



Territorial dimension of EU policies

Strategic programming, coordination and institutions
t e r r i t o r i a l l y s e n s i t i v e
for an efficient delivery of the new growth agenda

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MINISTRY
OF REGIONAL
DEVELOPMENT

This document has been prepared as part of a general reflection process on future EU policies.
It does not reflect nor prejudice in any way the final position of the Polish Presidency on the issues discussed.

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Introduction

Since the 1960's a debate on growth and employment and their relation to a 'territory' has been held. A comprehensive paradigm and milestones for implementation have emerged from numerous experts' and political contributions. Nevertheless, a gap between theoretical background, analytical findings and political will expressed in Territorial Agenda (2007, 2011) still exists. In addition, the concept of cohesion is commonly associated only with: (1) redistribution, (2) compensation and (3) convergence. These perceptions, over time have gained a lot of negative connotations, the strongest of which involves the approach that it is 'for the poorest'. Meanwhile, the territorial approach is not, in any way, their direct equivalent and was conceived to support development. However Territorial Agenda of the European Union 2020 (TA2020), not being formally adopted by any EU body because the territorial process has been so far essentially intergovernmental (TA2020 has a different political status from, for example, Europe 2020 strategy), constitutes a main reference point of any territorially sensitive interventions.

Facing the global crisis, the public policies are confronted now to efficiency and effectiveness check. The whole Europe is trying to find a *modus vivendi* between different approaches, sometimes conflicting, as it seems. The sectoral approach focuses on objectives of a specific policy domain. The integrated one takes into consideration objectives of several policies' domains. Practices purely sectoral or integrated do not exist.

This document seeks to find an alternative path – equilibrium between integrated and sectoral practices, while highlighting the values of a multi-sectoral approach, since the globalisation era demonstrates how the world, its industries, labour forces, inhabitants and citizens are mutually interdependent.

In fact, each of public policies aims at growth, both in economic and employment terms. Growth is not possible without adequate human capital. Human capital will not grow without proper systems of education or R&D, systems of education nor R&D will not evolve without transnational cooperation, transnational cooperation will not reach an appropriate scale without strong economic ties, economic ties will not strengthen without adequate infrastructure networks, networks' adequacy depends on a proper identification of comparative advantages (environmental, technological, human, etc). In one word, substantial external effects calls for integrating objectives from different policies' domains in their programming and/or implementation. Therefore the proper combination of policies in a given territory should include both physical and human capital investments.

The policy interventions take place in precise territories and have impact on individual communities. Indeed, the concept of 'territorial approach' involves: (1) ways of carrying out public policies so that they are properly addressed to the final user (i.e. people and places); (2) integrated pattern of investments; (3) commonly shared methodology; (4) efficient institutions and interactions between them. Variety of policy mixes depends also on the level of economic development of the territory concerned, its political system, culture and institutional and human capacity. In all this we must also take into account the levels of delivery, types of instruments applied and the interactions between the actors involved – a very difficult task to which we must respond courageously. This is exactly what the document intends to undertake.



Therefore the Polish Presidency dedicates much of its attention to the question of the territorial dimension of public policies. Several proceedings have been programmed. Among them, the prominent experts seminar¹, background reports² and experts reports³. Using this inputs as well as numerous valuable contributions of previous years, this document attempts to convert key topics of the EU reflection into concrete proposals of integration – where needed – of the territorial approach into the EU strategic planning, coordination of policies and institutional arrangements when delivering Europe 2020 strategy (EU2020).

Keeping in mind the overarching principle that any introduction of new methods or instruments must replace those previously used and considered as ineffective – the purpose of this document is to give the floor for discussion among policy-makers and practitioners with the aim of reaching a firm consensus on very concrete arrangements. Throughout working groups meetings, stakeholders will be asked to indicate the most appropriate solutions. The results of these consultations will be translated into concrete proposals that will be raised for discussion among EU policy-makers responsible for regional policy, territorial cohesion and urban development (the Directors General meeting – 3-4 November 2011 and the informal meeting of Ministers – 24-25 November 2011). The final outputs of these discussions will be included in the Conclusions prepared by the Presidency.

While it is essential that the regulations for the next programming period are conducive to the territorially-sensitive approach described below, only some of the discussed policy options require specific legislative provisions. What is

¹ Informal seminar on the "Territorial dimension of development policies" 18-19 of July 2011, Ostróda, Poland.

