

# Europe in 2050: Towards a Territorial Vision

2<sup>nd</sup> October 2013

*“Crisis management based on short-run measures will only be successful if European leaders simultaneously provide a long term vision for the European Union.” (Global Europe 2050)*

## A. Foreword

The ambition of this document is not to predict what Europe will be, or even could be, in 2050. Instead, its purpose is to fuel the debate about the long-term future of territorial policies, EU cohesion in particular. The resulting Europe 2050 Territorial Vision should prepare for the subsequent drafting of mid-term targets, derived from a consensus building process to be achieved soon.

To this end, a tentative picture of what the European territory may look like in 2050 has been outlined. Although this document includes a part of imagination, it assumes that a significant number of objectives already set at EU level for the years 2030 or 2040 will be attained by 2050 at the latest<sup>1</sup>. We expect the actors involved to have demonstrated their ability to implement successfully the common policies established by the EU as from the 2010s, including efficient territorial policies.

In 2050, Europe is:

- **at peace:** no clash of civilisations, elimination of terrorism, improved relations between neighbouring countries formerly in conflict; this has greatly improved territorial development at the EU periphery, especially in the Mediterranean, ensuring better relations between the EU and all neighbouring countries;
- **democratic and promoting multilevel governance :** predominance of the rule of law, compliance with the Charter of Fundamental Rights, the rights of minorities, etc., and consolidation of the “acquis” of the courts (Court of Human Rights in Strasbourg and European Court of Justice (ECJ) in Luxembourg); the EU is a federation, which practises multilevel governance based on the subsidiarity principle;
- **prosperous but environmentally friendly:** Europe has a smart, sustainable and inclusive economy, which has secured its competitiveness vis-à-vis emerging countries; sustainability is a priority, in particular to preserve natural and cultural heritage;
- **improving economic, social and territorial cohesion:** many lagging regions are catching up, although still in need of a dedicated policy; social solidarity and the preservation of welfare remain an area of concern despite the convergence of national policies and progress achieved at EU level; territorial cohesion is fully adhered to, not only for designing spatial policies, but also through a careful ex-ante evaluation of the territorial impact of other policies.

In 2050, **spatial justice is the key-value** on which territorial policies are based, aiming at :

- offering equivalent living conditions throughout the EU territory (thanks to policies geared towards efficient solidarity and fair access to services of general interest);
- providing effective welfare measured with appropriate monitoring instruments, including external costs and non-market services;
- preserving natural resources and the cultural heritage for future generations;
- developing a competitive and inclusive knowledge-based economy throughout the EU territory.

---

<sup>1</sup> Further detail about the policy objectives is provided in the attached Territorial Vision supporting document

A formally approved **European Territorial Cohesion Strategy (EUTeCOS)**<sup>2</sup> is implemented to make all the relevant policies contribute to spatial justice.

## B. Europe and the world

Since 1939, Europe is no longer in a position to determine the future of the world. Instead, the evolution of the world reshapes Europe.

In 2050 however, the globalisation process has evolved towards a more balanced pattern. Uninterrupted technological progress has taken place while favouring sustainability. The largest part of the world population is affected by ageing, in particular the Asian region. This has considerably changed the conditions of international competition. The former gaps between the EU and the emerging countries have narrowed considerably as a result of demographic changes in these countries, and also because of significantly higher social and environmental expenditure, which has led to a much heavier tax burden.

As production costs are converging in a large part of the world, globalisation and international trade have kept their momentum. Industrial production has decentralised, there are no longer real “workshop countries”. Intra-branch trade has strongly developed and EU external trade is more than ever an important component of European growth.

The EU-globe relationship is shaped by heavy trends, which converge at the global scale in the areas of trade, mobility and energy markets. These trends impact the European territory and other continents alike. Competitiveness gaps have been reduced. Saving energy is a world objective, to which compulsory environmental standards to combat global warming also contribute. Tensions on the energy market have been reduced, thanks to technological progress (abundance of renewable energy) and improvements in energy efficiency.

The announced “death of distance” did not occur. Geography still plays a crucial role. Since everybody lives in a digitised world, traditional location factors such as climate or availability of infrastructure have come back to the fore. This favours large cities, turned into “smart cities”, but new communications technologies have further increased the mobility of people.

