No. 60

Why the EU Needs a European Spatial Development Policy

Hanover 2004
No. 60

Why the EU Needs a European Spatial Development Policy

Hanover 2004
This position paper was prepared by members of the ARL’s ad hoc working group on “European Spatial Development”. It comprised:

Arthur Benz, Dr., Prof., FernUniversität Hagen, Full Member of the ARL
Klaus Borchard, Dr.-Ing., Prof. em., Königswinter (Head of the ad hoc working group), Vice-President and Full Member of the ARL
Thiemo W. Eser, Dr., TAURUS Institute at the University of Trier, Correspondent Member of the ARL
Hans Joachim Kujath, Dr., Prof., Deputy Director of the Institute for Regional Development and Structure Planning, Erkner, Correspondent Member of the ARL
Christian Langhagen-Rohrbach, Dr., Johann Wolfgang Goethe University, Frankfurt am Main, Correspondent Member of the ARL
Ernst-Hasso Ritter, Dr., Meerbusch, Vice-President and Full Member of the ARL
Karl Peter Schön, Dr., Bundesamt für Bauwesen und Raumordnung (Federal Office for Building and Regional Planning – BBR), Bonn, Correspondent Member of the ARL
Gerd Tönnies, Dr., Head of Department for “Population and Spatial Structure” at the ARL Secretariat, Hanover
Michael Wegener, Dr.-Ing., Prof., Spiekermann & Wegener Stadt- und Regionalforschung, Dortmund, Correspondent Member of the ARL

Translation: Dr. Graham Cass, Baroper Straße 233a, 44227 Dortmund

Hanover, Germany – October 2004

Secretariat of the ARL: WR I „Population and Spatial Structure“
Head: Dr. Gerd Tönnies (Tönnies@ARL-net.de)

Position Paper No. 60
ISSN 1611-9983
Academy for Spatial Research and Planning (ARL)
Hohenzollernstraße 11, 30161 Hannover
Tel. (+49-511) 3 48 42-0 Fax (+49-511) 3 48 42-41
e-mail: ARL@ARL-net.de, Internet: www.ARL-net.de
Why the EU Needs a European Spatial Development Policy

Contents

1 Introduction 1
2 The Starting Point and New Challenges for European Spatial Development Policy 2
   2.1 The starting point 2
   2.2 New challenges 2
2.3 The Changed Demands on European Spatial Development Policy 4
   3.1 Structural policy 6
   3.2 Infrastructure policy 8
   3.3 Agricultural and environment policy 9
4 Carrying Forward the ESDP Process: Institutional and Procedural Aspects 12
5 Conclusions 15

1 Introduction

In May 1999, for the first time in the history of Europe and under Germany’s presidency of the EU council, a European Spatial Development Perspective (ESDP) was formally adopted by the -- at that time -- 15 member-states of the EU, as well as by the European Commission. Its purpose as a political document was to improve co-ordination between those sectoral policies which by their very nature exert an impact on spatial development and a common spatial development policy; at the same time the ESDP was seen as a contribution towards the efficient implementation of fundamental EU goals, in particular the goals of improving competitiveness throughout EU regions, strengthening economic and social cohesion and safeguarding the sustainable development of the EU territory.

Although an implementation programme based on the ESDP was adopted in 1999 in Tampere and has been supported by the European Commission through a number of Community initiatives, strategic co-operation between EU member-states since then has not progressed in any consistent fashion. In the wake of EU enlargement, European spatial development policy -- and thus also the ESDP -- now has new challenges to contend with.

In this situation, the German Academy for Spatial Research and Planning (ARL) has once again been looking into the need to extend the scope of the ESDP to reflect new circumstances. In the following paper, the members of the ARL ad hoc working group present their findings and recommendations for discussion.
2 The Starting Point and New Challenges for European Spatial Development Policy

2.1 The starting point

Five years ago in May 1999 in Potsdam, under the German presidency of the EU, the EU ministers responsible in each of the 15 member-states for spatial planning (EU-15), jointly with the European Commission, adopted the European Spatial Development Perspective (ESDP), based on the Leipzig policy principles of 1994. For the first time in the continent's history, Europe had a common perspective document for its spatial development which was both of practical importance and enjoyed general support.

The ESDP argues that intensifying the dialogue between spatially significant sectoral policies and a European spatial development policy committed to improving the degree to which sectoral policies are co-ordinated with the aims and strategies of spatial development will in turn enhance the coherence and efficiency of policy measures and regional aid policies; thus, while holding down the level of funding required for this purpose, it will add to the effectiveness of such measures. A common European spatial development policy developed jointly by the European Commission and the EU member-states is thus seen as a contribution towards achieving fundamental EU goals – namely: balanced competitiveness throughout its regions; the strengthening of economic and social cohesion; and sustainable development of the EU territory – while remaining within the bounds of the existing spending framework.

Based upon the ESDP, an implementation programme was adopted in autumn 1999 in Tampere, the key elements of which were strengthening transnational co-operation between cities and regions on matters of spatial development, and improving the knowledge base. The European Commission supports this endeavour within the framework of the INTERREG Community initiative, most specifically through the INTERREG III and ESPON programmes. With INTERREG III and ESPON, the centre of gravity of the ESDP process has shifted over the last five years to the implementation of specific substantive (sub-)components; by contrast, however, in the years since 1999 strategic co-operation among EU member-states in the form of joint committees and meetings between ministers has largely come to a stand-still.

As far as the fundamental significance and validity of the arguments presented in the ESDP is concerned, nothing has changed over the last five years. On the contrary: the challenge to politicians to create effective, co-ordinated instruments for intervention, which at the same time can effectively hold down costs to the minimum, is now greater than ever before. Equally, European spatial development policy also faces new challenges – which invites the question as to whether the ESDP – or implementation of the ESDP – is capable of meeting these challenges.

2.2 New challenges

It is important to note from the outset that, as far as its legal status is concerned, the ESDP is a joint policy document on spatial development of the 15 (old) member-states; it does not represent EU policy. The new member-states were in no way involved in formulating the aims it contains. In the enlarged Community, the ESDP thus has no legitimacy. It does not form part of the body of Community law adopted by the new members.
There is also one further problem of a substantive nature. The paramount challenge facing the EU today is that of integrating the new member-states within the Community. Regional disparities within the enlarged EU are now greater than ever before. In supporting and assisting the development of (problem) regions in both the old and the new member-states, it is vital to adopt a balanced approach, and to ensure that the impetus associated with enlargement can be put to positive use also in the old member-states. With the increasing heterogeneity of the enlarged EU, the importance of the regions will grow as the appropriate sphere for decision-making and action.

