KITCASP
Key Indicators for Territorial Cohesion and Spatial Planning

Targeted Analysis

Interim Report | Version 31/10/2012
This report presents a more detailed overview of the analytical approach to be applied by the project. This Targeted Analysis is conducted within the framework of the ESPON 2013 Programme, partly financed by the European Regional Development Fund.

The partnership behind the ESPON Programme consists of the EU Commission and the Member States of the EU27, plus Iceland, Liechtenstein, Norway and Switzerland. Each partner is represented in the ESPON Monitoring Committee.

This report does not necessarily reflect the opinion of the members of the Monitoring Committee.

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1. Introduction
This is the interim report of the Key Indicators for Territorial Cohesion and Spatial Planning (KITCASP) project. The project’s main objective is to identify a core set of key indicators for territorial cohesion to inform spatial planning at the national level, drawing on ESPON research and datasets available in the research territories of Scotland, Ireland, Latvia, Iceland and the Basque Country, Spain.

This Interim Report provides a detailed account and results of work on KITCASP to date at the half way stage of the project, and addresses:

1. The detailed territorial profiles of the case study territories undertaken by the KITCASP team aimed at identifying the key territorial development challenges and existing spatial monitoring arrangements;
2. The results of consultation workshops with stakeholders in relation to the key drivers and development priorities in each region and their requirements for appropriate national territorial monitoring indicators;
3. The set of common identified priority themes identified by the TPG based on policy objectives and development priorities for the territories and stakeholder consultations to which the indicators will be grouped and linked; and
4. A preliminary inventory of domestic indicator and data sets in each stakeholder territory.

This Interim Report essentially presents the findings of the data and information gathering phase of the KITCASP project. The project now moves into the final phase whereby the identified priority themes will be used to filter available national indicator and data sets to identify a draft core set of common and discretionary key indicators for territorial cohesion and spatial planning. Once this draft set of indicators is identified by the TPG they will be subjected to a further round of consultation with each of the stakeholders and finalised and presented in the Draft Final Report. At the same time all of the other key deliverables for the KITCASP project will be progressed (see Section 9).

The Interim Report also addresses the comments and remarks made by the ESPON Monitoring Committee, the European Commission, the Managing Authority, the Coordination Unit (CU) and the Group of Stakeholders on reviewing the Inception Report. Therefore, it further elaborates on the analytical and methodological approaches of the process set out in the Inception Report to select and develop indicators, and addresses the issue of data gaps and limitations.

2. Further Detail on the Analytical Approach
In addition to the provisions presented in the Inception Report, and in response to the comments raised during its review and the issues raised during project partners’ meetings and exchanges, the following details on the analytical and methodological approaches are to be applied for the development and selection of indicators.

2.1. Methodological Specifications
As presented in the Inception Report, the indicator development and selection process will adopt a combination of bottom-up and top-down approaches. A bottom-up approach will be used to define
key policy priorities (i.e. spatial planning themes) and associated indicators based on a review of policy statements (i.e. policy drivers and objectives) and territorial development potential (i.e. development priorities), supported by stakeholder consultation. A top-down approach will then be applied to cross-check those spatial planning themes and indicators and thus ensure they fulfil the requirements of the project in the context of the EU 2020 Strategy, the Territorial Agenda 2020, the applicability of ESPON data, and consistency with other EU and ESPON indicator sets (e.g. ESPON Territorial Indicators and INTERCO).

Existing indicator sets from the case study regions will form the basis for indicator selection. It is considered that making use of such indicator sets will ensure that: a) indicators are more likely to be currently applied and understood by plan and policy-makers; and b) a monitoring system is in place that ensures regular data gathering and reporting. Where relevant indicator sets are not available or where such sets do not address the identified policy objectives and development priorities, existing data sources will be analysed to identify any relevant sources of information in support of the development of relevant indicators (see Section 2.4 for further detail).

The existing indicators and data sets will form the basis for indicator development in the context of KITCASP. The indicator filtering process will then be based on the selection criteria established in the Inception Report, and will be pragmatically carried out in consultation with the project partners and stakeholders on the basis of the following set of questions:

1. Does the indicator address the case studies’ policy objectives and development priorities (i.e. overall priority themes)?
2. Does the indicator enable assessing the performance and dynamics of balanced territorial development (i.e. can it be mapped to illustrate spatial patterns)?
3. Is the indicator regularly measured (i.e. are there reliable and timely datasets available or monitoring arrangements in place)?
4. Does the indicator effectively provide information sensitive to change to timely aid decision-making processes?
5. Is the indicator well-understood by planners and decision-makers (i.e. can it communicate the results in a concise and accessible manner)?

Only those indicators that positively answer the questions above for each case study region will be brought forward in the selection process. This resulting preliminary set will be subsequently further elaborated and fine-tuned to ensure their applicability throughout the case study regions (and potentially across the EU) by ensuring that they are coherent and consistent (see Section 2.4). Particular attention will be given to indicator wording and measurement units, to ensure transferability and understanding across the regions. In all cases, the resulting indicators will be monitored to assess performance.

2.2. Understanding Territorial Cohesion and Associated Indicators
International literature suggests that there is no clear conceptual approach to defining the concept of territorial cohesion (e.g. Medeiros, 2012). The ESPON INTERCO Report grappled with the ‘fuzzy’
concept of territorial cohesion and recognised that it did not fit into one single definition. This conclusion has been borne out in the KITCASP research to date. For example, during the discussions between the TPG, the Latvian stakeholders and the project stakeholders in the workshop held in Latvia on July 20th 2012, it became clear that even though definitions of territorial cohesion were similar across the case study regions, the specific and contextual meaning was not the same for everyone involved in the project. Nevertheless, the role of territorial cooperation between regions and rural and urban regions was emphasised as key for territorial cohesiveness. Moreover, the local stakeholder workshop results (see Section 4.2 and Appendix B) indicate that there is a significant degree of consensus between four of the five case study regions with regards to the interpretation of territorial cohesion within the national contexts; but that diversity in understandings of the concept prevail.

The Green Paper on Territorial Cohesion makes the case for promoting cooperation, interaction and connection between settlements as well as between urban and rural areas (EURP, 2008). It highlights the need for a more balanced and sustainable development, strengthening competitiveness, respecting natural assets and ensuring social cohesion. Medeiros (2012) defines territorial cohesion as “the process of promoting a more cohesive and balanced territory”, which is based on the principles of the EU’s Green Paper and is considered to be a valid definition for the KITCASP project. In this context, for the purposes of the KITCASP project developing indicators to specifically and directly measure/monitor territorial cohesion may not be feasible, practical (or necessary?). Rather, it is proposed that territorial cohesion is measured by observing consistency and/or variation on indicators across the regions. By ensuring that the selected key indicators are transferable, they will enable comparability of the spatial linkages, consistency and coherency of indicator performance across the case study regions (and across the regions in each country/territory), and in this way illustrate achievement (or not) of territorial cohesion. Nevertheless, as discussed next, indicators may be developed to specifically measure cooperation between regions.

2.3. Defining Spatial Planning Themes within the KITCASP Framework
The main objective of KITCASP is to promote evidence-based spatial planning through the development of a pragmatic set of indicators linked to relevant spatial planning themes. Therefore, it is proposed that spatial planning themes are developed on the basis of an in-depth review of policy drivers, objectives and development priorities for each territory. The policy drivers and objectives presented in section 4 (Table 5) will form the basis for defining relevant and common themes using the bottom-up approach described in section 2.1 and the Inception Report. The definition of such themes is supported by a review of existing national indicators sets and their corresponding themes.

In the ESPON Territorial Indicators paper (which presents the final results of the ESPON INTERCO project) it is stated that all ESPON projects dealing with indicators to measure territorial cohesion should first consider the themes and indicators included in the first selection of ESPON Territorial Indicators. The ESPON INTERCO project identifies a number of themes capturing territorial cohesion (Table 1). These themes, together with other existing and emerging themes developed as part of EU
initiatives, such as INTERREG-A funding programmes (Medeiros, 2012) and the Europe 2020 Agenda\(^1\) illustrated in Table 1, have been used as the starting point, or foundation, for the top-down filtering of themes and associated indicators in KITCASP.

Table 1. Existing and emerging territorial cohesion themes.

<table>
<thead>
<tr>
<th>INTERCO</th>
<th>INTERREG A</th>
<th>Europe 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic performance and competitiveness</td>
<td>Socio-economic territorial balance</td>
<td>Smart growth</td>
</tr>
<tr>
<td>Environmental qualities</td>
<td>Environmental sustainability</td>
<td>Sustainable growth (for a resource efficient, greener and more competitive economy)</td>
</tr>
<tr>
<td>Social inclusion and quality of life</td>
<td>Socio-economic territorial balance</td>
<td>Inclusive growth (a high-employment economy delivering economic, social and territorial cohesion)</td>
</tr>
<tr>
<td>Innovative territories</td>
<td></td>
<td>Smart growth</td>
</tr>
<tr>
<td>Access to services, markets and jobs</td>
<td>Balanced and polycentric urban system</td>
<td>Smart and inclusive growth</td>
</tr>
<tr>
<td>Territorial cooperation and governance</td>
<td>Territorial cooperation and governance</td>
<td>Economic governance</td>
</tr>
<tr>
<td>Polycentric territorial development</td>
<td>Balanced and polycentric urban system</td>
<td>Smart and inclusive growth</td>
</tr>
</tbody>
</table>

As briefly noted in the Inception Report, it is proposed that the spatial planning themes are embraced by the sustainability paradigm for indicator development. Therefore, indicators will capture: a) economic competitiveness; b) social cohesion; and c) environmental protection. These are complemented with two additional core aspects in the territorial cohesion agenda: territorial cooperation and governance, and balanced polycentric urban systems (Figure 1). The cooperation and governance theme will be considered in the context of process indicators (e.g. number of local authorities collaborating in the preparation of a plan), and the polycentric territory theme in the form of output/outcome indicators (e.g. hierarchy, distribution and number of cities).

Figure 1. Components of territorial cohesion and overlap with the spatial planning agenda.

\(^1\) http://ec.europa.eu/europe2020/index_en.htm
2.4. Identifying Indicators

It is considered that rather than collecting a lot of indicators and data from different sources, and in keeping with the ‘bottom up’ stakeholder driven approach, KITCASP should in the first instance focus on existing national indicator sets, as these have already developed in stakeholder countries and an informed selection has been made when developing these indicator sets. Moreover, using existing indicator sets will help ensure availability of data to support populating individual indicators and monitoring arrangements are likely to be in place, as well as increasing the potential for indicators to be currently applied and understood by planning practitioners and policy-makers.

Existing indicator sets (such as ESPON Territorial Indicators and those recently published from INTERCO as noted above) will form the basis for the top-down approach to indicator selection. However, the national sets will provide valuable bottom-up information on indicators that may be useful in addressing specific policy objectives/development priorities for the case study territories and where local data sets/indicators are unavailable. Where relevant indicator sets are not available or where such sets do not address the identified policy objectives and development priorities within the case study region, existing data sources (e.g. see Appendix B of the Inception Report) are analysed to identify any relevant sources of information that could be used to populate relevant indicators.

As per the Inception Report, the indicator selection will use a filtering and refinement system and group them into common (i.e. those applicable in all the case studies and transferable to other member states) and discretionary indicators (i.e. case-specific indicators of high policy relevance that could become transferable to other countries if data gathering and monitoring arrangements were put in place). Some of these discretionary may end up in the “wish list” of core indicators.

2.5. Scope of Indicators

An explicit and central ambition of the project is to ensure that the final set of indicators is fully understandable by policy-makers and applicable to their work in the ‘real world’. The key purpose of effective indicators is to translate complex relationships about phenomena in a simple way and in a manner which can be easily understood by policy-makers to provide usable and reliable signals of important trends. Indicators are generally built by scientists to be used by decision-makers and are only functional when fully understood by the latter. Effective indicators are therefore a well-considered compromise between scientific accuracy on the one-hand and the demand for concise information on the other (Duhr et al., 2010). In this context, the Inception Report already included a specific filtering criterion to ensure that “Indicators communicate the results of scientific analysis and research to policy-makers in a concise and accessible manner. In this way, they are a core element of territorial planning, monitoring systems and reports.”

The final set of indicators should consist of approximately 30 (core and discretionary) indicators to measure dynamic spatial planning processes, outputs and outcomes, and be comparable across both
the regions and the case studies and, in this way, address territorial cohesion. In other words, the spatial planning drivers, policies and objectives (i.e. spatial planning themes) should form the basis for the development of the indicators set. Territorial cohesion will be addressed by ensuring that such indicators enable assessing the performance and dynamics of balanced territorial development and are transferable, thus enabling comparability of the spatial linkages, consistency and coherency of indicator performance across the case study regions.

In the context of territorial cohesion and spatial planning, the final set of indicators needs to be, as far as possible, quantifiable and spatially-specific. However, consideration will also be given to qualitative indicators to capture socio-political considerations (e.g. governance, cooperation, horizontal coordination) for which quantitative data may not be available.

The issue of the consistency and coherence of the indicators in different national and regional contexts is fundamental to the project purpose. The consistency across the case studies will be ensured by developing a set of common indicators (i.e. those applicable to all the case studies and seamlessly transferable to other European Member States). The coherence of indicators will be assured by responding to policy goals and development priorities in the case study regions.

Process, output and outcome indicators will be considered in conjunction with monitoring and performance indicators. Process indicators seek to measure the effects of a policy, strategy or concept within the governance system. This type of indicator relates to an understanding of territorial cohesion as a process for coordinating the spatial impacts of sectoral policies. In contrast, outcome indicators seek to measure spatial development outcomes. These indicators provide a necessary evidence base for future policy intervention, but need to be interpreted in the wider context given that it may be difficult to attribute particular outcomes to specific policy interventions (as the effects of spatial policies are often linked to other governance interventions and influenced by underlining social, economic and environmental change processes). Outcome indicators need to be ‘plan-derived’ and ‘objectives-derived’ in a plan-led system. Outcomes are defined as the eventual benefits to society that proposals are intended to achieve but it is widely accepted that sometimes they cannot be directly measured. In such a case, the solution is to specify outputs (i.e. output indicators illustrating immediate/short-term performance as a proxy of outcome indicators, which can only be evaluated in the longer-term) as intermediate steps along the way. It is considered by the TPG team from our research to date that planning practitioners and policy-makers will be mostly interested in outcome indicators (e.g. total number of house completions, in relation to a set target within a given period) but that process indicators (e.g. amount of zoned land for residential development) may be needed in some cases.

