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Reconsidering Cohesion Policy:  
The Contested Debate on Territorial Cohesion

Katja Mirwaldt, Irene McMaster and John Bachtler

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United Kingdom

Preface

This paper reviews the concept of territorial cohesion, both in definitional terms and by considering some of the courses of action which can be used to achieve it, including territorial cooperation. The paper was prepared by the European Policies Research Centre (EPRC) under the aegis of EoRPA (European Regional Policy Research Consortium), which is a grouping of national government authorities from countries across Europe. The Consortium provides sponsorship for the EPRC to undertake regular monitoring and comparative analysis of the regional policies of European countries and the inter-relationships with EU Cohesion and Competition policies. EoRPA members currently comprise the following partners:

Austria
- Bundeskanzleramt (Federal Chancellery), Vienna

Finland
- Työ- ja elinkeinoministeriö (Ministry of Employment and Economy), Helsinki

France
- Délégation interministérielle à l’aménagement et à la compétitivité des territoires (DIACT), Paris

Germany
- Bundesministerium für Wirtschaft und Arbeit (Federal Ministry for Economics and Labour), Berlin
- Ministerium für Wirtschaft, Technologie und Arbeit, Freistaat Thüringen, Erfurt

Italy
- Ministero dello Sviluppo Economico (Ministry of Economic Development), Dipartimento per le Politiche di Sviluppo e Coesione (Department for Cohesion and Development Policies), Rome

Netherlands
- Ministerie van Economische Zaken (Ministry of Economic Affairs), The Hague

Norway
- Kommunal-Og Regionaldepartementet (Ministry of Local Government and Regional Development), Oslo

Poland
- Ministerstwo Rozwoju Regionalnego (Ministry of Regional Development), Warsaw

Sweden
- Näringsdepartementet (Ministry of Enterprise, Energy and Communications), Stockholm

United Kingdom
- Department for Business, Enterprise and Regulatory Reform, London
- The Scottish Government, Enterprise, Transport and Lifelong Learning Department, Glasgow
The research for this paper was undertaken by EPRC in consultation with EoRPA partners. It involved a programme of desk research and fieldwork visits among national and regional authorities in sponsoring countries during the first half of 2008.

The paper has been drafted by Katja Mrwaldt, Irene McMaster and John Bachtler. Section 4 draws on country-specific research contributed by the following research team:

- Dr Sara Davies (Germany)
- Stefan Kah (Austria)
- Dr Martin Ferry (Poland)
- Laura Polverari (Italy)
- Dr Martin Ferry & Rona Michie (United Kingdom)
- Heidi Vironen (Finland, Sweden)
- Frederike Gross (France)
- Professor Douglas Yuill (The Netherlands, Norway)

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European Policies Research Centre

March 2009

Disclaimer

It should be noted that the content and conclusions of this paper do not necessarily represent the views of individual members of the EoRPA Consortium.
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EXECUTIVE SUMMARY

‘Territorial cohesion’ has become a fashionable term during the past ten years. It was first mentioned in a report published by the Association of European Regions (AER) while the 1997 Treaty of Amsterdam was being negotiated. Since then, the concept has been given an increasing profile through multiple documents on the topic of territorial cohesion. Territorial cohesion is currently part of the pending Lisbon Treaty which, if adopted, would define territorial cohesion as a shared competence between the Commission and the Member States.

At the same time, there is considerable confusion about the meaning of territorial cohesion. The many documents published on the topic added new layers to an already-complex concept but they did not contain an authoritative definition. One can identify at least four different definitions of territorial cohesion. First, it can be seen as polycentric and endogenous development, aiming to cultivate several clusters of competitiveness and innovation across Europe. Second, it can be seen as a balanced development model with the primary aim of reducing socio-economic disparities and avoiding imbalances. Third, territorial cohesion is sometimes formulated in terms of accessibility, i.e. the ambition for citizens to have equal access to facilities, services and knowledge, regardless of where they live. And finally, it could be seen as a form of networking, giving emphasis to the physical and interactive connections that exist between different communication centres and that also link them with their surrounding areas.

Given the contradictory nature of some of these possible definitions, territorial cohesion is a controversial objective of EU Cohesion policy. The concept’s evolution reveals an underlying disagreement over spatial planning competences between the Member States on the one hand and the Commission and other European bodies on the other. A major disagreement concerns the question of whether a common working definition should be sought at all. Thus, while Austria considers the concept in its current form to be too vague to be of any practical use, Italy maintains that it should remain flexible enough to permit different interpretations. A second major debate concerns the objectives of territorial Cohesion policy. Thus, France and the Netherlands argue that it should primarily aim to correct regional disparities, while Finland and Sweden suggest that it should stimulate innovation and competitiveness. Member States also hold opposing views on the appropriate focus and spatial coverage of territorial cohesion: the UK and Germany would prefer to see Structural Funds restricted to the poorest regions, identified through the GDP per capita indicator. Others, including Poland and Norway, would like to make new types of region, such as mountainous areas, border regions or islands, eligible for financial support.

Given these disagreements, a common definition looks difficult to achieve. A different way to approach the concept of territorial cohesion is to consider the courses of action by which its proponents want to achieve it. Cooperation, both horizontally and vertically, is
perceived as an important channel for reinforcing territorial cohesion. Above all, territorial cooperation has been implemented through the long standing INTERREG programme and it offers valuable lessons for territorial cohesion.

Introduced in 1990, INTERREG has evolved over four funding periods and territorial cooperation is now one of the three Structural Funds objectives. Under the current arrangements, territorial cooperation is subdivided into cross-border, transnational and interregional cooperation.

The impact and added value of INTERREG is the subject of formal evaluation reports and also the subject of wider debate. As for quantitative impacts, the financial resources attached to the INTERREG programme are not large, compared to mainstream Structural Funds programmes. Shortcomings in monitoring systems and data collection complicate the identification of programme impacts and outputs. Consequently, the physical, measurable results and impacts of INTERREG and its direct contribution to territorial cohesion, in terms of concrete outputs, are limited. At the same time, it is widely acknowledged that territorial cooperation can have a qualitative impact, e.g. through opportunities for exchange of experience and learning and the adoption of innovative elements, processes or responses into domestic policy.

Although the three strands of INTERREG tend to be addressed separately, five general consequences of the programme have been identified, each with associated benefits and challenges. First, cooperation programmes address areas of potentially high political and symbolic added value. At least on paper, they promote the EU goal of territorial cohesion, by supporting enhanced cooperation between Member States and the balanced and sustainable development of the European space. Second, territorial cooperation enables specific territorial problems to be tackled which could not have been addressed through other support programmes. Third, one of the most widely recognised contributions of INTERREG programmes is the opportunity they provide for learning and exchange of experience. This aspect is particularly relevant to the networking and accessibility aspects of territorial cohesion. Fourth, programme activities can bring together different types of organisation which do not regularly work together and ensure that projects are genuinely bottom-up. And fifth, activities can also result in a significant increase in the number, intensity and dynamics of cross-border contacts at national, regional and local levels.

The incorporation of territorial cohesion as a regional policy objective has focused attention on the potential role of territorial cooperation in pursuing this goal. However, the broad agreement on the positive effects of territorial cooperation is not always matched by the same enthusiasm when funds are being allocated. The concrete impact of territorial cooperation is often difficult to identify. At the same time, in terms of the qualitative impacts of territorial cooperation, the added value of INTERREG for territorial cohesion is difficult to dispute.

This leaves two main questions to be addressed about territorial cohesion, territorial cooperation and the relationship between them:
• What are the implications of the territorial cohesion objective for Cohesion policy? On which points is agreement feasible and where are differences of opinion most likely?

• Is the INTERREG programme an important channel for reinforcing territorial cohesion in practice? What does INTERREG contribute to the goal of territorial cohesion?
Reconsidering Cohesion Policy: The Contested Debate on Territorial Cohesion

1. INTRODUCTION

‘Territorial cohesion’ has become a fashionable term during the past ten years.¹ The Treaty of Amsterdam was the first official EU document to mention territorial cohesion,² but the Treaty never specified what was meant by the term. Since then, the concept has been given an increasing profile through the European Spatial Development Perspective, successive ministerial meetings, Cohesion Reports, and the creation of the European Spatial Planning Observation Network (ESPON). In 2004, territorial cohesion was inserted into the Constitutional Treaty as a third Union objective, along with economic and social cohesion. It is currently part of the pending Lisbon Treaty which, if adopted, would define territorial cohesion as a shared competence between the Commission and the Member States. The latest development is the preparation of a European Commission Green Paper on Territorial Cohesion, due to be published in October 2008.

Pending the Green Paper, there is considerable confusion about the meaning of territorial cohesion. Economic and social cohesion are already enshrined in Article 158 of the Treaty as two overarching EU objectives. They seek to reduce socio-economic disparities between regions. The inclusion of territorial cohesion would add a spatial dimension to these existing objectives. Nevertheless, given that economic and social cohesion policies are already targeted spatially, it is not readily apparent what such a new spatial dimension would entail. Over the past decade, numerous reports, discussion papers and strategic frameworks have been published by Member State ministries and European institutions, notably the Commission, which have sought to develop the concept of territorial cohesion, but they do not agree on a single, coherent definition. Territorial cohesion is typically referred to in extremely broad terms and only vaguely related to spatial planning more generally. As a result, there is no consensus on what exactly the concept means, how it should be operationalised, or how to measure it.³

One way to approach a definition of territorial cohesion is by examining the suggested means to achieve it. Horizontal coordination and territorial cooperation are often highlighted as the main avenues towards territorial cohesion. Horizontal coordination refers to all those policies that have a spatial impact, such as agricultural or transport policy. Improving coordination in this regard would entail paying greater attention to the

¹ October 30th-31st Paris: Conference on Territorial Cohesion, with the French EU Presidency and Committee of the Regions, addressing the future of cohesion policy and post-2013 priorities. For more information, contact diact_pfue2008@diact.gouv.fr directly, or to register visit www.conference-cohesionue2008.fr.

² Article 2, Para. 7 of the Amsterdam Treaty, amending Article 6a of the Treaty on European Union, introduced the concept in the context of services of general economic interest.

differential spatial impact of these policies, given that their impact may sometimes contradict the purpose of regional policies.

Territorial cooperation refers to cross-border, transnational and inter-regional cooperation between sub-national units. Such cooperation between different types of territory has raised expectations of promoting new relations and interactions between areas in Europe and contributing to territorial cohesion: as we shall see, disagreements about the meaning of territorial cohesion may abound, but there is near-universal acceptance that territorial cooperation is conducive to territorial cohesion.