² E.g. Böhme K., Doucet P., Komornicki T., Zaucha J., Świątek D. (2011) "How to strengthen the territorial dimension of 'Europe 2020' and EU Cohesion Policy".

³ Salez P. (2011) "Urban development and territorial cohesion: how to coordinate the work and improve its efficiency?"

required at the legislative level is the removal of the barriers for flexible and truly integrated programming. This should be the focus of work for the Structural Actions Working Party (SAWP). However, to make the benefits of territorial approach materialized, the key factor is the change of approach of both the Commission and the member states. Although such a change cannot be effectively enforced by legislative means or sanctions, it can be effectively promoted. The aim of this issue paper is to highlight available options and then to openly discuss their strengths and weaknesses. There might not be any final conclusion on many of them, but they should provide the basis for all relevant players to choose an option most appropriate for the territory and the issue at stake. The possible recommendations could be delivered in different ways in different places, depending on governance arrangements and the specific problems affecting territories, taking into account the principle of subsidiarity.

Window of opportunity 1

STRATEGIC PROGRAMMING BASED ON TERRITORIAL APPROACH PRINCIPLES FOR A RELEVANT PRIORITY-SETTING

It is not possible to draw a single path of growth for different types of territories⁴. There is no ‘one-size fits all’ policy solution as *place matters and context matters, fundamentally, for all forms of development and growth*⁵. Any policy intervention in relation to the territory – either public or private – must be an adapted answer to the diverse and interrelated territorial contexts.

Considering this, the strategic programming must recognise – to a greater extent than before – the diversity of growth dynamics of territories, their relations and interactions (functional geographies⁶) as well as their territorial context (assets of a particular region; the combination of endogenous and exogenous forces⁷). In addition EU policies need to take the territorial dimension into account from the earliest stages of consideration.

Such approach requires improved methods of recognising the structural differences in territorial context and territorially-oriented implementation arrangements that do not infringe competition rules. During the last stage of strategic programming, it is necessary to bring closer the decision-makers and the different local communities in order to ensure that the final political choices recognise the local knowledge and possible territorial impacts. It must be underlined that these prerequisites concern all the levels of the EU policy-making, i.e. the EU level (common strategic frameworks); national and regional level (contracts and programmes) and the local level (local development plans).

Policy option 1. Territorially-sensitive diagnosis for a more tailored policy response

The awareness of ‘how factors and dynamics of growth differ from one to another territory’ is essential for a proper diagnosis and prioritisation of investments (both public and private). Territories have varied (and often unique) growth potentials, they react to exogenous shocks (e.g. financial crisis) and impacts (i.e. different policy investments) in distinct ways. Recognising and considering the territorial context and growth dynamics of a given territory (e.g. functional, urban, macro regions, cross-border areas) is a prerequisite for success when designing the policy interventions.

Means to be considered:

Strategic programming of policies exerting undeniable impact on territories includes a diagnosis of changes in territorial structures. This ‘investigation’ is conducted with distinguishing particular territories and organised into selected ‘growth issues’. It consists of the following analytical steps which are developed by the Commission through the indicative guidelines:

1. assessment of key territorial features (e.g. ‘territorial keys’⁸) of major importance for a given territory and for the policy being programmed;

⁴ E.g. macro-regions; regions; centres of global importance; maritime space, metropolitan-neighbouring cities alliances; clusters/networks of urban and/ or rural areas; peripheral, sparsely populated, coastal, mountain areas.

⁵ Barca F., McCann P. (2011) “The Place Based Approach: A Response to Mr. Gill” at *VOX Research-based policy analysis and commentary from leading economists*.

⁶ Macro-regions; centres of global importance; metropolitan-neighbouring cities alliances, etc (see above).

⁷ Territorial capital, vulnerability to exogenous factors.