A global governance has emerged. Various climate-related tensions have raised public awareness about the fragility of the planet and resource depletion while prompting a world-wide mobilisation of people. Most vulnerable countries fiercely and successfully advocated the adoption of world-wide mandatory environmental standards. The United Nations’ World Environment Organisation (WEO) has extensive powers and financial resources to implement a comprehensive policy. A World Court of Justice has been established to enforce obligations on recalcitrant states. Financial resources have been made available to help poorer countries. This policy has important implications for land-use and territorial planning departments, which have to comply with mandatory standards (minimum rate of afforestation, energy-efficient land-use patterns, rationalisation of water storage and consumption).

Following the EU example, regional integration processes have gathered pace in South-East Asia, Latin America and Africa, and steadily greater account of territorial issues is taken in this framework.

In the EUROMED<sup>3</sup> area, very close relations have been established between the various participating countries, grouped into a set of concentric circles, whose core is the EU. Outside this core, some countries have decided to join the EU, others signed *ad hoc* agreements, on a variable geometry basis. Other countries (e.g. Turkey, Russia, the Middle East) are associated with the EU but without real perspective of full adhesion.

---

<sup>2</sup> For further detail about the *EUTeCoS*, see heading G below

<sup>3</sup> In 2013, EUROMED includes: EU28, EFTA countries (Norway, Iceland and Switzerland), candidates (West Balkans and Turkey), the 16 countries eligible to the ENP (European neighbourhood policy) and the European part of Russia.

The EU federation manages the “EU acquis” and a couple of extra policies, in particular the Single<sup>4</sup> Foreign and Security Policy (SFSC). Territorial cohesion has become a major policy aim of the EU (rather than an EU policy as such), and the formally approved *EUTeCoS* is regularly updated.

The EUROMED periphery, whose income disparities have decreased but remain rather high, in particular between the EU and the least developed countries, has adopted a significant part of the “EU acquis”. Peripheral EUROMED countries are involved in European territorial cohesion-related activities, including the updating and implementation of the *EUTeCos* and Joint Territorial Integration Strategy (JTIS) in various EU macroregions and Euregios, many of which are crossed by the EU external border.

Enhanced cooperation on transport policy (including transportation of energy) has taken place for instance through the construction of new Mediterranean links and the construction of major infrastructure connecting the EU with Eastern Europe, Russia and the Middle East. Full implementation of free trade agreements have strongly developed Trans-Mediterranean trade, both with the EU and between SEMCs. A fast growing freight and passenger demand between the two shores of the Mediterranean has allowed major new infrastructure to be completed, in particular the fixed link across the strait of Gibraltar.

Almost all the neighbouring countries implement the directives of the EU environmental policy (e.g. on water quality preservation) and exploit natural resources in full compliance with standards defined by the newly established World Environment Organisation (WEO).

## C. Europe in 2050: main features

### C.1. Demography

During the first half of the 21<sup>st</sup> century, the EU demography was characterised by a slow population growth resulting from both slightly rising fertility rates and positive net migration. Demographic policies have been a contentious issue, be it about boosting the birth rate, allocating the added value between generations or managing immigration.

The average fertility rate has reached nearly 1.8%. This results from the spread of a new social model (working women want more children) and the resulting reforms of family policies. Public policies addressing child care have significantly improved.

Following the ageing trend experienced since the 1950s, the population over 65 has increased by 40 % compared to 2005, from 19 to 32 % of the total population. Ageing has become a common feature of the whole continent. Given their political weight, the elderly benefit from continued attention by public authorities and have secured their favourable treatment in the welfare system.

Many regions need to address the decline of their working age population. 35-40 % of regions are affected by a reduction of their labour force, which they have to offset through a policy mix aimed at increasing both the activity rate of the resident population and net in-migration.

In virtually every region, immigration has become a reality, but also a need, to compensate the decrease of the working population. An overall migration policy framework is functioning which associates the EU and the members of the Schengen area, in consultation with some other non-EU countries. A common EU migration policy has organised the reception of selected migrants, focusing on qualified immigration of varied geographical origins and diversified inside Europe.