This paper aims to identify lessons from territorial cooperation for territorial cohesion by examining different outcomes of territorial cooperation in light of the territorial cohesion debate. The paper begins by tracing the origins and evolution of the territorial cohesion objective. It highlights different interpretations of the concept and shows how these are reflected in the views of the Member States. After discussing the evolution and different forms of territorial cooperation in the EU, the paper assesses the impact and added value of territorial cooperation in terms of territorial cohesion. The question is answered both from a theoretical perspective and by using examples from the Member States. The paper concludes by raising a number of discussion points about territorial cohesion, territorial cooperation and the relationship between them.

2. BACKGROUND: EVOLUTION OF THE CONCEPT

The emergence of territorial cohesion must be seen in the context of a broader debate about regional policy and spatial planning at the European level. Territorial development has long been a central concern in the Member States. Spatial planning evolved as an important national competence in post-war Europe, and it is possible to distinguish between a number of different traditions. Most famously, French efforts to correct spatial imbalances and promote equal development are referred to as aménagement du territoire, with the aim of coordinating different policies with a spatial impact. A similar approach is taken in the Netherlands and has recently been embraced in the UK. These countries direct their spatial strategies towards synergies and interdependencies in stimulating growth, an approach that has been referred to as ‘managerial’. In contrast, a more regulatory approach is taken in countries such as Austria, Belgium (Wallonie) and Germany. Their concern with spatial justice, fiscal equalisation and positive discrimination has been described as ‘corporatist’. Furthermore, the Nordic

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7 Doucet, ‘Territorial Cohesion of Tomorrow’, op. cit.
countries and the southern European states pursue altogether different strategies which concentrate on environmental protection and urban planning respectively.  

In light of these divergent traditions, it is not surprising that many Member States initially resisted any European competences in spatial planning. On the one hand, it was not clear whether the European institutions would be able to engage in planning activities. On the other hand, there were doubts as to whether it was even desirable to transfer these competences, in full or in part, to the European level. Only in the late 1980s did the spatial planning debate develop at a European scale. It began as a reaction to globalisation and trade liberalisation as part of the Single Market programme. These processes benefited some regions but had adverse effects on others. In particular, there was growing awareness that Europe was divided into a geographical and developmental core and periphery. This centre-periphery gap was captured in diverse metaphors, such as the ‘Blue Banana’, a high-growth area that stretched from Milan in the south across Frankfurt, Amsterdam and London towards Manchester in the west. More recently, Europe’s economic core has been described as a ‘pentagon’ that spans London, Paris, Milan, Munich and Hamburg. The 2004 and 2007 EU enlargements have further increased the EU’s diversity in terms of socio-economic development. On the one hand, a catch-up effect has been observed at the country level. Thus, the Central and Eastern European Member States have displayed very high growth rates in recent years. On the other hand, disparities between the different regions of the same countries are widening. In addition to the centre-periphery division, serious economic and social disparities emerged at various geographical scales, exacerbated by successive rounds of EU enlargement. Successive Cohesion Reports identified major disparities between and within countries and regions, with even the wealthiest European cities having pockets of poverty and deprivation. The need for a greater commitment to ‘balancing’ these disparities was discussed increasingly, reflecting a growing sense that ‘some sort of spatial justice’ or ‘solidarity based on geography’ should be promoted at the European level. The image of a mosaic, and the metaphor of a ‘bunch of grapes’ were created to capture the desirable end

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9 C. Husson, L’Europe sans territoire: Essai sur le concept de cohésion territoriale (Editions de l’aube/ DATER, La Tour d’Argues, 2002).
11 This metaphor originated in France, drawing policy-makers’ attention to the possibility that Paris was not part of the Continent’s traditional heartland. See R. Brunet, ‘Lignes de force de l’espace européen’ (2002) Mappemonde 2/2002, 14-19.
goal where there would be multiple adjacent growth zones rather than one socio-economic core.\(^{14}\)

A Franco-Dutch initiative introduced the possibility of planning coordination at the European level. The first in a series of informal meetings of national ministers responsible for this took place in 1989 in Nantes. Initially, other countries including Germany were opposed to any European planning competences resembling *aménagement du territoire*. In fact, the very term ‘spatial planning’ was avoided carefully until the mid-1990s.\(^{15}\) Nevertheless, something of a pan-European *zeitgeist* was clearly emerging.\(^{16}\) For example, in 1991, the Commission published its ‘Europe 2000’ analysis of the European territory, highlighting existing disparities and anticipating future trends.\(^{17}\) The follow-up document ‘Europe 2000+’ argued that there was growing acceptance of EU-level spatial planning and presented policy options to promote territorial equity.\(^{18}\)

The concept of ‘territorial cohesion’ itself was first mentioned at the European level in a report entitled *Regions and Territories in Europe* published by the Association of European Regions (AER) while the 1997 Treaty of Amsterdam was being negotiated.\(^{19}\) The report was based on regional responses to a questionnaire on the territorial impact of European policies. 135 regions responded to the questionnaire and there were more than 150 responses in total. The AER argued that this bottom-up method bestowed a unique legitimacy on the findings and demands put forward in the report. The main finding was that many EU policies had unintended territorial impacts that had to be assessed more explicitly than before. Thus, *Regions and Territories in Europe* highlighted the need for planning coordination at the European level: it argued that territorial cohesion should complement economic and social cohesion as a core Union goal.\(^{20}\) In the months that followed, the AER, the Committee of the Regions, influential individuals such as the future Commissioner for Regional Policy Michel Barnier and regions in the Central and Eastern European Candidate Countries, among others, campaigned for such a territorial cohesion objective.\(^{21}\) And indeed, the term was included in the Amsterdam Treaty, though not as an addition to the existing cohesion goals but rather in the context of ‘services of general


\(^{15}\) Doucet, ‘Cohésion territoriale de l’Union européenne’, *op. cit.*


\(^{20}\) Husson, *L’Europe sans territoire*, *op. cit.*

economic interest’ (Art. 7d). The Amsterdam Treaty did not define territorial cohesion; nevertheless, by introducing the concept, it laid the foundation for spatial planning at the European level.

Table 1: Major steps in the evolution of ‘territorial cohesion’ as a cohesion objective

<table>
<thead>
<tr>
<th>Month</th>
<th>Event</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1999</td>
<td>ESDP</td>
<td>- outlines spatial imbalances and the territorial impact of Community policies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- defines three main spatial policy objectives: polycentric development; access to infrastructure and knowledge; and wise management of the natural and cultural heritage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- suggests sixty policy options to achieve these aims</td>
</tr>
<tr>
<td>January 2001</td>
<td>Second Cohesion Report</td>
<td>- devotes a chapter to territorial cohesion which highlights serious spatial imbalances all over Europe including geographical challenges</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- links territorial cohesion to economic and social cohesion</td>
</tr>
<tr>
<td>February 2004</td>
<td>Budget Proposals</td>
<td>- propose three Structural Funds Objectives: convergence, competitiveness and employment, and territorial cooperation</td>
</tr>
<tr>
<td>February 2004</td>
<td>Third Cohesion Report</td>
<td>- links cohesion to the Lisbon goals</td>
</tr>
<tr>
<td>April 2004</td>
<td>Interim Territorial Cohesion Report</td>
<td>- defines territorial cohesion as ‘the balanced distribution of human activities across the Union’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- describes territorial imbalances at some length and notes that enlargement would aggravate them</td>
</tr>
<tr>
<td>November 2004</td>
<td>Ministerial meeting in Rotterdam</td>
<td>- endorses a bottom-up approach to territorial cohesion that stresses the regions’ territorial capital</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- rejects greater institutionalisation or top-down control and instead suggests defining territorial cohesion in policy terms</td>
</tr>
<tr>
<td>October 2006</td>
<td>Strategic Guidelines for Cohesion adopted</td>
<td>- contain a chapter on the territorial dimension of Cohesion policy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- suggest that a different meaning should be given to territorial cohesion in each Member State</td>
</tr>
<tr>
<td>May 2007</td>
<td>Territorial Agenda</td>
<td>- specifies six territorial priorities for the EU</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- was followed by an action programme to achieve these six goals</td>
</tr>
<tr>
<td>September/ October 2008</td>
<td>Green Paper on Territorial Cohesion</td>
<td>- is based on Member State responses to a Commission questionnaire</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- lists a number of components of territorial cohesion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- concludes by raising a number of questions for further debate</td>
</tr>
</tbody>
</table>

The European Spatial Development Perspective (ESDP) was the first landmark on the way to EU-level planning coordination. Agreed by the ministers responsible for spatial planning in Potsdam in May 1999,²² the ESDP was a non-binding framework to streamline those policies that have a differential impact in European cities and regions. It was the outcome of a six-year process of deliberation, where national ministers added different opinions and interpretations in a series of informal meetings.

The ESDP began by diagnosing several spatial disparities in the EU. In particular, it criticised the concentration of population and prosperity in the core ‘pentagon’ area. Moreover, the ESDP noted that Community policies such as competition, structural policy or agricultural policy all had a spatial impact which could aggravate these disparities. Although territorial cohesion was mentioned only once, the ESDP had the main aim of achieving ‘the balanced and sustainable development of the territory of the EU’. This would subsequently become a standard definition of ‘territorial cohesion’. The ESDP broke the aim of balanced and sustainable development down into three objectives:

1) Polycentric spatial development and a new urban-rural relationship: these two concepts stressed a functional division of labour between urban growth poles on the one hand and the surrounding rural areas on the other.

2) Parity of access to infrastructure and knowledge: this involved strengthening cross-linkages between urban areas and the accessibility of more remote ones, especially in terms of transport and communication infrastructure.

3) Wise management of the natural and cultural heritage: this objective related to local traditions and identities, and it stressed sustainability and quality of life as important developmental aspects.

The ESDP presented a total of 60 policy options for the three different priorities. Polycentric development in particular was seen as a natural complement to territorial cohesion. Originally an analytical concept from urban studies, this term described spatial patterns and trajectories in cities. Studies found that economic activity and urban growth tended to occur around multiple centres in many cities or large urban conurbations, such as the Dutch ‘Randstad’.

Only recently has ‘polycentricity’ been used at a larger, regional scale. Its current use in European planning is normative and reveals the wish to overcome disparities at all spatial scales. Thus, polycentricity aims at balanced development by creating “several dynamic

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23 See, for example, CEC DG Regio, Interim Territorial Cohesion Report (Preliminary results of ESPON and EU Commission studies), Office for Official Publications of the European Communities, Luxembourg, 2004, p. 3.

24 They are in vogue not only in a European context but also globally. The 2009 World Bank Development Report entitled ‘Reshaping Economic Geography’ will deal with global spatial disparities and development strategies much along the same lines as in the European records. See also R. Yamazaki-Honda, ‘Territorial Policy in OECD Countries’ (2005) Planning Theory and Practice, 6(3), 406-9.