Indicators can also be grouped into monitoring indicators (i.e. indicators which are used to characterize development trends and used as a tool for informing policy-making) and performance indicators (related to specific policy-based activities and resource allocation). Arguably, planning practitioners and policy-makers will consider both types of indicators necessary for informed planning and decision-making.
The KITCASP project can conceptually but not practically differentiate between types of indicators. It is considered that to ensure the development of an easy-to-understand and applicable indicators set, the project should aim at linking indicators to policy objectives and, as such, focus on outcome rather than process indicators, while providing both monitoring and performance indicators. In all cases, indicators will be monitored to evaluate the performance of spatial planning policy implementation.

The final set of indicators should include dynamic indicators capable of capturing change over time. They should have the flexibility to be adapted and adjusted to planning and development priorities; additional indicators can be incorporated at a given point in time if considered useful in informing the progress of spatial planning. Therefore, recommendations will be made to review the indicators set with the review of the spatial plan/programme/framework.

2.6. Data Gaps and Limitations
Each of the KITCASP project partners undertook an extensive trawl of existing datasets and indicators in each of the stakeholder territories. This revealed that some territories have more extensive pre-existing data gathering systems and monitoring arrangements in-situ than others. Moreover, the use of these data to inform spatial policies differs between territories. The applicability and usability of indicators is directly dependent on the quality, quantity and timeliness of data collected. It was therefore considered useful at this stage to highlight some of the data gaps and limitations which have been identified in each of the stakeholder territories which have been highlighted by stakeholders and revealed through research to date.

Ireland
Extensive datasets and information are available in Ireland, encompassing economic, social and environmental aspects. Various agencies (e.g. Central Statistics Office, Environmental Protection Agency) collect data on a regular basis and, arguably, there is a vast array of data to inform spatial planning. Current advances in the development of a set of regional indicators are aimed at providing a national monitoring framework to evaluate performance in the implementation of Regional Planning Guidelines and, subsequently, the National Spatial Strategy. However, key concerns remain with regards to the currency of updates and their timeliness to inform decision-making (e.g. the Irish Regional Planning Guidelines will be reviewed in the coming years with the aim to publish them in 2016, while the next census is due in 2016 – hence, this will impede the revised Guidelines being informed by up to date information). Similarly, significant concerns have been raised by the local stakeholders in relation to the scale of data collection and geographical scope and detail of available datasets. For example, indicators collected at national/regional scale are averages and often fail to capture any differentiation in regional/local patterns.

Scotland
The key issue in relation to data for Scotland is that there is currently no dedicated dataset for spatial planning. As a result, policy makers at the Scottish Government have had to adopt a pragmatic approach and search for relevant indicators among the extensive amount and range of data available from a variety of sources. The development of a dedicated dataset would facilitate a more structured and efficient approach and provide a more effective and meaningful evidence-base to inform spatial
policy. New and emerging agendas are reflected in the themes that have been agreed with stakeholders and it is therefore likely that not all desirable indicators will be currently available. Indicators relating to aspects such as economic resilience, transition to a low carbon economy, adaptation to and mitigation of climate change and the importance of place in particular are likely to have significant data gaps at this stage. Stakeholders also identified a lack of meaningful qualitative indicators that provide important contextual information and emphasised the importance of developing a wish-list of relevant indicators to address these points.

**Basque Country**

The Basque Government has its own statistical office\(^2\), which to a certain extent duplicates/replicates data collected by the Spanish Statistical Institute. With these two data sources, the Basque stakeholders consider that there is more than sufficient data available. Nevertheless, a number of data gaps were identified during the stakeholder workshop, representing a wish-list for improving existing and applied indicator sets. This focused on the need for high resolution (i.e. at municipal level) data on: mobility and travel patterns between municipalities for employment and other purposes; intermodal mobility; economic sectors; agricultural sector; waste; water; and sanitation. Such data would undoubtedly make a valuable contribution to monitor the fulfilment of Euskal Hiria (i.e. the spatial planning vision of the Basque Country as the Basque city region).

**Latvia**

In Latvia, financial and resource constraints have had their effect on the collection of relevant statistics in terms of available financing and human resources. Main data gaps are:

- Insufficient use and monitoring of life-quality and sustainability indicators. Currently life-quality indicators are developed by a group of experts, but they are not used in policy-making and are not updated annually.
- Insufficient time-series coverage.
- In some cases, poor representation and relevance. Thus, for example, collection of economic statistics about the large enterprises based on their address of registration does not ensure their relevance for cities and municipalities.
- Data gaps at lowest planning levels. Gaps of the indicators exist mainly in municipality level. There is lack of indicators in certain categories, such as tourism, public participation and environment.

The Latvian stakeholders consider that overcoming data gaps require solving methodological issues and ensuring adequate financing and further stakeholder involvement. Municipalities have been involved in the preparation of a wish-list of data. It is also likely that transition to more place-and evidence based approaches in regional policy in Latvia would require elaboration of more focused new set of indicators than the existing Territorial Development Index.

\(^2\) As approved under the Basque Governments own legislative powers in 1986 (Ley 4/1986, de 23 de abril, de Estadística de la Comunidad Autónoma de Euskadi (BOPV 29-10-1986)).
Iceland
Stakeholders in Iceland considered that there is little spatial data available, and existing data are too dispersed among institutes/companies and often inaccessible to users. There is little cooperation between the agencies responsible for planning initiatives and those that are in charge of data collection and distribution. Data lack detail (i.e. geographical units are often too large to show spatial differences). For Iceland 2020, there is certain regional division but much of the data needed are not available at that scale; these are below the NUTS3 level or LAU1 level. The stakeholders suggested that data should be able to analyse smallest geographical units (LAU2). However, it was acknowledged that due to the existing small population numbers in some regions this can be a problem. There is a need to increase cooperation between institutions/agencies delivering data and thus expand and improve access to data (through, for example, the Statistics Iceland Website³). Excellent data on demography exists but detailed and up-to-date data are needed on jobs, employment, commuting and income.

3. Territorial Profiles
As noted in the Inception Report, the identification of a core set of indicators for territorial cohesion, economic competitiveness and sustainable development will be based on the territorial profiles of the case study territories in line with national planning frameworks, development challenges and policy objectives. Thus, selected indicators will be directly linked to measuring key spatial planning policy objectives in the context of wider EU territorial cohesion policy.

The following territorial profiles are intended to provide a qualitative description of the case study regions supplemented by some quantitative data to describe their context and offer insights into why certain areas may focus more on certain priorities / objectives / indicators rather than others. The territorial profiles provided below summarise the key spatial planning issues in each stakeholder territory of direct relevance to indicator selections. Readers are referred to Appendix A for further details on wider characteristics on people, place and power which provides more detailed background information for each stakeholder country.

3.1. Ireland

3.1.1. Key Characteristics of the Case Study Territory

Positioning within European Context
Ireland is the most Westerly country in the European Union (EU), and shares territorial boundaries with Northern Ireland (UK). It occupies a land area of 69,750 km² with a population of 4.58 million recorded at the last Census of population in 2011.

A preliminary analysis of the ESPON typologies in Figure 2 helps to situate Ireland within its broader European context. The ESPON typologies have been developed at the NUTS 3 level. Ireland consists

³ www.statice.is
of 8 NUTS III regions (2 NUTS II regions), ‘Predominantly Urban’ accounts for one of the NUTS III Regions while ‘Predominantly rural regions close to a city’ account for four of NUTS III regions reflecting the distribution of three of the larger cities and towns in Ireland; Cork in the South-West, Limerick in the Mid-West and Galway in the West. The remaining three NUTS III regions are classified as ‘Predominantly rural, remote regions’. In a European context the regions classified as predominantly rural are generally situated in the geographical periphery of the EU.

*Figure 2. ESPON Typologies. Source: EDORA Final Report.*

<table>
<thead>
<tr>
<th>Urban-Rural Typology</th>
<th>Performance Typology</th>
<th>Structural Typology</th>
</tr>
</thead>
</table>

**Key Spatial Planning Policies/Documents**

The National Spatial Strategy (NSS) was published in 2002 with the aim to achieve a better balance of social, economic and physical development across Ireland, supported by more effective planning. The NSS was heavily influenced by the nomenclature and vocabulary of the ESDP and has been cited as a model example of European spatial planning and territorial cohesion agenda. In order to drive balanced development in the regions, the NSS proposed that areas of sufficient scale and critical mass will be built up through a polycentric network of nine ‘Gateways’ and nine ‘Hubs’. In summary, the key objectives of the NSS are to:

- Sustain economic and employment growth;
- Improve competitiveness;
- Foster balanced regional development;
- Improve quality of life for all; and
- Maintain and enhance quality and diversity of natural environment and cultural heritage.

In 2010 the Government report ‘Implementing the National Spatial Strategy: Update & Outlook’ found that implementation of the NSS to date had been sub-optimal. This, together with a significant need for reorientation of the planning system as a result of the economic crisis, prompted a very significant shift in national planning policy towards a greater regionalisation of spatial planning.
powers overseen by much stronger central government control to ensure national coordination. As part of this process the Government has stressed a much greater emphasis on evidence-based decision making and the role of new monitoring arrangements – particularly at the regional scale.

Figure 3. Irish National Spatial Strategy showing gateways and hubs (left), and Dublin and Mid-East Regions (right). Source: NSS 2002-2020 (2002).

3.1.2. Key Territorial Development Challenges

Ireland faces a number of major interrelated territorial development challenges. The original NSS set out the key development challenges as achieving balanced regional and sustainable development which are challenging objectives. A further objective was the development of an all-island economy following the normalisation of the security situation in Northern Ireland post 1998. The key territorial development challenges that the NSS sought to address were:

- Urban congestion and other diseconomies;
- Rural diversity and rural-urban disparities;
- Urban sprawl and counter-urbanisation;
- Unsustainable environmental pressures;
- Increased importance of quality of life; and
- Integration with Northern Ireland

All of these challenges remain today. Furthermore, the aftermath of the ‘Celtic Tiger’ property bubble and the huge acceleration of new development particularly during the years from 2000 to 2007 have created an additional layer of complexity and some further significant legacy issues.
Of key concern in national planning policy remains the primacy of Dublin and the underperformance of other regions. Despite the introduction in 2002 of the NSS, the primacy of Dublin is increasing. Ireland trades as a small, open and flexible economy and is heavily reliant on foreign direct investment which is primarily attracted to Dublin (being of sufficient scale to attract mobile international investment) and, to a lesser extent, other larger urban centres such as Cork, Galway and Limerick. Currently, almost 15% of Ireland’s workforce is unemployed and emigration is increasing. These recent trends and the immediate political imperative to reduce unemployment hamper policy initiatives to limit the primacy of Dublin.

Throughout the past decade high property prices in urban centres together with a non-strategic and fragmented approach to spatial planning policy implementation has resulted in widespread suburbanisation, particularly in the Greater Dublin Area. Ireland also has an historical and cultural predisposition towards individual ‘one-off’ housing in the countryside with over one-quarter of the population living in dispersed settlement patterns. These extremely low density settlement patterns create immense challenges in delivering and maintaining infrastructure and services together with reducing car dependency and greenhouse gas emissions. It also has had the effect of hollowing out the centre of towns and cities creating an underutilisation of infrastructure and services in urban areas and a demand for inefficient provision in other areas.

Property tax incentives were historically used by Government to stimulate development in peripheral regions. As an example of the lack of joined-up thinking in respect of spatial development, regions targeted for tax incentives often included regions not designated for growth under the NSS. This incentivisation of property development together with low interest rates and easy access to credit through much of the early years of this century has created a very significant overhang of unoccupied and uncompleted development. Ireland has in the order of 2,800 so called ‘Ghost Estates’ and it is estimated that there are some 230,056 vacant units in the country (excluding holiday homes), of which 110,000 constitute oversupply on a base 6% vacancy rate. As discussed above, many of these developments are located in peripheral rural regions which are not targeted for growth in the NSS. A major challenge for future spatial development is what to do with this legacy of a large oversupply of dwellings.

Over the past decade strong competitive pressures between local authorities together with a laissez faire approach to spatial planning policy has also resulted in a significant oversupply of zoned development land. Ireland is currently negotiating the difficult task of de-zoning this development land. In 2009 the Government decided to create the National Assets Management Agency (NAMA) as a ‘bad bank’ mechanism for removing non-performing property loans from the balance sheets of failed financial institutions. As a result the Irish government has a direct financial interest in much of the development land around the country creating both challenges and opportunities for territorial development.

The implications of various EU Directives also present significant spatial development challenges particularly the Water Framework Directive, Habitats Directive and the 2020 Climate and Energy package. Some 14% of Ireland’s land area is subject to EU Natura 2000 designations and the
implementation of the WFD River Basin Management Plans creates complex multi-faceted challenges in respect of land-use planning and water quality management. At the same time, Ireland has a binding target to achieve 20% renewable energy and 20% reduction in greenhouse gas emissions by 2020. To date, Ireland’s increase in renewable energy generation has been largely focussed on on-shore wind energy development which creates wider spatial challenges in terms of tourism development, social cohesion, ecology and grid connections.

3.1.3. Territorial Policy Orientations and Objectives
The territorial policy orientations and objectives can be identified through an analysis of key spatial planning documents. In the main the key objectives of national policy are:

- To strengthen the spatial policy dimension to all public and private investment coordination (particularly in respect of water, ICT and transport infrastructure) to enhance Ireland’s competitiveness and facilitate overall economic recovery, increasing economic resilience in an era of increased energy insecurity;
- Create strong governance models to drive the overall economic and physical development of the NSS gateways, especially, and their wider regions; and
- Support the emergence of much more economically, socially and environmentally sustainable patterns of development by tackling the drivers for urban sprawl, maximising the opportunities to reduce CO₂ emissions and fossil fuel energy use while adapting to the emerging effects of climate change and protecting the qualities of our rivers, habitats and heritage.