Not least as a response to growing regional disparities and increasing heterogeneity, the European Constitution has extended the catalogue of EU goals: in addition to supporting economic and social cohesion, it is now an explicit EU goal to promote territorial cohesion. This raises the question of the extent to which this addition will affect the basis for co-operation in the field of spatial development in Europe (and thus also create new opportunities for improved co-operation).

It is of course true that the resolutions of the European Council taken in Lisbon (increasing competitiveness within the EU) and Gothenburg (supporting sustainable development within the EU) do address important elements which also form the basis of the ESDP. These include the three pillars of sustainability (economic – social – environmental), as well as the balance between providing assistance to economically underdeveloped or geographically disadvantaged areas, on the one hand, and consolidating the existing “engines of growth”, i.e. Europe’s high-growth metropolitan regions, which generate the economic resources needed to make redistribution to the regions possible. However, in political terms the basic orientation of both the Lisbon and the Gothenburg strategies is purely sectoral: both neglect almost completely the spatial dimension (e.g. the spatial impacts of increased competition). An important task for the future will be to show just how the spatial dimension of the competitiveness and sustainability goals can be integrated within the Lisbon and Gothenburg process.

Even now European regional policy follows an approach which in its operational programmes takes account of spatially specific potentials and the infrastructure currently in place. This approach should be further intensified in accordance with the new draft guidelines for structural funds. The present draft ordinance is the Commission’s proposal for the next generation of cohesion-policy programmes (KOM(2004) 492 final), which to the extent that they are cross-border, regional and national programmes are required to take account of the aims of spatial, regional and urban development. It would be helpful – and it could lead to a broadening of the scope of application – if a European spatial development policy were able to identify possible points of application.

A number of the issues addressed in the ESDP have, nonetheless, only over the course of the last few years entered into public awareness to any significant degree and started to figure in the discourse either in political circles or in society in general; the focus on these issues should be intensified. One such issue is changes in demographics, the natural components of which (falling birth-rates, population depletion, ageing) have been intensified in some regions by (selective) outward migration, giving rise to major problems for the economies and infrastructure endowment of the regions concerned. Other issues include the rise in demand for energy (which has also risen comparatively in global terms), and the persisting high prices for energy, which are posing increasingly severe problems not only for the structure of the economy but equally for settlement structure. EU enlargement has brought with it a continuing increase in traffic levels in Europe, most especially of freight transport on the roads.
Our knowledge about spatial development in Europe and the interdependencies between economic, social and ecological processes is growing constantly. This is due not least to the work of the ESPON (the European Spatial Observation Network), which has made a major contribution to providing a more solid basis for policy advice in the field of spatial development in Europe. The supply of new insights coming from the ESPON needs to be carried forward and put on a firmer and more permanent footing as a means of underpinning the concept of knowledge-based spatial development.

The effectiveness of a European spatial development policy depends not least on the implementation – or in some cases the assertion – of its aims. At the European level, new methods for steering spatial development are now under discussion, including, for example, open coordination and territorial impact assessment aimed at gauging the spatial impacts (or side-effects) of sectoral policy measures at an early stage. These new methods must be developed further with the benefit of scientific guidance, with special attention being paid to their scope for application in respect of spatial development. This makes the performance of the ESPON a key component of a future European spatial development policy.

Recommendations for the further development of European spatial development policy must be put forward and implemented on a tight time-scale. Interim appraisal of the Lisbon and Gothenburg strategy will be due in the spring of 2005. It is thus vital to ensure that the benefits for this strategy of taking greater account of European spatial development policy are soon made apparent to the bodies responsible for taking the relevant political decisions. Key decisions will also be taken in the foreseeable future within the already on-going process of preparing the new funding period for structural funds from 2007-2012, affecting in particular the future orientation and details of regional and structural policies, including transnational co-operation (INTERREG III) and co-operation in the area of spatial research and science-based policy advice.

3 The Changed Demands on European Spatial Development Policy

As outlined in the previous chapter, since the draft ESDP was first produced there have been a number of significant changes to the framework conditions which a European spatial development policy would have to address. Three changes are particularly important: firstly, there is now a major new challenge resulting from the need to assist the new EU member-states to catch up in economic, infrastructure and environmental terms; secondly, the Lisbon resolution has led to a shift in the balance between the prime goals of growth, cohesion and sustainability in favour of global competitiveness; thirdly, it has become clear that we are approaching the end of the era of cheap energy.

These changes give rise to a number of conflicts regarding the aims of a spatial development policy committed to securing balanced, polycentric spatial structure. If the Lisbon aim is interpreted as meaning that priority should be given to promoting the already highly efficient agglomerations within Europe’s “pentagon” of cities (London-Paris-Milan-Munich-Hamburg), this will inevitably increase the gap that already exists between these cities and other European cities and regions. On the other hand, if the key objective is seen as being cohesion at the European level, then it would be those other major cities and regions outside the “pentagon” which should be given priority with regard to promoting their future development, which would further accentuate the acute polarisation which already characterises the city systems in the accession states. The opposite approach, i.e. promoting the development of
small- and medium-sized towns and cities in these countries, and also peripheral regions, would however run the risk of impeding these countries in their attempt to catch up economically with the rest of the EU. These conflicts are summarised in Table 1.

