

Green Paper on Territorial Cohesion

20 October 2008

Introduction

1. The Commission published a Green Paper on Territorial Cohesion (TC) on the 6th October 2008, with a deadline for responses of 28th February 2008.
2. Whilst not explicitly focused on the future financing of cohesion policy, the debate is nonetheless important in shaping the future direction, shape and emphasis of cohesion policy and funding. The Commission states that increased clarity on the issues raised could assist in improving the governance, flexibility, responsiveness and relevance of cohesion policy
3. The concept of TC is not new and the Green Paper follows a 2007 request from EU ministers that the Commission prepare a report on TC by 2008. 2007 saw the agreement of the EU Territorial Agenda that aims for a more competitive and sustainable Europe of diverse regions, and the Treaty of Lisbon contained the strategic goal of 'economic, social and territorial cohesion'.

The focus of the Green Paper

4. The Green Paper does not provide a definition of TC, but a starting point is the goal of harmonious development of all territories within the EU, and the need to exploit territories' inherent features - be they physical, human, social or otherwise.
5. The paper focuses on three main sections – Concentration, Connection and Cooperation. In addition, the case for supporting specific types of region, and policy in practice are examined.

Concentration

6. Europe enjoys a relatively balanced urban concentration, with few very large cities such as those in the US. Economic development is more unevenly spread however, and regions face the challenge of desertification of non-core areas, as well as social, economic and environmental problems in cities.
7. It is recognised that urban areas are important for economic development so the aim is to avoid an over concentration of economic activity in a few very large cities, and increase access to the benefits of agglomeration in all territories.

Connecting territories

8. Connection in its widest sense between regions is explored– beyond transport infrastructure to examine access to services such as health care, energy networks and education. The importance is not of equal access to services but rather fair access to services.
9. Although much of the focus remains on tangible connections, the potential for virtual connections to compensate for geographical distances is highlighted in relation to the importance of broadband access.

Briefing

10. The problem of poor road links in new member states, the uneven distribution of high quality rail links across the entire EU, and the uneven quality of secondary roads and public transport that often make airport access troublesome, and the under-development of sea transport are highlighted.

Cooperation

11. The problems presented by connectivity and concentration require strong cooperation to address them, as do issues such as environmental problems that cross borders.
12. Cooperation explores how critical mass can be developed to address many of these key challenges, through policy responses on a variable geographic scale.

Specific regions

13. Three specific types of region that in some cases face particular development challenges are highlighted - mountain, island and sparsely populated regions. That these groupings are by no means homogenous is reflected in the paper where no single, overwhelming argument for specific ongoing support for the regions is given.

Policy and practice

14. Some EU policies have a clear impact on territorial cohesion, for example transport that affects the sustainable location of economic activity. The challenge is to ensure that the territorial impact of such sectoral policy is understood, and that sectoral and territorial policies are coordinated to maximise benefits.

Consultation questions

15. Questions in the consultation document are grouped around 6 key areas:
- Definition – *what is Territorial Cohesion and what would it add to cohesion policy?*
 - Scale and Scope – *should the EU be involved, what is the correct scale of intervention?*
 - Better cooperation – *what tools and support are needed for territorial cooperation?*
 - Better coordination – *how can territorial and sectoral policies be coordinated?*
 - New territorial partnerships – *should new stakeholders be involved in policy design and implementation?*
 - Improving understanding – *what indicators are needed?*

Key LGA messages for discussion

16. The LGA welcomes the acknowledgement of the importance of urban-rural links for overall regional development. There is scope to go further, and a more integrated approach to urban-rural development policy and funding streams could facilitate more cohesive regional development in the future.
17. The LGA believes that a key area for future analysis and exploration is how the territorial focus in policy development and implementation be complemented by a people focus that better reflects the demographic

challenges facing local authorities, regions and member states across the EU.

18. The LGA fully supports cooperation between regions to address common challenges and notes the success of programmes such as URBACT and Interreg in contributing to cohesion. The LGA asks if these should be strengthened in the future and whether requirements such as partnership composition could be less constraining.
19. The LGA believes that TC requires support for all regions and not just the economically weakest. Sectoral funding programmes such as LIFE+ could be significantly enlarged to complement existing structural funds, and ensure an increased impact for sectoral policy in Competitiveness regions, as well as cohesion between Competitiveness and Convergence regions.
20. The TC debate is an opportunity to move beyond a GDP focus and develop more varied indicators to support and inform regional development. The LGA encourages the identification of a comprehensive suite of indicators that best reflect regional capacity and development, and the levels at which they should be made available and applied.

Next steps

21. The LGA believes that whilst this consultation is an important element in discussions on cohesion policy post-2013 and that the outcomes will help shape future policy and funding.
22. The LGA will respond to the consultation in 2009 after consultation with stakeholders. Comments and input from local authorities are welcomed by the **28th November** 2008.

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Further information

To view the Green Paper on Territorial Cohesion and related consultation documents please go to http://ec.europa.eu/regional_policy/consultation/terco/index_en.htm

To view the LGA's position on the EU Budget Review please go to <http://www.lga.gov.uk/lga/aio/387230>

To view the LGA's position on the future of EU Cohesion Policy please go to <http://www.lga.gov.uk/lga/aio/328997>

For a copy of the LGA's response to the European Commission's consultation on the urban contribution to growth and jobs please contact one of the above officers.