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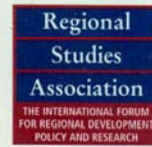
## The Process Architecture of EU Territorial Cohesion Policy

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The Process Architecture of  
EU Territorial Cohesion Policy

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# The Process Architecture of EU Territorial Cohesion Policy<sup>1</sup>

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## Abstract

When preparing the European Spatial Development Perspective (ESDP), Member States were supported by the European Commission but denied the EU a competence in the matter. Currently, the Treaty of Lisbon identifies territorial cohesion as a competence shared between the Union and the Member States. This paper is about the process architecture of territorial cohesion policy. In the past, this architecture resembled the Open Method of Coordination (OMC) which the White Paper on European Governance praised, but only in areas where there was no EU competence. This reflected zero-sum thinking which may continue even under the Lisbon Treaty. After all, for as long as territorial cohesion was not a competence, voluntary cooperation as practiced in the ESDP process was pursued in this way. However, the practice of EU policies, even in areas where there is an EU competence, often exhibits features of the OMC. Surprisingly effective innovations hold the promise of rendering institutions of decision making comprehensible and democratically accountable. In the EU as a functioning polity decision making is thus at least part deliberative so that actors' preferences are transformed by the force of the better argument. This brings into focus the socialisation of the deliberators into epistemic communities. Largely an informal process, this is reminiscent of European spatial planning having been characterised as a learning process.

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<sup>1</sup> Based on an award-winning paper offered under the same title at the Regional Studies Association Annual International Conference 2010, Monday 24<sup>th</sup> – Wednesday 26<sup>th</sup> May, Pécs, Southern Hungary, 'Regional Responses and Global Shifts: Actors, Institutions and Organisations'. See: <http://www.regional-studies-assoc.ac.uk/events/2010/may-pecs-papers.asp>.

“Existing procedures and instruments must be analysed to explore to what extent they can be beneficial to the achievement of Territorial Cohesion or how they could be developed further by integrating Territorial Cohesion objectives. Co-ordination mechanisms may need to be added but should be assessed on the balance of value added and bureaucratic burden” (The Territorial Cohesion Principles. Position paper to the EU Green Paper on Territorial Cohesion. Hanover: Akademie für Raumforschung und Landesplanung 2008, p. 13).

## **Introduction**

The aim of this paper is to make constructive proposals for the future process architecture of EU territorial cohesion policy. As the above quote suggests, it is based on a critical appreciation of developments over the past twenty years. It also recalibrates the author’s previous recommendations to suit the current situation, including the coming into force of the Lisbon Treaty, but also, and in particular, the ‘heavy weather’ in which cohesion policy currently finds itself.

When Member States were preparing the European Spatial Development Perspective (ESDP), the European Commission was merely in a supportive role. The Treaty of Lisbon identifies territorial cohesion as a competence shared between the Union and the Member States. Part 1 reminds the reader of these developments. It points out also that the Council of Ministers may still reject Commission proposals, if any, to effectuate any shared competence, including that for territorial cohesion. Invoking the principle of subsidiarity, recently a blocking minority has put a soil directive on hold. This reflects zero-sum thinking, as if any ‘supranational’ EU competence represented a clean loss for Member States. Following Zeitlin, De la Pochet and Magnusson (eds. 2005), Heidenreich and Zeitlin (eds. 2009) and Sabel and Zeitlin (eds. 2010), Part 2 introduces the Open Method of Coordination (OMC) transcending the distinction between supranational and intergovernmental approaches, in the past always treated as a given. Part 3 recounts earlier proposals (Faludi 2004, 2005, 2007; see also ARL 2004) concerning the application of the OMC. Part 4 adapts them to suit the current situation. Taking note, amongst other things, of the rise to prominence of EU macro-regional strategies, and also of the timetable leading up to the next Financial Framework, Part 5 provides a road map up to 2014 while the epilogue reflects on the implications of a number of surprisingly effective innovations in EU governance of which the OMC is only a part.

## **Part 1: Territorial Cohesion a Shared Competence**

Cohesion policy became a serious business under Jacques Delors. This was to form the backdrop to the ESDP which to the present day remains the most pronounced of all the European spatial planning documents. The initiative came from French and Dutch planners ‘in cahoots’ with Commission officials from DG REGIO – at that time still going under the label of DG XVI – who advocated a spatial framework for cohesion policy. However, the European treaties were deemed to give the EU no competence in the matter. The solution proposed by the Germans was for a framework to be formulated by the Member States. The Commission acquiesced in the vain hope that a constructive

attitude would gain it enough trust from Member States for them to allow it to play the role which it considered necessary.