Table 1: Conflicting aims of a European spatial development policy

<table>
<thead>
<tr>
<th>Aim</th>
<th>Measures</th>
<th>Conflicts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global competitiveness (&quot;Lisbon&quot;)</td>
<td>Consolidating the major agglomerations within the “pentagon” at the top level of the hierarchy of urban centres</td>
<td>Increased polarisation between the major agglomerations within the “pentagon” and Europe’s other cities. The system of European cities would be rendered less balanced and less polycentric. Further traffic growth.</td>
</tr>
<tr>
<td>Territorial cohesion at European level</td>
<td>Consolidating the major cities outside the “pentagon”</td>
<td>Could adversely affect the competitiveness of the major agglomerations within the “pentagon”. The systems of cities within each member-state would be rendered less balanced and less polycentric. Further traffic growth.</td>
</tr>
<tr>
<td>Territorial cohesion at national level</td>
<td>Consolidating the medium-sized towns and cities in the new member-states</td>
<td>Could adversely affect the competitiveness of the new member-states.</td>
</tr>
<tr>
<td>Sustainability (&quot;Gothenburg&quot;)</td>
<td>Consolidating the smaller towns and cities in the new member-states</td>
<td>Could adversely affect the competitiveness of the main cities in the new member-states.</td>
</tr>
</tbody>
</table>

As attempts are made to take forward a European spatial development policy, one task will be to propose rational solutions for addressing these conflicting aims. This should not be done in an either/or fashion; the task is much more one of developing a spatially and temporally differentiated strategy which takes account of the diverse requirements which exist in the individual region types.

Such a strategy should be based upon a phase-oriented approach to spatial development: during the early phases of economic development in a given country, the appropriate focus for spatial structure should be the major centres of growth, with the focus shifting during the later phases to polycentric spatial structure. This would allow the old member-states and the new accession states to set different priorities: whilst the old member-states would concentrate on promoting decentralised, polycentric spatial structures, the new member-states would give priority – initially at least – to consolidating the major cities as a precursor to subsequently also developing a balanced, polycentric spatial structure. One justification for this approach is that top performances in the scientific and technological fields are by no means to be found only in the major agglomerations. Excellence can also be achieved – and in fact is particularly likely to occur – in medium-sized cities served by good communications networks. Equally, the most efficient countries in Europe in economic terms are those with polycentric urban systems (ESPON 1.1.1, 2004). Such a strategy is by no means at odds with the aims contained in the Lisbon Resolution; it would rather attempt to achieve these aims in a more intelligent manner than simply concentrating on consolidating the biggest agglomerations at the expense of other areas.

This type of spatially and temporally differentiated strategy for spatial development in Europe throws up new demands to be considered in carrying forward European spatial development
policy. These will be discussed below and illustrated with reference to the policy areas “structure policy”, “infrastructure policy” and “agricultural and environment policy”.

3.1 Structural policy

The enlargement of the EU to the east has brought with it a drastic increase in socio-economic disparities within the Community; from the convergence perspective, the greatest need for action now lies in the regions of the new member-states. On top of this, the Community’s biggest economies are currently showing extremely weak rates of growth and are no longer in a position to act as the economic motors which drive the EU. The recommendations proposed to date by the European Commission concentrate on continuing to provide economic assistance to structurally weak regions, primarily in the interests of promoting convergence. At the same time, and as a reaction to weak growth and low levels of innovation, EU structural policy is linked more than was previously the case to the aims of the Lisbon process, i.e. making the EU more competitive. This places the spotlight now not only on those approaches designed to compensate for imbalances, but also on growth-oriented approaches. In this light, there will in future be three priority areas for structural policy to address:

1. Convergence and competitiveness: measures to address this priority area aim to achieve convergence by creating a pro-growth and competitive environment in structurally weak regions (with per capita GDP less than 75% of the Community average). The lion’s share of aid from the structural funds can in future be expected to be channelled into the new member-states, and here preference will be shown for those regions with the greatest potential for growth.

2. Regional competitiveness and employment: within this priority area, funding will be given to measures which support the transition towards a knowledge-based economy in areas which do not rank among the economically underdeveloped areas. This will therefore also include developed urban regions in western Europe.

3. European territorial co-operation: this priority area brings together various measures aimed at promoting transnational co-operation. This priority area is also concerned predominantly with dismantling the obstacles to growth which continue to exist in the form of barriers between member-states. Compared to this, the range of measures in the environmental and risk-prevention sector which qualify for funding is relatively small.

In operational terms, the implication arising from the changed conditions which have come about in the EU is that structural policy should now be focused on the specific problems of areas qualifying for assistance. Here structural policy can be expected – more than in the past – to address location-specific potentials and deficits, i.e. to mobilise regional potentials, to redress imbalances and to promote spatially integrated solutions (spatially specific aid packages). The degree to which regions are endowed with assets which represent potential for growth is thus a central plank in the promotion of regional competitiveness and regional growth. This also explains why recent approaches in EU structural policy have placed special emphasis on cities as centres of economic development, and on the economic, ecological and social deficits and potentials which are concentrated in them. Structure policy must, however, attempt to resolve the issue of the conflicting aims associated with these three priority areas (see above), i.e. the conflict between maximum exploitation of the potentialities for growth dispersed throughout an area and redressing spatial disparities.
This is particularly relevant in respect of the promotion of convergence and competitiveness under Priority 1, especially in the new member-states of central and eastern Europe. This aim can be achieved by focusing aid in spatial terms primarily on the major agglomerations (major cities) of central and eastern Europe; however, although this approach would be in the interests of convergence on the European level, at national level it could be expected to further accentuate regional disparities. If, on the other hand, priority is given to the medium-sized or smaller towns and cities, this will tend rather to redress the disparities which exist nationally within each member-state; by holding back growth in the national economies of member-states, however, this approach would slow down the process of EU-wide convergence. If the Lisbon aim of increasing Europe’s global competitiveness comes to be the main focus of structural policy, this would represent a fundamental shift in emphasis in structural policy away from “redistribution” in the direction of more “competition” and endogenous growth. Funding would have to be channelled rather into measures associated with Priority 2 to reinforce Europe’s strengths. In substantive terms, this would mean continuing with the development of the system of cities within the European “pentagon”. The contrasting levels of development currently found throughout Europe could be expected to be diverge even further, and the European system of cities would probably take on a rigidly hierarchical structure which would run counter to the endeavour to promote polycentric development. Promoting transnational co-operation under Priority 3 is similarly in harmony with the Lisbon objectives, and equally with the aim of redressing disparities and achieving sustainability. Transnational co-operation among major metropolitan centres strengthens the network of leading cities whilst neglecting the areas between them. Cross-border co-operation among small- and medium-sized towns and cities, on the other hand, strengthens the economies of border regions and reduces disparities within economic areas; it only has a limited role to play, however, in increasing growth potential at European level.