These broad objectives are to be achieved through the following key policy measures:

- Support the overall national and international economic role played by Dublin through more strategic and plan-led development aimed at consolidating the physical form of Dublin;
- Achieve increased levels of development in the regions outside the Greater Dublin Area;
- Accelerate the development and strengthening of a network of nine Gateway cities and towns – as well as nine Hub towns - as key motors of economic activity to energise the development of their wider regions;
- Support the emergence of key networks of cities and urban areas such as the Dublin – Belfast corridor and the Atlantic Gateways
- Encourage more strategically focused and plan-led development of Ireland’s small town and village structure and avoid a drift towards unsustainable commuter driven and car-based development;
- Accelerate the development potential of rural areas by facilitating the diversification of the rural economy and playing to the competitive and comparative advantages of the rural economy in economic, social and environmental terms;
- Promote the emergence over time of more sustainable travel choices on the back of more compact and sustainable development patterns;
- Protect the integrity and quality of key environmental assets in relation to Ireland’s natural and built heritage and the quality of our water, air, marine environment and landscape; and
• Co-ordinate more effectively with parallel spatial planning exercises in Northern Ireland and the implementation of its own spatial strategy, “Shaping Our Future”.

3.1.4. Current Use of Spatial Data and Indicators
A number of initiatives have focussed on monitoring and indicator development at both national and regional levels since the publication of the NSS. However, a formal national monitoring system is not yet in place.

In 2009, the two NUTS II Regional Assemblies jointly produced a Gateway Development Index which sought to measure progress in the key Gateways identified in the NSS. This index draws on both fine-scale quantitative spatial data and a questionnaire survey commissioned specifically for this purpose. The Regional Assemblies are currently in the process of updating this index and extending it to the ‘Hub’ towns.

The eight NUTS III Regional Authorities are currently in process of developing a common framework for monitoring and indicator development in relation to the implementation of Regional Planning Guidelines (RPGs). The RPGs provide a direct link between the NSS and local authority planning and are regarded as a key mechanism of translating national policy to the local level. As a consequence monitoring the RPGs may be seen as a core element of the wider process of monitoring the NSS. This monitoring framework is supported by the work of the All-Island Research Observatory (AIRO), a data portal and research unit, hosted at the National Institute for Regional and Spatial Analysis. AIRO focuses on making spatial data, derived from multiple public sector sources accessible to policy-makers and practitioners at local, regional and national levels. AIRO also provides GIS mapping and spatial analysis modules, all available through an online data portal. It is recognised as a key spatial data infrastructure for the evidence-based spatial planning on the island of Ireland. The regional level monitoring process is also supported through the involvement of the Dublin Regional Authority as a stakeholder in the ESPON Territorial Performance Monitoring project. AIRO is also partnered with the Central Statistics Office (CSO) and makes Census data freely available through its web-portal. The CSO also publishes Place Of Work Census of Anonymised Records (POWCAR) data every six years which is a powerful spatial data tool providing information on work and travel patterns. The Environmental Protection Agency also publishes a range of environmental indicators on its website and also through an annual ‘State of the Environment’ report.

Figure 4. Sample map (screenshot) of AIRO.
In addition, the Department of Environment, Community and Local Government has launched an online GIS for systematically compiling and coordinating land-use zoning information and other spatial planning data at the national level (www.myplan.ie). This is a vital tool for national level monitoring and oversight. At central government level, ESPON results are viewed as important conceptualising Ireland’s location within Europe. As such, analyses of transportation accessibility and integration in European networks are of particular interest.

Figure 5. Sample map (screenshot) of MyPlan.ie.

3.2. Scotland

3.2.1. Key Characteristics of the Case Study Territory

**Positioning within European Context**

Scotland is the northern most nation in the United Kingdom and is located in the north-eastern periphery of the European Union (EU) between the North Sea and the Atlantic Ocean. The nation has a land area of 78,000km² and an estimated population of 5.2 million in mid 2010.
A preliminary analysis of the ESPON typologies (Figure 2) helps to situate Scotland within its broader European context. The ESPON typologies have been developed at the NUTS 3 level. Scotland consists of 23 NUTS 3 regions (4 NUTS 2 regions), 8 of which are categorised as predominantly urban (all located within the central belt) in the urban – rural typology. This typology further classifies rural areas into the following categories: intermediate accessible, intermediate remote, predominantly rural accessible and predominantly rural remote. In a European context the regions classified as predominantly rural are generally situated in the geographical periphery of the EU.

**Key Spatial Planning Policies/Documents**

The process of devolution in the UK that took place in the late 1990s has resulted in the Scottish Government being fully autonomous in the area of spatial planning. Their key documents relating to spatial planning and territorial development are:


There is a referendum scheduled for the autumn of 2014 about the independence of Scotland from the UK and this coincides with the publication schedule for the third National planning Framework. Though it is unclear how and to what extent the independence debate will influence spatial planning agendas, the Scottish National Party are currently the majority party in the Scottish Parliament and it is likely that Ministers will want to present a positive and ambitious vision round which it will be possible to build a strong consensus.

**3.2.2. Key Territorial Development Challenges**

The key territorial development challenges can be identified on the basis of the key spatial planning documents listed above. Both of the National Planning Framework documents have a similar structure with key challenges identified followed by a vision or a twenty year time horizon and spatial perspectives for different parts of the country.

The key challenges identified in the National Planning Framework 2 (2009) were similar to those identified in the 2004 document, though with an increased focus on issues such as infrastructure and climate change. The key challenges identified in the document are as follows:

- Economic strategy (the importance of place);
- Sustainable development (climate change, transport, energy, waste, biodiversity and new technologies);
- People and households; and
- Scotland in the world (Europe and United Kingdom).
On the basis of discussions with relevant stakeholders a list of potential policy agendas and drivers was presented at a workshop at the Scottish Government Offices on 5th September 2012. As a result of these discussions the following list of policy agendas and drivers relevant for Scotland was agreed:

- Economic recovery, growth and transition to a low carbon economy;
- Meeting climate change targets, environmental sustainability, natural resource management and realising renewable energy potential;
- Realising potential of different areas according to specific territorial assets;
- An aspirational agenda for an independent Scotland;
- National infrastructure development;
- Importance of place and quality of life; and
- Managing demographic change.

3.2.3. Territorial Policy Orientations and Objectives

The territorial policy orientations and objectives can also be identified on the basis of an analysis of the key spatial planning documents listed above.

In the National Planning Framework 2 (2009) the key aims of the strategy for Scotland’s spatial development to 2025 are identified as follows:

- To contribute to a wealthier and fairer Scotland by supporting sustainable economic growth and improved competitiveness and connectivity;
- To promote a greener Scotland by contributing to the achievement of climate change targets and protecting and enhancing the quality of the natural and built environments;
- To help build safer, stronger and healthier communities by promoting improved opportunities and a better quality of life;
- To contribute to a smarter Scotland by supporting the development of the knowledge economy.

The key elements of the spatial strategy to 2030 are to:

- Support strong, sustainable growth for the benefit of all parts of Scotland;
- Promote development which helps to reduce Scotland’s carbon footprint and facilitate adaptation to climate change;
- Support the development of Scotland’s cities as key drivers of the economy;
- Support sustainable growth in the rural economy;
- Conserve and enhance Scotland’s distinctive natural and cultural heritage and continue to safeguard internationally protected sites, habitats and species;
- Expand opportunities for communities and business by promoting environmental quality and good connectivity;
- Promote development which helps to improve health, regenerate communities and enable disadvantaged communities to access opportunities;
- Strengthen links with the rest of the world;
- Promote more sustainable patterns of travel, transport and land-use;
- Realise the potential of Scotland’s renewable energy resources and facilitate the generation of power and heat from all clean, low carbon sources;
- Encourage a sufficient supply of homes which are affordable in places where people want to live;
- Facilitate the implementation of the National Waste Management Plan including waste management targets.

Many of these territorial policy orientations and objectives remain relevant. However, on the basis of discussions with relevant stakeholders regarding the new and emerging policy agendas and drivers listed above, a list of themes has been agreed that are likely to provide the context for the evolution of the third National planning Framework as well as providing themes for grouping indicators for territorial cohesion and spatial planning. These themes are as follows:

- Economic resilience and transition to low carbon economy
- Adaptation to and mitigation of climate change and environmental resource management
- Connectivity and regional resilience
- Social inclusion / cohesion
- Innovation and knowledge economy
- Quality of life, the importance of place and realising the potential of places based on territorial assets
- Territorial co-operation and governance.

3.2.4. Current Use of Spatial Data and Indicators

The Monitoring Report on the NPF or Scotland (2004) was published in 2006 and the Monitoring Report for the NPF2 (2009) was published in 2012. Both reports adopt a strategic approach with a qualitative discussion of the issues identified in the spatial strategies supplemented by quantitative statistics and data. The NPF2 Monitoring Report assesses progress in relation to the twelve key elements identified in the development strategy in the NPF2 (2009). The key challenges facing Scotland are reviewed and emerging priorities identified in other key policy documents such as the increased focus on promoting a low carbon economy in the Governments Economic Strategy. Other emerging issues include the establishment of 14 enterprise areas and links are made to targets identified in a variety of sectoral and thematic documents.

The relevance of research undertaken in the context of the ESPON Programme is emphasised. This is followed by a discussion of issues in relation to economic and social trends (the labour market, disadvantage based on the Indices of Multiple Deprivation Scotland and town centres), housing supply, the built and natural environment (vacant and derelict land, greening the environment, the natural environment, national parks and built heritage), transport (external links, internal connectivity and sustainable transport), energy (electricity generation, renewable energy, electricity transmission and heat), waste management, water, environment and flooding and finally communications technology. This is followed by a more specific discussion of progress in relation to
the spatial perspectives for the central belt, the East Coast, Highlands and Islands, Ayrshire and the South-west and the South of Scotland. Finally progress in relation to the national infrastructure developments identified in NPF2 is considered.

In the absence of datasets dedicated specifically to spatial planning the Scottish Government have until now adopted a pragmatic approach to the use of indicators. There first two NPF documents draw on a range of the extensive number and types of datasets and indicators that are available in Scotland. The Scottish Government are now seeking to adopt a more structured approach with the development of a more specific dedicated dataset that will provide a more meaningful and effective evidence base for spatial planning and territorial cohesion policy.

The key datasets in Scotland are:

- Scotland Performs
- Scotland Neighbourhood Statistics
- Scotland Environmental Web
- Integrated Land Use Database

Other potentially useful datasets and sources of data include:

- Scotland and Northern Ireland Forum for Environmental Research (SNIFFER)
- Natural capital Index
- Tayplan and other strategic development monitoring reports
- Visit Scotland
- Health and education data
- Greenspace Scotland
- CABE indicators on future proofing

3.3. Basque Country

3.3.1. Key Characteristics of the Case Study Territory

**Positioning within European Context**

The Basque Country is located in the North of Spain, on the South-Western periphery of the European Union at the Western edge of the Pyrenees. It borders marginally with France to the North-East and with the Southern limits of the Bay of Biscay (Cantabrian Sea) to the North. Otherwise it adjoins the other Spanish “regions” of Navarra, La Rioja, Castilla y León and Cantabria. It has a total land area of 7,228 km² and a population of just under 2.2 million inhabitants in 2011.

An initial approach to the analysis of the ESPON typologies helps situate the Basque Country within the broader European context. The ESPON typologies have been developed at the NUTS3 level⁴. The

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Basque Country consists of one NUTS2 region and 3 NUTS 3 regions. The two coastal NUTS3 regions are both classified as “predominantly urban”. By contrast with regard to the urban-rural typology the inland region is classified as “intermediate close to a city”; on the structural typology it lies in the grouping of a diversified region with a strong secondary sector; and finally on the performance typology it is classified as an “accumulating region”. The classification of urban areas deriving from the ESPON Study on polycentrism identified Bilbao as a potential Metropolitan European Growth Area (ESPON, 2004).

**Key Spatial Planning Policies/Documents**
The key documents relating to spatial planning are as follows:

- The Sectoral Spatial Plans.
- The Sub-regional Spatial Planning Guidelines pertaining to the Basque Country’s 15 “functional areas” as identified within the Spatial Planning Guidelines.

### 3.3.2. Key Territorial Development Challenges

The spatial planning vision for the Basque Country was originally enshrined in the Spatial Planning Guidelines first published in 1997. The more recent updating (*Modificación de la DOT, como consecuencia de su Reestudio*, March 2012) of the former Guidelines provides a framework for the spatial development of the Basque Country in a contemporary knowledge-based society policy context. The first part of the *Modification* reaffirms the spatial model contained within the 1997 Guidelines, interpreting the Basque Country as a *city-region*, identifying the challenges for the updating of the 1997 document (sustainability and territory; climate change; innovation and territory; and polycentrism) and understanding the spatial positioning of the Basque Country within the south-west European context. This justifies the spatial planning vision of the Basque Country – the Euskal Hiria New Territorial Strategy (*Euskal Hiria NET*) – as the *Basque city region*. The Strategy corresponds to an integrated vision of the territory which incorporates the landscape, the physical environment, the rural and urban environments, and the interrelations and complementarities between the Basque capital cities, as well as between these and the rest of the different sized settlements comprising the urban system of the Basque Country. The second part addresses the two key priorities of the strategic proposal (*Euskal Hiria NET-Ecosistema de Innovación*) for the spatial development of the Basque Country – innovation and sustainability.

The pre-amble to the Guidelines recognises the two major paradigms of the contemporary knowledge-based society of the Basque Country – innovation and sustainability – being the two

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6 Characterised in the Basque context in terms of *population* (increased life-expectancy, immigration, and ethnic and cultural diversity), the *environment* (renewable energies, sustainable mobility, biodiversity and landscape, and health and security), the *cities* (the digital city, spaces of fusion, opportunities, local and global, stimuli and sustainability), the *wider*
sides of the same coin. What is required is the need to prepare the Basque territory for a new phase of development\(^7\) in which competition, social cohesion and sustainable development are three inseparable and interrelated elements, equally necessary for the future development of the Basque nation.