The labour organisation is characterised by a high level of flexibility. For example, when attaining the age of 50, employees progressively reduce their activity until the retirement age, around 70. There is a convergence of social protection schemes: European rules apply to determine the minimum wage, sickness insurance and retirement pensions, which contributes to reducing regional disparities.

---

<sup>4</sup> As opposed to the current Common Foreign and Security Policy (CFSP).

A better fit between working time and leisure has increased residential mobility (more frequent changes of permanent residence as well as better use of secondary residences).

## C. 2. Economy

The European economy has entered a phase of more qualitative than quantitative growth (1.4 % yearly growth rate, sizeably below the world average). However, Europe has restored its competitiveness through an industrial rebirth of high productivity activities derived from technological innovation.

Development strategies for research and innovation have borne fruit, especially in initially lagging areas. The map of “success stories” demonstrates a fairly wide dispersion of the most efficient regions, despite the initial concentration of R&D. Through ICT dissemination of knowledge, some regions previously lagging behind have been highly successful in developing industrial clusters of excellence.

To reach this outcome, a maturation process proved necessary. The implementation of the Lisbon and Europe 2020 strategies was hampered by a lack of geographic differentiation of their policy objectives. Later on, awareness grew about the need to embed innovation policies in the local context and in local assets while promoting their “connectedness”, i.e. their inclusion in a dense fabric of linkages with the external world. Overspecialisation of the knowledge economy in the regions was also criticised. This led to the successful implementation of “smart innovation strategies” tailored to each single territorial innovation pattern.

In 2050, Europe exports worldwide a wide range of high level manufacturing goods and services. The increase of production costs in emerging economies has rebalanced the terms of world trade. Europe is clearly among the globalisation winners and benefits from ever increasing opportunities. The decentralisation of industrial production (favoured by 3D printing) gives an edge to the consumption centres, in particular major cities. The map of disparities has become more complex and looks like a “leopard skin”, with less-favoured regions sometimes located very close to the most prosperous areas.

Behaviour change and social innovation, in particular a quest for constantly greater sustainability, have deeply modified the business environment, avoided repeating mistakes of the past and stimulated environment-friendly growth.

Policy steps and programmes to strengthen economic, social and territorial cohesion remain necessary, to stimulate development in some lagging regions of the EU but also in deprived areas of non-EU EUROMED countries.

## C. 3. Transport, energy, climate and environmental policies

Other policies than regional policy help to achieve constant progress towards EU territorial cohesion, especially transport, energy and environment/climate policies. All the relevant policy steps have been included in the *EUTeCoS*.

Considerable progress has been achieved in the area of transport/mobility policy, which led to a 60% reduction of GHG emission in four decades. New and sustainable fuels and propulsion systems have been developed in virtually every transport mode. Green freight corridors have marginalised long-distance road freight. An EU-wide multimodal TEN-T and the HST networks have been completed (in particular through closing missing links in border regions), all core network airports and seaports have been connected to the rail network and, where possible, the inland waterway system. The efficiency of transport and of infrastructure use has been increased, thanks to information systems and market-based incentives (including the full application of the “user pays” and “polluter pays” principles).

Thanks to the increasing use of smart technologies, less roads and rail infrastructure has become necessary and is equipped with automatic braking systems. Intermodality has considerably increased in freight and passenger transport alike, and electric mobility has significantly developed.

Progress in the area of intermodality owes much to various innovative technologies such as Public Containerised Transport (PCT) and “podvehicles”, i.e. cars and trucks, self-powered on roads, and designed in such a way that they can be loaded onto a rail-based carrier, a “pod”. Magnetic levitation (maglev) and vacuum tube train (vacetrain) are used for the very long-haul supersonic transport. In wide parts of the European and urban networks, most individual vehicles and trains are automatically operated.

With regard to energy policy, a transition took place from a system characterized by high fuel and operational costs to a model based on higher capital expenditure and lower fuel costs. In 2050, the share of renewable energy sources (RES) exceeds 55% of the gross final energy consumption (compared with 10% in 2010).