If we proceed from the diverse spatial characteristics (potentials and deficits) actually found in an increasingly heterogeneous Europe, then EU structural policy will have to assemble a number of distinct policy packages tailored to the diverse needs of the various types of regions:

- The policy packages associated with Priority 1, in principle, can target practically all of the regions of the new EU member-states of eastern Europe – as well as some regions of eastern Germany. Following the phase-oriented model for spatial development, at the current stage of development found in these states, priority should be given to consolidating those forces capable of generating growth in the interests of achieving greater convergence. Assistance should be concentrated on three types of regions in which the potential for development is particularly high: (1) the regions around the major cities; (2) the old industrial areas with their rich resources in “human capital”; and (3) the cities located in the western border regions, which are in a particularly good position to profit from exchanges with their neighbours in the old member-states.

- In the western European member-states, policy packages associated with Priority 2 should not be targeted primarily on the already highly developed cities within the “pentagon”, which display few deficits with regard to development potential. In terms of optimising the effectiveness and efficiency of regional aid, there is a better case for mobilising the existing potentials available in urban regions facing the problems associated with economic restructuring, and/or with peripheral locations, to improve the economic standing of these towns and cities within the system of European urban centres. This has the added advantage of freeing up growth potential capable of reinforcing the polycentric spatial structure (in Germany, for example, this would apply to the Rhine/Ruhr cities, to Nuremberg, and to Braunschweig/Salzgitter).
With regard to achieving the goal of territorial cohesion, transnational exchanges are gaining in importance (Priority 3). There is a need for further action to overcome the obstacles still represented by national borders, particularly in the areas of cross-border economic co-operation between towns and cities, environment policy, R&D policy and spatial development policy (land use and infrastructure). From the perspective of spatial development policy, assistance should be given not simply to promoting co-operation in border regions by strengthening decentralised, cross-border structures with the help of the legal instrument proposed by the EU for creating a European Grouping of Cross-border Co-operation (EGCC) (KOM (2004) 496 final), but also to integrating the regions close to national borders by forging links to high-growth regions. In this connection, it is now also necessary to redefine the areas in which transnational co-operation should be promoted, i.e. neighbouring regions sharing common interests and with development potentials which can be exploited jointly and transnationally. This redefinition should, however, take account of cross-border and functional interdependencies and the wishes of cross-border regions.

3.2 Infrastructure policy

The changes to the framework conditions which a European spatial development policy would have to address impact particularly on transport and telecommunications policy. Firstly, the transport and communications infrastructures of the new member-states need to be overhauled completely; secondly, in no other policy area are the effects of the emphasis placed by the Lisbon Resolution on promoting growth so directly evident as in transport policy. Thirdly, the already foreseeable shortages in energy supply over the longer term, and the accompanying rise in energy prices, will impact particularly severely on the transport sector.

Consequently, the conflicts over aims outlined above will show up particularly clearly in European transport and telecommunications policy. If priority is given to the Lisbon aim of global competitiveness, the implication would be to further improve the most efficient transport corridors already in place linking the major urban regions. From the perspective of increasing territorial cohesion in Europe, on the other hand, priority would have to be placed on improving links to and between the major cities of the new member-states — at the expense of regional transport networks within these countries. Both strategies would be associated with continuing growth in traffic levels, most particularly of freight transport. Concentrating investment on transport infrastructure on more peripherally located, low-traffic regions in order to promote regional business cycles would lead to unacceptable bottlenecks in high-density urban areas.

In the context of the spatially and temporally differentiated strategy for spatial development in Europe outlined above, the implications for European transport and telecommunications policy, and thus also for further advancing a European spatial development policy, are as follows:

- The challenge in the highly developed and already largely urbanised old member-states is to develop and strengthen approaches designed to promote decentralised and polycentric spatial structure, principally by improving the accessibility of intermediate-order central-place locations and by overcoming the accessibility deficits currently holding back rural and peripheral regions. Such a strategy would do more to promote the implementation of the aims of the Lisbon Resolution in spatial terms than could ever be achieved by con-
continuing to improve existing transport corridors between the major “growth hubs” (already constructed to extremely high standards).

- In the new member-states, however, which are still in the early stages of urbanisation, transport and telecommunications policy calls for a two-phase approach. For a transitional period of around ten to 15 years, it is wholly appropriate to consolidate the dynamics needed for growth in those major cities where this growth is not yet taking place – and which is of crucial importance if these countries are to catch up economically with the rest of the EU – by prioritising the improvement of communications links to the economic centres of western Europe with the help of high-efficiency transport corridors. Subsequently, however, it would be essential to take measures to prevent these cities from taking on an excessively dominant position nationally by redirecting investment to transport links between medium-sized towns. In due course, priority would shift – just like in the old member-states – to improving the transport infrastructure to serve rural and peripheral regions.

- Both strategies need to be combined with measures designed – and co-ordinated at the pan-European level – to manage the dramatic increase in road traffic anticipated in the future (affecting both passenger traffic and freight). The aim of these measures must be to internalise costs, i.e. to achieve truer pricing levels in the transport sector by bringing the cost of using the transport infrastructure more into line with the actual costs of providing it, while at the same time avoiding the undesirable effects of distribution. This would favour the environmentally more benign modes of transport, such as rail transport and the use of inland and coastal waterways. It would also promote regional business cycles and thus accord with the European Union’s sustainability goal; it would also prepare Europe in good time for the shortages and high prices which will affect energy supply in the future.

- Similar distinctions have to be made in applying these principles to telecommunications policy: here too different priorities apply in the old and the new member-states. The old member-states already boast almost blanket coverage with the most efficient telecommunications infrastructures currently available. The only reasonable task for European telecommunications policy is to fill in the gaps in supply in some sparsely populated, peripheral regions. In the new member-states, on the other hand, the existing telecommunications infrastructure is in need of near-total replacement. Just as in the case of transport policy, here too the appropriate initial step is to put in place high-quality telecommunications services in the major cities; subsequently attention can be turned to improving telecommunications services in medium-sized towns and in rural regions.

### 3.3 Agricultural and environment policy

Beyond structural policy, there are also other policy fields in which significant substantive changes have taken place (or are now foreseeable) since the ESDP was adopted. This is particularly true of the EU’s Common Agricultural Policy (CAP), and consequently also of the European Agricultural Guidance and Guarantee Fund (EAGGF), and also of environment policy. All of these policy areas – in addition to the EU structural funds and the instruments of European spatial development policy referred to above – are suitable areas for measures to assist in achieving the goal of territorial cohesion.