28 Davoudi, ‘Polycentricity in European Spatial Planning’, op. cit.
zones of global economic integration, well distributed throughout the EU territory". However, it is not clear which spatial scale would be most appropriate to achieve polycentric development in Europe. One observer has described it as a ‘bridging concept’, in other words a concept that is deliberately kept vague so as to mean all things to all people. Indeed, some have rejected polycentricity at a Continental scale altogether. Nevertheless, polycentric development by now appears to be an established European planning tool.

The ESDP was an important first step because it prompted decision-makers to contemplate spatial development at the European level. It has clearly left its mark and started ‘shaping the policy discourses and policy agendas both in the Commission and in each Member State.’ At the same time, however, it offered no more than a set of very broad and non-binding guidelines. It was not even ‘a finished polished product’ insofar as its application was no ‘hard-and-fast commitment’ but rather a question of exchange and discussion.

Following agreement on the ESDP, the ministers responsible for Spatial Planning, Urban Policy and Regional Policy held an informal meeting in Tampere in October 1999. They identified twelve actions to apply the ESDP, among them a link to the INTERREG Community Initiative, the development of territorial impact assessment, and a European Spatial Planning Observation Network (ESPON). The creation of ESPON in 2002 as part of INTERREG was an important step towards the application of the ESDP. Its task was to collect spatial data and develop indicators to inform territorial development policy. With the emergence of the territorial cohesion agenda, ESPON also began research into European spatial disparities and their implications for territorial cohesion. ESPON was initially conceived to run until 2006, but a new operational programme - ESPON 2013 - was launched subsequently in 2007.

Up until this point, the spatial planning debate at the European level had largely been driven by the Member States. The ESDP in particular was conceived in an intergovernmental process that did not envisage a leading role for the European Commission. According to one commentator, the Commission withdrew its support for the ESDP process as a result.

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29 CEC, European Spatial Development Perspective, op. cit., p. 20.
Nevertheless, the intergovernmental process stalled not long after completion of the ESDP.\textsuperscript{37} It was at this point that the Commission published its Second Cohesion Report, which heralded a period of much greater Commission activism than before. This report devoted a whole chapter to territorial cohesion, arguing that spatial imbalances could be conceived not only in terms of GDP per capita but also geographically, that is by focussing on regions that faced particular challenges such as border regions, mountainous regions or islands.

Between January 2001, when the Commission published the Second Cohesion Report\textsuperscript{38} and 2004, three main arguments were put forward repeatedly. First, territorial cohesion followed naturally from economic and social cohesion (as stated in Article 158 of the EC Treaty). Second, there were massive spatial imbalances at all spatial scales, i.e. Europe-wide, between regions and even within cities, and regarding such issues as rural-urban imbalances, demographic development, GDP and innovation capacity. Third, EU enlargement would aggravate these imbalances and that more effort was needed to address them.

The Third Cohesion Report, which was adopted in February 2004, argued that the objective of territorial cohesion was:

\begin{quote}
...to help achieve a more balanced development by reducing existing disparities, avoiding territorial imbalances and by making both sectoral policies which have a spatial impact and regional policy more coherent. The concern is also to improve territorial integration and encourage cooperation between regions.\textsuperscript{39}
\end{quote}

The report established a strong link between Cohesion policy and the Lisbon goals of competitiveness, innovation and full employment. In general, competitiveness and innovation were high on the agenda at that time.\textsuperscript{40} More specifically, the Report was published almost simultaneously with the Commission’s budget proposals for the enlarged European Union. In these guidelines, the Commission suggested three new objectives for Structural Funds, namely Convergence, Competitiveness and Territorial Cooperation. The Competitiveness objective in particular reflected the widespread preoccupation with the Lisbon Strategy.

In similar vein, an Interim Territorial Cohesion Report published in April 2004 argued that research and innovation capacity as well as accessibility should be strengthened to achieve territorial cohesion, which it defined as “the balanced distribution of human activities


\textsuperscript{40} S. Davies, C. Mendez and N.C. Quiogue, ‘Cohesion policy funding for innovation and the knowledge economy’ (2004) IQ-Net Thematic Paper 15(2), European Policies Research Centre, University of Strathclyde, Glasgow.
across the Union”. In other words, territorial cohesion merely “translates the goal of sustainable and balanced development assigned to the Union (Art. 2 of the Treaty) into territorial terms”. 41 The link to economic and social cohesion and other existing competences made it appear as though “nothing radically new is being proposed”. 42 At the same time, however, territorial cohesion was still not enacted as a European competence.

This changed when the Constitutional Treaty was signed in October 2004. Following intense lobbying efforts on the part of regional and European-level activists, the European Convention included territorial cohesion next to economic and social cohesion as one of the Union’s main objectives. It is well known that the ratification process came to a standstill when the Constitutional Treaty failed to pass the French and Dutch referendums, but the relevant terms were unchanged in the follow-up Lisbon Treaty. In other words, while territorial cohesion had so far merely been an area for coordination, loosely derived from the existing legal base, adoption of the Lisbon Treaty would enshrine territorial cohesion as an area of shared competence:

In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions.

Among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions. 43

In November 2004, the Member States tried to find a common definition at their informal ministerial meeting on territorial cohesion in Rotterdam. The meeting took place against a difficult background: as predicted, enlargement had deepened the spatial inequalities in the EU and progress towards the Lisbon goals had been slow. A discussion paper published for that meeting argued that greater institutionalisation or top-down control was not needed. Rather, territorial cohesion needed to be defined in substantive terms in order to facilitate implementation in light of the Lisbon goals. Thus, the report identified three policy approaches to achieve territorial cohesion:

• focusing Cohesion policy on different territories’ idiosyncratic development potentials;

• strengthening regional profiles as well as regional connectivity and integration;

41 CEC DG Regional Policy, Interim Territorial Cohesion Report, op. cit., p. 3.
promoting the sectoral and horizontal coherence of all EU policies with a territorial impact.\textsuperscript{44}

By the mid-2000s, territorial cohesion had clearly turned into one of the pillars of Cohesion policy, with the triple goal of ‘economic, social and territorial cohesion’ firmly established as part of the EU jargon. For example, the ‘Community strategic guidelines on economic, social and territorial cohesion 2007-2013’ were published in 2006, and ‘Economic, social and territorial cohesion’ was the title of a chapter in the Fourth Cohesion Report published later in 2007.

The Community strategic guidelines reaffirm the strong link between Cohesion policy and the Lisbon goals, arguing that “territorial cohesion should be part of the effort to ensure that all of Europe’s territory has the opportunity to contribute to the growth and jobs agenda”. Echoing the conclusions from the ministers’ meeting at Rotterdam, the guidelines argue that “a different meaning should be given to territorial cohesion, linked to each Member State’s history, culture or institutional situation.”\textsuperscript{45} In other words, there was to be no central definition but rather local interpretations that would naturally vary from region to region.

The latest development has been the simultaneous publication of the ‘Leipzig Charter on sustainable European cities’ and the ‘Territorial Agenda’ that was agreed by the ministers responsible for spatial planning in May 2007. The Territorial Agenda elaborates on the priorities agreed in the informal ministerial meetings on territorial cohesion in Rotterdam and Luxembourg. More generally, it is meant to pull together the previous eight years of work.\textsuperscript{46} The Agenda outlines the ‘future task’ of strengthening territorial cohesion and splits it into six priorities:

- strengthening polycentric development and innovation through networking of city regions and cities;
- finding new forms of partnership and territorial governance between rural and urban areas;
- encouraging regional clusters of competition and innovation;
- building up and extending Trans-European Networks;
- promoting trans-European risk management including the impact of climate change;


• strengthening ecological structures and cultural resources.\textsuperscript{47}

However, the Territorial Agenda does not state how these goals should be achieved. The Portuguese presidency drew up an action programme for the implementation of the Territorial Agenda, agreed in November 2007 by the ministers for spatial planning. To be implemented in the period between 2007 and 2011, the action programme puts forward five lines of action:

• implementing the Territorial Agenda in the ministers’ area of competence;
• influencing key EU dossiers and adding a territorial/urban dimension to sectoral policies;
• strengthening multi-level governance;
• assessing the territorial state, perspectives, trends and policy impacts from the point of view of territorial cohesion and sustainable spatial development;
• coordinating the Action Programme’s implementation and developing an awareness-raising strategy.

Each is broken down into specific proposed actions. Thus, for example, the strengthening of multi-level territorial governance should be implemented by promoting transparent decision-making as regards territorial policies and by convening with selected stakeholders.

The action programme is a strategic document drawn up by the Member States, and the sections that deal with implementation are slanted towards the intergovernmental side, making only brief mention of consultations with ‘European Union institutions and the other stakeholders’.

To summarise, in the context of the European spatial planning debate, European institutions and the Member States have produced multiple documents on the topic of territorial cohesion. Many of these claimed to contain the authoritative definition, but at most they added new layers to an already-complex concept. To approach the question from a different angle, the Commission sent out a questionnaire to the Member States in May 2007. It asked how the Member States interpreted territorial cohesion, what the key components of a territorial Cohesion policy should be and how it might be implemented. The analysis of the answers is presented in the Commission’s Green Paper on Territorial Cohesion that was launched officially in October 2008. A public consultation was held until 28 February 2009 and, even though the contributions are available\textsuperscript{48}, they have not yet been considered in a single document. The Green Paper takes up many of the themes that had been raised in previous documents (see Box 1).


\textsuperscript{48} Available online at <http://ec.europa.eu/regional_policy/consultation/terco/contrib-en.htm
Box 1: The Green Paper on Territorial Cohesion

The long-awaited Green Paper on Territorial Cohesion is based on the Member States’ responses to the Commission’s questionnaire. It puts forward three main components of territorial cohesion and suggests ways to achieve them:

1) Balanced and harmonious development: the Green Paper outlines the EU’s advantageous settlement pattern, but it also criticises the uneven pattern of economic activity. The Green Paper suggests two ways of overcoming this problem. First, it suggests that differences in density could be addressed by ensuring balanced and sustainable development in the EU. Second, it argues that distance can only be overcome by connecting different territories, through infrastructure and by providing access to services and communications networks.

2) Overcoming divisions and territorial inequalities: the Green Paper further notes that concentration and a lack of connectivity can be addressed through cooperation at all geographical scales and across borders. This would not just involve the EU Member States but also neighbouring countries and larger regions such as the Baltic Sea area.

3) Regions with specific geographical features: finally, the Green Paper describes the problems that islands, mountainous, and sparsely populated areas face. In these regions, low levels of development tend to be intensified by the special geographical challenges of peripherality and accessibility.

The Green Paper concludes with a number of questions for debate regarding the definition and appropriate scale of territorial cohesion policy, the role of cooperation and policy coordination, the scope for wider territorial partnerships and possible indicators to measure territorial cohesion.

The debate has taken place in a fairly public and candid fashion, and it is not too early to outline a few main lines of disagreement. The questions that have dominated the debate make consensus difficult to achieve, but they also shed light on the main components that might come together in a newly-conceived territorial Cohesion policy.