The share of electricity in the final energy demand has doubled. Structural change took place in the power generation system, whose decarbonisation level exceeds 95% in 2050. Impressive energy savings have been achieved during the first half of the century.

Smart grids have revolutionised electricity production and distribution but the amount of energy so produced has turned out to be insufficient to meet all the needs. Centralised large-scale systems of energy generation remain essential. Concentrated solar power stations in Africa and southern Europe deliver a very significant contribution. Decentralised and centralised power generation systems complement each other, for example, if local resources are not sufficient or varying in time, or in case of strategic threat on major power plants and transmission lines.

A fair and geographically balanced access to energy at a moderate price has been secured everywhere. An ambitious action plan has been successfully implemented to reduce the vulnerability of regions facing energy poverty (especially in Eastern and Southern Europe) and promote energy solidarity between regions,

To cope with climate change, in particular to mitigate the effects of global warming, strict norms have been prescribed and enforced by the WEO, in close consultation with the relevant authorities in the various continents, among which Europe is not facing the worst situation.

Nevertheless, the physical, social, economic and environmental assets of several categories of European regions are variously impacted by the effects of climate change (sea level rise, more frequent river floods, heat, etc.) Southern Europe but also the Benelux coasts and, to a lesser extent, France, the British Isles and Norway have been seriously affected. Until recently however, southern regions were more vulnerable because of their lower adaptive capacity.

In response, an EU climate strategy, whose content was integrated in the *EUTeCoS*, has been approved to tackle climate change, in particular its territorial impact. This strategy involves a considerable reduction of greenhouse gas emissions, a significant improvement of the energy efficiency and the promotion of clean electricity generation. Much emphasis is also placed on the need for appropriate policy steps at the regional and local levels, with particular regard to land-use planning, in rural and urban areas alike. As far as urban development is concerned, the sustainable city paradigm is widely promoted and guides the elaboration of integrated strategies tailored to specific circumstances.

EU subsidies supplemented by national/regional matching funding are provided to support the implementation of adequate policy responses in the areas particularly affected by floods, drought and other consequences of the climate change. Priority is of course given to areas expected to be hit severely while having a low capacity to adapt to climate change.

Sustainable management of resources (such as raw materials and minerals, energy, water, air, land and soil) together with the necessary protection, valuation and substantial restoration of biodiversity and the ecosystem services it underpins remain key priorities of the EU environmental policy. Indeed, boosting resource efficiency remains indispensable to make progress towards sustainability, but maintaining ecosystem resilience is no less essential. Three policy areas of particular relevance for territorial development can deliver a major contribution in this respect, namely waste, water resources and biodiversity.

Concerning the waste policy the “managing waste as a resource” principle is applied all over the EU. Put otherwise, landfills and illegal shipments have been eliminated, whereas waste prevention, reuse and recycling have been maximised. Appropriate policy responses have been defined to accelerate progress towards the achievement of the “near zero waste” objective, and to better control cross-border waste flows. For this purpose, a reference binding strategy has been adopted, and reflected in the *EUTeCoS*, mobilising various authorities and other key-players of the waste policy, including those involved in EU territorial cooperation.

With regard to water resources, the first attempts made to achieve good water status (an objective set out in the EU Water Framework Directive - WFD) proved rather disappointing. An ambitious integrated strategy was therefore elaborated in the following years (and included in the *EUTeCoS*) to secure an acceptable level of availability and quality of water resources in the EU. An important chapter of this strategy was dedicated to the necessary cross-border and macroregional cooperation between all the authorities and relevant stakeholders. The integrated management of water resources thus became a key-component of territorial cooperation strategies applied by the Euregional and macroregional authorities to transboundary river basins.

As for biodiversity, the situation in the first decades of the century was also alarming. Limited progress was achieved toward the establishment of Natura 2000, the world’s largest network of protected areas. Later on, a new strategy “Natura 2050” was approved and successfully implemented to protect, value and appropriately restore the EU biodiversity and the ecosystem services it provides. All the specific targets defined in the strategy were met, and properly reflected in the *EUTeCoS*, in very diverse fields: evolution of the status of species and habitats, ecosystems and their services, agriculture and forestry, fisheries, Invasive Alien Species (IAS), and the EU contribution to averting global biodiversity loss. All the stakeholders involved in territorial and land-use planning were strongly encouraged to intensify their contribution to the implementation of biodiversity strategies at all levels. This was the case in the domestic context, but Euregional and macroregional authorities also deepened their involvement in the Biodiversity Strategy implementation, and adapted their respective joint territorial integration strategies (JTIS) accordingly.