The orientation of the CAP is two-fold: one focus is on improving the marketability of agricultural products; the second focus is the attempt to initiate regional development in rural areas. From the perspective of the Gothenburg strategy, actions promoting regional develop-
ment in rural areas, as provided under the CAP from 2007, represent a possible way of helping to promote sustainable development in all EU regions. Viewed in terms of the growth-oriented Lisbon strategy, however, the CAP tends rather to promote a polycentric structure. Consequently, the only way of reconciling the CAP with the Lisbon strategy would be if it were to strive to consolidate intermediate-order centres. Measures designed for this purpose may also be suitable means of strengthening the innovative potential of Europe as an economic area.

In general terms, however, the new orientation of the CAP (2007) can be expected to lead to changes in the economic structure of rural areas. This will be a consequence of strengthening the orientation of support for agriculture to the promotion of marketable products, while at the same time taking into account the importance of environmental protection. Importantly, the total amount of funding available under the CAP is to be frozen at 2004 levels: this means that the 25 current member-states (EU-25) will have the same amount of funding available to them as was available in previous years to the EU-15. This can be expected to give rise to a number of major changes in the spatial impact exerted by the CAP: it is safe to assume that, driven by the need for rationalisation, successful agricultural operations will continue to increase in size. What this means is that it will no longer be economically viable to operate smaller farming units—a development which in the medium term will give rise to new landscape patterns. In the years to come, we will therefore see marked changes to the cultural landscapes of central Europe. It is important however to remember that the structural changes alluded to above have largely already taken place in the EU-15 member-states. By contrast, the central and eastern European member-states are now facing major changes affecting their spatial structure. These impacts will vary reflecting the differing baseline conditions in the respective countries; they will, however, fundamentally alter the structure of the economies and businesses of rural areas.

The future orientation of the CAP can also be expected to lead to major changes both in the primary-sector employment structures as well as in the social and population structures of areas with a predominantly agricultural character. Rural regions will find themselves facing enormous challenges, compounded even more by the more general changes in demographics which are taking place. These changes will, in all probability, significantly affect the character of these areas. In this context, there is a need for decisions to be taken on the way forward; a clear determination needs to be made regarding just which regions should be the subject of funding measures aimed at inducing economic development, and equally to identify those regions which already display such pronounced “symptoms of erosion” of their economic and social structures as to render such economic development no longer feasible.

At the same time, within the CAP framework an attempt is made to support comprehensive regional development in rural areas. Here programmes should be pursued which can ensure that initiatives contribute towards stabilising rural areas and help farmers to reposition themselves in the marketplace. This is done, for example, by supporting measures to promote regional product marketing. To some extent this may be in competition with those other structural funds which provide financial support to regions which are generally underdeveloped economically as a means of initiating catch-up development (through industrialisation or promoting the tertiary sector).

A further important point to note is that the European Union has in recent years attached constantly increasing importance to environmental protection. Evidence for this claim can be found in particular in the numerous directives which have come from the EU over the last few years (starting, for example, with environmental impact assessment, but also including the
protection of wild birds and the FFH directive, as well as the directive on strategic plan appraisal and the environmental liability directive). The aim of these measures – in addition to protecting the environment for its own sake – is to establish high environmental quality throughout the EU-25. This is also one of the aims of the water framework directive. By opting to refer to the actual catchment areas of water bodies (irrespective of administrative boundaries), the implementation of this directive will pose new challenges for spatial planning in Europe. Here too, however, it is quite possible that this directive will give rise to new conflicts between economic and ecological aims, for example in the case of waterways. There is a need for discussion on how to frame EU environment policy to bring it into line with the Lisbon strategy.

Quite apart from these directives, which are one way in which the EU exerts influence on the environmental policies of member-states, EU environment policy also includes programmes intended to promote polycentric and sustainable spatial development (e.g. "LIFE"). Here too the position taken by EU environment policy runs counter to the aims of the Lisbon strategy; it does, however, support sustainable development, which accords with the Gothenburg strategy.

For those states which have just recently joined the EU, it would once again be advisable to adopt a phase-oriented model of the type already described in connection with deciding on strategies for selecting priority areas for economic-development aid. The first phase – once again depending on the current state of development and the respective baseline conditions – would be to ensure that all of the states in the EU of 25 nations have reached similar technological standards in respect of environmental protection before applying additional environmental protection measures.

Viewed from the perspective of European agricultural and environment policy, this would imply that the following demands need to be addressed in the further development of a European spatial development policy:

- The CAP can be reconciled with the aims of the Lisbon and Gothenburg strategies if a strategy for polycentric development can be found which safeguards the development of rural areas and, at the same time, introduces measures to strengthen the growth potential of these areas (and thus of the EU in general). A suitable means of achieving this could be by targeting development aid on intermediate-order centres.

- Thought needs to be given to the possible effects of new CAP guidelines, expected after 2007, on the spatial and economic structures of the EU-25. Since radical changes are to be expected to agricultural, economic and social structures, special consideration must be given to the diverse baseline conditions and problem areas found in the various regions.

- Increasing importance is coming to be attached within the EU to environmental issues. In terms of aims, however, there is an obvious conflict between environmental protection measures, on the one hand, and the economic and structural-policy strategies outlined above, the latter focusing clearly on growth.

- In both agricultural policy and in environment policy, there is a general need to set priorities. These need to be set cautiously and preferably to reflect regional and local conditions, identified within the framework of regional programmes, for example, on the basis of dedicated spatial observation. Moreover, the various conflicts over aims and associated problems show just how necessary it is to integrate the various policy areas within a joined-up spatial development policy.
4 Carrying Forward the ESDP Process: Institutional and Procedural Aspects

The actions of the European Union in the area of spatial development policy have in the past been limited, firstly, to reports issued at regular intervals by the Commission documenting developments towards economic and social cohesion, which have included specific regional manifestations of these processes, and, secondly, to allocating financial assistance from the structural funds. The ESDP marked a new approach to European spatial development policy—an approach, however, which, since the concept was first put forward, has not been taken forward in any consistent fashion.