⁸ Accessibility: Global accessibility, European and trans-border accessibility, National accessibility and daily accessibility between metropolises, Accessibility of the main, and secondary, centres (regional accessibility including services of general economic interest), Modal split, public transport, intermodal transport change, E-connectivity, Access to energy networks. Service of general economic interest: Services of general economic interest (sparsely populated areas), Access to services of general economic interest, Investing in education. Territorial capacities/ endowments/ assets: Territory-bound factors (local milieus etc), Local innovation systems & networks, Wise management of cultural and natural assets, Renewable and local energy production, Territorially-related characteristics for energy production, Revitalisation of cities. City networking: Interactions between metropolises at the EU scale, Interactions between the main national growth poles, Territory-bound factors (local milieus etc), Accessibility of metropolises and between metropolises. Functional regions: Enlargement of local labour markets, Critical mass of means through territorial cooperation, Accessibility of secondary growth poles and regional centres, Public transport

2. (re)determination of strengths and weaknesses, opportunities and threats of individual territories (SWOT analysis);
3. classification of territories using indicators (selected within the SWOT) quantifying the key territorial features;
4. designation of key 'growth issues'⁹ in relation to the Europe 2020 strategy pillars and targets¹⁰, considering the different types of territories;
5. setting up a comprehensive package of investment priorities, considering the different types of territories previously determined and their interaction at different territorial levels.

Policy option 2. Focusing on priorities territorially-legitimised to get actors of growth involved

The determination of priorities for investing public or private resources in a given territory must consider the key territorial features, growth potentials and their vulnerability to exogenous shocks and impacts (see Policy option 1.). An accurate and consistent setting up of final priorities, which make possible the achievement of agreed objectives, means that the final stage of programming must be focused on attended outcomes targeted to 'growth issues' at different territorial levels rather than on choosing from a 'menu of options' or on a 'check-list verification' of compliance¹¹. In addition, if we want to increase the chance of achieving objectives and outcomes, we must – on the one hand – bring key actors of growth and 'final users' of investments into the process, and - on the other hand - ensure an active involvement of decision-makers equipped with a substantive background information per policy domain, especially in relation to the long-term investments' plans (see Policy option 4.).

Means to be considered:

The EU legislative framework gives an appropriate room for setting up of priorities progressively adapted throughout respective territorial levels, using as a basis:

1. desirable outcomes targeted to 'growth issues' at different territorial levels¹²;
2. consultation between decision-makers and territorial authorities, experts networks ('local knowledge') and 'final users'¹³ on local needs and expectations (territorial legitimacy);
3. social capital performance (public and private institutional capacities, quality of administrative management, robustness of interaction between networks, etc);
4. flexibility/improvability (possibility to adjust the policy intervention to specific local contexts or to the nature of operations, in particular those relating to the territorial cooperation)¹⁴.

These are prerequisites for well-coordinated programs (strategic frameworks, contracts, programs, plans) and proper sequencing of investments, accompanied by the improvement of administrative capacity at different governance levels.

Window of opportunity 2

COORDINATION OF POLICIES FOR LESS COSTLY EU POLICY-MAKING AND IMPLEMENTATION

Most policies exert a tangible impact on the territory. The territorial state and the capitalisation of territories' human and physical resources depend on the presence (or absence) of policy interventions, on their inter-sectoral links at different

connections to regional centres, Compact cities (sustainable cities). For more details see: Expert Report "How to strengthen the territorial dimension of 'Europe 2020' and EU Cohesion Policy".

⁹ E.g. Smart growth: investing in education, interactions between metropolises at the EU scale, interactions between the main national growth poles, focus on territory-bound factors (local milieus etc), critical mass of means through territorial cooperation, trans-border accessibility, global accessibility, European accessibility, focus on territory-bound factors (local milieus etc), local innovation systems & networks, national and daily accessibility between metropolises, accessibility to the main, and secondary, centres (and between them), E-connectivity, access to energy networks, wise management of cultural and natural assets. Sustainable growth: compact cities (sustainable cities), territorial/local related characteristics for energy production, public transport, sustainable transport (incl. modal split & intermodal change), access to energy networks (macro-regional and national grids for renewable energy transmission, renewable and local energy production. Inclusive growth: services of general economic interest (sparsely populated areas), enlargement of local labour markets, revitalisation of cities, accessibility to the main, and secondary, centres (including access to services of general economic interest), public transport. For more details see: Background Report "How to strengthen the territorial dimension of 'Europe 2020' and EU Cohesion Policy".

¹⁰ Education, employment, social exclusion and poverty, R&D and innovation, climate change and energy.

