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SPECIAL REPORT

**WHAT'S WRONG
WITH THE NEWS?**

LEADERSHIP

**GOVERNANCE VS.
DEMOCRACY**

ECONOMY

**GERMANY IS
AN ECONOMIC
MASOCHIST**

URSULA VON DER LEYEN

"THE EUROPEAN WAY OF LIFE"



No place should be left behind

The European Week of Regions and Cities is not just a unique networking opportunity for 6.000 participants coming from all over Europe. It is a strong reminder to the European Institutions that Regions and Cities are the backbone of the European integration process.

by Ilona Raugze*

This integration process has been supported in the past years through a number of development policies most importantly the EU cohesion policy, that has been the main investment tool designed to support newcomers and lagging behind regions to adjust to the average EU standards.

Cohesion Policy delivered great results in its 30 years history. It supported infrastructures, education, administration reforms, employment, SMEs, innovation and research. It initiated crossborder and transnational cooperation.

Yet, despite these results, inequalities among places still persist. Countries' average indicators improved but many areas are still lagging behind. Studies, like the ESPON Profecy revealed that even in well advanced regions inner peripheries still exist. Territorial disparities are projected to increase by 2035, despite the positive effect of Cohesion Policy. Shrinking population has become the normal trajectory for many rural regions, as agriculture has been restructured and population and employment have become increasingly concentrated in urban centres.

1. ESPON Inner Peripheries Policy Brief, October 2018 <https://www.espon.eu/inner-peripheries-brief> 2. Geography of the EU discontent, DG REGIO EU Commission, December 2018 https://ec.europa.eu/regional_policy/en/information/

Territorial inequalities lead to the “geography of EU discontent”. Anti-EU political movements are raising in regions that “are left behind”, as people are attacking the very factors on which their prosperity has been based so far: Open markets, Migration, EU membership, Globalisation. Pandora's box is already open, and we need a new clear narrative for the future of these Regions to close it back.

The member states have already acknowledged this challenge back in 2011. It was during the Hungarian Presidency that they adopted the “Territorial Agenda of the European Union 2020” (TA2020) (footnote to TA2020). In its first chapter already, the Ministers stated that the TA 2020 aims to “support territorial cohesion in Europe” and “provide strategic orientations for the territorial development”. They also stated that “all policies and actions of the Union should contribute to the economic, social and territorial cohesion”. Finally, the text called for a “more strategic approach to enhance territorial cohesion” and “a deepening of the territorial dimension of Cohesion Policy”.

TA2020 assigned to ESPON to support policy-makers providing publications/working-papers/2018/the-geography-of-eu-discontent 3. Territorial Agenda of the EU 2020 https://ec.europa.eu/regional_policy/en/information/publications/communications/2011/territorial-agenda-of-the-eu-

ing evidence related to territorial development and cohesion. Our results since then confirmed that one of the reasons development policies fail to reach (all) their goals is the fact that they are bound by administrative and geographical borders. But peoples' lives exceed these borders. People live, work and travel from one place to the other: They may live in a town and work in a near big city, they may enjoy cycling in a forest of their neighbouring region or go for shopping at the mall next to the borders.

The effects of policy decisions go also beyond administrative borders. Social and economic developments in one place -like new infrastructure, increased labour needs, changes in legislation- have a direct impact to the development perspectives of the neighbouring areas.

We need therefore to design development policies that consider these interdependencies not only on European, but also on national and local level. We need to cooperate instead of competing and avoid fragmentation that leads to lack of connectivity, waste of resources, overlapping of activities.

Although these results, together with other studies from the European Commission, the Parliament and independent researchers, helped to move this debate higher in the political agenda, the territorial approach is still far from being considered mainstream. Designing for borderless areas is a revolutionary approach, and it requires both political leadership and a change in the mentality of policymakers, administration, and citizens to think and act beyond the restrictions of the administrative borders.

An important step forward to this direction was the adoption of the Urban Agenda and the Amsterdam pact in 2016. It provided a solid framework to support multilevel governance and to involve local authorities in designing and implementing EU policies.

This brings us to the need to renew the Territorial Agenda, in order to align it better with the current political and legislative framework and incorporate the key principles of territorial policies beyond borders and benefit from the lessons learnt from the implementation of the Urban Agenda.

In this framework the Romanian Presidency of the EU presented in June the "Bucharest declaration", that acknowledges the key role of the local authorities and the need for a coherent strategic and operational framework for urban development based on the results of programmes like ESPON. It also sets the scene for a stronger integration of the urban and territorial agendas that will be concluded with the presentation of the New Territorial Agenda during the German Presidency in 2020.

European-union-2020 4. Urban Agenda for the EU May 2016 <https://ec.europa.eu/futurum/en/node/1829> 5. Bucharest declaration, June 2019 <https://ec.europa.eu/futurum/en/urban-agenda-ew/bucharest-declaration>

The New Territorial Agenda creates an opportunity to build an impactful policy framework on EU level finally that will finally mainstream the territorial dimension in all EU development policies.

In this line ESPON has proposed already 6 pillars for the successful design of regional development strategies beyond 2020:

1. Develop a Long-term Sustainable development strategy for Europe to present a spatial vision and promote the development of different places.
2. Follow a visionary approach, supported by foresight methods that are not just relying on past data and analysis, but combine historic trends and potential developments.
3. Address the key development challenges that are related to technological change (digital society, post-carbon, and circular economy), social change (migration and ageing), environment (mitigating and adapting to climate change, scarcer resources) and economic transformation (innovation ecosystems)
4. Build links among places and promote connectivity among them through a functional approach and more territorial co-operation. This approach is especially important for peripheral and lagging behind places.
5. Ensure that development policies are designed through a broad partnership with stakeholders beyond the public sector through multilevel governance to build ownership.
6. Invest in capacity building of local stakeholders to improve their engagement in strategic planning and implementation. Quality of governance is a strong precondition to ensure a more efficient post-2020 Cohesion Policy

2020 is a milestone year for the EU: A new Commission will be in place -following the renewal of the European Parliament, the programming period 2014-2020 is about to end and the flagship development strategy of the EU -the Lisbon Strategy 2020- comes also to an end.

The new development policies, like Cohesion Policy are now shaped. The technical parts will be subject to negotiations among the institutions, the member states and the local authorities. But, no matter what the result of these negotiations will be the message towards the citizens should be clear: we need to design beyond borders, we need to connect places and people, we need to ensure that no place is left behind.

***Ilona Raugze**

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