A spatial development policy committed to doing justice to the goal of promoting territorial cohesion in Europe would need to be established as an on-going process capable of embracing all the policy areas relevant to spatial development as well as all of the actors at European, national and subnational levels with responsibilities in this area. This process must involve more than the periodic updating of reports and strategies: it should, rather, involve the scrutiny and co-ordination of EU sectoral policies with regard to the demands of a European spatial development policy. It would also call for a process of continuous communication to be put in place between the competent EU institutions and the member-states with the aim of coordinating European and national spatial development policy, whilst at the same time respecting the subsidiarity principle. This requires strategies capable of ensuring that goals and visions are effectively implemented in plans and measures at European, national and regional levels.

In the light of the challenges outlined in the previous pages, the ESDP should now be developed from its current status as a general position paper into a strategic instrument capable of facilitating a transnational appraisal of the specific spatial situations at national and regional levels and in cross-border regions which are the subject of EU interventions. Equally, with such a strategic instrument it should also be possible to assess the specific results of such interventions for spatial development. Continuation of the ESDP process with the aim of improving territorial cohesion in Europe must involve more than simply bringing the existing ESDP document up to date. What is critical is that there should now be a transition from the process which led to the creation of this document to a process of continuous planning and co-ordination. This process should entail both adapting the ESDP to reflect the new circumstances now prevailing, as well as further and continuous endeavours to assure sustainable spatial development. This calls for:

- a clear agreement on up-dating the ESDP (as a document setting out common aims), and/or on the future direction of co-operation on spatial development policy (the ESDP process), including setting responsibilities for the various procedural stages;
- explicit reinforcement of the co-ordination of European sectoral policies in respect of the continued specification and implementation of sustainable spatial development;
- guarantees of effective spatial development policies in the member-states; and
- long-term spatial observation as the basis for developing aims and for assessing the degree to which aims have been achieved.

Putting such a process into practice will call for organisational arrangements to be put in place and for the appropriate procedures to be established. This is attainable both within the framework of existing EU institutions and competences and equally following the reforms to be
introduced by the Constitutional Treaty. The following steps could bring about significant improvements:

1. Responsibility for the production of the existing ESDP lay entirely with the relevant ministers of the member-states. The European Commission was concerned with aspects of spatial development essentially only within the context of the structural funds. This arrangement is no longer adequate for the task in hand. Not least because of the increased size of the EU, the Commission should now take responsibility for initiating the further development of the ESDP. This does not mean that the Commission should take on sole responsibility for producing this strategy; it should rather involve the Union’s various advisory bodies (e.g. Committee for the Regions, Economic and Social Committee – Art. I-31 EU Constitution) and work in co-operation with the relevant authorities within the member-states in order to ensure that their expertise and interests are directly accessible to the process of shaping this strategy. To this end, it would be a valuable step to institute an on-going debate on the essential foundations and concepts to underlie a European spatial development policy; this discussion should incorporate both the ESDP itself as well as the various models developed within the member-states. The Commission and the relevant authorities in the member-states should lay open their visions for spatial development to continuous improvement in a process of mutual learning. In view of the difficulties likely to be presented by any attempt to update the entire ESDP document in the short term, it is recommended that interim results should be set out for key problem areas in the form of perspective documents and proposals for action.

2. One of the key prerequisites for achieving territorial cohesion and sustainable spatial development in Europe is co-ordination between the various sectoral policies which impact on spatial structure, both at European level and between member-states. Sectoral plans and decisions emanating from the Commission which are of strategic importance for spatial development (e.g. trans-European networks, structural funds, agricultural policy) should be scrutinised – either by a competent unit located at the Commission or by an independent authority – with regard to their spatial impacts. The Commission must establish the necessary organisational structures and procedures.

Among European sectoral policies, there can be no disputing the fact that structural policy is directly related to spatial development. The same can be claimed of the INTERREG programmes and of numerous other Community initiatives. In principle, these all represent suitable means of improving regional structures and of initiating development processes within European regions capable – in accordance with the three pillars of sustainability – of simultaneously improving economic, social and ecological conditions. However, responsibility for framing spatial development concepts rests with the member-states or, in some cases, the regions and border regions themselves. This is wholly consistent with the approach adopted by the Commission of supporting strategies and measures planned and co-ordinated in the regions. In selecting the principles and instruments to be applied to the assistance it provides, and equally undertaking measures of its own which may impact on regional development processes, the Commission must take into account the requirements associated with the goal of strengthening territorial cohesion in Europe. Both during the elaboration of regional development programmes and in selecting projects for funding, consideration needs to be given to the relevant aims and requirements of spatial planning and, where these exist, to aims and requirements contained in visions for cross-border development; this should also be taken into consideration when measures are being evaluated. Responsibility for implementation and co-ordination rests with the member-states.
3. European spatial development policy must be harmonised with the spatial development policies of member-states and their regions. It should therefore be implemented in a co-operative process involving both European and national institutions. At the same time, however, the member-states must contribute towards balanced and sustainable spatial development in Europe. This calls for co-ordination among the various levels at the EU, which, however, rather than impairing the autonomy of national and regional spatial development policy, should help to make it all the more effective. "Autonomy-saving" co-ordination can be achieved by means of the "open co-ordination method". Within this procedure, the Commission should work in a dialogue with the member-states to settle the basic standards for national and regional spatial development plans. These standards should be seen as an essential means of ensuring that spatial development policy is able to function properly; they should also ensure compatibility between European and national plans.

It is important to note in this connection that for both states and regions the quality of spatial development is a key factor in determining the attractiveness of an area as a business location. Member-states may well be able to gain a competitive advantage for their economics in the short term by disregarding spatial structure considerations; in the long term, however, these advantages will turn into disadvantages – both for the member-state itself and for the EU. This fact underlines the need for co-ordination; however, it also explains why a strategy based on voluntary action and learning through experience holds such promise. Instead of laying down binding rules, co-ordination can limit itself to identifying “best practices” and sharing experience, provided that the member-states and the Commission are able to reach an agreement on minimum standards.

A co-ordination procedure of this type calls for:

- the regular sharing of information and experience among the ministers responsible for spatial planning in the respective member-states,
- the definition of minimum requirements for the content and procedures of spatial development policy in the member-states, and
- a procedure to enable performance comparisons between national and regional planning schemes and measures capable also of being implemented for groups of states or regions.

A further desideratum would be to develop a common instrument for analysis, and subsequently, on the basis of this, also for "territorial impact assessment" (TIA) which would find acceptance among all member-states as the basis for assessing the need for action in specific areas.