As a consequence the key territorial development challenge for the Basque Country can be expressed as the avoidance of an imbalance between the three capitals and other cities and towns of the urban system, and the rest of the Basque territory, in accordance with the notion of *Euskal Hiria*.

### 3.3.3. Territorial Policy Orientations and Objectives

The current territorial policy orientations and objectives essentially reflect a continuation of those contained in the 1997 Guidelines, with the difference being in the recognition of the need to link these to the current *knowledge based society and economy*.

The components and basic structure of the Basque territory remain unchanged. The *Territorial Model* of the original Guidelines rests upon the *Polynuclear System of Capitals* (Bilbao – Donostia-San Sebastian – Vitoria-Gasteiz) and the *medium sized cities*, and the *functional areas* which surround them; the management of the *physical environment* based upon ensuring *appropriate land uses* and evaluating the *territorial carrying capacity*; as well as a relational system which articulates the functional areas themselves and connects the Basque Country beyond the administrative limits of the NUTS 2 region.

This model is just as important today as a reference for managing the processes of spatial change, taking into consideration areas of importance which have evolved in the period between the elaboration of the 1997 Guidelines and the Modifications. These important areas include sustainable mobility, landscape, the reuse of existing built form for new and/or more intensive uses, and the development of spaces for more knowledge intensive economic activities, all within the context of promoting the notion of the Basque city-region (*Euskal Hiria*) in the widest sense. This city-region concept is not based upon any one city in particular – rather priority is placed upon the importance and complementarity of each component of the system for the benefit of the Basque territory as a whole.

The second part of the Spatial Planning Guidelines focuses specifically upon the two paradigmatic issues of innovation and sustainability in detail. The policy orientation of the innovation issue is dealt with in the context of the networks and landscapes of a first rate territory; the metropolitan areas as unique foci of innovation; the medium sized cities and functional areas; innovation nodes; and the physical medium and landscapes of the Basque city-region. In terms of the sustainability policy orientation the Guidelines address the issues through connectivity and sustainable mobility; energy efficiency; and strategies for sustainable urban development.

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\(^7\) Making the clear distinction between the Basque Country’s former periods of *strong industrialization* (1880-1983) and the *first transformation* (1983-2008).
In addition to these two pragmatic issues, other policy drivers of the Basque Country include the need for protection to be given to the biodiversity of the Basque territory; the need to reduce greenhouse gas emissions; the introduction of means to encourage the recovery from the economic crisis; the emphasis upon regional development; the importance of regeneration; and an integration between settlements and infrastructure of the territory.

As a consequence the regional development policy objectives identified by the Basque Government cover the overall encouragement of innovation (without jeopardising environmental capital); social cohesion; sustainable development; regional balance complementing each component of the territorial model; limiting land consumption; the regeneration of former industrial land; protecting special landscapes; increasing waste recycling; increasing sustainable transport; sustainable mobility; and finally green infrastructure.

The overall vision for the spatial development of the Basque territory can be appreciated in Figure 6; which identifies the basic elements of the territorial model (left) and illustrates the key elements of the new spatial strategy as contained in the Modifications (right).

*Figure 6. Diagrammatic representation of the territorial model and spatial planning guidelines (1997) (left) and key elements of the Basque City-region’s new spatial strategy (2012) (right). Source: Basque Government.*

3.3.4. Current Use of Spatial Data and Indicators

The question of coordination between the national (Basque Government), provincial (the three historical territories of Araba/Álava, Gipuzkoa and Bizkaia) and local (251 municipalities) administrations is critical in relation to the approval of local development plans. The three provincial administrations are vested with the responsibility of approving such local development plans for municipalities with less than 7,000 inhabitants. This represents just less than 200 municipalities and accounts for 14.5% of the Basque population. In all other cases it is the municipality which is vested with the power to formally approve its own local development plan. However, all 251 municipalities are legally bound to submit their plans to the Basque Government for comment. Therefore, the overall responsibility lies with the national administration to ensure that the content of the local development plan be in accord with the strategic spatial planning policies and in turn in harmony with the Basque city region vision.
In this sense the key data set for monitoring the evolution of the Basque urban system and enabling the Basque Government to determine the degree of conformity between local development policies and the strategic spatial vision is that of Udalplan (Figure 7). Since 1993 the Department of the Environment, Spatial Planning, Agriculture and Fisheries has been producing an inventory relating to residential land and economic activity at the municipal spatial scale. As of 2003, Udalplan has been produced on an annual basis. The parameters covered relate to the use of the land, projected housing construction, and projected development for new industries, facilities or infrastructure according to the proposals contained in the local development plans. Udalplan can be described as a geographical information system and spatial database of the Basque Country, providing data at the spatial scales of the Basque Country as a whole (NUTS 2), the 3 provinces (NUTS 3), the 15 functional areas and the 251 municipalities (LAU 2).

A complementary database is that of Udalmap (Figure 7), which is a cartographic information system managed by the Department of Economics and Finance, but drawing upon data from a wide range of national (Basque Government) and Spanish Government sources. Udalmap aims to provide detailed information of the Basque territorial reality, at the spatial scales of the Basque Country (NUTS 2), the 3 provinces (NUTS 3) and the 251 municipalities (LAU 2). The information is map based and records can be accessed for the different spatial units under the two headings of sustainability indicators and community facilities. The sustainability indicators are presented under the three broad categories of economy and competitiveness; social cohesion and quality of life; and mobility and the environment. In turn the database allows for the elaboration and evaluation of public policies designed to facilitate decision-making in many areas related to the growth and development of the territory, allowing for “greater territorial cohesion, economic, social and environmental respect”.

Figure 7. Udalplan (left) and Udalmap websites (right).

Both these cartographic databases can be accessed through GeoEuskadi (Figure 8), a GeoPortal hosted by the Department of the Environment, Spatial Planning, Agriculture and Fisheries – the same Department responsible for the elaboration of the Spatial Planning Guidelines, the Environmental Programme Frameworks and the host of complementary environmental strategies. The highly advanced Spatial Data Infrastructure (SDI) seeks to proportion free access to all spatial and territorial
data of the Basque Country, with direct links to the Department’s cartographic website; a stereoscopic image service; information on contaminated land; a cartographic based route calculation service operated by the Department of Transport and Public Works; and the Basque Water Agency’s cartographic service.

![Figure 8. GeoEuskadi portal.](image)

Despite the maturity and sophistication of the GeoEuskadi SDI, it would appear from the outside that there is a distinct absence of a systematic process of cross-referenced territorial monitoring of spatial planning in the Basque Country. Albeit that Annex1 of the Modifications to the Spatial Guidelines (2012) contains a section addressing “territorial indicators”, these indicators are very basic and provide no means of monitoring questions of competitiveness, social cohesion and sustainable development. As a consequence it would seem that there is considerable scope to incorporate ESPON results and build upon the already existing strong base of territorial and environmental policy initiatives.

3.4. Latvia

3.4.1. Key Characteristics of the Case Study Territory

**Positioning within European Context**

Latvia is located in North-Eastern Europe on the East coast of the Baltic Sea. It covers an area of 64,562 Km² with a population of 2.04 million.

The whole territory of Latvia is considered a single NUTS 2 region. Latvia consists of six NUTS 3 statistic regions – Kurzeme, Latgale, Pērīga, Vidzeme and Zemgale. Similar to other case study territories, Latvia is strongly dominated by the capital city and surrounding metropolitan area. As a result, Latvia has pronounced regional disparities as shown by particularly high dispersion of regional GDP per inhabitant. The main challenges for the country include high level of population decline and significantly lower economic activity in peripheral regions. Because of the large internal disparities between the capital city and other planning regions, the analysis of territorial cohesion must take into consideration variations among territories at NUTS 3 and lower level.
According to structural typology elaborated in ESPON EDORA project, most regions in North Eastern Europe with exception of metropolitan regions have more rural and less urban characteristics. The regions have lower level of accessibility and tend to be more agricultural with considerable environmental resources. Latvian regions, with exception of metropolitan Pierīga region and the capital city which have properties of a consumption-based economy, fit this profile. The planning regions of Latgale, Vidzeme and Zemgale show clear signs of demographic depletion and low economic performance; while Kurzeme and Pierīga regions show higher economic performance.

**Key Spatial Planning Policies/Documents**

The key documents relating to territorial development in Latvia are:

- Sustainable Development Strategy of Latvia 2030 (Latvia 2030)
- Strategic Plan of the Development of Latvia 2010-2013 (SDP, 2010-2013)

As of October 2012, the National Development Plan (NDP) 2014-2020 is still in its final stages of preparation, and so it is the Draft Document of Regional Development Guidelines (RDG) 2014-2020. The middle-term planning framework NDP 2007-2013 was based on a human capital approach and an economic growth scenario which did not materialize due to the financial and economic crisis. In response to changing economic and social context, the Strategic Plan of the Development of Latvia 2010-2013 was drafted. The plan adjusted the existing policy orientations by emphasizing efficiency in public sector governance, enhancing service delivery and increasing productivity via technical, technological, structural and institutional adjustments. The Strategic Development Plan puts forward three key priorities: economic growth, social security, and reforms in the public sector. The Strategy, which was aligned with goals of the long-term planning document Latvia 2030, also recognised several shortcomings in the planning system. It emphasized the need for united and coordinated strategic planning across different policy sectors and result-oriented approaches to using policy planning indicators - from macro-level indicators to policy and action indicators. The review of the draft NDP 2014-2020 shows that the forthcoming middle-term development framework will be guided by the orientation towards “economic breakthrough” and emphasize concentration and targeting of investment, in the framework of a place-based development approach.

3.4.2. **Key Territorial Development Challenges**

The key challenge of territorial development in Latvia is to reduce negative territorial and social inequalities between the different regions, which continue to increase. This challenge can be viewed from many perspectives, but the perspective of territorial governance seems especially useful in summarising key arguments. For a long time the planning system in Latvia has suffered from frequent government changes, lack of a long-term common reference framework and weaknesses in policy implementation and evaluation. An important step towards a more systemic approach to planning was the introduction of Sustainable Development Strategy Latvia 2030 which contained baseline and target indicators for tracking the progress of development policies. It remains to be seen whether goal-implementation gaps that have been characteristic to regional development can be reduced by offering more concrete interpretation of policy concepts and choosing targeted policy
instruments. Several open questions remain. These questions are directly related to past and present policy orientations and to the choice of territorial cohesion indicators.

The current key challenges can be formulated as follows:

- **Placing development goals and post-austerity context.** How can economic breakthrough and transition to knowledge based economy be achieved in the context of post-austerity policies which in many instances have eroded social and knowledge foundations upon which policies of innovation, R&D can flourish.

- **Prioritizing development of territories.** How can sustainable and balanced territorial development of the country be delivered while prioritizing the development of Nation’s capital and increasing its’ international competitiveness at the same time.

- **Closing policy implementation gap.** How can differences between policy goals and actual outcomes be reconciled and credibility to regional development policy restored?

- **Choosing appropriate policy instruments.** Coping with challenges in demography, and lower economic activity in regions might require more decisive and better targeted policy instruments than are currently offered.

- **Developing indicators that are regionally and locally relevant.** Given high disparities between Latvian territories there is a need to for effective system of regional indicators

- **Policy coordination.** Regional policy and territorial cohesion is horizontal policy which requires inter-sectoral planning.

3.4.3. Territorial Policy Orientations and Objectives

Key statements of territorial development in policy documents have not significantly changed since mid 1990s. The main goal of the territorial development is to reduce negative territorial and social inequalities between different areas in Latvia – mainly between the nation’s capital Riga and surrounding areas, and the rest of the territory of Latvia.

According to Latvia 2030 territorial and social inequalities have to be reduced by:

- Improving territorial accessibility and mobility;
- Implementing polycentric model of development; and
- Creating new division of functional territories.

These territories are:

- Development centres of national and regional significance (set by Latvia 2030),
- Rural areas
- Riga metropolitan area
- Baltic Sea coastal area
- Eastern border area
After difficult recession which was followed by decisive recovery measures, the life quality approach which was a guiding principle behind NDP 2007-2013 has been replaced by a motif of “economic breakthrough” in the current draft version of NDP 2014-2020. The draft NDP establishes “regions for growth” as one of three key priority areas for achieving economic breakthrough. The other key priorities are human security (a form of resilience) and national economic growth. Several themes that are relevant for regional development, such as demography, education and R&D are also addressed under these two policy priorities.

According to the draft NDP 2014-2020, the main aims for regional development are:

- Strengthening of international competitiveness of Latvia’s regions, by increasing Riga’s role as a Northern European metropolis and the international role of other larger cities in Latvia.
- Creating access to services for improving living and working conditions of all people.

The main directions of action for stimulating regional development include:

- Regional economic activity to unleash territorial potential.
- Access to services for equal living and working conditions.
- Sustainable management of the environment and cultural capital.

Future territorial policy orientations will be determined by the RDG 2014-2020. The current draft RDG 2014-2020 offers a new system of public investments and spatial development which will be based on territorially-specific support directions of target areas (functional areas) defined in Latvia 2030, allocation of a “basket” of public services at each level of settlement based on criteria, and
investment requests based on regional and local development programmes. The general objectives of the draft RDG are:

- To address territorial and social inequalities.
- Develop business infrastructure for attracting investors.
- Develop regional and local transport infrastructure.
- Provide public services for centres of national and regional significance.
- To provide infrastructure for innovation, culture and creative industries.
- To strengthen capacity of regions and local municipalities.
- Strengthen international competitiveness of the regions, particularly functional areas such as Riga metropolitan region.

