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To be discussed at the Director Generals meeting on Territorial Cohesion  
15<sup>th</sup> - 16<sup>th</sup> November, 2006 in Espoo, Finland.

## **Territorial Agenda of the European Union**

### ***Towards a More Competitive Europe of Diverse Regions***

To be presented for adoption by Ministers responsible for Territorial Development on the occasion of the Informal Ministerial Meeting on Territorial Cohesion to be held in Leipzig on 25 May 2007.

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Based on the findings of the background document  
"The Territorial State and Perspectives of the European Union".

## **Background and Political Context**

The Territorial Agenda of the European Union constitutes a strategic and action oriented framework for the territorial development of Europe. It supports the implementation of both the Lisbon and the Gothenburg Strategies through an integrated territorial development policy based on the articles 2, 16 and 158 of the Treaty. The Agenda contributes to economic growth and sustainable development by strengthening territorial cohesion of Europe.

The objective of territorial cohesion was added as a third dimension alongside with economic and social cohesion in the Constitutional Treaty, agreed upon by the Intergovernmental Conference of the EU Member States on 29 October 2004. The Treaty, still to be ratified, hereby acknowledges the territorial dimension of EU policies. Since then territorial cohesion has become a politically accepted objective of the EU, which has formally been addressed among others in the Third Cohesion Report of 2005 and the Community Strategic Guidelines on Cohesion adopted in 2006.

As described in the Community Strategic Guidelines, the concept of territorial cohesion is associated with the capacity of cohesion policy to adapt to the particular needs and characteristics of specific geographical challenges and opportunities. Under cohesion policy, geography matters. This means that a different meaning should be given to territorial cohesion, linked to each Member State's history, culture or institutional situation.

At their Informal Ministerial Meeting on Territorial Cohesion held in Rotterdam in November 2004 Ministers agreed to introduce the territorial dimension into the Lisbon Process and to present opportunities for better using the territorial diversity and potentials of Europe. Ministers also agreed that their policy agenda until 2007 would include the preparation of the synthesis document, "The Territorial State and Perspectives of the European Union".

At their Informal Ministerial Meeting in Luxembourg in May 2005 Ministers endorsed the themes and priorities identified in the scoping document for an assessment of "The Territorial State and Perspectives of the European Union". This assessment has been developed into an evidence based background document for the Territorial Agenda of the EU. Both of these documents have been elaborated in an open process with stakeholders.

While focusing on sustainable economic growth of Europe, the Territorial Agenda of the EU builds upon the European Spatial Development Perspective (ESDP), which was agreed by the Ministers in 1999 as a result of cooperation by EU Member States on spatial development. The CEMAT Guiding Principles for Sustainable Spatial Development of the European Continent serve as a reference document. Since the adoption of these documents the enlargement of the EU has taken place and new territorial challenges emerged.

The Territorial State and Perspectives of the EU document is an assessment of the current territorial development of the EU. It takes advantage of the latest spatial research outcomes of the ESPON Programme (European Spatial Planning Observation Network) and the different spatial visions and strategic aims of Transnational Cooperation Areas, which have been supported in the framework of the EU Community Initiative INTERREG III B.

The ambitions of the Territorial Agenda of the EU are to be achieved through informal structures of cooperation. The Ministers see for themselves a role in raising awareness and stimulating debate on the most important territorial challenges for Europe. The Territorial Agenda of the EU provides a strategic framework with priorities for territorial development of Europe. It recommends a number of key actions aimed to create a more coherent approach to territorial development within EU and national policies. The Territorial Agenda of the EU also contains a programme of joint activities, on which the Ministers have agreed to take an active role during the period 2007 - 2010.

# Territorial Agenda of the European Union

## 1. Aims and General Approach – Territory matters

(1) As the analysis of the Territorial State and Perspectives of the EU document shows, Europe will have to face some striking challenges in the coming years. The most important territorial trends and driving forces will influence different European cities and regions differently. Among the most important challenges with diverse territorial impacts are:

- geographical concentration of activities supported by market forces and general evolution of society,
- accelerating integration of the EU in the global economic competition,
- growing interdependency between the EU territory and neighbouring countries as well as the other parts of the world,
- effects of ageing and migration on labour markets and social sustainability,
- impacts of climate change e.g. on occurrence and type of hazards,
- rising energy prices and uneven territorial opportunities for new energy paradigm,
- impacts of the enlargement of the EU on the economic, social and territorial cohesion of the EU and
- aspects of unsustainable development leading to the overexploitation of the ecological capacity of the regions.