¹¹ Whereas, according to the recent EC vision, a "menu" of thematic priorities would be a compulsory framework for the concentration of resources. The concentration would be achieved by: (1) selecting the priorities of OPs from a fixed menu aligned to the priorities of the EU2020; (2) reducing the menu for more developed MS and regions. In a word, according to the EC recent proposals, the concentration will take place not in relation to the territory but in relation to the poorly suited to territorial issues Europe 2020 strategy and will depend on the level of development of the territory and not the determinants and dynamics of its development and growth.

¹² For more details see: (1) Barca F. and McCann P. (2011) "Outcome indicators and targets – towards a performance oriented EU Cohesion Policy"; and (2) the 'tree (hierarchy) of problems and objectives' approach in the Background Report "How to strengthen the territorial dimension of 'Europe 2020' and EU Cohesion Policy".

¹³ E.g. intermediary bodies; sector-specific institutions; special-purpose „agencies“; advisory bodies; social partners.

¹⁴ Eóin Young E., Quinn L., (2002) "Writing Effective Public Policy Papers. A Guide for Policy Advisers".

territorial levels. The territorial dimension is barely taken into account in sectoral policies while policy integration is a key-feature of the place-based approach¹⁵. Coordination of policies, instruments and institutions determines the correctness of assessment of key territorial features, of designation of key 'growth issues', and finally of setting up of investment priorities. Also, it affects the costs of policy-making and the durability of implemented operations. Whereas increasingly scarce public resources require more performing policy intervention and the *increase of the effectiveness of EU spending (...) in line with the territorial approach of the Lisbon Treaty*¹⁶. Additionally, the Commission's white paper on European Governance¹⁷ refers explicitly to the need for more coherent governance funded on the territorial approach.

Creation of better interconnections between policies, instruments and institutions is not equivalent to setting up of new coordination mechanisms but rather to the improvement of existing ones by means of genuine incorporation of the territorial approach. Establishing a framework for a territorially sensitive coordination of EU policies would be a step forward. The concept of joint programming promoted currently by the Commission is a move in the right direction.

To improve coordination and, as a result, the overall efficiency of policies' interventions it is necessary to better understand territorial contexts and relations between different spaces (e.g. rural vs. urban, sea vs. land) and policies' impacts. Further improvement of the existing methodologies and instruments of analysis is therefore needed. It will allow an adequate use of the policies targeted to the needs of people, places and potentials.

Policy option 3. Europe 2020 strategy equipped with a territorial pillar for better performing EU policies

The policy-making with a 'territorial footprint' has the ability to improve the coordination of EU policies and should be used for this purpose. The key role is to be played by a mechanism that opens up the territorial dimension of EU2020 strategy and creates consistent foundations for the joint programming of policies delivering EU2020. Indeed, its three axes (smart, sustainable and inclusive growth) must be supplied – throughout common strategic frameworks encompassing several growth issues and policy domains – with a territorial pillar¹⁸. The pillar – using as basis a comprehensive background information on the territorial state of EU territories and their major growth issues – helps to find the right links between growth issues, policy domains and targets to be achieved for the successful delivery of the EU2020.

Means to be considered:

The coordination of EU policies, throughout common strategic frameworks, contracts and/ or programmes, local plans or projects (or other forms of joint programming encompassing several growth issues and policy domains), consists of the following:

1. translation of growth issues through 'territorial keys'¹⁹ into a set of policy domains which are crucial for growth of a given territory²⁰;
2. incentives serving as the necessary carrot to secure effective implementation of EU goals and objectives, i.e. compatible rules for various EU funds and policies enabling joint programming (and – if needed – joint financing) of programmes and projects (procedures, timing, monitoring, evaluation, eligibility, financial closing).

For the post-2020 perspective purposes, it needs to be decided whether or not a new comprehensive vision of growth (combining EU2020 and European Spatial Development Perspective, TA2020 approaches) should be elaborated. The aim of this document should be to give a common, territorially foot-printed and – most of all – a binding framework for EU policies that have key importance for growth of the EU in the global context, respecting share of competencies and subsidiarity rule and requirement for improved policy coordination. This requires further debate with an active involvement of the political class, supplied with a robust, but 'user friendly' information about relationships between growth trends and the territorial dimension of public policies.