After a long gestation period (Faludi, Waterhout 2002), the ESDP saw the light of day in 1999. To the present day the Commission continues to invoke it. A gratifying early mention was in the White Paper on European Governance holding up the ‘spatial approach’ in the ESDP – standing for coordinating policies within a spatial framework – as an example of good governance. However, the Commission ceased supporting any intergovernmental follow-up to the ESDP. Placing territorial, alongside economic and social cohesion in the Constitution which would give the Commission the right of initiative, was an idea formulated in the confident expectation that the Constitution would sail through the ratification process. Member States could thus expect to find themselves at the receiving end of an, as yet unspecified, EU territorial cohesion policy.

Territorial cohesion as a concept had become popular under the Commissioner for Regional Policy Michel Barnier. He had represented the Commission on the Presidium of the Convention on the Future of Europe. The Treaty establishing a Constitution for Europe had thus come to include territorial cohesion. Its ups and downs – and those of the Lisbon Treaty replacing it – formed the background to the formulation, once again in intergovernmental manner, but this time without Commission support, of a follow-up to the ESDP, the Territorial Agenda of the European Union (Faludi 2009a,b). The initiative was taken in the reasonable expectation of the Commission obtaining the right of initiative in matters of territorial cohesion. Indeed, Barnier’s successor, Polish Commissioner Danuta Hübner, announced at an informal meeting of ministers of the Member States in Luxembourg (2005) the coming of a White Paper on territorial cohesion, usually a step towards making legislative proposals.

This was when the Commission was preparing the Financial Framework 2007-2013 and when it put cohesion policy in the service of the Lisbon Strategy. Drafts of what would become the Community Strategic Guidelines for Cohesion anticipated that territorial cohesion would become part of the equation.

The French and Dutch referenda of mid-2005 undoubtedly threw a whole set of ‘spanners in the works’. The Commission was in disarray and, having begun to get used to the notion of an EU territorial cohesion policy, the national planning establishments, too, must have been bewildered. Promulgating the Territorial Agenda in 2007, when it was expected that, in albeit modified form the Constitution would be revived, they asked for clarification of Commission intentions. The latter issued a Green Paper on Territorial Cohesion in late-2008, by which time it had become clear that, as regards territorial cohesion, the Lisbon Treaty would be a carbon copy of the Constitution. So once more the cards seemed to be stacked in favour of the Commission, but the Green Paper made no bid for anything like a strong territorial cohesion policy. Perhaps the desire not to rock the boat during the sensitive process of ratifying the Treaty of Lisbon was responsible. Changes in key personnel also meant that past ambitions to this effect had faded. Perhaps more importantly, cohesion policy as such had become controversial. Already in 2003-2005, some net-contributors to the budget led by the UK had argued for its

‘renationalisation’, shorthand for a number of changes that would have emasculated cohesion policy, and in particular the role of the Commission in the multi-level governance setup that is one of its key-features. If not in any fundamental reform, then this resulted at least in the commitment to review cohesion policy for the period after 2013, a review that is now taking place. Rather than emphasising the aspect of territorial cohesion simply sustaining cohesion policy as such became the Commission’s priority. In all this it is relevant to appreciate that the ESDP, the Territorial Agenda and also the Green Paper were always minority concerns for national planning establishments and the relevant sections at DG REGIO, with national governments, let alone the Commission as such being far less committed. Those concerned with spatial planning/territorial cohesion at whatever level had thus better form a coalition to increase their joint sway over well-endowed sectors notorious for pursuing their policies without due regard to any spatial effects. Zero-sum thinking, as if the EU gaining a competence in the matter would necessarily be at the expense of national planning establishments and *vice versa* has thus far prevented the actors concerned from drawing this conclusion.

Supported by an assortment of EU institutions and regional lobbies, planners availed themselves of the opportunity of making their voices heard during the consultations on the Green Paper. The threat over the renationalisation of cohesion policy as such was also addressed. Naturally, being positive about integration, for which it is an important instrument, EU institutions were supportive of cohesion policy generally and of territorial cohesion policy in particular. The European Parliament and the Committee of the Regions both argued for a White Paper on territorial cohesion, thus signalling their belief in the need for legislative proposals. The European Parliament identified territorial governance as a pillar of cohesion policy. Similarly, the Economic and Social Committee asked for territorial strategies as platforms for good governance. Having coined the term territorial cohesion, the Assembly of European Regions was also supportive. The Council of Peripheral and Maritime Regions welcomed the assertion of solidarity and cohesion and asked for a Europe-wide debate on territorial cohesion, yet again based on a White Paper. Predictably, Member State reactions were however diverse. France was positive, the defender of intergovernmental planning, Germany, sceptical, and the UK as the key advocate of renationalisation in the past saw little mileage in territorial cohesion. Once a trailblazer, European planning had slipped to the bottom of the Dutch agenda, so the Netherlands reaction was also lukewarm. Unencumbered by the past, Hungary in charge of the review of the Territorial Agenda due in 2011 was enthusiastic about territorial cohesion policy, seeing it as a continuation of the ESDP process, and so was the largest new Member State, Poland.