The draft RDG also specifies support actions to achieve these objectives. In addition to territory-specific support actions for each target area, some general actions (such as the diversification of municipal sources of income, increase in the range of available business incentives and public-private partnerships and support for regional and local innovation systems) are introduced. The draft RDG also aims at introducing territorially diversified instruments within sectoral policies, such as differentiated taxation, differentiation of social allowances, and/or remuneration for attracting skilled workers etc. The success of the RDG depends on whether important values and actions will be included in the NDP 2014-2020 and effectively implemented in practice.

In addition to the emerging policy framework, there have been important incentives to achieving better coordination of policies by setting up a Centre of Cross Sector Coordination in 2011, under the supervision of the Prime Minister of Latvia. The Centre is currently leading the elaboration of the NDP 2014-2020.

3.4.4. Current Use of Spatial Data and Indicators

In Latvia, the Territory Development Level Index has been a key indicator has been commonly used in regional development policy for more than a decade. It is a standardised synthetic indicator that combines demographic and socio-economic indicators and reflects the relative development level of territories.

Three strategic indicators for measuring growth performance of the regions have been used in the preparation of the NDP 2014-2020: the Territorial Development Index, the Regional Dispersion of GDP per capita at NUTS 3 level, and the Proportion of the Population living in Riga. These indicators are consistent with the long-term strategic indicators defined in Latvia 2030 (e.g. number of inhabitants, GINI coefficient, GDP per inhabitant, regional differences of GDP per inhabitant, Ecological Footprint Index, Human Development Index and Global Competitiveness Index). Current development priorities and assessment methods focus on economic growth, placing less importance on sustainability and cohesion. Together with an improved model of spatial planning, a new model of spatial development indicators is being developed, which will be accompanied by a more informative monitoring system analytically oriented towards examining different development issues and
territorial potentials. The methodology is currently being developed by the State Regional Development Agency.

A centralised territorial monitoring system does not yet exist in Latvia. However, databases of elaborated and accepted spatial plans, territorial development programs and amount of finance resources for spatial planning at both local municipality and planning regions level do exist. Since 1999, the Latvian territories are monitored using the Territorial Development Index. In addition, environmental monitoring is performed for water, air pollution, biodiversity and other aspects.

3.5. Iceland

3.5.1. Key Characteristics of the Case Study Territory

**Positioning within European Context and Description of the National Context**

Iceland has applied for EU membership and is thus a candidate country, and is located on Europe’s North-Western edge. It has an area of 103,000 km² and a population of 320,000.

Iceland has not been classified in the ESPON typologies in the EDORA project which makes positioning it within the European context using ESPON data a challenge. The country joined the ESPON programme in 2007 and has been taking active part in its projects since 2010.

Iceland is divided into two NUTS 3 regions. One of the NUTS 3 regions consists of the capital area with 200,000 or 63% of the nation’s population; the other region covering the rest of the country with predominantly small urban and rural settlements. The LAU 1 level consists of smaller statistical regions, which mostly coincide with old constituencies used to elect the parliament Althingi during the period 1959-1999. Various data for key aspects, such as economic activities and education, are increasingly published by Statistics Iceland, only at NUTS 3 region level rather than LAU 1 or LAU 2 level as were previously gathered (Figure 10).

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8. Hagskýrslusvæði e. statistical regions (used by Statistics Iceland).
9. Landsvæði e. Regions.
The NUTS 3 classification has been considered too coarse to grasp various regional differences in Iceland.

**Key Spatial Planning Policies/Documents**

Iceland’s National Spatial Plan is a new planning level and part of a revised Planning Act from January 2011. The Icelandic case study will pay special attention to this plan; the stakeholder in Iceland, Skipulagsstofnun, is responsible for this planning process. The Spatial Plan was made public on the 24th September 2012 and, according to a decision by the minister for the environment, the key themes for the first planning period 2013-2024 are: settlement distribution, development of the highland interior and planning of coasts and the ocean.

The second main planning initiative is a Parliamentary Resolution on Strategic Regional Plan, prepared by the Icelandic Regional Development Institute and passed by the Parliament for a four year period. The last Resolution is active for the period 2010-2013 and its main objectives are to: improve living conditions; innovation and sustainable development in all regions; and strengthening education, culture, communities and competitiveness of settlements and towns with various actions. This plan is mandatory and carried out according to law. The relevant third plan, Iceland 2020, has a more overarching role. Its cornerstone is a strong and diverse economy characterised by responsible growth. It has 15 measurable objectives developed in consultation with the nation. Its five main objectives are related to economic well-being and quality of life. Policies and official plans will be reviewed and coordinated to support these primary objectives. Iceland 2020 is a result of a government decision made in the wake of the financial crisis in 2008.

**3.5.2. Key Territorial Development Challenges**

Iceland faces a number of territorial development challenges, such as the changing settlement pattern (urbanisation) and differing economic development of the regions. These challenges are among those addressed in the Parliamentary Resolutions on a Strategic Regional Plan which are...
being described in this report. Energy use and harnessing, and other resource use and management, notably the fisheries stocks, is a constant challenge and a cause for much debate among the island’s citizens and interest groups. Internationally, the territorial development challenges are related to the economic development in the wake of the credit crisis, resource use and management and the application for EU membership to mention a few.

In the on-going work on the new Iceland’s National Spatial Plan, the focus is on three key themes which address some of the development challenges mentioned above:

- Settlement distribution;
- Development of the highland interior; and
- Planning of coasts and the ocean.

Therefore, the Icelandic case study in KITCASP will very much have to focus on issues that serve to meet the current and future needs of this planning process. The stakeholder institute, the Icelandic Planning Agency, is responsible for preparing this plan. The above themes are all pressing issues and very relevant in the present discussion in Icelandic society and politics. It is anticipated that, in the future, the focus of the national land use plan will shift between themes and thus data needs may be different from one planning period to another.

3.5.3. Territorial Policy Orientations and Objectives

A new part of the Icelandic planning framework is Iceland’s National Spatial Plan which was part of a revised Planning Act from January 2011. The Icelandic case study will give special attention to this plan – the stakeholder in Iceland, Skipulagsstofnun, is responsible for the planning process. The Spatial Plan was advertised in 24 September 2012 but, according to a decision by the minister for the environment, the key themes for this first planning period 2013-2024 will be, as noted above, settlement distribution, development of the highland interior and planning of coasts and the ocean. This plan is not binding for the municipalities.

There are also two regional development policies active in Iceland, each with a different focus. One is the Parliamentary Resolution on a Strategic Regional Plan, prepared by the Icelandic Regional Development Institute and passed by the Parliament for a four year period; with the last one being active for the period 2010-2013. Its main objectives are to improve living conditions, innovation and sustainable development in all regions and strengthen education, culture, communities and competitiveness of settlements and towns with various actions. This plan is mandatory and being carried out according to law.\textsuperscript{11}

Thirdly, there is Iceland 2020 which has a more overarching role than the two plans mentioned above. Its cornerstone is a strong and diverse economy characterised by responsible growth. There are 15 measurable objectives that have been developed in an extensive consultation process with the nation, with 5 main objectives related to economic well-being and quality of life. Policies and

\textsuperscript{11} Act for Regional Development Institute no. 106/1999.
official plans will be reviewed and coordinated to support these primary objectives. This plan is being carried out as a result of government decision in the wake of the credit crisis which hit Iceland severely in 2008.

3.5.4. Current Use of Spatial Data and Indicators
The use of specific spatial indicators in relation to planning initiatives is different between the three plans referred to above. In fact, the use of specific indicators to measure performance of spatial plan appears to be rather limited in Iceland.

The best examples of indicator use and development probably relate to sustainability initiatives. One key example of this is monitoring of a megaproject in East Iceland where the national power company Landsvirkjun and the American aluminium company Alcoa jointly initiated such monitoring in 2004, a year after the project construction had started. There are diverse indicators that were selected and are regularly monitored to assess the project development and implementation, and any changes/effects in the surrounding environment and communities.

Spatial data in Iceland is, in some instances, not made available below the NUTS 3 level – which has been criticised by many users as not grasping regional differences in the country where they exist. Data is instead often only issued for the capital area and the rest of the country (NUTS 3) or as a national dataset. This is partly due to the low population number and density. Some areas are too thinly populated to publish detailed data; high data collection and publication costs data may also be a supporting reason. Due to the changing population pattern during the 20th century, adjustments are needed to improve the geographical units for Icelandic spatial data. To address this issue, Statistics Iceland published a report in 1 October 2012 with proposals for new geographical units (LAU 1).

Of the three plans which are dealt with in the Icelandic case study, Iceland 2020 uses spatial data and indicators most systematically. This is national data and indicators for measuring Iceland’s performance and recovery in many fields, particularly socio-economic after the credit crisis. In the new planning initiative, Iceland’s National Spatial Plan, the indicators being developed are classified according to the main fields of emphasis in the plans. These indicators have, in many cases, not yet been thoroughly defined and it is rarely clear from the planning text what units of measurement there will be used, if they already exist and what will be their geographical scope of measurement. This is however a work in progress, as it is the first time such a Spatial Plan is being carried out in Iceland.

The third plan, the Parliamentary Resolution on a Strategic Regional Plan for 2010-2013, does rely on a few indicators and data to measure its progress. In order to achieve the objectives of this Regional Plan, there are 32 indicators divided into nine key areas, but very few can be measured in this way. According to the Parliamentary Resolution, the plan is based on innovation and economic development measures, in keeping with other strategies pertaining to the preparation of the governmental policy on development, Iceland 2020. Therefore, it must be assumed that the indicators used for Iceland 2020 will also be applicable for the Strategic Regional Plan. However, the
geographical scope of measurement for Iceland 2020 is national, and this approach will not be able to capture the geographical differences which the Strategic Regional Plan is addressing. Indicators were mentioned in the planning document prepared before the Parliamentary decision was approved, but only a few have appropriate units of measurement or relate to supporting national data. It is interesting to note that the final document approved by the Parliament is very simple in character and does not refer to any indicators, any units of measurement or supporting data.

In the stakeholder workshop held in Reykjavík 6 September 2012, one of the main issues raised was the limitations associated with the level of geographical analysis for spatial data.

4. Workshop Outcomes
A round of stakeholder workshops were organised in the stakeholder territories. The workshop in Latvia took place on 20th July to coincide with the TPG meeting during the same week. The other workshops took place in September 2012 (Scotland 5th September, Iceland 6th September, Ireland 21st September and the Basque Country 24th September). Additional meetings were held with key people as necessary. The key aim of the workshops was for the KITCASP TPG to engage with stakeholders in each country and to agree a set of themes for grouping indicators for spatial planning and territorial cohesion that are relevant in each case. In addition, the workshop provided an opportunity for the TPG and stakeholders to discuss a range of broader issues. These discussions were structured around a range of common themes and questions that had been drawn up by the TPG.

The common structure ensured that comparisons could be made between the stakeholder territories. An initial comparative analysis has been undertaken on the basis of the workshop reports that were produced in each case. The information gained during the workshops supplements information that had already been obtained from desktop research of documentary sources such as existing policy documents (Section 3). The workshop reports have subsequently been circulated, in Scotland and Iceland, to a wider group of stakeholders to generate feedback. In this section of the Interim Report the approach and format of the workshops will be outlined before the outcomes of the workshops are discussed according to the common structure mentioned above. The full workshop reports from the individual workshops can be found in Appendix B.

4.1. Workshops approach and format
Members of the TPG have been in contact with key stakeholders in the case study territories since the start of the project including face-to-face meetings, telephone conversations and e-mail communication. The workshop format and list of participants was agreed with the individual stakeholders according to what was considered appropriate in each case. As a result the number of participants differed as illustrated in the Table 2 below.

Table 2. Number and nature of the participants at the stakeholder workshops. Source: Workshop reports (Appendix A).
Workshop | No. of participants | Nature of participants
--- | --- | ---
Latvia | 23 | Civil servants and representatives of public bodies including State Regional development Agency, Ministry of Environmental Protection and Regional Development, Vidzeme Planning Region and Riga City Council, various Latvian higher education establishments, KITCASP project participants from Latvia, the Basque Country, Ireland, Iceland and Scotland and the ESPON CU.
Scotland | 10 | Civil servants from Scottish Government, Tayplan City Region, UK ESPON contact point, and two researchers from TPG.
Iceland | 8 | Representatives from national level institutions engaged with spatial planning and regional development, representatives of City of Reykjavik, the Association of Municipalities and 2 researchers from TPG.
Ireland | 12 | Regional Planning and Department of Environment, Community and Local Government representatives, and researchers from the TPG.
Basque Country | 3 | Representatives of the Basque Government, and researcher from TPG.

The themes and questions agreed by the TPG were used to structure the workshops though there was a degree of flexibility so that the individual workshops could focus on elements that were considered to be of particular relevance to them. The questions were therefore not necessarily all addressed in detail but were used to guide the discussions. The themes and questions were as follows:

**Vision, Policy Drivers, Objectives and Priorities for each Case Study**
1. What is the spatial planning vision (or overarching goal) for the case study region?
2. What are the key policy drivers and emerging agendas influencing spatial development in the case study region?
3. What spatial policy objectives and priorities should be set in the case study region?

**Interpretation and Application of Terms in each Case Study**
4. What do the following concepts mean in the context of the case study region: territorial cohesion, economic competitiveness and sustainable development?
5. How do territorial cohesion, economic competitiveness and sustainable development relate to what planners do in the case study region at different spatial scales?

**Identification of Themes for Grouping Indicators for Territorial Cohesion**
6. To what extent are the themes identified below relevant to the case study region? Which themes should form the basis for selecting indicators for territorial cohesion in the case study region? What other themes, if any, are relevant to the case study region?

**Identification of Relevant Datasets and Data Sources**
7. Are there indicators or datasets available at national level for monitoring the selected/defined themes? Are these being monitored on a regular basis?
8. What, if any, data gaps hinder the monitoring of relevant indicators? What additional data should be collected (wish list)?

9. At what geographical scale are data most relevant in the context of the case study region?

**Use of ESPON data**

10. To what extent is ESPON data used in the preparation of plans/programmes at the national and sub-national level in the case study region?