Policy option 4. More territorialised analysis for a better configuration 'who does what and where'

'Territories, though varying greatly throughout Europe, play everywhere the same roles as (1) the physical base for productive activities, (2) the life support system for people and natural resources, and (3) the place where the impacts of most policies can be seen or felt. The territory, therefore, provides a unique medium for developing a crosscutting, multi-

¹⁵ „The horizontal integration of sectoral policies at the EU level has been advocated in the TA2020 and its forerunners, and to some extent, in the last four Cohesion Reports.”, Background Report “How to strengthen the territorial dimension of ‘Europe 2020’ and EU Cohesion Policy”.

¹⁶ European Commission (2011) “A Budget for Europe 2020”.

¹⁷ European Commission (2001) “European governance – A white paper”.

¹⁸ Other programs (e.g. the National Reform Programmes) should also comply with this philosophy.

¹⁹ E.g. competitive advantages (territorial endowments/ assets), trade networks (territorial interactions), attractivity and well-being (accessibility, economic, social and environmental services of general interest).

²⁰ This refers to all possible scales of territory: from the European to the local ones. E.g.: macro-regions; regions; centres of global importance; metropolitan-neighbouring cities alliances; clusters/networks of urban and/ or rural areas; peripheral, sparsely populated, coastal, mountain areas.

sectoral perspective, for reconciling sometime conflicting objectives, setting mutually compatible targets and ensuring that policy interventions affecting its organisation, structure and use are coherent²¹.

ESPON studies have clearly demonstrated that if we want to improve the overall efficiency of policy interventions it is necessary to better understand territorial contexts and policy impacts²². To maximise the positive impact of public policies and to ensure that the mutual interactions of interventions do not contradict the overall EU growth goals, it is necessary to improve the existing methodologies and instruments of analysis at all stages of implementation²³.

Means to be considered:

The impact assessments for programming, monitoring, strategic follow-ups and evaluation become an interdisciplinary investigation of: (1) key territorial features, territorial trends, dynamics and challenges; (2) sectoral linkages between policy interventions; (3) their impact on the territory (i.e. on people and places). To do so, several arrangements are well worth considering:

ex ante (programming)

1. Inclusion of a territorial component to the current system of impact assessment of EU policies carried out under the auspices of the Impact Assessment Board of the Commission (IAB). Assessments are focused on the territorial impact of EU initiatives²⁴ and on sectoral linkages between policies' interventions.

ongoing (monitoring and strategic follow-up)

2. Consolidation of territorial monitoring activities for the needs of ongoing observation of territorial dynamics and policy impacts (see Policy option 6.);
3. Presentation of results of territorial monitoring in the annual progress reports on the implementation of EU policies²⁵, Reports on Economic, Social and Territorial Cohesion ('Cohesion Report') contain a separate chapter dedicated to the results of monitoring of appropriate policy domains and to the identification of their sectoral linkages;
4. Inclusion of recommendations from the progress reports and Cohesion Reports to the background information for political debate and then are used as basis for potential re-configuration of EU policies' interventions (see Policy option 5.).

ex post (evaluation)

5. After completion, Trans-European projects (or other ones of similar scale) are evaluated according to the 'impact assessments with territorial component' methodology.

Window of opportunity 3 INSTITUTIONS AND KNOWLEDGE TO 'MAKE THINGS HAPPEN'

All levels of EU policies' stakeholders expect that the policies become more effective in achieving growth goals. As indicated above, one of the answers is to analyse the policies in terms of their adequacy against potentials and needs of specific territories and their mutual interrelations on the ground. These issues are discussed by various fora which should be better interconnected and need more attention from the political level. A good inter-sectoral coordination requires political support, awareness of interactions between policies and their potentially conflicting impacts on the ground. This requires transparent and well-organised decision-making mechanisms and high institutional capacity at all levels of governments.

²¹ European Commission (2008) 'How to improve the implementation of 2007-2013 ERDF programmes and what lessons can be learned with regard to European Regional Policy beyond 2013' Report of the internal reflection group on European Regional Policy.

²² Territorial impact assessments done by ESPON show that even though a sectoral policy doesn't potentially influence a territory, results of its interventions impact territorial cohesion. See also typology of policies due to their relation to the spatial dimension (explicit, partial and spatially blind) in "Fifth report on economic, social and territorial cohesion – Investing in Europe's future".

²³ Ex ante (programming), ongoing (monitoring and strategic follow-up), ex post (evaluation).

²⁴ Initiatives prepared for legislative proposals which have significant economic, social and territorial impacts and non-legislative initiatives which define future policies (white papers, action plans, programmes engaging expenditures).