The Commission discussed how to react, but eventually the Sixth Progress Report on Cohesion gave no more than a summary of the consultations. The first Barroso Commission was drawing to its conclusion. Meanwhile the second Barroso Commission has taken shape with the Austrian Johannes Hahn as Commissioner for Regional Policy. The Fifth Cohesion Report is in the making, the successor to the Lisbon Strategy, Europe 2020, is due to be finalised in June 2010 and a High Level Group on cohesion policy is deliberating with a view to holding a Cohesion Forum in December 2010.

Thankfully, the Communication from the Commission preparing Europe 2020 at least goes as far as reiterating that territorial cohesion will take its place alongside social cohesion as an objective of the EU. While the high politics thus continues to pay cursory attention at best – to whether or not the Commission should be allowed to set targets a question of the distribution of power takes priority – the sub-committee on Territorial Cohesion and Urban Matters of the Coordination Committee of the Funds (COCOF) at the European Commission is attempting to give shape to territorial cohesion policy under the Lisbon Treaty. The intergovernmental Territorial Agenda process, too, is beginning to focus on the new situation in which, at least formally speaking, the Commission may hold sway over territorial cohesion policy. So there is an array of formal as well as informal initiatives in place on which to build.

Before continuing, it is relevant to reiterate that unlike competences, such as the customs union, which are exclusive to the Union, a shared competence means that, for as long as the Union does not exercise it, the competence remains with the Member States. A shared competence thus invites zero-sum thinking like that specifically exhibited by the actors in the ESDP process. So in making proposals, if any, to effectuate the shared competence for territorial cohesion, the Commission must bear in mind that the Council of Ministers, representing the governments of the Member States, might reject them. The cool German reaction to the Green Paper may give a foretaste of things to come. The fact that this reaction came, not from the planners, but from the Ministry of Economic Affairs is illustration of the fact that, even if they wanted to take a positive attitude, national planners have always to take account of the attitudes of other actors. Positions taken on the Council thus reflect the internal balance of power which in the German, as well as in a number of other cases, may be stacked against any concrete steps in matters of territorial cohesion policy. True, cohesion policy, and with it territorial cohesion policy, now come under Qualitative Majority Voting, but German opposition cannot be taken lightly, especially since, even if for other reasons – its opposition to cohesion policy as such continuing in its present form – the UK, too, may reject any proposal. Ominously, both Germany and the UK formed part of the blocking minority against the recent soil directive.

It is not only Member States that engage in zero-sum thinking. Even though bestowing praise on it, the 2001 White Paper on European Governance said that the ‘Open Method of Coordination’ (OMC) – still to be discussed – was only applicable where there was no EU competence. Relying on voluntary compliance, the OMC was seen as a second-best alternative to be applied only where the EU had not been granted full rights. Responsible for the White Paper and, as reported, also for introducing territorial cohesion as a shared competence into the Constitution, Barnier thus seemed to have wanted to exclude the option of it becoming the object of the OMC. That this might after all have watered down the influence of the Commission under the Community method, was apparently the thinking. Since then, on various occasions DG REGIO staunchly opposed the application of the OMC in this area proposed by the French *Délégation à l'aménagement du territoire et à l'action régionale* (DATAR) and also the German Academy for Spatial Research and Planning (ARL 2004). A negative attitude towards invoking the OMC was also true for others among those putting their money on a competence for territorial

cohesion. The expert Peter Schmeitz (2005) even wanted to ban any talk about the OMC. Advocating a White Paper implying legislative proposals for effectuating the competence, the Polish reaction to the Green Paper, too, without much ado rejected the OMC. If you are in favour of EU territorial cohesion policy, you must apparently be against the OMC. On a more fundamental level, Philippe Doucet (2010, 263) holds the sophisticated and unending rhetoric on the merits of the OMC responsible for diverting attention ‘[...] away from tackling the EU key dilemma: a strong European federation, or a club of independent dwarf states?’.