3. TERRITORIAL COHESION: A ‘BRIDGING CONCEPT’?

3.1 Components of the debate

Territorial cohesion may have become an essential objective of EU Cohesion policy. However, it is also a controversial objective. The overview of the concept’s evolution has revealed an underlying disagreement over spatial planning competences between the Member States on the one hand and the Commission and other European bodies on the other. As we have seen, there was initially a great deal of reluctance among Member States to agree to spatial planning at the European level.

The drafting process of the various planning documents is replete with examples of this tension between the two levels of governance. Thus, the outcomes of informal ministerial

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meetings, such as the ESDP or the Rotterdam discussion paper, placed less emphasis on Community competence and more stress on subsidiarity than do, for example, the Commission’s Cohesion Reports. It has even been suggested that the Member States sidelined the Commission in the coordination of spatial planning through the ESDP.\(^{50}\) Whether this was done deliberately or not, the Commission reacted by ending its involvement in the ESDP, emphasising instead the vague concept of territorial cohesion and “biding its time until territorial cohesion is accepted as an area of EU policy”.\(^{51}\) In this regard, territorial cohesion works as a compromise precisely because of its ambiguity: it can be seen as another ‘bridging concept’ that lends itself to many different interpretations.

Indeed, a similar disagreement concerns the question of whether a common working definition should be sought at all. A reference to a ‘common understanding’ of territorial cohesion was dropped from the final draft of the Territorial Agenda, “probably because it touched on the politically sensitive issue of territorial competence”.\(^{52}\) In a November 2007 speech entitled ‘Territorial Cohesion: towards a clear and common understanding of the concept’, European Commissioner Danuta Hübner noted the variety of possible interpretations and argued that a clear definition was needed in order to communicate policy priorities and muster support for achieving them. Nevertheless, she also maintained that this was “by no means an attempt to impose a common definition and a common set of instruments for its implementation to the Member States and their regions. There are not and there will not be ‘one size fits all’ solutions”.\(^{53}\) If nothing else, Hübner’s speech shows how difficult it is to strike the right note in this politically sensitive field. One academic has described the challenge as follows:

> There is a key task facing EU spatial development policy in the future: promoting action spaces that, on the one hand, are the expression of endogenous and self-determining regional forces and initiatives and that, on the other hand, are responsive to overarching EU goals and objectives. This can only happen if substantive and procedural inputs ‘from above’ – like overarching goals, resources, and related implementation rules – are not only general enough as not to constrain local-regional mobilization and creativity ‘from below’, but also clear enough as to promote directions of local-regional innovation.\(^{54}\)

To be sure, not all national governments wish to keep the Commission at arms’ length. Many new Member States, for example, seem eager to upgrade the territorial cohesion objective at the European level. Nevertheless, as we shall see below, different countries have very different ideas about what degree of centralisation is desirable.

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\(^{50}\) Faludi, ‘Unfinished business’, op. cit., p. 133.


\(^{52}\) Gualini, “‘Territorial cohesion’ as a category of agency”, op. cit., p. 11.

\(^{53}\) D. Hübner, ‘Territorial Cohesion: towards a clear and common understanding of the concept’, speech delivered at the Informal Ministerial Meeting on Territorial Cohesion and Regional Policy, Ponta Delgada, Azores, Portugal, 23 November 2007.

\(^{54}\) Gualini, “‘Territorial cohesion’ as a category of agency”, op. cit., pp. 17-18.
A second major debate concerns the objectives of Cohesion policy: should it be growth-oriented or should it aim at correcting disparities? Can the two goals be reconciled? Given that territorial cohesion has increasingly been tied to the Lisbon Agenda, it looks as though the debate between balancing and growth had been settled in favour of the latter, as Hübner also maintains. A fairly common viewpoint maintains that it is possible to promote both solidarity and competitiveness by exploiting regions’ endogenous growth potentials and by promoting a polycentric model of growth.

As far as Cohesion policy itself is concerned, two opposing views on the appropriate focus and spatial coverage illustrate this debate. Some Member States would prefer to see Structural Funds restricted to the poorest regions; under this view, Cohesion policy would continue to be spatially targeted and, by implication, would have more to do with equity than endogenous development. Conversely, other Member States take an all-region approach. Accordingly, territorial cohesion would make new types of regions, such as mountainous areas or islands, eligible for financial support.

As the previous section has shown, many policy documents stress other policy areas in addition to equity and balancing. Among others, these include sustainable development, preservation of natural and cultural resources, and rural development. These policy areas go beyond economic development, indicating that there is yet another dimension of territorial cohesion: accessibility and networking. These two related concepts are usually associated with the quality of life for citizens anywhere in Europe. They maintain that citizens should not be at a disadvantage because of where they live but should have equal access to services and facilities.

Clearly, there are many different perspectives on territorial cohesion. Some definitions are contradictory, as seen in the differences over spatial coverage. Other approaches concern themselves with fundamentally different dimensions of the problem. For example, strategies to reduce disparities or to promote information exchange are concerned with altogether dissimilar goals.

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### Box 2: Definitions of territorial cohesion

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<th>1) Polycentric and endogenous development</th>
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<td>In the context of territorial cohesion in Europe, polycentric development is a prescriptive concept that involves dispersion and deconcentration of economic activity. The goal is to cultivate several clusters of competitiveness and innovation developing outside the already-successful ‘pentagon’ area. Polycentric development is also related to economic specialisation and regional diversity: the emphasis is on endogenous development, which is to be achieved by making good use of a region’s specific territorial capital.</td>
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<td>With its reference to competitiveness and sustainability, polycentricity basically involves implementing the Lisbon and Gothenburg agendas <em>in the regions</em>. At the same time, there is some confusion as to the appropriate level at which polycentric development should be promoted. The Nordic countries, for example, are in favour of endogenous development but tend to reject a European concept of polycentricity, which they feel would leave behind their sparsely populated territories.</td>
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<th>2) Balanced development</th>
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<td>Whereas polycentric development tends to be associated with competitiveness and investment in regional strengths, balanced development has its roots in spatial justice and solidarity. It involves reducing socio-economic disparities and avoiding imbalances. Thus, there is an obvious connection with the concentration of Structural Funds. Ultimately, equalisation between the regions is the goal, although most European policy-makers hesitate to refer to this as ‘redistribution’ from rich to poor regions. Rather, the emphasis is on stimulating growth in lagging regions and other types of territory.</td>
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<th>3) Accessibility</th>
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<td>Accessibility refers to the ambition for citizens to have equal access to facilities, services and knowledge regardless of where they live. It is usually defined in terms of traffic infrastructure, communications networks and, as a more recent concern, energy supply networks. Accessibility is related to polycentric development, as the aim is for several transport and communication centres that should be easily accessible from their respective hinterlands.</td>
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<th>4) Networking</th>
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<td>Related to accessibility, networking gives emphasis to the physical and interactive connections that exist between different communication centres and that also link them with their surrounding areas. At the same time, networking is a dynamic process that creates transaction flows and information exchange. In policy terms, this means that policy implementation and risk management should be synchronised between different regions.</td>
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Another way to delineate the concept is to consider the courses of action by which its proponents want to achieve territorial cohesion. Whatever positions are held on the content of territorial cohesion, there seems to be general agreement on two paths to realise the objective. The first is horizontal coordination. This relates to the earlier observation that many EU policies have –intended or unintended– territorial impacts, while
Cohesion policy is, so far, the only substantive policy that is explicitly targeted spatially. The territorial impacts of other policies, including competition policy, industrial policy or research promotion, may even undermine or contradict the objectives of Cohesion policy. In other words, horizontal coordination means synchronising the different policies that have a spatial impact.

The second path is territorial cooperation between subnational actors. Territorial cooperation is usually subdivided into cross-border, transnational and interregional cooperation, but there may be other forms such as rural-urban partnerships. The ESDF was the first document to emphasise territorial cooperation as a major avenue towards spatial development, and the same view has been echoed in nearly all subsequent documents. The prominence in the policy documents and academic literature of territorial cooperation as a means towards territorial cohesion forms the basis of the second part of this paper (Sections 5 and 6).

3.2 Fault lines in the EU

As already noted, the Commission’s Green Paper distils a definition and questions for debate from Member States’ views on territorial cohesion. With the exception of Estonia, all Member States have expressed these views in their responses to the Commission’s questionnaire. The Commission’s Cohesion policy and budget consultations took place simultaneously. The country responses to these consultations are available, and they indicate that there is considerable variation across the EU. This section outlines some of the main themes that emerge from the Member State responses, and the section that follows presents individual Member State positions in greater detail.

To begin with, there is some difference of opinion as regards the overall assessment of territorial cohesion. Finland and Greece, for example, are favourably inclined towards the concept. Others, including Denmark or Ireland, do not regard territorial cohesion as an urgent priority. And some countries such as Austria and Germany are, in fact, quite sceptical.

The different meanings that the Member States attach to territorial cohesion can be summarised in four main groups:

- balanced and sustainable development in the regions: BE, BG, CY, DK, ES, HU, IE, LT, LU, LV, MT, PL, PT, RO, SI, SE (16)
- activating the endogenous growth potentials of different regions: AT, BE, ES, FI, GR, HU, IE, IT, LV, LU, MT, NL, PL, RO, SE, SK (16)
- solidarity and territorial equity, which also entails preventing and reducing territorial inequalities in general and between rural and urban areas in particular: AT, BE (Wallonie), BG, CY, CZ, ES, FI, FR, GR, FI, IE, IT, MT, PL, PT, RO, SK (17)
- achieving the Lisbon objectives of growth, innovation and competitiveness: BG, IE, LU, PT, RO, SE (6)
The first two interpretations—balanced, sustainable development and endogenous growth—were fairly common, with more than half of participating countries mentioning them and ten mentioning both. The third interpretation, which reflects crucial concerns with spatial equity, was mentioned frequently in one form or another. However, since Member States were not asked to provide only one definition, their priorities cannot be ascertained on the basis of these responses. As far as possible, this will be done in the next section of this paper.

Regarding the content of territorial Cohesion policy, the Member States identified a number of components which, in their view, should constitute territorial Cohesion policy. Views vary but one can identify five main aspects that are not mutually exclusive:

- strengthening polycentric development, growth poles and innovation clusters: BG, CY, CZ, DE, ES, FI, GR, IT, LT, LV, MT, PL, PT, SI, SK, UK (16)
- ensuring sustainable development in line with the Gothenburg strategy and also including energy questions: AT, CY, ES, GR, IE, LT, LV, MT, NL, PT, SE, SK (12)
- helping marginalised areas and areas with territorial handicaps: BE, BG, FI, FR, GR, IT, MT, PL, SE (9)
- improving accessibility through infrastructure investments, TEN and communications networks: CY, CZ, DE, FI, GR, IE, LT, MT, PT, SI, SK (11)
- creating equitable living conditions for all citizens regardless of where they live: AT, ES, FR, IT, LV, SE (6).