²⁵ especially those ones that are covered by joint programming: Regional Policy, Agriculture and Rural Development, Maritime Affairs and Fisheries, Research and Innovation; and other policies with strong impact on the change of territorial structure, i.e. policies in such areas as: Transport, Energy, Digital Agenda, Environment, Climate Action, Economic and Monetary Affairs, Internal Market and Services, Education, Employment, Social Affairs and Inclusion, Neighbourhood

Policy option 5. Shifts in decision-making process to support efficient interaction of policies

A. Political level debate

To ensure an accurate guiding of EU growth, a better connection of the socio-economic and territorial streams of reflection throughout is needed at the political level²⁶ of the EU debate.

Means to be considered:

1. The background information that feeds the debate should include the results of territorial analyses (see Policy option 4.), complemented with maps. Strategic conclusions from the impact assessment reports, progress and evaluation reports or wider expert analyses on growth trajectories on the European territory, supply decisions of EU Ministers concerning the potential reconfiguration (better balancing) of the EU policies interventions.
2. The political level considers the following issues:

Challenges for the EU and the world in territorial terms:

(1) trends and dynamics of growth; (2) territorial realities: social, economic and environmental contexts, needs, assets, challenges;

EU's ability to respond to and to shape change proactively:

Final selection of EU-wide priorities (concentration), corresponding to the politically identified areas and respecting the EU citizens' expectations.

Improvements of the efficiency of the EU policies interventions:

(1) Positive and contradictory effects of EU policies on specific territories; (2) Best possible framework for EU territorially-responsive policies and the role of the EU and MS to manage agreed priorities; (3) links between growth issues, policy domains and targets to be achieved for the successful delivery of the EU2020.

Optimisation of spending:

Ways to avoid overlaps and possible double expenditures; methods to achieve synergy – a better financial instruments' interaction.

B. Institutional arrangements

Commission

Strengthening of cross-sectoral relationships will require a fundamental shift on the Commission's side, which should become the 'leader of change' and 'an innovative approach agent', striving for strong connections between the socio-economic and the territorial streams and focused on objectives, growth issues and outcomes rather than on the procedural compliance.

Means to be considered:

1. IAB – extended to Directorate-General for Regional Policy²⁷ – apart from its existing duties, the board observes the risk of conflicting impacts on the ground: (1) initiates researches on growth dynamics of the European territory; (2) runs pilot 'territorially-oriented impact assessments'. If some 'risks' from the territorial perspective are detected, the IAB asks DG to develop alternative options or instruments.
2. Directorate-General for Regional Policy sets a new (reformed) framework of cooperation with ESPON, focused on the TA2020 priorities, by the mean of: (1) prompt response to the *ad hoc* needs of policy-makers; (2) running applied research responding to the needs of policy-makers and – as far as it is possible – fitting into the timing of public administration; (3) presentation of the results of research and reports 'user friendly'; (4) reduction of the number of products (lower number of ultra-specialist reports).
3. IAB, in close cooperation with the reformed ESPON and with other monitoring programmes, develops guidelines on impact assessment with territorial component, using as a basis the pilot 'territorially-oriented impact assessments'. Best practice from Member States could also be used for that purpose (e.g. DE, NL or AT). The guidelines give general directions to the Commission's DGs and interservice groups for assessing potential impacts of different initiatives prepared for legislative proposals as well as non-legislative initiatives²⁸ which define future policies.

²⁶ e.g. European Parliament, General Affairs Council and its other Council's formations, Committee of the Regions (CoR), European Economic and Social Committee (EESC), European Council

²⁷ Today's composition: Secretariat General; DG Economic and Financial Affairs; DG Enterprise and Industry; DG Employment, Social Affairs and Inclusion; DG Environment.

²⁸ White papers, action plans, programmes engaging expenditures

4. Directorate-General for Regional Policy appoints an interservice group associating representatives of DGs who manage policies with strong impact on territorial structures and maritime space. The group considers the following issues: (1) positive and contradictory effects of EU policies on specific territories, adequacy between regional challenges and the financial and human capacities involved; (2) recommendations for improving the overall efficiency of the EU policies interventions; (3) best possible framework for EU territorially-responsive policies.