De la Porte and Pochet (2002) posit, however, that the debate between a supranational and an intergovernmental logic is sterile. The intergovernmental logic underlines the – undisputed – truth that the Member States are sovereign. However, the very rationale of the EU is that, intermeshing their sovereign powers, nation-states strengthen their joint control over a rapidly changing world. Nugent (2003, 478) thus concludes that ‘[...] the discussion about national sovereignty [...] is no longer meaningful’, but neither is talk of a European federation, let alone a superstate, replacing the nation-states. Rather, the EU is often described as something new, a point to which the paper returns later.

## **Part 2: Beyond Zero-Sum Thinking**

The search is thus on for a way of overcoming this zero-sum thinking, with the OMC an element in the equation. OMC is a label given subsequently to practices emerging already after the Treaty of Maastricht. The latter had created European Monetary Union, but complementary policy areas remained Member State prerogatives. This problem – one that is still with us, witness the current commotion over the fate of the euro – was addressed, albeit hesitantly. The Treaty of Maastricht itself had gone at least as far as introducing the figure of indicative Broad Economic Policy Guidelines. Also, the Organisation of Economic Cooperation and Development had started to flag differences, not only in economic policy, but also in the performance of its European members in the area of employment, and there was growing concern about the effects on Europe’s competitiveness. For this reason, social security and pensions were in the limelight. The subsequent Treaty of Amsterdam thus foresaw in a European Employment Strategy which, rather than coming under the control of the Commission, a move against which there was the usual opposition, rested on mutual surveillance and peer reviews (Visser 2009, 38-39). From this sprung the OMC in its many variations designed to overcome zero-sum thinking. It received the label OMC at the time of the adoption by the European Council of the Lisbon Strategy in 2000.

Heidenreich and Zeitlin (2009, 1-2) identify its core feature as iterative benchmarking of national progress towards common European objectives and organised mutual learning. Variations notwithstanding, there are four common elements: joint definition by Member States and the Commission of objectives, indicators and often also of guidelines and targets; national action plans or strategy reports proposing where necessary reforms are suited to the domestic situation; peer reviews and exchanges of good practices, sometimes backed up by recommendations from the Commission and the Council; re-elaboration of the national plans and, less frequently, of the entire European framework in light of experiences gained. Examples here include the labour participation rate which



is considered too low in Europe, as well as the percentage of GDP spent on research and innovation. Differences notwithstanding – indicators played a less prominent role, a point to which this paper will return – the features of the OMC immediately remind us of the ESDP process and its follow-ups often identified as exercises in mutual learning.

The most prominent example of the OMC currently being applied is in the governance of the Lisbon Strategy. Zeitlin (2009a) shows that the OMC subsequently extended across an ever broader set of policies relating to domestically sensitive areas where – as in spatial planning or territorial cohesion policy – diversity precluded harmonisation and encouraged mutual learning. However, the Lisbon Strategy was also severely criticised for its lack of strategic focus and multiplication of objectives, targets, and coordination processes. In particular it was argued that the OMC had failed to deliver Member State commitment to the implementation of agreed reforms. Having been involved in multiple exercises of reviewing success and failure in respect of OMC, Zeitlin gives a more nuanced verdict. Accordingly, the OMC should be considered a qualified success in some fields, while no real judgment can be reached in others where the method had not yet been fully implemented.

This is not the time or place to discuss the performance of the OMC in detail. Zeitlin (2009b) sees substantive changes in national policy thinking, national policy agendas and also specific national policies resulting from its application. In other words, like the ESDP, in practice the application of the OMC leads to mutual learning. Other effects on which there is even broader agreement are procedural: reinforced horizontal coordination, improvements in national steering capacity, enhanced vertical coordination, increased involvement of non-state actors, and new networks of non-state and sub-national actors in EU policy making. Concerning the institutional architecture of the OMC, Zeitlin (2009a) lays out five principles that reflect his assessment of the successful procedural innovations identified above: enhancing policy coherence; improving horizontal coherence without sacrificing core policy objectives; ensuring autonomy, specificity and visibility of sectoral processes; promoting mutual learning and evidence-based policy making through consistent reporting against common indicators, diagnostic monitoring, peer review, and evaluation of different national approaches to achieving common objectives; mobilising commitment and participation by Member State governments, national publics and other stakeholders. Anyone who is knowledgeable of the ESDP and its follow-ups will quickly perceive similarities here.