The Commission’s questionnaire also asked Member States to outline the tools they thought were most suitable to achieve territorial cohesion. Two mechanisms were mentioned most frequently: promoting the spatial coherence of all sectoral policies with a spatial impact, as well as territorial cooperation and networking. Thus, the Member State priorities concerning implementation reflect the main concerns voiced in the EU documentation that was discussed in the previous section. Two additional processes were identified by a small number of countries as being conducive to territorial cohesion.

- Drawing up spatial plans and strategies: most Member States do this at the national level, but Belgium suggested a common strategic framework. Some countries including Hungary, Spain and Cyprus, argued that territorial Cohesion policy should be implemented as part of the Member States’ National Strategic Reference Frameworks or Operational Programmes.
- Seeking new forms of territorial governance, regional management, and improved rural-urban relations: in particular, Bulgaria, Portugal and the UK called for the integration of multi-level governance systems into territorial Cohesion policy.

While most countries carry out spatial planning at the national level, the term ‘territorial cohesion’ is not normally used in the national context. In fact, some Member States argued that a distinction between territorial cohesion, regional policy and spatial planning should
be made explicit. Lithuania, for example, described territorial cohesion as an objective of regional development strategies, arguing further that spatial planning was one of the means to achieve territorial cohesion. Many Member States also stressed the subsidiarity principle. In general, this means that the role of the local and regional authorities in administering Cohesion policy should be strengthened. However, some countries (Germany, Netherlands) referred to the subsidiarity principle to indicate that spatial planning should remain a national competence and that it should not find any equivalent at the European level.

As regards the connection between territorial cohesion and EU Cohesion policy more generally, one can detect two main lines of disagreement that reflect some of the components identified in the previous section. The first disagreement concerns the question of which policy areas are appropriately covered by territorial Cohesion policy. Some countries argued that territorial cohesion should cover policy areas besides regional policy, such as labour market or innovation policy. Other policy sectors that are frequently mentioned in conjunction with the Lisbon and Gothenburg agendas are growth and environmental policy. Conversely, countries such as Ireland or the Netherlands, would welcome a clearer delineation of what Cohesion policy does and does not cover. It will be shown in the next section that the Netherlands have already expressed concern about a possible overload of Cohesion policy.

The second area of disagreement concerns the eligibility criteria for the Structural Funds, notably whether geographical indicators should be introduced as eligibility criteria. They would include, for example, islands and mountainous areas. While some countries argue that the GDP per capita indicator is sufficient to reflect the structural difficulties of the regions, others (such as the Nordic countries) hold that this indicator does not work well because it does not show many of their regional challenges when pan-European comparisons are made at NUTS II level.

4. MEMBER STATE INTERPRETATIONS OF TERRITORIAL COHESION

There is enormous variation in the interpretation of ‘territorial cohesion’ across the EU. Some interpretations simply stress different aspects of the problem, but certain facets of the debate also reveal fundamental disagreements. The next section elaborates on these themes by examining individual Member States’ views, covering Austria, Finland, France, Germany, Italy, the Netherlands, Poland, Sweden and the United Kingdom, as well as Norway. The views are based on policy documents, which include the countries’ responses to the Commission questionnaire, and fieldwork interviews with relevant policy-makers in each of the countries.

Austria is sceptical about territorial cohesion: introduced by several interest groups, the concept is seen as a phrase targeted at the new Member States to give them a sense of European identity. The Austrian reply to the Commission questionnaire highlights the potential of territorial cohesion to work as a ‘smokescreen’, hiding the real political interests in terms of financing and institutional competences. Indeed, both the Federal Chancellery (BKA) and the Austrian Conference on Spatial Planning (ÖROK) consider that it
would be preferable to remove the term. Notwithstanding the scope for flexible terminology to provide scope for policy innovation, as it stands territorial cohesion is considered too vague to permit consistent implementation.

Austria does not use the term outside the EU context. For debate at the European level, the Austrian reply to the Commission questionnaire highlights three possible dimensions: reducing disparities; strengthening regional competitiveness through financial support; and improving territorial governance. If territorial cohesion is taken to mean equal development in all regions, then Austrian national fiscal, regional and transport policies are already considered to be conducive to this goal. At the same time, there are concerns because such an interpretation is inherently contradictory to the Lisbon and innovation goals. As far as territorial governance is concerned, Austria recognises that economic and social activities have a spatial impact. At the European level, the debate should certainly address territorial governance, but multilevel and sectoral coordination of policies is already common in Austria.

In Finland, territorial cohesion has not been specifically defined, but it has so far been widely understood in the context of rural-urban relations. Sparsity is seen as a special challenge in the Nordic context, where depopulation and regressive demographic trends affect some regions particularly badly. Territorial Cohesion policy should help these regions face the challenge of globalisation. This would necessitate moving beyond the GDP per head indicator at NUTS II level and taking account of geographical features. On top of regional policy, this should include labour market, innovation, and education policy and other policies that have a territorial impact.

Finland is sceptical about the notion of polycentric development. Rather, the focus should be on local and regional development potentials. Thus, territorial Cohesion policy should help regions activate their own competitiveness potential. In this sense, Finland is open to any combination of the territorial cohesion objective with convergence or competitiveness.

France’s view of territorial cohesion has always been favourable. The concept is associated with assistance to weak territories. The French contribution to the Commission’s questionnaire argued that territorial cohesion aspires to a redistribution of political, social and fiscal revenues, and to the coherence of sectoral policies that have an impact on the cohesion of the territories. Taken to mean territorial solidarity, territorial cohesion is similar to aménagement du territoire. France has long implemented this in a national context.

France considers that it has many examples of successful Cohesion policy. At the same time, it is seen as difficult to reconcile territorial cohesion with potentially conflicting priorities such as the promotion of growth ‘locomotives’. France’s suggestion would be to translate the Lisbon and Gothenburg objectives into spatial terms.

In the French view, territorial cohesion goes beyond mere convergence. It is accepted that many EU policies have a territorial impact, and making these policies more coherent at all levels would be a major avenue towards territorial cohesion. This could be achieved by
combining vertical with horizontal approaches. In other words, policies should be conceived in a complementary way in all territories instead of supporting only dynamic regions.

**Germany** has traditionally not supported the use of the term ‘territorial cohesion’. This is partly because it is seen as a vague term which does not add to the term ‘economic and social cohesion’, and partly because it has been considered to imply a risk of weakening the primary focus of Cohesion policy on addressing the structural socio-economic weaknesses of the poorest EU regions.

The German response to the Commission questionnaire does not define the term but instead draws on the EU Territorial Agenda definition, namely “a permanent and cooperative process involving the various actors and stakeholders of territorial development at political, administrative and technical levels.” The federal government considers that policy should take account of territorial factors but argues that the Member States and regions already do this. No geographical features (mountains, islands, coastal areas etc) should be introduced as eligibility criteria for Structural Funds allocations.

The term ‘territorial cohesion’ does not appear in German legislation, but the Federal Regional Planning Act states that the spatial conditions for achieving cohesion within the European Community and on a wider European scale shall be established. Territorial cohesion is seen as separate from economic and social cohesion, and as a cooperative process between public and private sector players, territories and other relevant actors: in short as ‘territorial governance’. As such, territorial cohesion is seen as a mechanism to make regional and national spatial development ideas more compatible with the economic and social cohesion objectives, and only Member States, regions and cities should be responsible for territorial cohesion.

**Italy** sees territorial cohesion as an important dimension of Cohesion policy. The term is understood as making the best possible use of specific territorial potentials. In other words, all local and regional resources that can promote endogenous development should be exploited in a sustainable fashion. In this sense, territorial cohesion has meaning in the national context: Italy’s reply to the Commission’s questionnaire relates territorial cohesion to Italian constitutional law, which mandates the development of under-utilised areas. However, only as a result of EU Cohesion policy has this requirement been formulated in terms of territorial potential and the active involvement of subnational actors.

The Italian understanding of territorial cohesion combines different elements: spatial equity and reducing disparities on the one hand; and competitiveness and accessibility on the other. Italy regards cross-border networking and better coordination of sectoral policies as important tools to achieve territorial cohesion. More importantly, however, territorial Cohesion policy should combine bottom-up with top-down mechanisms in a multilevel framework. In other words, development needs and potentials should be identified locally, but broader strategies are best developed nationally. Rules governing territorial Cohesion policy should be established at the European level, which should also define policy instruments, gather data and promote the exchange of experiences.
In the **Netherlands**, territorial cohesion ties in with the national priority of stimulating “growth in all regions by exploiting region-specific opportunities”. Similarly, territorial cohesion is defined through three aspects: better exploitation of regional potentials; better positioning of the regions through connectivity and networking; and promotion of coherence of EU policies with a territorial impact. Even though territorial cohesion is seen as a useful concept when considering cross-border issues, it should not, in the Dutch view, become a stepping stone for a European spatial planning competence.

The Netherlands identified three paths towards territorial cohesion, and these paths should also facilitate a common understanding of the term. First, the territorial impact of new EU policies and legislative proposals should be assessed. Second, the territorial development of the EU territory must be analysed more thoroughly than before, while spatial planning and policy implementation should remain Member State responsibilities. Third, integrated area-specific approaches should be focused on regions’ development potential.

In the Dutch view, Cohesion policy would be in danger of overload if defined to include issues such as competitiveness, climate change or energy security. This view doubts whether regional competitiveness encapsulates the real meaning of cohesion. Accordingly, at its core, Cohesion policy should continue to focus on the poorest regions in the poorest countries, as richer countries should take care of their own regions. Funds should be allocated according to socio-economic criteria, notably the GDP per head indicator.

For **Norway**, the territorial cohesion objective reflects the priorities of the new EU Member States, since it would encourage the Structural Funds to flow eastwards. In general, Norwegians are wary of any possible moves towards a one-size-fits-all policy that stresses only the GDP per head indicator; instead they would prefer a broader set of indicators. In the national context, territorial cohesion has meaning. It is related to Norway’s regional policy aims of maintaining settlement patterns, especially in sparsely-populated rural areas, and offering equal living conditions across the country. Due to the varied nature of the regional challenge in Norway, national authorities wish to promote a territorially-differentiated regional policy to develop regional development potentials and thus combine cohesion with competitiveness.

In the Norwegian view, territorial Cohesion policy should cover all regions but it should also pay particular attention to those areas that face special challenges, such as sparsely populated areas. It should take account of all policy areas that affect regional development, with a focus on territorial differences. Furthermore, it should activate comparative advantages, combining cohesion and competitiveness. At the same time, Norway is sceptical about polycentric development models: the assumption that funds need to be concentrated geographically in order to stimulate growth is not a viable option due to the nature of Norway’s regional problem.