(2) The regions of the EU are endowed with huge territorial potentials for sustainable economic growth and job creation. These comprise a diverse mix of territorially organized tangible and other resources such as social capital, institutional settings, community development and local entrepreneurship capacities.

(3) The aim is to strengthen the global competitiveness of all regions of Europe. In the light of the Lisbon and Gothenburg Agendas, the diverse territorial potentials for sustainable economic growth and job creation in Europe must be identified and mobilised and the constraints removed or mitigated. This also means that the attention has to be paid especially to the lagging and peripheral areas of the EU. In addition the obstructive effects of borders on the optimal utilization of territorial potentials must be mitigated by more intensive cross-border and transnational cooperation.

(4) Mobilisation of diverse territorial potentials requires a new understanding of territorial governance and cooperation with the private sector. The territorial influence of EU Cohesion Policy and other policies, e.g. Rural, Environmental and Transport Policies must be acknowledged at all levels. This implies that EU policies should improve consideration of local, regional and national policies and development potentials by having a more coherent approach to territorial development. On the other hand, regional and local development strategies should focus more explicitly on European needs and make a better use of the opportunities offered at the EU level. In this respect the EU programmes of European Territorial Cooperation are of crucial importance.

(5) Bringing Europe closer to its citizens requires close interrelationship between the diverse concerns of regions and EU policies. This calls for active participation by different types of public and private stakeholders in designing and implementing EU policies.

## **2. Priorities for Territorial Development in Europe**

*There is a need to target territorially oriented policies in order to achieve specific, commonly agreed European objectives for territorial development. The Community Strategic Guidelines on Cohesion lay a firm base for this. Based on the findings in the Territorial State and Perspectives of the EU document as well as the outcomes from the stakeholder dialogue, the Ministers wish to highlight some important priorities of territorial development of Europe in the Agenda. Public and private initiatives and territorial cooperation are required in order to promote territorial development in line with these priorities.*

### **2.1 Promoting Urban Development in a Polycentric Pattern**

(6) Metropolitan regions and other urban areas, such as regional centres, especially those outside the core areas of Europe must be strengthened. This will lead to a more balanced European urban system and to the promotion of polycentric EU territory and better accessibility.

(7) Metropolitan regions and other urban areas are encouraged to focus on and develop their individual trans-European profiles and roles and thus to better utilise their territorial potentials for attracting the optimal mix of public and private investments in order to strengthen their global competitiveness.

(8) Trans-European co-operation between metropolitan regions and other urban areas is to be supported in order to find an effective balance between complementarity and competition within and between the urban areas of various sizes.

### **2.2 Strengthening Urban-Rural Partnership**

(9) Tailor made policy solutions are to be developed for different types of rural-urban settings in order to fully utilise the variety of potentials in rural and urban areas and their interrelationships.

(10) Rural and urban areas are encouraged to cooperate as equal partners in order to identify their common development assets, endogenous potentials as well as development strategies and to diversify their economic base by stimulating local entrepreneurship.

(11) New forms of governance are to be exploited for improving efficiency, productivity and sustainability of the rural-urban partnership,

### **2.3 Promoting Trans-National Competitive and Innovative Regional Clusters**

(12) In order to facilitate bottom-up processes for the creation of genuine European clusters, strong and direct connections between innovation policies and regional development policies as well as between business community, scientific institutions and administration are to be promoted both at the EU and national levels.

(13) In addition to metropolitan regions, small and medium sized cities as well as rural areas are also encouraged to strengthen their international identity and specialisation and to identify priorities for cooperation and synergies in investments in order to create transnational clusters of innovation between themselves or with larger creative innovation hubs.

## **2.4 Strengthening Trans-European Technological Networks**

(14) In order to improve the accessibility of all the regions of the EU and especially the peripheral areas, the relevant European, national and regional actors are encouraged to explore ways of securing effective and sustainable integration between trans-European and secondary networks including all modes of transport and various combinations.

(15) Based on the principle of sustainability, integrated development of high-speed train systems, network of viable regional airports, maritime and inland waterways as well as trans-European roads specifically in the Eastern Member States is needed in order to strengthen the territorial cohesion of the EU.