Invoking the OMC in territorial cohesion policy thus seems attractive. However, a key feature, league tables based on the application of indicators measuring the achievement in terms of agreed goals, will be less prominent. Identifying the specific characteristics of an area in its wider context is more important. Next to hard comparisons, this requires the ability to appreciate unique challenges and opportunities arising. The point is not to do this in isolation but in a collaborative exercise of mutual learning. Such are the implications of the OMC as applied to territorial cohesion policy.

Discussing the application of the OMC in urban policy, Atkinson (2002, 788) was the first to point out, in an aside, that not only urban policy, but the ESDP process too, represented the OMC *avant la lettre*. Indeed, the ESDP has been prepared, not by the Commission but by a 'Committee on Spatial Development' chaired by the Member State holding the rotating EU Presidency. At the same time, however, as indicated, it was not purely a matter for the Member States. The Commission not only gave logistic support, it had the only permanent seat on the management committee, the so-called 'troika'. Also, its Communications 'Europe 2000' and 'Europe 2000+' helped shape the agenda, and the ESDP was given the nod, not only by the ministers of the Member States, but also by the Commissioner for Regional Policy, at the time the German, Monika Wulf-Mathies. So rather than being an intergovernmental document, the ESDP process was a hybrid, and this it has in common with the OMC.

The follow-up, too, was, and still is, complex. Whilst the Commission was financing the Community initiative INTERREG elaborating upon ESDP themes, as mentioned previously, it was the Member States that prepared the follow-up entitled the Territorial Agenda. Although this happened strictly without Commission support, the Commissioner for Regional Policy and her entourage were present at the informal meetings of ministers deliberating on drafts and, as indicated, the Commission subsequently prepared its Green Paper on Territorial Cohesion to which the Member States, together with hundreds of other stakeholders reacted. In parallel to the Green Paper and the consultations on it, working groups chaired by representatives of various Member States explored themes identified in the First Action Programme formulated in the wake of the Territorial Agenda. Once more, DG REGIO and occasionally also other interested DGs attended, and this practice continues, always depending on the initiative of one or more Member State(s) chairing the working groups concerned. Also, since the adoption of the Territorial Agenda, regular meetings of the newly formed Network of Territorial Cohesion Contact Points (NTCCP) have taken place. They, too, are attended by DG REGIO representatives. Finally, the future of EU territorial cohesion policy post-2013 is never far from the minds of the working group preparing the review of the Territorial Agenda due to be finalised in 2011. The European Spatial Observation Network (ESPON), presently financed under the European Territorial Cooperation objective of cohesion policy and producing much of the evidence on which many of these working groups draw is a going concern. It, too, holds regular so-called ESPON seminars. So there exists then an admittedly somewhat diffuse institutional infrastructure for territorial cohesion policy in which the Commission and the Member States share responsibility. This is of course what the OMC is about.

### **Part 3: The OMC in EU Territorial Cohesion Policy: Earlier Proposals**

The fascination with the OMC in this area (Faludi 2004, 2005) began at a time when the Constitution seemed to be sailing its way through the ratification process. The estimate was however that, even with territorial cohesion as an EU competence, the Commission would be unable to formulate relevant policies on its own. It itself lacked – and still lacks – adequate resources in terms of personnel. Even with a larger establishment, it would in effect be impossible for it to gain anything like the knowledge and insights necessary. For

this, the continuous input from the field – Member States, as in the ESDP process, and also other stakeholders – seemed essential. Orchestrating their work was what the Commission should do, was the argument.

When the Constitution suffered its setback, the present author exclaimed that the OMC was needed ‘Now more than ever’ (Faludi 2007). However, the situation has changed. Certainly for as long as the Constitution was in abeyance, there seemed no alternative than to bank on the Member States whose planners were in the process of preparing the Territorial Agenda. The setback that its ambition to gain a competence had suffered notwithstanding, it seemed politic for Member States to continue to involve the Commission. Not only was there a prospect – proven to be realistic – that something like the Constitution with a territorial cohesion article in it would eventually come about, much as the Commission needed them, the Member States, more particularly their planning establishments, needed the Commission. To reiterate what has been said before, planners at whatever level are up against other policy makers, including their sector-based colleagues. This is a condition of life in planning. Rather than wallowing in zero-sum thinking, forging a coalition with the Commission, or rather with those elements in it favouring territorial cohesion, is a superior strategy.