The key aim of the workshops was to agree on a set of common themes under which indicators for territorial cohesion and spatial planning could be grouped. The TPG had prepared a list of policy drivers and objectives to facilitate this task. The list had been drawn up on the basis of a review of key spatial planning documents in each case and then discussed and agreed with the main representatives of each stakeholder region. Table 3 below provides an overview of the agreed policy drivers and objectives for each case study region and this provided the starting point for the discussions of relevant themes.

**4.2 Workshop outputs**

The workshops revealed numerous commonalities between the case study regions but also some differences. These will now be briefly discussed under the headings identified earlier.

**Vision, Policy Drivers, Objectives and Priorities for each Case Study**

The visions of the stakeholder regions are generally fairly well established in existing documents. The vision for Ireland was established in the National Spatial Strategy that was published in 2002. The vision seeks to achieve more balanced patterns of social, economic and physical development across the country by targeting investment in a system of gateways and hubs to act as a counterbalance to the Greater Dublin capital region. Though the overarching vision remains the same, the priority for economic recovery and settlement-infrastructure alignment to pump-prime regional development have come increasingly into focus.
<table>
<thead>
<tr>
<th></th>
<th>Ireland</th>
<th>Scotland</th>
<th>Basque Country</th>
<th>Latvia</th>
<th>Iceland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Policy drivers:</strong></td>
<td>• Recovery from economic crisis</td>
<td>• Economic recovery and regional resilience</td>
<td>• Innovation</td>
<td>• Demographic challenge</td>
<td>• Recovery from economic crisis</td>
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<td></td>
<td>• Balanced regional development</td>
<td>• Adapting to and mitigation of climate change and transition to a low carbon economy (based on environmental sustainability, optimal use of natural resources and realising renewable energy potential)</td>
<td>• Sustainability</td>
<td>• Sustainability</td>
<td>• Balanced settlement distribution</td>
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<tr>
<td></td>
<td>• Settlement-infrastructure alignment</td>
<td>• Reduced territorial disparities and more balanced regional development</td>
<td>• Protection of biodiversity</td>
<td>• Economic breakthrough</td>
<td>• Development of the highland interior</td>
</tr>
<tr>
<td><strong>Policy Objectives:</strong></td>
<td>• To support sustainable national economic and employment growth</td>
<td>• Contributing to wealthier and fairer Scotland by supporting sustainable economic growth and improved competitiveness and connectivity</td>
<td>• Encouraging innovation without jeopardising the environmental capital (competitiveness)</td>
<td>• To address territorial and social inequalities</td>
<td>• Sustainable planning of coasts and the ocean</td>
</tr>
<tr>
<td></td>
<td>• To strengthen international competitiveness</td>
<td>• Promoting a greener Scotland by contributing to the achievement of climate change targets and protecting and enhancing the quality of the natural and built environments</td>
<td>• Social cohesion</td>
<td>• To develop business infrastructure for attracting investors</td>
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<td></td>
<td>• To foster balanced regional development</td>
<td>• Building safer, stronger and healthier communities by promoting improved opportunities and a better quality of life</td>
<td>• Sustainable development</td>
<td>• To develop regional and local transport infrastructure</td>
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<td></td>
<td>• To promote social inclusion</td>
<td>• Supporting the development of the knowledge economy</td>
<td>• Regional balance based on the complementarity of each component of the territorial model</td>
<td>• To provide public services for centres of national and regional significance</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>• Limiting land consumption deriving from new urban development and infrastructure</td>
<td>• To provide infrastructure for innovation, culture and creative industries</td>
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<td></td>
<td></td>
<td></td>
<td>• Regeneration programme of former industrial land</td>
<td>• To strengthen capacity of regions and local municipalities</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Protecting singular landscapes and recovering degraded areas</td>
<td>• To strengthen international competitiveness of the regions, particularly functional areas as Rīga metropolitan region</td>
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<td></td>
<td></td>
<td></td>
<td>• Increasing the percentage of waste recycled</td>
<td>• Policy Objectives:</td>
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<td></td>
<td></td>
<td></td>
<td>• Sustainable mobility: Increasing the use of collective and non-motorized means of transport</td>
<td>• To ensure safety and common interests in spatial planning</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Green infrastructure</td>
<td>• To support sustainable development and effective planning</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>• To support coordination of the policies of the state and municipalities on land use issues</td>
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</tbody>
</table>
Stakeholders felt that there was a relatively high level of consensus about policy agendas and drivers in Scotland. The vision in Scotland was established in the two National Planning Framework documents published in 2004 and 2009. There was an evolution in the objectives and vision between the two documents and stakeholders stated that this was expected to evolve further in the context of National Planning Framework 3. The vision in NPF 2 was built around the following aims:

- To contribute to a wealthier and fairer Scotland by supporting sustainable economic growth and improved competitiveness and connectivity;
- To promote a greener Scotland by contributing to the achievement of climate change targets and protecting and enhancing the quality of the natural and built environments;
- To help build safer, stronger and healthier communities by promoting improved opportunities and a better quality of life; and
- To contribute to a smarter Scotland by supporting the development of the knowledge economy.

The vision in the Basque Country was originally enshrined in the Spatial Planning Guidelines first published in 1997. The key element of the vision promotes the Basque Country as a city region and has been retained in subsequent documents. The vision promotes an integrated vision of the territory which incorporates the landscape, the physical environment, the rural and urban environments, and the interrelations and complementarities between the three main cities in the Basque Country as well as between smaller settlements and rural areas.

The vision for Latvia has not changed significantly since 1996. The main territorial development goal is to reduce internal economic, social and territorial disparities, primarily between the Riga capital region and the rest of the country. The aim is to pursue the sustainable and balanced territorial development of the country, while simultaneously increasing the international competitiveness of Riga. The key elements of this vision are retained in the most recent relevant documents such as the Sustainable Development Strategy for Latvia: Latvia 2030, which includes a Spatial Development Perspective for the country, and the Draft of the new National Development Plan 2014-2020 which has introduced the overarching principle of economic breakthrough.

The vision for Iceland is established in the Iceland 2020 policy statement and seeks to promote the country as being at the forefront of other nations in the fields of value creation, education, welfare and quality of life.

The policy drivers identified in Table 3 were discussed with the stakeholders at the workshops and some revisions were made. The revised and agreed list of policy drivers is provided in Table 4. The key elements of the established visions have been retained in all case study regions, though a common theme was the emergence of economic recovery as the main policy driver, which requires visions and priorities to be realigned to address the consequences of the post-recession economy. The promotion of economic competitiveness, resilience and job creation are high on the policy agendas in all case study regions, with stakeholders in Ireland pointing out that this was likely to be challenging within a context of significantly reduced budgetary resources. Stakeholders in Scotland
felt that the long-standing goal of promoting more balanced patterns of development had become less of a priority in the context of the post-recession economy. The pursuit of more balanced patterns of development remains strong in the rhetoric of the various policy documents and the over concentration of development in the capital regions remains a significant threat to cohesion, especially in Iceland, Ireland and Latvia where the capital regions are particularly dominant. Potential tensions are apparent in recent policy documents in Latvia between the simultaneous pursuit of more balanced patterns of development whilst at the same time strengthening the international competitiveness of Riga. The need to reduce greenhouse gases, improve natural resource management, protect habitats and biodiversity, and promote environmental sustainability were identified as influential policy drivers in all cases.

The need to improve strategic spatial planning practice and processes was identified as a policy driver in Ireland and Iceland, and managing demographic change was identified in Latvia and Scotland. These drivers are also likely to be relevant to the other case study regions though they were not identified explicitly by stakeholders during the workshops. The specific local context in some cases determined specific policy drivers being identified. A referendum is planned to determine the question of Scotland’s independence from the UK in 2014 and this time horizon coincides with the process leading to the publication of National Planning Framework 3. It is therefore inevitable that the process will be influenced by this debate and that the ruling Scottish National Party will be seeking an aspirational agenda for an independent Scotland. The stakeholders in Iceland identified coastal and maritime planning issues as an important policy driver reflecting the geographical characteristics of the country. The list of policy drivers agreed on the basis of discussions with stakeholders at the workshops is shown in Table 4 below.

**Interpretation and Application of Terms in each Case Study**

There was a significant degree of consensus between four of the five case study regions with regards to the interpretation of territorial cohesion within the national contexts. Stakeholders in the Basque Country, Ireland, Latvia and Scotland agreed that territorial cohesion related to the pursuit of more balanced patterns of development and reducing disparities. Stakeholders in the Basque Country related this to achieving a balance between the 3 main cities and between the smaller centres and rural areas. Stakeholders in Scotland felt that the position of the Scottish Government resonates strongly with the cohesion agenda and stressed the importance of context sensitive local solutions to respond to the different emphasis in the interpretation of territorial cohesion that will depend on specific local characteristics and context.

Stakeholders in Latvia linked the concept of territorial cohesion to increasing the competitiveness of less developed regions, although there is an apparent gap between the rhetoric and the reality whereby the gap between Riga and the rest of the country continues to increase. The persistence of this gap between policy objectives and their outcomes could have a potentially damaging impact on the public’s trust in and perception of regional policy in Latvia although this could be relevant elsewhere. Stakeholders in Scotland raised concerns about the potential conflicts and tensions resulting from the pursuit of territorial cohesion simultaneously at different spatial scale.
### Table 4. Comparative policy drivers agreed with stakeholders at workshops.

<table>
<thead>
<tr>
<th>Ireland</th>
<th>Scotland</th>
<th>Iceland</th>
<th>Latvia</th>
<th>Basque Country</th>
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<tbody>
<tr>
<td>Economic recovery and employment within much reduced budgetary resources</td>
<td>Economic recovery, growth and transition to a low carbon economy</td>
<td>Recovery from economic crisis</td>
<td>Economic breakthrough and recovery from economic crisis</td>
<td>Recovery from the crisis</td>
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<tr>
<td>Need to deliver much greater efficiencies through enhanced settlement-infrastructure/services alignment</td>
<td>National infrastructure development</td>
<td>Balanced settlement distribution</td>
<td>Economic, social and territorial disparities</td>
<td>Integration between settlements and infrastructure of the territory</td>
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<tr>
<td>More balanced regional development</td>
<td>Realising potential of different areas according to specific territorial assets</td>
<td>Development of the highland interior</td>
<td>Economic and human dimension of sustainability</td>
<td>Regional development</td>
</tr>
<tr>
<td>Environmental challenges: reducing greenhouse gas emissions, habitat protection and water quality management</td>
<td>Meeting climate change targets, environmental sustainability, natural resource management and realising renewable energy potential</td>
<td></td>
<td>Environmental sustainability</td>
<td>Protection of the biodiversity</td>
</tr>
<tr>
<td>Need for a more rational and ‘evidence based’ spatial planning system</td>
<td>Integrate strategic planning from various government institutes/companies</td>
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<td>An aspirational agenda for an independent Scotland</td>
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<tr>
<td>Importance of place and quality of life</td>
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<tr>
<td>Managing demographic change</td>
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<td>Demographic dynamics (rapid depopulation, social cohesion....)</td>
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<td>Sustainable planning of coasts and the ocean</td>
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There appears to have been less clarity among stakeholders in Iceland about the interpretation of territorial cohesion. Stakeholders at the workshop demonstrated diverse understandings of the concept and the situation is further exacerbated by uncertainty about how the term should be translated into the Icelandic language.

The issue of language has presented a challenge in EU policy debates since the inception of the European Community. Extensive co-operation and networking initiatives between EU Member States has addressed this issue to a degree and Pallagst (2011) referred to the creation of a joint spatial planning language at the EU level over recent years as a result of such co-operation and networking. The NSS in Ireland, for example, was one of the first national territorial strategies to be developed after the publication of the ESDP and draws heavily on the vocabulary and terminology of European spatial planning concepts. As Iceland is not an EU Member State and, therefore, has not participated to the same degree in these initiatives, it is not surprising that EU terminology is less familiar and that there is more debate with regards to meanings and interpretations. The stakeholders in Iceland agreed that territorial cohesion related to regional disparities though there was considerable debate about the relevant spatial scale to discuss the concept.

There appeared to be a high degree of consensus between stakeholders in the case study regions about interpretations of other key concepts such as economic competitiveness and sustainable development. There was also consensus that these were extremely broad terms and in the context of KITCASP the focus should be on the territorial dimension of these concepts.

**Identification of Themes for Grouping Indicators for Territorial Cohesion**

The key aim of the workshops was to agree a list of contemporary themes that can be used to group indicators for territorial cohesion in the individual case study regions. The TPG had already identified a list of potential themes on the basis of the documentary review of key spatial planning documents, preliminary discussions with the key stakeholder representatives and policy drivers and objectives (Table 3). Preliminary analysis had revealed numerous commonalities between the identified themes. However, the TPG considered it to be important that the themes were adjusted in discussion with the stakeholders to make them as relevant as possible to the specific context of the individual regions. The agreed themes are provided in Table 5 per case study region.

The table reinforces the point made earlier in this section that economic recovery is identified as the overarching theme in all case study regions. There is a strong emphasis on the need to strengthen economic competitiveness and to create employment opportunities. Stakeholders in Scotland argued that resilience was more relevant than competitiveness as the latter is a more subjective term, the meaning of which can evolve in different contexts. It was also felt that resilience was a broader concept which could be extended beyond the narrower economic focus of competitiveness to include economic resilience, community resilience, environmental and landscape resilience, resilience to climate change and food and energy security. There also appears to be a strong commitment in Scotland to capitalising on opportunities offered through a transition to a low carbon economy thus providing an environmental dimension to the promotion of a more resilient economy.
Scottish stakeholders raised concerns about increasing conflicts and tensions between economic and environmental goals.

