- a consensual framework about objectives and strategies can be established in partnership;
- the assessment of territorial impacts of relevant activities follows accorded methods;
- the cooperation within functional areas across administrative borders is being improved and strengthened;
- forms of governance are developed which optimise cross-institutional coordination in a way that allows true participation of the local and the regional level – also taking into account their limited resources – and
- win-win-solutions for all parties concerned are found on the basis of the above.

[QUESTION: HOW CAN COMMUNITY AND NATIONAL POLICIES BE BETTER COMBINED TO CONTRIBUTE TO TERRITORIAL COHESION?]

- a. Such a contribution of Community and national policies should **also include the local and regional level**. For the particular combination including regions and the local level specific multi-level-governance forms have to be developed and tested on a case-to-case basis. The European Commission could acquire the role of initiator for such forms of governance.
- b. Taking into account **specific territorial features in regulations** could ease the harmonisation with Member States' tier in some cases and support Territorial Cohesion.

2.5. New territorial partnerships

[QUESTION: DOES THE PURSUIT OF TERRITORIAL COHESION REQUIRE THE PARTICIPATION OF NEW ACTORS IN POLICY-MAKING, SUCH AS REPRESENTATIVES OF THE SOCIAL ECONOMY, LOCAL STAKEHOLDERS, VOLUNTARY ORGANISATIONS AND NGOs?]

- a. Participation of “new actors” is currently very varied (both in terms of volume and in terms of regulation) in the Member States. This general issue of “good governance” needs to be tackled in the context of territorial partnerships just the same and **needs to be answered on the respective (territorial) level**.
- b. In Austria, participation of the group of actors mentioned is traditionally very high at all levels so that **they cannot really be called “new”**. The active participation in Austria should also be

developed and cultivated in a wider context. This would also encompass the integration of worldwide networks e.g. of scientists of different disciplines in regional networks.

[QUESTION: HOW CAN THE DESIRED PARTICIPATION BE ACHIEVED?]

By **credible and uncomplicated processes of participation** which are not reduced to gathering last minute opinions, but rather offer true opportunities for getting involved, and by anticipating and repeatedly communicating the respective topics.

2.6.Improving understanding of Territorial Cohesion

[QUESTION: WHAT QUANTITATIVE/ QUALITATIVE INDICATORS SHOULD BE DEVELOPED AT EU LEVEL TO MONITOR CHARACTERISTICS AND TRENDS IN TERRITORIAL COHESION?]

- a. Better understanding of Territorial Cohesion **must not be reduced to the quest for and development of indicators**. The ESPON 2006 programme has taken big steps in many areas with respect to the identification of useful indicator (systems) but at the same time shown clearly that many basic questions with respect to Territorial Cohesion are technically yet unsolved. (Among these are the adequate representation of European settlement patterns, problems concerning the demarcation of functional regions, territorial interdependencies and cumulation of territorial impacts, etc.). Territorial Cohesion needs a **broad and deep technical/scientific discussion** similar to the one the notion of sustainability achieved after its introduction by the Brundtland Report.
- b. Certainly the sole use of economic and social indicators (such as GDP or employment ratios, etc.) also in territorial aggregation or regrouping is not enough to measure Territorial Cohesion.
- c. Indicators should **not be fixed prematurely by norms** as this could hinder the emergence of technically correct indicators because the debate on future allocations of funds could overshadow the quest for indicators.
- d. With a view to the flexible definition of regions and their diversity, **indicator-based systems of analysis cannot constitute the only source for assessment and for decision-making**. These instruments suffer from the limited appropriateness of the prevailing NUTS classification and from a lack of availability of community-wide data and their qualities. There needs to be room for indicators which shed some light on the particularities of regions too.