With the Lisbon Treaty now in force, on the face of it the situation appears to be the same as that in 2005, but for the same pragmatic reasons as advanced previously the input of the Member States remains essential. In addition, to reiterate a point made before, with the future of cohesion policy as such looming larger than territorial cohesion, the position of the Commission is shifting. Rather than seeking to hold the Commission at bay, national planning establishments thus need to encourage it to take relevant initiatives. Otherwise, territorial cohesion might fall by the wayside, with dire consequences for planning as such. One can thus once again posit a common interest for planners at the level of Member States and the small group concerned within DG REGIO. Whether or not this entails invoking the shared competence – as will be evident, the suggestion is to do so, but only to support the collaborative process architecture – is secondary. It is on this basis that the remainder of this paper seeks to make constructive proposals as to the future architecture of EU territorial cohesion policy.

## **Part 4: Building Blocks**

The building blocks of the architecture envisaged, involving an active input from the Member States as well as the Commission, already exist. Even without the Constitution being ratified at the time of their adoption, the Community Strategic Guidelines – still in force as they are – considered territories and their makeup as relevant. Accordingly, one

[...] of the features of cohesion policy – in contrast to sectoral policies – lies in its capacity to adapt to the particular needs and characteristics of specific geographical challenges and opportunities. Under cohesion policy, geography matters. Accordingly, when developing their programmes and concentrating resources on key priorities, member states and regions should pay particular attention to these specific geographical circumstances (Council of the European Union 2006, 40).

Understanding the specific geographic circumstances of the area to which a programme applies is thus the key. The point has been made before because it distinguishes territorial cohesion policy from the application of the OMC in areas where the standard of comparison is the achievement of measurable objectives.

Elaborating on what this means in practical terms, the Directorate-General Regional Policy (2006, 5) formulated guidelines for the *ex-ante* evaluation of the National Strategic Reference Frameworks (NSRFs) and Operational Programmes (OPs). Under a 'territorial cohesion' heading they should first identify the characteristics and the territorial needs of the area concerned and then check the effectiveness of the fit of the strategy proposed and the relevant implementation system. Unfortunately, these stipulations were not generally followed, neither as regards the NSRFs (Polverari, McMaster, Gross, Bachtler, Ferry, Yuill 2006) nor the OPs (Bachtler, Ferry, Ménez, McMaster 2007). With the exception of France, only new Member States like Hungary and Poland, both enthusiastic about the concept, invoked territorial cohesion. Hungary in particular has fully absorbed the concept (Péti 2009).

That the NSRFs should take account of territorial cohesion was something that was also on the wish list of the planners from the Member States preparing the Territorial Agenda. However, as it neared completion, the NSRFs were already up and running and so this was not pursued further. Whether their owners – in most cases ministries of finance and/or economic affairs – would have allowed territorial cohesion to form part of the equation is, moreover, a moot point. However, this is the crux: Territorial cohesion policy concerns the integration of sector policies, taking account of the specificities of the area where they apply. This is like Fabrizio Barca (2009) talking about development policies being place-based. If taken seriously, and although promising to render policy more efficient and effective, such integration curtails the freedom of sector policy makers to do as they please. There is thus a common interest here for those concerned, whether at DG REGIO or at the level of Member States, in insisting that spatial or territorial issues be taken into account.

All this amounts to reinforcing the proposal, made for the first time in a scenario for the application of the OMC in territorial cohesion policy in Faludi (2004), of national territorial cohesion strategies capped by an EU Territorial Cohesion Strategy. The latter should be part of, or perhaps developed in parallel with, the next Community Strategic Guidelines for Cohesion. To draw benefit from their expertise, the Commission should once more, as in the Community Strategic Guidelines of 2006, invite Member States to formulate national territorial cohesion strategies as part of, or in parallel with, the next generation of NSRFs. The existing NTCCP could serve as a conduit.

Although critical of the OMC, perhaps because he sees it as only targeting sector policies, Barca makes similar proposals. He foresees a 'place-based policy group' at the Commission to work for an eighteen-month period starting after the publication of the Fifth Cohesion Report in mid-2010. This should be augmented by Member States and regions in collaboration with local partners preparing a national strategic assessment of territorial challenges and the Commission launching a European strategic development

framework with attendant regulatory proposals in early-2012 leading to decisions on the European budget and related issues before the end of that year, in good time for the post-2013 Financial Framework to get into gear.