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In Poland, there is no official definition of territorial cohesion. However, the concept has featured in Polish development policy since the country’s accession to the EU in 2004. For Poland, territorial cohesion complements economic and social cohesion by taking into account the specific characteristics of different regions (e.g. urban, rural, border regions) and focusing on their development opportunities; by promoting better coherence and coordination between regional policy and sectoral policies having a territorial impact; and through cooperation and networking. The concept is also used for harmonious and balanced development, i.e. by preventing the social, economic and territorial marginalisation of problematic areas.

Poland argues that a strengthened territorial dimension in Cohesion policy could potentially serve as an integrative theme for Community policies as they address emerging global issues such as climate change, demography, energy etc. Territorial Cohesion policy should take into account the specific characteristics of the different regions and focus on their strengths and development opportunities. This territorial starting-point could become a vehicle for an integrated approach to the development activities that are carried out as part of various EU policies. Thus, territorial Cohesion policy could help define the objectives of these EU policies in the most effective way and it could create complementarities and synergies in the process. To achieve this, Poland recognises the need to develop clear indicators that will enable measurement and impact assessment. Poland argues that new territorial indicators would produce a more comprehensive picture of the impact of Cohesion policy. Possible criteria with a territorial dimension might include polycentricity, accessibility, interconnection, settlement density.

Sweden sees territorial potential in every region, in contrast to other countries that expend more effort on regional convergence and balance. From the Swedish perspective, every region should develop the appropriate policy instruments tailored to its unique strengths. This will naturally lead to different policy approaches between the regions. Thus, territorial Cohesion policy should help regions to activate their own potentials. Similar to Finland and Norway, Sweden sees sparsity as a special challenge, and territorial Cohesion policy should help sparsely populated regions utilise their development potential. However, Sweden also acknowledges the difficulties connected with the task to coordinate all policy sectors, rather than just Cohesion policy or national regional policy.

At the EU level, territorial cohesion is an important means to gather methods for cross-sectoral coordination. Sweden’s non-paper ‘Towards a Healthy and Prosperous Baltic Sea Region’ is considered very important in the territorial cohesion context.\(^57\) It proposes cooperation in environmental protection, growth and competitiveness as well as the fight against organised crime in the Baltic Sea region and thus presents integration at a macro-regional scale (also including non-EU members) as a path towards closer integration.

For the United Kingdom, certain components that emerge from the ongoing debate about territorial cohesion are clearly relevant: these include the drive towards polycentric

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development, the Lisbon goals of innovation and job creation as well as sustainable development. However, the UK notes that there is still considerable definitional uncertainty at EU level. The concept of territorial cohesion is not prominent in domestic regional policy discussions. There is, however, increasing awareness of sub-regional disparities, and the aim is for balanced growth at that level. UK regional policy takes an ‘all-region’ perspective, where the focus is on the utilisation of growth factors in every region.

Within a strategic framework that focuses on growth and jobs, all Member States and their regions should have the flexibility to address their specific challenges. For the UK, the territorial cohesion agenda adds little to social and economic cohesion. Structural Funds programmes are already territorially focused. Thus, the addition of territorial cohesion to the treaty does not extend Cohesion policy competences. Rather, it formalises the work that is already being undertaken, e.g. through the cooperation objective.

There is a concern in the UK that the issue will be used to add geographical criteria to the existing funding allocation mechanisms so that Cohesion policy support will continue in certain Member States with particular types of territory. In contrast, the UK argues that the criteria must measure levels of economic development. In practice, viewing all EU policies through a territorial lens would have significant ramifications for the overall budget – and may be used by some Member States to justify an increased budget.

5. TERRITORIAL COHESION IN PRACTICE: THE EVOLUTION OF TERRITORIAL COOPERATION

The previous sections have shown that there are important lines of disagreement that may complicate any attempt at developing a common understanding of territorial cohesion. Definitions of the concept vary and are still the subject of debate. Yet, despite these uncertainties, the publication of a Green Paper on Territorial Cohesion and inclusion of territorial cohesion as a third dimension of regional policy in the Lisbon treaty raises practical questions about how to pursue the goal in practice.

We have also seen, however, that cooperation, both horizontally and vertically, is perceived as an important channel for reinforcing territorial cohesion. Past experiences with territorial cooperation through the INTERREG programme, as a long-standing tool for promoting territorial cooperation, could offer valuable lessons for the future.\(^{58}\) With this in mind, the following section outlines briefly the evolution of this Community Initiative and assesses its achievements and challenges experienced thus far.

INTERREG I was introduced in 1990, and supported 31 cross-border programmes. It introduced an international dimension to Structural Fund programming, and, in the context

of the Single Market, was a tangible expression of the objective of European integration. The initiative was both expanded and diversified for the 1994-99 programming period, embracing three different types of multi-national programme:

- **Strand A** was focused on cross-border cooperation and so extended the activities of INTERREG I;
- **Strand B**, which would only exist in this programming period, involved the completion of energy networks; and
- **Strand C**, introduced in 1996, addressed cooperation in regional and spatial planning, building on increased European policy interest in this field in the context of the European Spatial Development Perspective.

By the end of the 1994-99 period, 75 INTERREG II programmes were being implemented. The introduction of Phare CBC in 1994 and Tacis CBC in 1996 also offered scope for external integration efforts, with INTERREG IIA and Tacis or Phare CBC programmes attempting to mirror each other across the two sides of relevant borders.

In the 2000-06 period, INTERREG continued into a third phase. It had an ERDF allocation of €4.875 billion (1999 prices), and was divided into three strands.

- **A - Cross-border cooperation.** This strand promoted cooperation between adjacent regions with the aim of developing social and economic cross-border integration through common development strategies. This was equivalent to INTERREG IIA and included the longest-running INTERREG programmes.

- **B - Transnational cooperation.** Involving national, regional and local authorities, this strand aimed to promote better integration within the Union through the formation of large groups of European regions whose integration is strengthened through a range of strategic and conceptual initiatives. These programmes built on activities piloted under INTERREG IIC.

- **C - Inter-regional cooperation.** This strand was newly introduced and aimed to improve the effectiveness of regional development policies and instruments through large-scale information exchange and sharing of experience (networks). It was focused on learning about policy rather than delivering it.

Two additional related programmes were operated under Article 53 of the INTERREG guidelines.

- **ESPON.** As note above, the European Spatial Planning Observatory Network (ESPON) is financed jointly by the European Union and the Member States, as well as other neighbouring states. It is a cooperation network involving national spatial planning

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institutes and focuses on the observation and analysis of territorial and regional development trends in Europe. It operates by financing research studies in the field of spatial planning and is generating results and learning of potential relevance to all INTERREG strands.

- **INTERACT.** This programme was launched in 2002, and sought to build on the experience and lessons of INTERREG I and II. It aimed to improve the effectiveness of implementation of INTERREG III during the 2000-06 programming period by enabling exchanges of experience, networking and information dissemination about INTERREG programming. It also offered support to those involved in managing INTERREG III programmes and projects.

INTERREG retained a high level of political importance in 2000-06, providing an instrument which promotes the deepening of European integration in tangible ways, at different scales and in different fields. This is further reflected in the continuation of INTERREG into the 2007-13 programming period. The current phase of European territorial cooperation continues to aim at “strengthening cross-border cooperation...transnational cooperation...and inter-territorial cooperation” (Article 3.2 (c)). However, a number of changes were introduced for the 2007-13 period. A fundamental change is a shift in the status of INTERREG from a Community Initiative to the ‘European Territorial Cooperation’ objective, which is thought to give the cooperation element ‘higher visibility’ and a ‘firmer legal base’ than in the past.  

The broad aims of the Objective are:

- development of economic and social cross-border activities;
- establishment and development of transnational cooperation, including bilateral cooperation between maritime regions; and
- increasing the efficiency of regional policy through interregional promotion and cooperation, the networking and exchange of experiences between regional and local authorities.  

In developing the new programmes, the Commission has stressed the need for a more strategic approach to programming. Programmes are expected to establish a clear, coherent policy response which addresses EU objectives and the specific needs of the programme area. The three-strand structure of INTERREG has been retained, but with some modifications in eligible areas and activities.

- **A - Cross-border cooperation:** for solving local problems, including strategic projects. Only regions adjacent to national borders are eligible. Two modifications were made to the eligibility of some maritime and external border areas, which

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have led to change in the geographical coverage of some programmes. Eligible areas are NUTS III regions along all internal and some external land borders as well as maritime borders separated by a maximum of 150 km.

- **B - Transnational cooperation**: concrete projects important for a specific geographical programme area. There are a total of 13 separate programme areas. There has been a move away from support of spatial planning and spatial development issues.

- **C - Interregional cooperation**: interregional co-operation programme (INTERREG IVC) and 3 networking programmes (URBACT II, INTERACT II and ESPON) cover all 27 Member States of the EU. They provide a framework for exchanging experience between regional and local bodies in different countries. Jointly with the URBACT II programme, the INTERREG IVC programme is the main vehicle for the EU initiative ‘Regions for Economic Change’ which aims to support regional and urban networks in developing and sharing best practice in economic modernisation.

In terms of resources, the territorial cooperation objective has 2.5 percent of the overall budget for Cohesion policy (see Table 2) which is less than was originally proposed by the Commission. Overall, there is a shift in resources towards cross-border cooperation. For the cross-border component, resources were allocated according to Member State shares of the total eligible population. For the transnational component, allocations were made on the basis of the national population as a share of the total.

### Table 2: Commitment appropriations by objective, 2007-13 (2004 prices)

<table>
<thead>
<tr>
<th>Territorial Cooperation</th>
<th>€ mill</th>
<th>% of objective</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-border</td>
<td>5576.4</td>
<td>72.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Transnational</td>
<td>1581.7</td>
<td>20.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Interregional</td>
<td>392.0</td>
<td>5.1</td>
<td>0.1</td>
</tr>
<tr>
<td>PEACE</td>
<td>200.0</td>
<td>2.6</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7750.1</td>
<td>100.0</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>308041.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source**: General Regulation, Articles 18 to 21 and Annex II para. 22.