4. European spatial development policy assumes the availability of up-to-date information on the development of spatial structures. This calls for continuous spatial observation at European level, and equally for evaluation of the spatial impacts of European sectoral policies. In this connection, the status of the ESPON (European Spatial Planning Observation Network) should be enhanced: in its elevated supporting role, it should provide a constant supply of up-to-date information on the spatial potentials, deficits and impacts of EU structure policy. With the benefit of the data this would make available, it would be possible to ensure that spatial observation, the evaluation of the results of spatially-relevant sectoral policies, and equally of EU interventions made within the framework of structural policy, dovetail much more effectively.

One highly desirable improvement would be to establish a solid institutional basis for the ESPON. The legal foundation for this is to be found in the treaty to establish a constitution for
the EU, which is unlikely to come into effect, however, before 2007. It this light, it would appear to be more expedient to continue to support the ESPON in the short term through the 2007-2013 structural funds. Taking the longer view, however, it will be essential to find a solution which is independent of the structural funds. This will call for

- a system of spatial observation indicators orientated to territorial cohesion,
- analyses on strengthening spatial competitiveness,
- impact analyses for sectoral policies, focusing on both substantive content and institutional structures or procedures.

In order to enhance co-operation among the various actors involved in the ESPON, it would be particularly desirable to:

- strengthen those contact points at national level which can guarantee to improve communication at national level regarding the dissemination and discussion of results;
- maintain and broaden the scope of research to include external research groups, to be selected within a competitive tender procedure,
- reinforce the “Co-ordination Unit” to allow it more effectively to discharge its function of co-ordinating projects and processing the findings produced by individual projects into products which are tailored to meet the needs of specific target groups and can be employed directly in the context of policy-making.

If the ESPON is to be capable of continuing to perform its substantive role, one matter about which there can be no argument is the need to drastically reduce the bureaucracy generated by project work and financial administration.

5 Conclusions

The observations and recommendations set out in detail above can be condensed into ten key conclusions:

1. The 1999 ESDP is the first common perspective document on spatial policy to be adopted and supported by all of the (at that time) 15 EU member-states and by the European Commission, and, at the same time, to be of direct and practical importance for spatial development. However, it does not form part of the body of Community law adopted by the ten new EU member-states. Since they were not involved in formulating the aims of the ESDP, the ESDP now requires new legitimacy.

2. Equally, the changes outlined above to the framework conditions within which spatial development policy has to operate, and similarly the major challenges arising from the obligation to expedite integration of the new member-states, provide good reason to revise the ESDP in substantive terms and to adjust its orientation. If up-dating the ESDP (as a document of spatial policy) should turn out not to be successful, then it would be vital at least to create the foundations for a continuous process to frame a spatial development policy (ESDP process) under the joint responsibility of all member-states.
Even if there are no real reservations about the fundamental importance and validity of the argument set out in the ESDP, the need for new strategic approaches has certainly grown. To take just one example, the extended catalogue of goals for the EU contained in the EU Constitution now lists not only economic and social cohesion, but also makes territorial cohesion an explicit goal for the EU. This not only gives additional underpinning to the call for a European spatial development policy, but also creates a need for new procedures to facilitate improved co-operation.

3.
Within the process of further developing the ESDP, attention must be paid to ensuring balance in promoting development in the regions of the new and old member-states, and equally to ensuring that the impetus associated with EU expansion can be put to positive use. At the same time, European spatial development policy must strive to achieve a balance between, on the one hand, providing assistance to regions which are either underdeveloped economically or geographically disadvantaged, and, on the other hand, consolidating Europe’s high-growth regions. It is, after all, the latter which generate the economic resources needed to make redistribution to the regions possible. Resolving the conflicts which will arise here – i.e. between the goals of growth, territorial cohesion, global competitiveness and sustainability – will call for spatially and temporally differentiated strategies for steering spatial development which, moreover, will need to be designed to take account of the diverse baseline conditions in place in the old and the new member-states (the ‘phase-oriented model for spatial development’).

4.
A future European spatial development policy will have to display a much closer orientation to the specificities of the individual regions than has previously been the case, and it will need to assess these from a transnational perspective. Particularly in the new member-states, it will not be possible to provide the same levels of support to all disadvantaged regions. Accordingly, EU structural policy should rather concentrate on the three regional types with the greatest potential for furthering development within – and integration of – the new member-states. These are:

- the main urban regions,
- old industrial regions with their valuable human resources, and
- towns and cities located in the western border regions which show the best prospects of being able to profit from exchanges with their neighbours in the old member-states.

Structural policy in the states of western Europe should not be targeted predominantly on those cities within the “pentagon”, which already display high levels of development with only few apparent or anticipated deficits. Given the need to ensure the efficient deployment of assistance for spatial development, opportunities should rather be sought to mobilise the potential available in urban regions which are either grappling with the problems of economic restructuring or suffer from peripheral locations, and thus to improve the economic standing of these city regions within the system of European cities. This would at the same time unleash growth potential and consolidate polycentric spatial structure.

5.
As far as realisation of the goal of territorial cohesion is concerned, transnational relations and exchanges are gaining in importance. From the perspective of spatial development policy, prime importance should be attached to promoting co-operation among border regions, as well as to intensifying links between border regions and high-growth regions. Harmonious
development of the Community territory in its entirety, and thus the strengthening of economic, social and territorial cohesion, entails the intensification of cross-border co-operation and the acceptance of essential measures for improving the conditions which form the framework within which cross-border co-operation can be implemented. To this end, it will be important to make use of the new legal instrument offered by the Commission on July 14, 2004, at the request of all border regions, and aimed at creating a European Grouping of Cross-border Co-operation (EGCC). In the interests of promoting a European spatial development policy, it is to be hoped that the member-states will approve this new legal instrument. In this connection, there is now also a need to redefine those areas in which transnational cooperation should be promoted because of the common interests they share as neighbouring regions, their socio-economic ties and interdependencies arising out of their respective positions within the central-place system, or on the strength of shared development potentials which can be exploited jointly and transnationally.