To reiterate, during the last round the relevant parts of the Community Strategic Guidelines were simply not observed. So, this is one area where EU legislation might make a difference in favour of national planners. Under zero-sum thinking they feared that an EU competence might cost them influence, but by being called upon to provide relevant inputs into the NSRFs, their position relative to other national policy makers might in fact improve. Rather than that which under zero-sum thinking they feared, namely, that an EU competence might cost them influence by being called upon to provide the relevant input into the NSRFs, it is actually now possible that national planners might be able to gain something for use in their own national struggles from it. In the spirit of the OMC, as described above, any national territorial strategies developed would form inputs for the EU Territorial Cohesion Strategy. There should also be mutual reviews, the method favoured by the OECD and inherent also in the OMC. The OECD has indeed published close to thirty territorial reviews of its members, their regions and cities. They involve field visits and reporting by, amongst others, representatives of peer review countries culminating in a publication in the series of OECD Territorial Reviews. The intention is to generate feedback and adjustment pressures, which is of course what the OMC is about.

A further proposal in the previous paper needs also to be further developed. This is to create formal occasions for presenting the results of these reviews, occasions that might be organised by a permanent EU Territorial Cohesion Forum. In the present situation the forum could in fact also host the regular meetings of the NTCCP and the, less frequent, informal meetings of ministers that have punctuated the preparation of the ESDP and the Territorial Agenda. The EU Territorial Cohesion Forum would provide the opportunity also – this being a novelty since a Commission input of this kind had been lacking in the past – for presenting an evolving EU Territorial Cohesion Strategy, perhaps prepared by the ‘place-based policy group’ proposed by Barca. Be that as it may, the confrontation between national strategies and an EU strategy would form a more formal occasion for mutual learning, just as in other applications of the OMC, obviously with many informal encounters in between.

Rather than being a new institution at Brussels, the Forum would probably be a virtual one, a roving circus, as these things are in the EU, but perhaps a permanent secretariat coordinating meetings would help. The ESPON Coordination Unit located in Luxembourg provides a model for how such a secretariat can energise the multiple networks involved.

To return to the substance of the meetings, to make things comparable, in preparing their strategies, the Member States should be expected to invoke common territorial cohesion indicators. Since the ESDP already suggested this, stipulating that Member States should issue regular standardised reports on the spatial development of their national territories, this could hardly be seen as an imposition from above, but once more some degree of

regulation might help. Much as the OECD does, the Commission might also make substantive recommendations to Member States, but these would clearly be ‘soft law’.

At this point it seems apposite to return to the specificities of applying the OMC to territorial cohesion policy. The conventional approach, with league tables and the like, needs to be adapted. As Barca has been reported to have commented, the OMC has been applied to sector policies where indicators of achievement are perhaps easier to invoke. To reiterate, performance as regards measurable objectives can help, but is not the core issue in assessing territorial strategies. That core issue is the formulation of strategies, or perhaps we should call them visions, reflecting the unique configurations of the territories concerned. This is what the Community Strategic Guidelines must have meant by saying that “geography mattered”. In so doing, in establishing how it is that in each particular case geography matters, the territories concerned need to be seen in their wider European context. This requires skills in what Williams (1996) has famously described as spatial positioning. Spatial positioning cannot be done in splendid isolation, from the inside out, so to speak. It requires a thorough look at the territory concerned, analysing its strengths and weaknesses from the outside in, so to say.

However, there is no Archimedean Point in this, no overarching authoritative perspective that imposes a single outside view. Rather, there can and will be multiple points of view of Europe and its territories. The upshot is, once more, that there needs to be dialogue: actors at various levels engaging in spatial imagination, looking at Europe from their perspectives, but also imagining what Europe as such is or should look like. The formal occasions for exchanging this information are the meetings of the EU Territorial Cohesion Forum. In total, this enhances the Europeanisation of spatial planning as stipulated as an aim in the ESDP. However, rather than standing for more uniformity, it will be evident that Europeanisation here stands for recognising the uniqueness of territories, what is special about each, what its strengths and weaknesses are, but reflecting themes that have been formulated in a wider debate about common challenges and responses. It is universally recognised that this is best done from the bottom up. In fact, it can *only* be done in this way. It is only the themes that can and must be set in an overall agenda-setting process.

The confrontation of many visions, each valid in its own right, is what this variation of OMC would be about. To reiterate, there is unlikely to be one agreed, overall vision, and none of the visions would become authoritative, not even the EU Territorial Cohesion Strategy put forward by the Commission. An authoritative vision would be quite unlike the open-ended character of European integration of which the end-state, both in an institutional as well as in a territorial sense, are unknown. Having said this, there must, however, be pragmatic medium-term answers to the question of what the territorial dimension of ‘Europe 2020’, and in its wake of the next Community Strategic Guidelines for Cohesion or their equivalent, should look like. As with all such processes, this will be the result of bargaining and compromises. As is well known, planning *is* politics.