The transition in the scope of INTERREG through the four phases described above is shown in Table 3. Arrows indicate where initiatives have been carried over into a subsequent programming phase. Strand A has seen the greatest overall continuity across all four rounds of INTERREG programming. Within the A and B strands, the longevity of programmes varies, with only a minority having operated with the same structures and geographical scope for the maximum period for which these strands of activity have been operating.
Table 3: Scope and numbers of INTERREG I, II, III and IV programmes

NB: Arrows indicate initiatives continued into a subsequent programming period.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>31 programmes</td>
<td>79 programmes</td>
<td>72 programmes</td>
<td></td>
</tr>
<tr>
<td>Cross-border cooperation</td>
<td>INTERREG I</td>
<td>INTERREG IIA</td>
<td>INTERREG IIIA</td>
<td>INTERREG IVA</td>
</tr>
<tr>
<td></td>
<td>31 programmes (4 maritime)</td>
<td>59 programmes</td>
<td>53 programmes</td>
<td>52 programmes</td>
</tr>
<tr>
<td>Completion of energy networks</td>
<td>n/a</td>
<td>INTERREG IIB</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Continuation of the Regen Community Initiative 3 programmes Operated as collections of projects rather than ‘programmes’ in the rounder sense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transnational cooperation</td>
<td>n/a</td>
<td>INTERREG IIC &amp; Article 10 Pilot Actions</td>
<td>INTERREG IIIB</td>
<td>INTERREG IVB</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13 INTERREG IIC programmes focused on regional and spatial planning – context of ESPDP</td>
<td>13 INTERREG IIIB programmes (Most relate to previous transnational cooperation and Article 20 pilot actions. Two new programmes target outermost regions.)</td>
<td>13 INTERREG IVB programmes (Most relate to previous transnational cooperation areas, with some shifts and expansions of programme areas.)</td>
</tr>
<tr>
<td>Inter-regional cooperation</td>
<td>n/a</td>
<td>n/a</td>
<td>INTERREG IIC</td>
<td>INTERREG IVC</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pan-European programme 4 programmes to divide the EU administratively into four sectors.</td>
<td>The interregional cooperation programme (INTERREG IVC) and 3 networking programmes (URBACT II, INTERACT II and ESPON) cover all 27 Member States of the EU. They provide a framework for exchanging experience between regional and local bodies in different countries.</td>
</tr>
</tbody>
</table>

6. THE IMPACT AND ADDED VALUE OF INTERREG

With the issue of territorial cohesion gaining increased policy prominence and the INTERREG programme entering its fourth phase, it is timely to ask: what has been the impact and added value of the programme, and what is it likely to be in the future? The INTERREG programme is an important tool to promote governance and cooperation between regions. As such, the initiative is particularly relevant to the networking and accessibility aspects of territorial cohesion. Has INTERREG impacted upon territorial cohesion in the EU? If so, is it an effective policy tool for doing so in the future? For future programmes, what lessons can be learned from INTERREG about pursuing the goal of territorial cohesion?

The impact and added value of INTERREG is the subject of formal evaluation reports and also the subject of wider debate. Assessments largely fall into two main categories: assessments of quantitative impacts and studies of qualitative results.

6.1 Quantitative impact and added value

The financial resources attached to the INTERREG programme are not large, compared to mainstream Structural Funds programmes. INTERREG III had an overall budget of €5.8 billion for the 2000-06 period. Consequently, the physical, measurable results and impacts of INTERREG and its direct contribution to territorial cohesion, in terms of concrete outputs, are limited. Put in rather stark terms, one commentator suggested that INTERREG IIC and IIIB have “hardly any tangible outputs”.

However, the achievements, impact or added value of INTERREG can be viewed in terms of the quantitative effects of EU funding in leveraging additional resources for economic development through ‘financial pooling’, acting as a catalyst for regeneration and encouraging partners to undertake sub-regional projects that might otherwise not take place. On this basis, assessments involve measures of, for example, the scale of outputs/outcomes – where programmes have boosted the outputs and results of programmes or projects by increasing their scale; and the scope of outputs/outcomes – support allowing different types of outputs and outcomes that were not originally envisaged. Taking this type of approach, the European Commission credits INTERREG with a significant leverage effect (€165 for every €100 invested).
Table 4: INTERREG III, 2000-06 Distribution of Expenditure by Domain

<table>
<thead>
<tr>
<th>Domain</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport infrastructure</td>
<td>20</td>
</tr>
<tr>
<td>Environment</td>
<td>17</td>
</tr>
<tr>
<td>Economic development</td>
<td>13</td>
</tr>
<tr>
<td>ICT and R&amp;D</td>
<td>7</td>
</tr>
<tr>
<td>Tourism</td>
<td>6</td>
</tr>
<tr>
<td>Culture</td>
<td>6</td>
</tr>
<tr>
<td>Labour market, training and skills</td>
<td>5</td>
</tr>
<tr>
<td>Community development, local cooperation</td>
<td>5</td>
</tr>
<tr>
<td>Spatial planning</td>
<td>5</td>
</tr>
<tr>
<td>Urban planning</td>
<td>4</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>4</td>
</tr>
<tr>
<td>Rural development</td>
<td>3</td>
</tr>
<tr>
<td>Energy</td>
<td>2</td>
</tr>
<tr>
<td>Health and social services</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Source:** CEC, *Growing Regions, Growing Europe*, op. cit., p. 118.

Similarly, INTERREG resources have generated cooperation across borders that has resulted in new solutions to development problems, e.g. cooperation in transnational river basins to improve the planning of land use in flood-risk areas. A study of INTERREG IIIB projects in Germany found that they supported the mobilisation of financial resources in a number of ways. For instance, projects guided the deployment of additional, domestic resources and, related, extended the value of activities in the longer term. By fulfilling a preparatory stage in a larger, longer-term development, INTERREG resources were linked to accelerated investments in substantial projects. For example, Alpine Freight Railway (AlpRail) is cited as a case where, without INTERREG investment, capital expenditure would not have been made at all, or would have been made very much later.

However, more generally, the impact and added value of INTERREG programmes in terms of ‘concrete’ outputs is difficult to measure for a number of reasons. First, the comparatively small scale of financial resources places clear limitations on the quantitative impact that the programme can have. The programmes generally are not in a position to fund a large number of major projects with significant territorial, economic, social or environmental impacts. Second, the ‘breadth’ and scope of the programme objectives and priorities, compared to the financial resources available, make it particularly difficult to clearly demonstrate ‘concrete’ programme results and impacts.

Third, for a large number of programmes, the large geographical scale of the programme area means that resources are spread widely and measurable impacts are not immediately apparent in all regions.

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69 Taylor, Olejniczak and Bachtler, *A Study of the Mid Term Evaluations*, op. cit.
Shortcomings in monitoring systems and data collection further complicate the identification of programme impacts and outputs.\textsuperscript{70} Complicating factors include:

- the need to take into account different national and regional statistical, monitoring and administrative practices in the participating countries and regions;
- gathering data from multiple partners in a number of countries; and
- key aspects of the ‘qualitative’ added value of INTERREG programmes are extremely difficult to measure and have not been well-reflected in traditional indicator frameworks, as ‘classic’ economic development impact indicators do not capture the ‘softer’ integration-related aims of INTERREG\textsuperscript{71} and baseline indicators are not always obtainable.

6.2 Qualitative impact and added value

Despite the difficulties of measuring the qualitative impact of INTERREG, it is widely acknowledged that territorial cooperation can have a ‘qualitative impact’, e.g. through opportunities for exchange of experience and learning, the adoption of innovative elements, processes or responses into domestic policy. Although the three strands of INTERREG tend to be addressed separately, some general aspects, each with associated benefits and challenges, have been identified (see Table 5). The following sections consider the debates surrounding each of these aspects in greater detail.

6.2.1 Political symbolism: integration and territorial cohesion?

Cooperation programmes address areas of potentially high political and symbolic added value. Territorial cooperation obviously has major symbolic significance for the EU project of European integration and the objective of territorial cohesion, particularly in an enlarged EU with increased development disparities. INTERREG offers a tool which, at least on paper, directly addresses the EU goal of territorial cohesion, by supporting enhanced cooperation between Member States and the balanced and sustainable development of the European space. It also increases the visibility of the EU and its funding mechanisms by engaging with a range of partners at different administrative levels and in new geographic areas (e.g. the experience of CADSES III B).\textsuperscript{72}

\textsuperscript{70} Ibid.

\textsuperscript{71} Interact, \textit{Study on indicators for Monitoring Transnational and Interregional Cooperation Programmes}, Interact Programme Secretariat, Vienna, 2006; Taylor, Olejniczak and Bachtler, \textit{A Study of the Mid Term Evaluations}, \textit{op. cit.}

\textsuperscript{72} Ferry and Gross, \textit{The Future of Territorial Cooperation}, \textit{op. cit.}
### Table 5: Strategic Benefits and Challenges of INTERREG

<table>
<thead>
<tr>
<th>Political Symbolism</th>
<th>Benefits</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cooperation programmes address areas of potentially high political and symbolic added value.</td>
<td>The benefits of cooperation strategies that can be more symbolic than substantial in nature are difficult to capture: although long-term gains may be assumed, short-term benefits can be elusive.</td>
</tr>
<tr>
<td>Additionality and Innovation</td>
<td>Enable specific problems to be tackled which could not have been addressed through other support programmes.</td>
<td>The development and implementation of innovative projects run the risk of having limited tangible achievements in the end.</td>
</tr>
<tr>
<td>Learning and exchange</td>
<td>One of the most widely recognised contributions of INTERREG programmes is the opportunity for learning and exchange of experience.</td>
<td>Barriers to effective networking and exchange remain. Emphasis on opportunities for knowledge exchange and learning can obscure the contribution of the programme in other areas.</td>
</tr>
<tr>
<td>Trans-border Relationships</td>
<td>Programme activities can also result in a significant increase in the number, intensity and dynamics of cross-border contacts at national, regional and local levels.</td>
<td>Delivering programmes that can span multiple local, regional and national boundaries with different financial, administrative and regulatory systems can involve a high administrative cost. One consequence of this is that projects are dominated by public authorities, while direct participation by businesses in programmes and cooperation between firms has been limited.</td>
</tr>
<tr>
<td>Decentralisation</td>
<td>By their nature, territorial cooperation programmes can bring a wider range of actors into the programming process and help ensure that projects are genuinely bottom-up.</td>
<td>This 'bottom-up' perspective can cause tensions between INTERREG programmes and larger Structural Funds or domestic development programmes.</td>
</tr>
</tbody>
</table>


With financial and institutional resources involved, there are strong arguments that INTERREG should be more than a ‘symbol’ and actually deliver concrete results. Yet, territorial cohesion is a substantial goal, and the resources allocated to INTERREG are comparatively small. As previously mentioned, a common problem of evaluating small-scale EU expenditure is the difficulty of identifying impacts, disaggregating effects from other public expenditure and determining cause-and-effect, while the continuity and sustainability of actions can be questioned. Thus, on paper, the Community added value of INTERREG is difficult to dispute, but, on the ground, its impacts can be variable and difficult to measure. France and the United Kingdom, for example, would both like to see
more rigorous evaluations, including a review of value-for-money, methods and implementation procedures.

It is also worth mentioning that the level of political, and financial, commitment to INTERREG is variable. First, despite wide Member State support for the concept of territorial cooperation, INTERREG has suffered from being an area of expenditure that has been cut back in budget negotiations. Thus, for the 2007-13 period, although the absolute amount set aside for territorial cooperation has been increased substantially, its share of the total 2007-13 allocation for Cohesion policy has been decreased to 2.5 percent.