## **D. Territorial dynamics**

Europe’s territory is less adaptable than the US’s to economic transformation. In 2050, the weight of history continues to play an important role in territorial policies, whereas high standards apply to environmental protection and the conservation of natural resources.

European territorial dynamics are also influenced by a traditionally low level of residential mobility, especially of the labour force. However, two categories of workers are relatively more mobile: the very low-skilled (often non-EU migrants), and the very high-skilled hired by multinational companies. For almost all the other jobs, familiarity with the national language is essential, and this impedes migration beyond the language area of origin. To reverse this trend, new policies more finely tuned to different age groups have been carried out. Regional authorities strive to draw new residents by offering them amenities particularly attractive to the age category they belong to. Growing attention is paid to the needs of people not engaged in active employment, who are a source of financial transfers and consequently an opportunity for job creation in many regions.

Besides, the spatial distribution of jobs no longer mirrors the geography of production. Due to the importance of welfare transfers in Europe, a significant part of the added value is not spent in its region of production, but in areas inhabited by specific groups of population (commuters, pensioners, students, some unemployed people). This is the basis of a “residential economy” fed by considerable financial transfers associated with the redistribution of taxes and welfare contributions. This process impacts much more on the reduction of disparities than do regional policies. Moreover, jobs so created are more evenly distributed on the territory and more stable than those created by manufacturing industries.

Except in the most recent accession countries, the EU borders have lost their former filtering role. The fluidity of cross-border movement remains sizeably lower in Europe than in the US, due to the persistence of administrative hurdles and linguistic obstacles. However, borders have become highly permeable thanks to the construction of new infrastructure and simplification of controls. The intensification of trade has favoured new activities in border regions and reduced the income gaps, as a result of various mechanisms catalysing territorial integration, in particular cross-border and transnational territorial cooperation supported by the EU at its internal and external borders.

## E. Cities and rural areas

Globalisation still favours metropolitan areas in 2050, but their economic and demographic growth capacity is limited by various hindering factors. Development prospects are better in secondary growth poles offering attractive living conditions and good connections to the metropolitan areas. In countries with no such areas (e.g. Switzerland), larger cities have been boosted and they attract international functions of good level despite their relatively smaller size. Small towns and rural areas are not necessarily penalised by these developments. Furthermore, some peripheral regions have capitalised on significant opportunities (e.g. intensification of trade with neighbourhood countries) generated by higher growth and better living conditions.

The globalisation process turned out to be a positive sum game between cities. Worldwide cooperation between private and public bodies from various cities considerably intensified, whereas a small number of “global cities” emerged in each continent as main gateways to the global economy.

In Europe, these cities are concentrated in the “Pentagon” and represent a strategic interface network for the communication with the key-players of the globalised economy. Moreover, the polycentric paradigm of European territorial development has been consistently implemented, especially in less central areas, where capital-cities and other cities have been voluntarily supported to rebalance the territorial structure of the continent. The completion of some missing cross-border links in the TENs has considerably improved physical connectivity between cities.

Cooperation in cross-border, transnational and global networks of cities has considerably intensified. Tangible cooperation projects focusing on specific issues of relevance for territorial integration are particularly successful. Permanent thematic networks contribute to harnessing synergies between projects addressing similar issues, whereas macroregions and Euregios (cf. Heading G), concentrate on long-term cross-sector territorial integration strategies.