(16) Access to and innovative use of information and communication technologies is to be supported through territorial cooperation in order to alleviate the obstacles of physical and social accessibility and to ensure a sufficient level of services of general interest, such as health care, both in rural and urban areas.

(17) In the face of rising energy demand, limited reserves of non-renewable energy sources, growing dependence on imported energy and rising energy prices, underutilized territorial potentials for more decentralized, efficient, safe and environmentally friendly production of renewable energy are to be further explored and exploited.

(18) The energy efficiency of European territorial and urban structures is to be improved and their resilience to rising energy prices is to be improved.

## **2.5 Promoting Trans-European Risk Management**

(19) Territorial cooperation is to be further developed and intensified in order to create common approaches and strategies to prevent, mitigate or adapt to shared technological and natural risks.

(20) In order to improve the efficiency of risk management and to guide development appropriately, a spatial approach is to be taken to integrated decision making and new forms of transnational risk governance are to be developed especially in multi-hazard areas like coastal zones, lakesides, maritime and river basins and mountainous areas.

## **2.6 Strengthening Ecological Structures and Cultural Resources**

(21) While securing the irreplaceable values of European ecological structures and cultural resources, the development of nature- and culture-based services is to be promoted especially in areas, where preconditions for other types of economic development are unfavourable.

(22) The existing ecological networks are to be further developed in order to create an integrated and sustainable trans-European ecological structure with adequate green corridors and zones of cultural landscapes linking protected sites of European and national importance.

(23) Coordinated transnational interventions and management are to be aimed at enhancing territorial entities like routes and networks of cultural and natural value in order to valorise the European heritage and thus develop it further.

(24) Integrated territorial development policies must be strengthened especially in the most ecologically fragile areas in order to address the key challenge of reconciling economic development and ecological capacity in these areas.

### **3. Key Actions for the Future**

#### **3.1 Actions for Promoting More Territorially Coherent EU Policies**

*In order to promote more territorially coherent EU policies at the EU level, the Ministers ask the Commission and the other institutions of the European Union to take actions in line with the following:*

(25) The inclusion of the concept of Territorial Cohesion in the Treaty of the European Union, when being amended and ratified, is regarded as an indispensable step towards a better territorial coherence of EU policies.

(26) The European Commission is asked to work together with the Member States in order to build a common understanding on the concept of territorial cohesion. This should lay the basis for further elaboration of the territorial dimension of EU policies in a Communication on Territorial Cohesion by the Commission to be based on envisaged ratification of the new Treaty.

(27) In order to highlight the impacts and potentials of EU policies regarding territorial cohesion, the European Commission is asked to include a strong territorial component in future Reports on Social and Economic Cohesion.

(28) The European Commission is asked to work on a follow-up to its Communication on The Contribution of Cities to Growth and Employment in Regions in relation to the Territorial Agenda of the EU. Moreover the Commission is requested to incorporate the territorial dimension more explicitly into the work of its Interservice Group on Urban Affairs.

(29) The Slovenian EU Presidency and the Commission are requested to take the Territorial Agenda of the EU into account in their preparations for the 2008 spring European Council in view of a stronger and more formal political recognition of the territorial dimension of the Lisbon strategy.

(30) The Regional Development Committee of the European Parliament and the Territorial Cohesion Committee of the Committee of the Regions are requested to support the priorities and implementation of the Territorial Agenda of the EU in their activities and to cooperate in an open dialogue.

#### **3.2 Actions for Providing European Tools for Territorial Cohesion**

*In order to provide Europe with adequate tools for promoting the achievement of the goals of territorial cohesion, the Ministers ask the relevant European and transnational bodies to act in line with the following:*

(31) In-depth informal dialogue among the EU Member States and the European Commission on strategic territorial issues is required in future. Therefore the available options provided by the existing EU comitology for this purpose should be made effective use of and developed in cooperation with the EU Member States and the Commission.

(32) Territorial impacts should be better taken into account in designing EU and national policies. Therefore the Commission, with the support of the ESPON 2013 Programme, is asked to further develop the methodology for territorial impact assessment (TIA). The experiences gained or to be gained through transnational territorial cooperation projects can also make a strong positive and relevant contribution in this respect.