Other EU policies than Cohesion Policy which have been identified as having substantial territorial impact – CAP, transport, ICT, energy, environmental, innovation etc – are being handled in a well-grounded, well-proven institutional system of the Council's formations and preparatory bodies. It is essential to make formal decisions, including the adoption and implementation of a formal comprehensive strategy. The territorial dimension should be built on that experience and accumulated expertise while at the same time make its own contribution. A publication of a White Paper on territorial dimension of EU policies closely linked to the TA2020 could incite the COREPER to use more efficiently existing bodies tackling territorial matters which would first handle the horizontal issues addressed in the White Paper and ensure an internally cohesive input of the Council to the process. In longer run a permanent committee could be set to become a preparatory body under the General Affairs Council to take care of the horizontal issues stemming from the mechanisms of territorial approach, based on the input of other relevant working parties responsible for the above-mentioned policies.

Policy option 6. Environment conducive to knowledge sharing for the best use of territorial potentials

Knowledge sharing and institutional capacity are the critical factors influencing the quality of public policies' interventions. Changes in this matter should go towards increasing mutual trust and standardisation that does not inhibit the possibility to conform to specific local contexts. This will require a move away from the traditional 'technical assistance' to a more proactive forms of capacity development focused on setting cross-cutting, functional capacities common to all the levels of governance (from the EU to the local one)²⁹.

Means to be considered:

A. Modification of information flow channels for more efficient decision-making:

1. The Commission develops an ICT platform, where databases and information are shared between the Commission, Member States and Regions. The platform comprises essential data for a continuous observation of territorial dynamics and policy impacts, and in particular:
 - data and analyses from monitoring programmes (e.g. ESPON, Urban Audit, Urban Atlas, ...);
 - data extracted from annual progress reports, impact assessment reports, evaluation reports, or wider expert analyses on growth dynamics on the European territory;
 - data extracted from stakeholders' initiatives (e.g. European Urban Knowledge Network, Reference Framework for Europe Sustainable Cities, ...);
2. The Commission develops – together with Member States and monitoring programmes – a reference set of common indicators for the following purposes:
 - measuring impacts of policies and of arising challenges on given territories in the global, European, regional and functional perspective;
 - identifying of territorial diversity in terms of key territorial features, vulnerability to exogenous shocks, growth potentials, competitive advantages, ... ;
 - monitoring of the access to services of general interest; flow of goods, services, labour and persons to identify the role of respective territorial structures and their relations with other territories.
3. Member States prepare communication strategies and campaigns concerning best practices incorporating the territorial dimension into policies.

²⁹ E.g. capacities to provide effective and good leadership, engage with stakeholders and create consensus around a cross-sectoral policy, develop strategy, translate the strategy into a plan and prepare a budget, implement a programme, monitor the implementation and evaluate results.

B. Capacity development

1. The Commission appoints the European Academy for Territorial Programming and Implementation. The activity of the Academy is addressed to policy-officers at all levels of the EU policy-making. Its task is to raise the awareness of the importance of the territorial dimension, to provide trainings on how to incorporate the territorial approach into public policies (see Policy option 4.);
2. Directorate-General for Regional Policy – in cooperation with selected Managing Authorities in Member States – undertakes a pilot initiative concerning the preparation of ‘the territorially sensitive diagnosis’ for the purpose of Operational Programmes for 2014-2020. Conclusions from this initiative will be used for drafting guidance documents for the Commission, Member States and Regions. Under this task the DG cooperates closely with ESPON;
3. IAB, in close cooperation with the reformed ESPON and with other monitoring programmes, develops guidelines on impact assessment with territorial component, using as a basis the pilot ‘territorially-oriented impact assessments’. Best practice from Member States could also be used for that purpose (e.g. DE, NL or AT). The guidelines give general directions to the Commission’s DGs and interservice groups for assessing potential impacts of different initiatives prepared for legislative proposals as well as non-legislative initiatives³⁰ which define future policies.
4. To ensure efficient interaction of policies, Commission – as a knowledge broker – conducts annual multi-sectoral conferences and disseminates findings from territorially-sensitive studies and good practice of cross-sectoral approaches.

The above activities are a necessary stage in developing the White Paper on territorial dimension of EU policies. The Paper should include Commission’s proposals concerning not only Cohesion Policy, but also all other EU policies which have tangible impact on the changes in the structures of the EU territory.

³⁰ White papers, action plans, programmes engaging expenditures.

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