Virtually every European city has completed the « urbanisation / suburbanisation / counter-urbanisation / re-urbanisation » cycle. A European smart, sustainable and inclusive eco-city model is widely implemented, whose key-principles are as follows:

- make cities of tomorrow places of high social progress with a high degree of social cohesion; platforms for democracy, cultural dialogue and diversity; places of green, ecological or environmental regeneration; places of attraction and engines of economic growth;
- promote a compact settlement structure and combat urban sprawl;
- transform profoundly the metabolism of cities : forego the old linear metabolism (high quantities of inputs and outputs) and promote an efficient circular metabolism through minimised waste and emissions and maximised recycling;
- promote social mix in neighbourhoods and at school through all appropriate means (e.g. small public housing operations in the urban fabric or appropriate mix of more and less profitable operations in planning permissions delivered to private developers)
- favour high density urban development in strategic nodes and along public transport lines; forego further development elsewhere, and promote progressive ecological restoration of low density residential areas inherited from 20th century urban sprawl;
- strictly protect the blue-green infrastructure; be more flexible in zones dedicated to economic activities and residence

- irrigate residential areas with public transport and slow traffic (pedestrians/cyclists) infrastructure while reducing car traffic speed and land take
- adopt a holistic model of sustainable urban development; integrate policies vertically (between decision-making levels), horizontally (between sector policies) and geographically (transcending administrative boundaries, e.g. those of municipalities) while deeply involving citizens

Many so-called “rural areas” no longer invest in traditional crop-farming and stock-rearing industries, but instead in the “New Rural Economy (NRE)”, i.e. other industries associated with the rural economy (e.g. tourism, local trade and products) but also some manufacturing and service industries. However, various less accessible remote areas of eastern and southern Europe remained more “agrarian” and experienced little diversification of their economy. Especially in these remote areas, a proactive support to “Services of General Interest (SGI)” contributed to economic recovery, but also, and more importantly, a proactive rebalancing of the (often too monocentric) urban system, combined with an improvement of the accessibility and a diversification of the rural economy.

Targeted policy steps were also taken to tackle issues specifically faced by areas affected by a geographic handicap, in particular the Arctic and mountain areas, and islands.

## F. Maritime issues

In 2050, Europe is widely open to the sea, to which its development owes much. Over the past few decades, EU policy has paid growing attention to coastal areas and maritime issues.

To avoid the reoccurrence of disasters (floods, oil spills) and tackle sea-level rise in low-lying coastal areas, steadily greater emphasis has been placed by policy makers on coastal protection. The international convention on ICZM (integrated coastal zone management) has been signed and is implemented in compliance with the WEO guidelines.

In all the maritime basins (Baltic, Mediterranean, Black Sea, North Sea and Atlantic) coordinated policy steps have been taken to tackle critical issues such as the decline of fishing and environmental resources. In the Arctic Ocean, the melting of polar ice has provided new opportunities (navigation, drilling, fisheries), but their exploitation is tightly regulated by the WEO to protect the natural environment; navigation is carefully monitored, and the riparian countries have signed a treaty to put their territorial claims on hold (as in the Antarctic).

Maritime governance has been dramatically improved. Common actions carried out by the UN (via the WEO) and the EU have been reinforced. Long negotiations have consolidated the law of the Sea, the WEO has established a legally binding legal framework which is included in all sea governance arrangements.

The EU has established common policies to improve environmental protection while exploiting natural resources in complete safety. Moreover, considerable progress has been achieved in integrating the EU maritime policy. A joint strategy of harmonious and sustainable development of the land-sea continuum has been approved and incorporated in the *EUTeCoS*, and its implementation is monitored on an on-going basis. While promoting trans-boundary cooperation on maritime issues, this strategy organises a close collaboration between sector-based (e.g. Transport, Energy, Fisheries) and horizontal policies (such as Integrated Maritime, Environment and Regional policies). Major progress has been made in coordinating structured maritime cooperation and land-use planning of coastal regions, and Maritime Spatial Planning (MSP) has been integrated into the existing planning systems. Similar but more detailed strategies have also been established for each sea basin, and are regularly updated. A permanent secretariat has been entrusted with the monitoring and follow up activities. Coordination is secured between sea and river basins, e.g. between the Black Sea and Danube macro-regions as de-pollution of the sea is closely linked to that of river catchments.

More than ever, the sea is a key development resource in the seven Outermost Regions (ORs) and Overseas Countries and Territories (OCTs), belonging to 4 member states, but not to the EU itself).