(33) The ESPON 2013 Programme is urged to deepen the analyses on the key territorial issues that have been identified by the Territorial Agenda of the EU and the assessment provided by the document Territorial State and Perspectives of the European Union. The ESPON 2013 Programme is also asked to develop its services providing transnational groupings of cities and regions with up-to-date, comparable and operational evidence from a European territorial perspective.

(34) The opportunities offered by the EU Programmes for European Territorial Cooperation are to be fully exploited. Actions supported through territorial cooperation programmes, especially those of transnational character, should encourage integrated territorial development of the respective areas. Therefore a more coherent and better coordinated implementation of different types of territorial cooperation programmes through multi level governance tools, such as the European Grouping of Territorial Cooperation is required. Cooperation at a more strategic level within the European macro-regions as well as between cities and regions is to be supported.

### **3.3 Actions for Strengthening Territorial Cohesion in the Member States**

*In order to strengthen territorial cohesion at the national level, the Ministers agree to promote the following actions in their respective countries:*

(35) The priorities of the Territorial Agenda of the EU and the territorial aspects of the Community Strategic Guidelines on Cohesion (CSG) are to be integrated in national territorial development perspectives, guidelines and schemes.

(36) A debate is to be started on how the priorities of the Territorial Agenda of the EU along with other territorial cohesion aspects of the EU level, can be taken into account in national sector policies in accordance with the institutional arrangements of the respective Member State. A basis for this debate has been laid down by the conclusions of the Baden Seminar on Governance in June 2006 during the Austrian Presidency.

(37) Territorial development related issues reflecting the aims of the Territorial Agenda of the EU are to be taken on board more explicitly in the context of the implementation and midterm-evaluation of the Structural Fund Programmes 2007 – 2013 as well as in the national action plans for implementation of the Lisbon Strategy.

(38) EU Member States are to ensure, that, within the terms of their respective national institutional arrangements, the needs of local and regional, public and private stakeholders are taken into consideration when designing spatially relevant policies. The stakeholders are to be integrated in the political debate on territorial priorities.

### **3.4 Joint Activities by the Ministers**

*In order to promote the achievement of the basic aims of the Territorial Agenda of the EU, the Ministers commit themselves to the following joint activities during 2007- 2010:*

(39) In view of a pragmatic and effective management of the Territorial Agenda of the EU, the Ministers agree to act jointly to ensure the informal structures for cooperation including the Presidencies, EU Member States and the European Commission for the period 2007-2010. This requires smooth functioning of the Presidencies Group to be equipped with adequate secretarial resources and supported by the services of experts.

(40) The Ministers agree to act jointly to continue and strengthen the existing cooperation between the EU Member States and the European Commission through the Network of

Territorial Cohesion Contact Points. In this respect, the Commission is asked to ensure a permanent contact point for territorial cohesion within its services.

(41) Joint activities of the Ministers are to be focused on facilitating the EU debate on key dossiers from a territorial point of view. In this respect, the most important ones include:

- the 2010 midterm review of Cohesion Policy, which should include an in-depth assessment of the achievement of the goals of territorial cohesion,
- the ongoing debate on EU Governance, which should take on board the need of territorially more coherent EU policies,
- the debate on Lisbon post 2010, which should evaluate and ensure the utilization of diverse territorial potentials across the EU and
- the debate on the 7<sup>th</sup> Environmental Action Programme of the EU, which should also address the notion of territorial diversity and the territorial impacts of EU environmental policies.
- the review of the EU budget to be reported in 2008/9 covering all aspects of EU financing, which should also look into EU spending from the territorial point of view.

(42) The Ministers agree to encourage public and private stakeholders to become engaged in addressing the territorial dimension of EU policies. Their specific interests are to be recognised and served with targeted information based on user demand. The Ministers are asking the coming EU Presidencies to elaborate this ambition into specific activities in accordance with topical needs for policy development.

(43) The Ministers request the coming EU Presidencies together with EU Member States, the European Commission and other stakeholders to implement and to further elaborate the Territorial Agenda of the EU. The coming EU Presidencies are asked to work out an Action Programme for implementing the Territorial Agenda of the EU. *(The text will be completed in accordance with the priorities of coming EU Presidencies).*

(44) In view of the rapid changes in territorial development of the EU and evolution of the national and EU policies with territorial dimension, the Ministers ask the coming EU Presidencies to evaluate and review the Territorial Agenda of the EU by the end of 2010.