Stakeholders at the workshops in Ireland, Latvia and the Basque Country all identified an enhanced alignment between settlements and infrastructure as an important theme. Stakeholders from the same case study regions also identified the theme of promoting more balanced patterns of regional development and stakeholders in Iceland identified a similar theme articulated as more integrated polycentric territorial development. These themes appear to be closely linked and reflect a general concern about an over-concentration of development in some parts of the respective countries and increasing internal regional disparities. The theme of promoting more balanced patterns of development has consistently been high on the spatial planning agenda in many European countries for many years. There are concerns however about the extent to which the rhetoric of balanced development is reflected in the reality of the economies of many countries being increasingly driven by a small number of large urban centres, primarily the capital regions. Stakeholders in Latvia raised concerns that despite the pursuit of more balanced development and the reduction of regional disparities being a well established regional policy goal since the mid-1990s, the reality of increasing socio-economic and territorial disparities between Riga and the rest of the country could significantly reduce the credibility of regional policy. The ongoing primacy of the areas that are already dominant is a common characteristic across the case study regions. The situation is further exacerbated in the post-recession economy when attracting economic development and employment is likely to be the overriding priority regardless of location, a point of view that was expressed by stakeholders at the workshops in Ireland and Scotland.

The identification of a range of environmental issues as a strong policy driver is also reflected in the identified themes. Stakeholders at all workshops identified issues relating to environmental sustainability and natural resource management as important, and this is not surprising considering the spatial characteristics and environmental qualities of the case study regions. The Scottish Government has committed itself to ambitious climate change targets and the mitigation of and adaptation to climate change are powerful drivers for national spatial policy, though, as mentioned previously, there are significant tensions between environmental and economic agendas.

Territorial co-operation and governance was also a theme that emerged strongly during the workshops, particularly in Ireland, the Basque Country, Iceland and Latvia. Effective territorial governance is a pre-condition of successful spatial planning, particularly in the increasingly complex multi-level (vertical) and cross-sector (horizontal) environment within which decisions with spatial implications are made. Strengthening the effectiveness of governance structures and processes has received considerable attention throughout Europe in recent years. Nevertheless, recent reports in Ireland (Ireland Ministry of Environment, Heritage and Local Government 2010) and Latvia (SSE 2012) have been critical of implementation mechanisms and processes suggesting that there is still considerable scope for strengthening governance arrangements. Stakeholders in Scotland argued that the existence of strong and effective governance networks and a consensual and co-operative governance culture suggested that other priorities took precedence over governance in the Scottish context.
### Table 5. List of spatial planning themes for grouping indicators for territorial cohesion.

<table>
<thead>
<tr>
<th>Ireland</th>
<th>Scotland</th>
<th>Iceland</th>
<th>Latvia</th>
<th>Basque Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery from economic crisis, increased competitiveness and employment promotion</td>
<td>Economic resilience and transition to low carbon economy</td>
<td>Strong local economies ensuring global competitiveness</td>
<td>Recovery from economic crisis, increased competitiveness and employment promotion</td>
<td>Economic performance and competitiveness</td>
</tr>
<tr>
<td>Enhanced Settlement-Infrastructure alignment</td>
<td></td>
<td></td>
<td>Enhanced Settlement-Infrastructure alignment</td>
<td>Enhanced Settlement-Infrastructure alignment</td>
</tr>
<tr>
<td>Sustainable development and enhanced management of environmental assets</td>
<td>Adaptation to and mitigation of climate change and environmental resource management</td>
<td>Attractive regions of high ecological values and strong territorial capital</td>
<td>Sustainable development and enhanced management of environmental assets</td>
<td>Sustainable development and transition to a low carbon economy</td>
</tr>
<tr>
<td>Better Regional/Local Governance</td>
<td>Territorial co-operation and governance</td>
<td></td>
<td>Better Regional/Local Governance with emphasis on territorial cooperation</td>
<td>Territorial cooperation and governance</td>
</tr>
<tr>
<td>Balanced regional development</td>
<td>Integrated polycentric territorial development</td>
<td>Balanced regional development</td>
<td>Balanced regional development</td>
<td></td>
</tr>
<tr>
<td>Connectivity and regional resilience</td>
<td>Accessibility and fair access to services, markets and jobs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social inclusion / cohesion</td>
<td>Inclusion and quality of life</td>
<td></td>
<td>Social inclusion / social cohesion</td>
<td></td>
</tr>
<tr>
<td>Quality of life, the importance of place and realising the potential of places based on territorial assets</td>
<td></td>
<td></td>
<td>Dynamic and vibrant rural areas with strong agricultural sector</td>
<td></td>
</tr>
<tr>
<td>Innovation and knowledge economy</td>
<td>Innovative territories</td>
<td>Innovation and knowledge economy</td>
<td>Innovation and the knowledge-based economy</td>
<td></td>
</tr>
<tr>
<td>Culture and people</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Stakeholders at four of the workshops explicitly identified innovation and the knowledge economy as an important theme. Though this is also seen as a priority in the remaining stakeholder region, Ireland, it was encapsulated within the broader economic competitiveness theme. Clearly this theme resonates strongly with the aims and objectives of the Europe 2020 Strategy and has become a key theme in development strategies at all spatial scales throughout Europe. Other themes that were identified explicitly in some case study regions included social inclusion and social cohesion (Scotland, Iceland and the Basque Country), quality of life and territorial potential and connectivity / accessibility (Scotland and Iceland). Scottish stakeholders related connectivity to regional resilience, whereas in Iceland the focus on accessibility related more to access to services. Finally, stakeholders in Iceland stressed the importance of culture and people as a theme. Clearly some of these latter themes that are only identified explicitly in some cases may well be incorporated implicitly under other themes in the other case study regions.

**Identification of Relevant Datasets and Data Sources**

The TPG have identified a range of relevant datasets and data sources in each of the case study regions and these were discussed with the stakeholders at the workshops. It is apparent that in most cases there is a considerable amount of data available but that this data is not always up to date or an appropriate spatial scale. Data is generally available from a range of agencies, and co-operation between these agencies is often sub-optimal and this reduces the accessibility of data and can lead to duplication. Stakeholders in Iceland specifically identified the lack of data at an appropriate scale as a significant problem and said that this was exacerbated by the fragmentation of the available data between different agencies.

Initiatives in Ireland and Latvia have led to the development of the Gateway Development Index (Ireland) and Territorial Development Index (Latvia). These are synthetic indicators that combine a range of demographic and socio-economic data to provide an indication of the relative development level of a place. Initiatives are ongoing in both countries to develop a more comprehensive Regional Indicator Framework (Ireland) and Regional Development Indicator Module (Latvia), which generally rely on available data. Stakeholders in Iceland and Latvia identified the limited availability of reliable indicators in relation to themes such as employment, commuting, knowledge and innovation, environmental sustainability, territorial co-operation, settlement - infrastructure alignment and the alignment between services and the level of individual settlements. Stakeholders in Scotland identified a lack of qualitative indicators with strong explanatory power that provided meaningful insights into contextual factors.

Stakeholders in the Basque Country can draw on a range of indicators from different sources including the Spanish data collecting and monitoring agency and various agencies at the regional and local levels. Municipal governments also had access to a municipal scale inventory of residential land and economic activity. A similar GIS based resource is available showing land use zoning information in Ireland. Stakeholders in Scotland have adopted a
highly pragmatic approach until now and have drawn on data from a wide range of sources to provide an evidence-base for spatial policy. The same stakeholders expressed a desire to adopt a more structured approach in the future and that rather than simply relying on utilising existing data, actually collecting and monitoring dedicated data relevant to national spatial policy. The desire for more comprehensive datasets needs to be seen within the broader context of financial austerity under which it is likely that human and financial resources for collecting and monitoring data will be severely limited.

**Use of ESPON data**

There was a consensus among stakeholders in all case study regions that the use of ESPON data to inform national spatial policy had been extremely limited to date for a variety of reasons. The National Spatial Strategy in Ireland was published prior to ESPON though the TPG anticipate that ESPON data will be used to monitor the implementation of Regional Planning Guidelines and inform the preparation of future revisions. The availability of much ESPON data at NUTS 2 level has limited its usefulness in national spatial policy development in Latvia (which itself is classified as a NUTS 2 region) and the inability of ESPON data to provide a basis for analysis at an appropriate scale also appears to be an issue in Iceland. ESPON data has been used to a certain degree in Scotland, primarily to help to position Scotland within its broader European context. The TPG and stakeholders in all stakeholder regions anticipate that ESPON data is likely to become used more frequently to inform national spatial policy development as the data becomes more comprehensive and planners in different countries become more familiar with the type of research being produced by the ESPON Programme.

**5. Emerging Themes**

On the basis of the outcomes of the stakeholder workshops (Table 5), a degree of consensus across some of the themes can be observed, including:

- Economic Competitiveness and Innovation
- Balanced regional development and settlement-Infrastructure alignment
- Social cohesion and quality of life
- Sustainable development and environmental quality
- Territorial co-operation and governance

It is noteworthy from the above identified themes that ‘polycentric development’ has not explicitly surfaced as an issue raised by the majority of the stakeholders or came to the fore in the territorial profiles. Polycentric development has been strongly linked to the territorial cohesion agenda and has consistently been the key aim of EU spatial and territorial development policy. While it may be implicit within ‘Balanced regional development and settlement-infrastructure alignment’ the fact that it has not been explicitly raised (only in Iceland) has identified it as an issue that merits further research by the TPG team. Is polycentricity of relevance to spatial planning or has it been replaced by sustainable urban development?
The concept of polycentric development is attractive to policy-makers as it resonates with concerns about pursuing more balanced patterns of regional development. As a result it is clearly more attractive to lagging and geographically peripheral areas than previous conceptualisations of EU space based on core – periphery, ‘blue banana’ or pentagon type models. A major problem with the concept of polycentric development, and probably one of the reasons why it appears to have lost EU wide political momentum, is its complexity and in particular the question of scale. It is well documented, and evidence from recent years has borne this out, that the pursuit of polycentric development at the EU level (with some degree of success) has generated counter tendencies at the national level. In many Member States, national development is being driven by a small number of large cities, particularly the capitals, resulting in ever widening disparities between the capital regions and the rest of the country (e.g. Riga, Latvia and Dublin, Ireland). The spatial structure of many EU countries means that pursuing polycentric development is extremely challenging for national territorial development policy.

The tensions between pursuing polycentric development simultaneously at different spatial scales, particularly in the current economic climate, means that national policy-makers will often prioritise attracting development regardless of the location. Politicians are unlikely to want to be seen to be turning investment away and, as a result, the meaning of polycentric development at the national level has become more fuzzy and blurred.

For example, the concept of polycentric development does not appear explicitly in Scottish spatial policy documents and has not been raised by the stakeholders. There was some discussion with the Scottish stakeholders about the pursuit of more balanced patterns of development within which polycentric development may be implicit. There is a strong city region agenda in Scotland, and the various city regions are responsible for drawing up strategic development plans of the local authority areas within their boundaries. The focus on city regions implies a recognition that Scotland’s largest cities are seen as the motors for economic development which in turn implies that there is some momentum in the polycentric development agenda. However, this has led to tensions with local authorities outside the designated city regions (small towns and rural areas) who perceive themselves to be losing out.

By contrast in the Basque Country, the territorial model proposed in the original 1997 Guidelines placed strong emphasis upon the Polynuclear System of Basque Capitals and the (balanced) relations between the three provincial capital cities of Bilbao, San Sebastián and Vitoria. This remains a key element of the more recently modified Guidelines, as does the ‘balance’ between the 3 capital cities and the other components of the Basque territorial model, and the notion of the Basque city region (Euskal Hiria) which seeks overall complementarity at all levels – urban and rural alike. What needs to be appreciated as well is the spatial dimension of the Basque Country (7,228 km²) which is significantly smaller than the other KITCASP countries.
Additional issues were raised by the stakeholders as reflected in section 4.2 above, such as environmental resource management and resilience noted, which will be given due consideration when finalising the themes. The relevance of polycentricity in the context of KITCASP, the five emerging themes and other issues raised will be further discussed and agreed at the next TPG meeting, to be held in the Basque Country on the 12th-13th of December 2012. The emerging generic list above derives from the relevant consultations with the local stakeholders of the case study territories. However, the TPG has not had the opportunity yet to debate these themes and finalise the list that will become the foundation for indicator selection and development. A finalised version of the list of themes will be circulated to all the stakeholders for final review and approval.

6. Preliminary Indicators

The identification of preliminary indicators is largely based on a review of existing national indicator sets (refer to section 2.4 for further detail). These national sets (Appendix B) provide valuable bottom-up information on indicators that may be useful in addressing specific policy objectives/development priorities for the case study territories (and hence the KITCASP emerging themes), and their use will ensure data availability and monitoring. Note that different approaches have been adopted in the case study regions when identifying relevant and available indicator sets.

In the light of recent developments in setting up indicator frameworks for monitoring performance in the areas of environmental, social and economic development, the approach in Ireland has been to identify the indicators listed in these sets and use them as the basis for indicator development, given that: a) they are already operational or are being operationalised; b) they are understood by planners and decision-makers; and b) responsibilities have been set for monitoring and reporting.

The Scottish Government have adopted a pragmatic approach to selecting indicators for the first 2 Scottish National Planning Framework documents as these datasets are generic rather than being related specifically to spatial planning (i.e. there are no dedicated indicator sets). Each individual dataset has a number of themes under which there can be up to several thousand individual indicators. Therefore, the approach for preliminary indicator selection in Scotland has been to identify indicators that are relevant to the themes defined at the stakeholder workshops.

The Basque Government’s interest and commitment in the KITCASP project lies precisely in the desire to participate in the elaboration and/or determination of indicators for monitoring spatial planning in the Basque Country, thereby contributing to ascertain the extent to which the objectives of Euskal Hiria are being achieved. To date the Basque Government does not have indicators of this nature at its disposal, despite the existence of different datasets available at different spatial scales (which have been listed in the Inception Report).
The policy planning system in Latvia requires providing quantitative indicators to monitor policy implementation. The National Development Plan and the Sustainable Development Strategy Latvia 2030 each contain a set of indicators. In addition, there is Regional Development Indicator Monitoring System (RDIM) in development. The selection of a preliminary indicators list has been made on the basis of the mentioned policy documents and the RDIM system.

In Iceland, due to the lack of formally developed and adopted indicator sets, and in light of the availability of extensive data/statistics, an evaluation was made as to how the three plans/policies referred to made use of spatial data/indicators to measure progress on their implementation.