ORs represent a modest part of the EU territory but 2.5 million km<sup>2</sup> of its Economic Exclusive Zone (EEZ). Although still affected by territorial handicaps, they took much advantage of the EU structural assistance while harnessing the potential of their immense maritime space (e.g. modernisation of fisheries and exploitation of sub-marine resources). Technological change has contributed to improving their accessibility. More intensive cooperation with the neighbours (the Caribbean, other archipelagos in the Indian Ocean, West Africa) has catalysed trade.

The size of the EEZ of the OCTs is not commensurate with that of their terrestrial part<sup>5</sup>. This huge maritime domain, often full of resources, hosts a very small human population. Considerable technical and financial means need to be invested to ensure its control and its development. Some OCTs have opted for independence, which sometimes endowed them with tremendous riches, out of proportion of their tiny population (Greenland). Elsewhere, the OCTs decided to weave closer ties with their respective member state and the EU, which ended up giving much more consideration to these territories.

## G. Multilevel territorial governance

*« A more interdependent and complex world generates challenges, which demand a coordinated response. » (Global Europe 2050)*

In 2050, the digital age has considerably intensified world-wide interrelationships and communication flows. This has sizeably impacted the evolution of the global governance system and contributed to a peaceful world. Governance arrangements have constantly evolved toward further complexity. Six main governance levels have emerged: the global, supranational, macroregional, national, cross-border and regional/local levels. However, the supranational and national levels have been respectively turned into “federal” and “state” levels in various federations. Macroregional and cross-border authorities are not entitled to produce legal or regulatory norms such as treaties, laws and regulations, a prerogative of the other governance levels.

At global level, a world-wide efficient governance system on environmental issues has been set up, thanks to the action of the World Environment Organisation (WEO). A very intense interregional cooperation also takes place on a variable-geometry basis, involving countless public and private bodies.

At supranational/federal level, various regional integration processes have taken place in the world, with variable degrees of integration. Subsidiarity is regarded as a golden rule of the EU federation and its practical implications have been clarified. An “EU Territorial Cohesion Strategy (*EUTeCoS*)” formally approved by the EU authorities provides a coordination framework for all the EU policies with a territorial impact. The purpose is to make all these policies contribute to a consistent, balanced and sustainable territorial development strategy of the EU. Since territorial cohesion is not a sectoral policy, the elaboration of the *EUTeCoS* and the supervision of its implementation are the collective responsibility of the Commission. The implementation of the *EUTeCoS* is mainly up to other bodies at the state, macroregional, cross-border, regional and local levels.

All the macroregions have acquired the EGTC status and engaged in the elaboration and implementation of a Joint Territorial Integration Strategy (JTIS) dealing with a wide variety of territorially-relevant issues. As many macroregions are crossed by an EU external border, the cooperation also strengthens the EU neighbourhood policy. Neither the assembly nor the executive authority of a macroregion produces any new legal or regulatory norm. The implementation of the JTIS entails a deep involvement in the territorial integration process of many private, semi-public and public key-players. The bulk of the macroregional budget expenditure is affected to cooperation project subsidies. Projects must contribute to territorial integration.

“Abroad” in the everyday language has become synonymous with “outside the EU”. States are no longer “national” and their responsibilities and organisation have significantly evolved. Considerable

---

<sup>5</sup> An island of 1 km<sup>2</sup> may generate an EEZ of 107,500 km<sup>2</sup>.

efforts have been invested in clarifying the exact remits of the federal and state authorities. The states have been entrusted with the implementation of many federal policies, or even the supervision of this implementation by their regional authorities.

Proximity territorial cooperation in cross-border "Euregios" has become commonplace at every internal and external border of the EU federation. Arrangements similar to those used by macroregions apply, *mutatis mutandis*, to territorial cooperation in most Euregios, which do not produce any legal or regulatory norm, but engage in other joint activities contributing to the objectives set out in their respective JTIS.

Reforms have taken place to reshape and improve multilevel territorial governance arrangements at the regional/local level. Special efforts have been made to reduce the number of formal levels of decision-making, especially in states with a large territory. Drawing on the experience of cross-border governance, a territorial integration process takes place in metropolitan areas.