6.
In the context of European spatial development policy, a great deal of importance has to be attached to improving and extending transport and telecommunications infrastructures, particularly in view of the increases in energy costs expected over the long term. Whilst further improvements to the existing – and highly efficient – transport corridors between major European urban regions might be consistent with the goal of strengthening global competitiveness, as adopted by the European Commission in Lisbon, placing priority on improving links to and between the capital cities of the new member-states would support the goal of fostering territorial cohesion within Europe. Both strategies – being equally predicated on continuing traffic growth, especially freight transport – could have detrimental effects on regional transport networks. Resolving the problems posed by such conflicting goals will mean developing spatially and temporally differentiated strategies both to improve and extend European transport and telecommunications infrastructure and to internalise costs by achieving truer pricing levels in the transport sector. These strategies must take account of differences in the baseline conditions currently in place in the old and the new member-states (“phase-oriented model for spatial development”).

7.
With regard to agricultural and environment policy, measures and programmes in this policy area impact particularly strongly on local and regional structures. This makes it all the more important for adaptable strategies to be employed which can take account of the actual situation on the ground locally. This applies equally in respect of environment policy, where initially current differences in (technological) environmental protection measures should be eliminated through standardisation before additional measures are implemented. For agricultural policy, differences in the baseline conditions currently found in the new member-states represent a special challenge.

A similar approach can be taken to reconciling agricultural and environment policy with the aims of the Lisbon and Gothenburg strategies. Here it would be advisable to develop a strategy to reinforce areas of a predominantly rural character which provides the means to assist the development of intermediate-order centres. This would help to reinforce rural regions and to create polycentric structures capable of supporting economic growth. Implementation of such a strategy must, however, take account of the current state of development of the respective settlement system.

8.
In view of the challenges outlined above, there can be no doubt about the need for the ESDP to be carried forward in a consistent fashion. And yet this process cannot simply be a matter of up-dating the ESDP in its current form. What is critically important is that the process which led to the production of this document should now give way to a permanent and on-going process of planning and co-ordination. For this to happen, it is necessary for responsibilities for the various procedural stages to be allocated unambiguously; equally, significantly improved co-ordination of sectoral policies is required both at European level and between the member-states; and measures must be put in place to give a firmer institutional footing to continuous long-term spatial observation at European level, which must include evaluation of its effects on spatial development.

9.
For a single spatial development policy in Europe to be capable of functioning, it is vital for European sectoral policies to be co-ordinated far more than has previously been the case in respect of spatial development policy. Although future cohesion policy is particularly important in this connection, priority should also be attached to the spatial impacts of – to take just two examples – agricultural structure policy and trans-European networks. Improving co-ordination between European and national (or regional) spatial development policy calls for an agreement on minimum standards for the substantive content and procedures of spatial development policy in the member-states, for new methods of co-ordination (e.g. “open co-ordination methods”), and for procedures for the early recognition of spatial impacts or side-effects (e.g. territorial impact assessment).

10.
The base of knowledge available on the economic, social and ecological processes which form part of spatial development in Europe is constantly expanding; this is due not least to the work of the European Spatial Planning Observation Network (ESPON). The ESPON has already to date made a major contribution to providing a sound scientific basis to inform European spatial development policy.

In the future too, strengthening the ESPON and enabling it to work more effectively will be a key prerequisite to framing a balanced and successful European spatial development policy. This is an indispensable step if we are to safeguard continuous spatial observation and enable systematic spatial analyses, to be able to gauge accurately the need for action in specific locations, and equally to come to a reliable evaluation of the results of structure-policy interventions. Enhancing the status of the ESPON in respect of the substantive issues it addresses, while at the same time further developing its role and giving it a solid, long-term institutional footing (i.e. ending its dependence on structural funds); securing its professional independence while strengthening the network of co-operating research establishments; improving communication with experts in the member-states and at EU level; and significantly reducing the bureaucracy generated by project work and financial administration: these are all key elements for putting in place an effective European spatial development policy.
Selected Sources


Umgang mit der territorialen Dimension der EU-Politik nach der Erweiterung. Expert paper of the EU working group for “Spatial and Urban Development” (SUD).

Position Papers from the ARL


Nr. 2  Analyse und Bewertung raumbedeutsamer Faktoren in Norddeutschland. Positionspapier aus der Landesarbeitsgemeinschaft Norddeutsche Bundesländer der ARL, Hannover 1983.


Nr. 5  Anforderungen an die Raumordnungspolitik in der Bundesrepublik Deutschland. Positionspapier aus dem Präsidium und dem Wissenschaftlichen Rat der ARL. In: Nachrichten der ARL, Nr. 36/1986.


Nr. 7  Güterverkehr in Norddeutschland. Positionspapier aus der Landesarbeitsgemeinschaft Norddeutsche Bundesländer der ARL, Arbeitsmaterial der ARL, Nr. 141, Hannover 1988.


Nr. 9  Wesentliche Regelungen, die die Landesplanungsgesetze der neuen Bundesländer enthalten sollten. Positionspapier aus der ARL, Hannover 1990.


Nr. 26  Raumordnungspolitische Akzente für die Wohnungs- und Siedlungspolitik in Ostdeutschland. Positionspapier aus dem gleichnamigen Ad-hoc-Arbeitskreis der ARL. In: Nachrichten der ARL, Nr. 2/1996.

Nr. 27  Europäische Raumentwicklungspolitik – Rechtliche Verankerung im Vertrag über die Europäische Union. Positionspapier aus dem Ad-hoc-Arbeitskreis der ARL „Planungsrechtliche und raumordnungspolitische Aspekte bei der Revision des Vertrages über die Europäische Union“. In: Nachrichten der ARL, Nr. 2/1996.


Nr. 51 Überregional bedeutsames Schienennetz in Deutschland aus der Sicht der Raumordnung. Positionspapier aus dem Ad-hoc-Arbeitskreis "Netzstruktur der DB-AG aus der Sicht der Raumordnung" der ARL. In: Raumforschung und Raumordnung, Bd. 60 (2002), Heft 5-6.


Nr. 56 Änderung der Rahmenregelungsberechtigung zur Raumordnung. Positionspapier aus dem Ad-hoc-Arbeitskreis "Neuordnung der Rahmenkompetenz für die Raumordnung" der ARL. In: Nachrichten der ARL, Nr. 4/2003.


Nr. 59 Was leistet die EU-Strukturförderung für die Regionalentwicklung? Positionspapier aus der Landesarbeitsgemeinschaft Hessen, Rheinland-Pfalz, Saarland der ARL. In: Nachrichten der ARL, Nr. 3/2004