## Part 5: A Road Map

The above-mentioned proposals for an institutional architecture bear something of a resemblance to the formulation of the EU Strategy for the Baltic Sea Region in which for the first time more than a score of Directorates General at the Commission have participated. In addition, there was stakeholder involvement with several conferences in the area, the whole process resulting in a medium-term Action Plan committing many of them to perform specific tasks. Such macro-strategies may be one way forward in cohesion policy.

This is not the place to discuss the Baltic Seas Strategy as such but there are two salient points of interest here. One is the good news that DGs at the Commission can formulate joint strategies, something that has always been on the wish list, recently also of Barca, and his desire for a 'place-based policy group'. Other observers, too, have frequently asked for an anchor point for territorial cohesion policy in the Commission structure. If cooperation, as exhibited in the Baltic Sea Strategy, was to become common, if DGs were to be able to formulate viewpoints in respect of, for instance, the territorial dimension of each NSRF, this would give Member States an incentive to take this exercise seriously. The same is true for the EU Territorial Cohesion Strategy. However broad, if it were to carry the commitment not just of DG REGIO but of the Commission as a whole, then this could really be a powerful instrument, and something akin to what the Economic and Social Committee and the European Parliament have asked for: a platform for integrating policies and a vehicle for good governance.

The second point is that cooperation across territorial jurisdictions is possible, all the more so where there is a strong Commission interest resulting in a common point of view. The example of the Baltic Sea Strategy could be extended, not only, as is presently the case with the Danube Strategy, to other macro-regions, but also to transnational and cross-border planning. The essential difference here in respect of conventional INTERREG projects is that in each case the Commission would formulate a common position, something which admittedly would tax its resources in terms of personnel. The point is that, whether on the macro-regional, transnational or even on the cross-border level, such strategies would also be building blocks for the EU Territorial Cohesion Strategy proposed.

In conclusion, then, the road map for territorial cohesion policy is this: Given that the next Financial Framework needs to be agreed no later than 2012, to be preceded, as Barca argued, rather than followed by Community Strategic Guidelines or their functional equivalent; given also that drafts of all these documents are scheduled to come out in 2011 at the latest, it follows that the review of the Territorial Agenda, currently under way and due to be completed in good time for a ministerial meeting under the Hungarian Presidency in May 2011, is the occasion for Member States to nail their colours to the mast of a joint approach. They need to make a constructive move, each providing an input into an EU Territorial Cohesion Strategy, which would be designed to form a complement to, and perhaps even become incorporated in, the next Community Strategic Guidelines. This should be accompanied by the commitment of Member States to continue to participate in the development of the same strategy as part of a rolling

programme, with each preparing its own territorial cohesion strategy according to a common format. There could also be general support and perhaps also concrete proposals from the Member States for a 'light' EU directive to this effect, requiring these strategies to be coordinated with the preparation of the next generation of NSRFs, which would be a significant advance for a multi-level territorial cohesion policy.

## Epilogue

Much has been made in this paper of the sterile nature of the traditional distinction between intergovernmental and supranational approaches and of the seemingly endless discussion over the competences of the Member States and the Union. A plausible counterargument could be that the Member States are after all the quintessential producers of democratic legitimacy. However, discussing novel patterns of rule-making common in the EU, Sabel and Zeitlin (2010) invoke the concept of deliberative rather than representative democracy. Under this notion, actors' preferences are, albeit partially transformed by the force of the better argument in what they call 'experimentalist' governance, this being their new umbrella term for the OMC and such like. This brings into focus the socialisation of the deliberators into epistemic communities, via their participation in committees of experts of various kinds. This is largely an informal process and reminds us of the fact that European spatial planning has been characterised as involving learning where the force of the better argument counts. Clearly, this is something on which no definite conclusions can yet be drawn, but the concept of experimentalist governance could be of the utmost importance, a pointer to how governance generally might develop beyond the abstractions that representative democracy necessarily invokes. The implications are broad. Indeed, Sabel and Zeitlin (2010, 25) – both Americans – conclude that '[...] experimentalist governance cannot be experimentalist [...] if it remains confined to the EU'. As with other issues, like the softening of border regimes thought to be specific to the EU, and the emergence of 'soft spaces' (Haughton, Allmendinger, Counsell, Vigar 2010) in its wake, it seems that European governance, including territorial governance, is of great significance. Another American EU watcher of repute, Jeremy Rifkin (2004, 225), has thus warned his countrymen that the European Union is the first governing experiment in a world metamorphosing from geographic planes to planetary fields. Conceivably, territorial cohesion policy might become part of the diffuse, but exciting message which the EU holds for the rest of the world.

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