7. Territorial Indicators, European Policy Objectives and ESPON

7.1. Compliance with European policy objectives
The Lisbon Treaty, which came into force in December 2009, added territorial cohesion to the twin goals of economic and social cohesion as a core objective of the European Union (EU). As a consequence, and in preparation for the forthcoming 2014-2020 EU budget (referred to as the Multi-Annual Financial Framework), territorial cohesion policy is undergoing significant reform and reorientation.

In March 2010 the European Commission published Europe 2020\(^\text{12}\), a new ten-year strategy for “smart, sustainable and inclusive growth” (CEC, 2010a). The new strategy is both a response to the financial crisis which has swept Europe post-2008 and recognition of the strategic shortcomings in previous EU policy action. Against the background of increasing scarcity of public resources, overcoming the economic crisis together with addressing key environmental and social challenges is now recognised to require a much more integrated, focused and results-orientated approach. Five overarching targets have been agreed for the EU to achieve by the end of the decade in key priority policy areas of: employment; education; research and innovation; social inclusion and poverty reduction; and climate change and energy. These headline targets have been subsequently translated into national targets in each Member State through National Reform Programmes reflecting the different situations and circumstances in each country (CEC, 2012).

The introduction of the territorial dimension to cohesion policy post-Lisbon Treaty now requires that all future EU funding programmes and policies address this objective with particular emphasis on the role of cities, functional geographies, areas facing specific geographical or demographic problems and macro-regional strategies (CEC, 2010a). This has prompted a parallel review of the Territorial Agenda of the European Union (TA 2020) which commenced in 2011. In November 2011, under the Polish Council Presidency, a "road map" with specific implementation measures for TA 2020 was also adopted. The key objective of

\(^{12}\) Does not apply to Iceland.
TA2020 is to put in place an action-oriented policy framework for the harmonious, balanced, efficient and sustainable development of the EU territory (Table 6). TA2020 recognises that the Europe 2020 targets can only be achieved if the territorial dimension of the strategy is taken into account as development challenges and opportunities in different regions vary, and calls for cohesion policy to be better embedded within national, regional and local spatial development strategies. Further, TA2020 stresses the need for improved territorially sensitive spatial monitoring as part of the proposed Europe 2020 surveillance regime to better coordinate evidence-based planning efforts to achieve country-specific targets.

To deliver greater coherence between headline targets and investment on the ground, the EU budget review has outlined a new strategic programming approach for cohesion policy. The Commission has proposed a Common Provisions Regulation with a universal set of objectives, rules and procedures for all five cohesion funds. A Common Strategic Framework (CSF) (CEC, 2012) is proposed which translates the country specific targets of Europe 2020 into key investment priorities at the national, regional and local scale in the context of specific needs, opportunities and challenges. The CSF is intended to assist Member States and their regions in setting a strategic direction for the programming of multi-annual investment strategies and in coordinating cohesion funds. In order to avoid overlaps and fragmentation and to maximise cross-sectoral synergies, a common set of eleven thematic objectives has been developed through which cohesion funding is be mobilised and targeted, including:

- Strengthening research, technological development and innovation;
- Enhancing access to and, use and quality of information and communication technologies;
- Enhancing the competitiveness of SMEs, the agricultural sector and the fisheries and aquaculture sector;
- Supporting the shift towards a low-carbon economy;
- Promoting climate change adaptation and risk prevention and management;
- Protecting the environment and promoting resource efficiency;
- Promoting sustainable transport and removing bottlenecks in key network infrastructures;
- Promoting employment and supporting labour mobility;
- Promoting social inclusion and combating poverty;
- Investing in education, skills and lifelong learning; and
- Enhancing institutional capacity and ensuring an efficient public administration.

Table 6. Territorial development priorities established in TA2020

<table>
<thead>
<tr>
<th>Territorial Development Priority</th>
<th>Policy Objectives</th>
</tr>
</thead>
</table>
| Promote polycentric and balanced territorial development | • Improve settlements’ performance in European and global competition and promote economic prosperity towards sustainable development; and  
• Contribute to reducing the strong territorial polarisation of |
economic performance, avoiding large regional disparities by addressing bottlenecks to growth.

| Encouraging integrated development in cities, rural and specific regions | • Smart development of city regions at varying scales;  
• Development of the wide variety of rural areas to take account of their unique characteristics; and  
• Recognise and promote urban-rural interdependence through integrated governance and planning based on broad partnership. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Territorial integration in cross-border and transnational functional regions</td>
<td>• Create a critical mass for development, diminishing economic, social and ecological fragmentation, building mutual trust and social capital.</td>
</tr>
</tbody>
</table>
| Ensuring global competitiveness of the regions based on strong local economies | • Improve local economies through research and capacity building of the human capital, and the development of local products and markets, business environments, locally-oriented training provision, and partial self-sufficiency;  
• Preserve and improve the innovation capacity of all regions; and  
• Diversification of the local economy to decrease vulnerability. |
| Improving territorial connectivity for individuals, communities and enterprises | • Provide services and minimize infrastructure barriers (secure access to road, rail, water-based and air transport, and to other infrastructure facilities such as broadband and trans-European energy networks); and  
• Improve accessibility of urban centres in peripheries, rural areas, and islands and overseas territories. |
| Managing and connecting ecological, landscape and cultural values of regions | • Protection and enhancement of cultural and natural heritage;  
Joint risk management;  
• Local, regional and trans-regional management of cultural and natural landscapes; and  
• Strengthening awareness and responsibility of local and regional communities and environmentally friendly job creation. |

As part of this process, the Analysis Unit of the Directorate General for Regional Policy published in June 2012 a ‘fact sheet’ for each of the 27 EU Member States to support the preparation and negotiations for the upcoming 2014-2020 programming period (CEC, 2012). The purpose of each of these ‘fact sheets’ is to allow easy comparison between the performance of each Member State against the EU average and the best and worst performer in the Union. Indicators are provided at the national and regional spatial scales (NUTS I, II & III) and grouped around the overarching Europe 2020 objective of “smart, sustainable and inclusive growth”. The country-specific Europe 2020 targets for each Member State are highlighted together with current status and distance to target which is intended as an indication of the relative effort required to achieve targets. Indicators include, for example, R&D and innovation; IT infrastructure; education; climate change and energy; environment; transport; degree of urbanisation and remoteness.

It is clear that EU cohesion policy for the post-2014 period is shifting towards a new emphasis on joined-up economic governance and monitoring the effectiveness of policy intervention. As set out in the Fifth Report on Economic, Social and Territorial Cohesion (CEC, 2010a), EU cohesion policy is being re-orientated and refocused to act as a key vehicle to deliver on the ambitious Europe 2020 targets. The report calls for “higher-quality, better-
functioning monitoring and evaluation systems” as being crucial for moving towards a more strategic and results-oriented approach to cohesion policy. To achieve this, indicators must be developed which are “clearly interpretable, statistically validated, truly responsive and directly linked to policy intervention, and promptly collected and publicised” (CEC, 2010b). As the headline targets for Europe 2020 are now ad idiom with cohesion policy and form the key context for territorial cohesion policy and the territorial agenda of the EU post-2014, these targets will form a key context for the development of national key indicator sets as part of KITCASP.

7.2. Applicability of existing ESPON spatial data
The KITCASP team have undertaken an extensive trawl of existing ESPON research to ensure that there is no duplication of work and that the project is making a new contribution to research and knowledge.

Given the importance of territorial cohesion within the project brief, the INTERCO (Indicators for Territorial Cohesion) has been a key touchstone. The emergence of the Europe 2020 targets as a new driver for the cohesion agenda as led the project team to examine the work being carried out by the ESPON SIESTA (Spatial Indicators for a ‘Europe 2020 Strategy’ Territorial Analysis), EU-LUPA (European Land Use Patterns), ReRisk (Regions at Risk of Energy Poverty), DEMIFER (Demographic and Migratory Flows Affecting European Regions and Cities), PURR (Potential of Rural Regions); and TPM (Territorial Performance Monitoring). All of these projects have been critically engaged with by the project team as sources of methodological guidance and data resources. The applicability of this research to the development of indicators for the key themes identified in this Interim Report will form a key part of the final stage of the project.

7.3. Summary of issues and opportunities
From an early stage in the process the KITCASP team identified the sheer breadth of indicator and data sets available through ESPON and other national and international sources a key challenge to the project and which could present difficulties in parameterising the scope of the project. It is for this reason that the TPG has continually ensured a primary focus on a ‘bottom up’ stakeholder driven approach to the project and a strong emphasis that the outcomes should reflect stakeholder needs in practice. Existing ESPON research has provided a key background framework and repository of expert knowledge and data. A critical task is identifying where these ‘bottom up’ stakeholder needs align with existing ESPON research and data or, where existing ESPON research is not available, to identify those gaps as opportunities for future research directions to assist policy makers in practice and to enhance future engagement between practitioners and ESPON research.

A key and innovative output from the KITCASP project will be guidelines for the use of indicators and ESPON data in the preparation and monitoring of spatial strategies and territorial development policies. Given the new ‘cross-fertilisation’ between spatial planning
and territorial cohesion policy, which is called for in recent reforms and reorientation of EU cohesion policy and the TA2020, the KITCASP project has the potential to become a key tool in assisting Member States in coordinating sectoral policies to achieve the challenging Europe 2020 targets.

8. Assessment of Potential Issues in the Applicability of a Common Indicators Set

The TPG anticipates that the creation of a common indicator set applicable in all the case study territories, and potentially transferable to other EU Member States, is likely to raise issues in relation the seamless availability, compatibility, comparability and interpretation of supporting datasets. Although these issues will become more apparent and would be better examined once the indicators have been selected, they have been considered at this point.

8.1. Availability

The identification of preliminary indicator sets available in each of the case study territories (Appendix C) as well as existing datasets (Inception Report) reveals that, despite some differences across the territories with regards to priority areas for data collation and associated units/scales, a vast array of socio-economic and environmental data are currently available to support spatial planning and decision-making. As a result, the actual availability of data is not considered to be the key challenge to the KITCASP project. The key challenges are considered to be the compatibility and comparability of the data and how this is interpreted in the different territories.

8.2. Compatibility and Comparability

The KITCASP research to date has revealed that there is a high degree of complementarily between the policy drivers and objectives in each of the stakeholder territories. However, the INTERCO project wrestled with the problem of defining a common set of indicators for diverse territories without reference to their specific conditions (demography, climate, remoteness, spatial planning cultures, etc.). As a matter of fact, INTERCO noted that it is difficult to focus only on policy indicators ignoring the general contextual factors that are indirectly linked. The linkages between the contextual and policy-oriented indicators in way that is meaningful for territorial cohesion, is a task that is conducted in other ESPON project such as GEOSPECS. While the TPG team is conscious of this challenge, KITCASP has a mandate to deliver a core set of indicators for territorial cohesion and spatial planning which are transferrable between territories and potentially throughout Europe. KITCASP will provide commentary on the compatibility and comparability of indicator sets across diverse communities and across different spatial policy traditions. Where appropriate the TPG will provide recommendations for projects that can deepen the KITCASP results by studying in more detail the different preconditions for policy goals and objectives in different territories, as well as the particular contributions to the aims of Europe 2020 and TA 2020 in the different types of areas.

8.3. Interpretation
Selecting the appropriate indicators is not an easy task. There are many parameters which can be measured and there is an abundance of indicators and datasets available. Only a few, however, are able to translate complex relationships about phenomena in a simple way and in a manner which can be easily understood by policy-makers to provide usable and reliable signals of important trends (Duhr et al., 2010). A key challenge is that in recent years, an enormous range of datasets on an ever wider series of topics have been collected in the EU and at national and regional levels, but the use of these data to inform evidence-based policy-making has been sub-optimal, partly due to the sheer breadth, fragmentation and compartmentalised nature of the information available. An appropriate spatial monitoring framework must satisfy both the demands for an analytical base for sound spatial analysis, and also for the varying political demands enabling the evaluation of policy strategies and the assessment of the achievement of policy aims (ESPON, 2009).

This challenge leads to a further challenge which has been identified by the TPG - that is how data and indicators are interpreted in varying and diverse political and spatial planning cultures. In order to be able to select an indicator one must have a clear common understanding of the system, and that is not always possible when dealing with complex systems in diverse territories. The methodological approach of the KITCASp project is to seek to identify a standard set of priority indicators capable of achieving this task through the application of a filtering process which evaluates indicator sets based on their explanatory power, availability, regional dimension and practicality. It is hoped that through this process, and further consultation with stakeholders, that a common position can be achieved on interpretation of data/indicator sets and linkages to policy objectives/drivers. This implies a compromise between standardisation and diversity in the selection of key indicator sets (Carlo et al., 2002).

9. Next Steps: Orientation of the Project Previewed towards the Final Report
We are half way through the project and the work programme during the coming months will move to the analysis phase of the data and information gathered to date and into the key filtering phase to identify a core set of common indicators to be presented in the Draft Final Report in April 2013. The key tasks for the final phase of the project are

- Filtering of indicators and data sets based on the agreed themes and through the application of indicator selection criteria as established in both the Inception and the Interim Reports to identify a core set of key indicators;
- Identification of ESPON and non-ESPON datasets in each case study region to populate the indicators. This will include identification of any gaps or limitations in the data available in the stakeholder countries and recommendations for future data collection;
- Fine-tuning of indicators to ensure they are compatible, comparable and understood in diverse policy contexts. This will include presentation of a draft set of indicators to
key stakeholders in each of the stakeholder territories for further comment and amendment;

- Preparation of the draft ‘Guidelines and Recommendations for National Stakeholders’ and ‘Recommendations for ESPON’ reports. Again these draft reports will be presented to the stakeholders in each territory for critical comment and feedback;

- Development of a centralised dashboard system (as per the ESPON TPM project) for collating and presenting spatial data and indicators from each of the case studies; and

- Preparation of graphics illustrating the performance of selected indicators for each of the case studies. Once data have been gathered, TPM recommendations will be applied and used within the technology available within NIRSA to develop a data visualisation tool.

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