Second, the strength of the ‘symbolism’ and value of territorial cooperation can vary across regions. For instance, the success and intensity of INTERREG cooperation has been found to be greatly influenced by geography and scale. Related, impressions associated with the INTERREG programme are likely to differ, often with the greatest impact and awareness being in regions where integration and cooperation are already well developed. The Benelux countries, for instance, have been highly active in joint planning activities. However, even here, it has been difficult to agree on some central issues where the benefits of new growth may be divided unequally. Thus, the target of building territorial cohesion is not always being effectively addressed by all programmes.

6.2.2 Additionality and innovation: tool to address territorial cohesion?

Perhaps more than other Structural Funds programmes, INTERREG programmes are additional to domestic policy initiatives due to their transnational nature. Programmes support distinctive fields of intervention, they can address specific problems in new ways, which may not have been possible through other support programmes, and they operate across ‘new’ geographic areas.

First, a novel aspect of INTERREG is its operation in distinctive policy areas, in comparison to mainstream Structural Funds programmes. For instance, in the past, INTERREG has been the only EU funding instrument that explicitly dealt with territorial development and spatial planning. In doing so, according to research conducted under the ESPON programme, INTERREG programmes have increased awareness of place-based opportunities and spatial positioning in both trans-national and European contexts.

Second, programmes have enabled specific problems to be tackled which could not have been addressed through other support programmes. For instance, INTERREG is credited with helping cross-border cooperation networks move on from “more or less ceremonial

75 EKOS Ltd, Evaluation of UK-INTERREG IIIB Programmes for The Department for Communities and Local Government, EKOS, Glasgow, 2006, p. 89.
interaction towards the realisation of concrete projects” \(^7^8\) and increasing the number of organisations involved. Programmes can bring together different types of organisation which do not regularly work together. As a result, operations are credited with having a positive effect in terms of solving inertia problems. \(^7^9\)

Programmes can also constitute the initial stimulus for cross-border cooperation. For instance, the INTERREG IIIB ‘Atlantic Area’ programme is credited with being an opportunity for policy-oriented learning and debate on the development of an Atlantic Spatial Development Perspective. \(^8^0\) An evaluation of the INTERREG II Spain-Morocco programme found the programme represented an “opportunity to create a solid environment for cross-border economic, commercial, and service exchanges” and suggested that it could be advantageous to improve the coordination of this type of programme with other instruments of EU Foreign Policy. \(^8^1\)

Third, INTERREG programmes and projects are linked to innovations in areas ranging from the purely technical to communicative and organisational processes. \(^8^2\) INTERREG programmes are seen as potential catalysts – providing opportunities which lead either to new and additional activities, or to pre-existing priorities being taken forward in a different way, opening up new possibilities to enhance strategic coherence and coordination, synergies, learning, new economic development directions and economies of scale. \(^8^3\) A survey of INTERREG project partners carried out as part of the ESPON programme identified ‘innovative ideas’ as a significant output of the programme. \(^8^4\) Similarly, INTERREG-type interventions can offer a new and fertile arena for launching new policy initiatives, by bringing together new groupings of actors and institutions. These types of development are increasingly important in a competitive global environment and in relation to addressing the Commission’s Lisbon goals. For example, Germany supported a stronger focus on innovation for cross-border activities in the 2007-13 period. The Netherlands are considering cluster development in a broader regional context that also covers neighbouring areas in Belgium and Germany.

However, the additional and innovative nature of INTERREG programmes can present challenges. In many cases cross-border cooperation is an experimental field and does not


\(^8^2\) Bundesamt für Bauwesen und Raumordnung, \textit{Analysis of the impacts}, op. cit.

\(^8^3\) Taylor, Olejniczak and Bachtler, \textit{A Study of the Mid Term Evaluations}, op. cit.

\(^8^4\) Böhme \textit{et al}, \textit{The Territorial Effects}, op. cit.
necessarily draw on established links, procedures and processes. Consequently, the development and implementation of innovative projects runs the risk of taking longer to establish, failing to complete or having limited tangible achievements in the end.

Being additional to mainstream policy, programmes require dedicated delivery structures and strong promotional activities in order to be delivered successfully, which can drive innovation in management and implementation activities. On the other hand, INTERREG projects are often conceived to be ‘additional’ to the work of the partners involved, leading to time and resourcing issues. From the point of view of project developers, the intricacies of application procedures, along with the complexities of each programme’s measures, can lead to a bureaucratic maze, which in some cases “conspired to make the whole process unfathomable and unmanageable” and stifled the development of innovative projects.

Despite their ‘additional’ character, in order to be fully effective, INTERREG projects and programmes must link to relevant national and regional policies, complementing and building on existing policy initiatives. Yet, there are cases of a perceived ‘misfit’ between ‘EU’ and national policies and rules. Complicating the relationship further is the ongoing evolution of territorial cooperation, and the INTERREG programme itself, through policy shifts and changing funding requirements, which can undermine the scope for effective learning, by changing the environment and ‘rules of the game’.

Guaranteeing that activities are integrated with larger Structural Funds programmes and domestic development strategies, while avoiding becoming subsumed by them, has been a challenge from the outset. In some cases, INTERREG programmes also have to coordinate with existing cross-border networks, e.g. in some Member State borders, sub-national authorities are involved in cross-border arrangements that operate independently from the authorities responsible for INTERREG. For instance, the Baltic Sea Strategy, which is particularly important to Sweden, developed independently of the Baltic Sea programme that was funded by INTERREG IIIB. However, as Finland and Sweden both argue, the Strategy may turn into a template for other programmes that could also bring in non-Member States. In other cases, other coordination systems are in operation. For instance, on the Dutch-German border Euroregions are closely involved in the INTERREG programme measures and cooperation between the administrations involved “appears to work well”.

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88 Ibid., p. 300.
89 Ibid., p. 299.
In other cases, project development and appraisal processes have been used to help ensure strategic fit.\(^1\)

### 6.2.3 Learning and exchange: processes for territorial cohesion?

One of the most widely recognised contributions of INTERREG programmes is the opportunity for learning and exchange of experience,\(^2\) a point that Norway has been keen to highlight. This has been a particular goal of Strand C, which aims to generate learning in a range of policy areas (including spatial planning and cross-border development). The same applies to ESPON and INTERACT, part of whose function is to generate and disseminate information and new perspectives.

More generally, through INTERREG, policy-makers and planners are “now routinely involved in transboundary cooperation networks and interregional collaboration initiatives and thus subject to foreign experiences and exposed to a variety of ... approaches, ... leading to horizontal processes of policy transfer and institutional adaptation between Member States and regions”.\(^3\) This type of interaction means that INTERREG can provide a channel for top-down, bottom-up, and horizontal learning between participating regions, national administrations and the EU level. Crucially, it does “not constitute a coercive mode of policy change through a supranational authority. Instead, it involves processes in which actors voluntarily choose to engage.”\(^4\)

A wide range of studies highlight learning and exchange of experience as key motivations behind partner involvement in INTERREG. For instance, 76 percent of respondents questioned as part of an ESPON study of the territorial impact of Structural Funds programmes listed exchange of experience and information as a key driver for becoming involved in INTERREG programmes. Seventy percent highlighted the benefit of establishing collaborative networks and seeking new solutions to similar problems.\(^5\) Similarly, a study of UK INTERREG programmes identifies a key impact of working with transnational partners as learning and know-how exchange, leading to improvements in services and generating new ideas and contexts for new developments.\(^6\) Analyses of the impact of INTERREG in Southern Europe have identified socialisation and learning processes that enabled domestic sectors to experience new ideas and practices and to adapt their methods and strategies.\(^7\) Benefits cited by partners involved in the North Sea INTERREG IIIB programme include:

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\(^1\) EKOS Ltd, *Evaluation of UK-Interreg IIIB Programmes*, op. cit., p. 89.

\(^2\) Bundesamt für Bauwesen und Raumordnung, *Analysis of the impacts*, op. cit.

\(^3\) Dühr, Stead and Zonneveld, ‘The Europeanization of Spatial Planning’, *op. cit.* p. 291.

\(^4\) Ibid.


\(^7\) G. Giannakourou, ‘Transforming Spatial Planning Policy in Mediterranean Countries: Europeanization and Domestic Change’ (2005) *European Planning Studies*, 13(2), 319-31; Pedrazzini, ‘Applying the ESDP through INTERREG IIIB’ *op. cit.*
• confidence building: learning from others and co-operating on an international basis puts efforts and expertise into perspective;

• cross-sectoral ‘value added’: connections to other sectors through organisational learning;

• working methods and tools: new methodologies and tools for mobilising resources and partners, e.g. best practice guides; and

• expertise development: broadening the views of partners and developing complementary expertise. 98

A recent study of INTERREG IIIB programmes highlights the fact that the contribution of the programmes often transcends simple learning on the part of persons and institutions:

In the political and administrative network of players in a city or region, it is much more a systematic learning process that emerges from the participation in a transnational project: it means that a constant attempt is made to take account of the experience of other cities and regions when shaping one’s own tasks. Put simply, a permanent and systematic expansion of one’s own horizons takes place, a style of thinking “outside the box” that also includes political authorities. 99

Similarly, a distinction has been drawn between individual learning and collective/ organisational learning. Three types of INTERREG-related learning are identified:

• trans-national learning enables the partners to better get to know each other and to familiarise themselves with the nature of cooperation in general;

• regional (and national) learning focuses on the creation of knowledge through regional sub-projects; and

• organisational learning puts the emphasis on the dissemination of the knowledge acquired by each partner to their home-organisations. 100

While the contribution of INTERREG to learning and exchange is increasingly well recognised and documented, it is still important to recognise that barriers to effective networking and exchange remain. First, projects are commonly characterised by interdisciplinarity and national diversity, which involves working within the constraints of one or more foreign languages, cultural diversity and the challenge of communicating across sectoral boundaries. 101 In the field of spatial planning, research has found key challenges in


99 Bundesamt für Bauwesen und Raumordnung, Analysis of the impacts, op. cit.


establishing common understandings of key concepts across professional backgrounds and national contexts, which hampered the impact of the projects. Projects with heterogeneous partners, or projects focused on more ‘strategic’ or general policy areas often need a considerable period of time to establish common understandings of the activities involved and commonly rely on good interpersonal relations to overcome the challenges involved.\textsuperscript{102} For example, the Polish experience is that this was one of the most challenging aspects in the 2004-06 period. Conversely, Poland expected much more joint administration for 2007-13 due to the application of the lead partner principle and use of the European Grouping of Territorial Cooperation (EGTC) facility. Particular problems can occur when programmes have a ‘catch-all’ quality, with goal-oriented problem solving obscured by the pursuit of more vested interests, trade-offs and compromises between partners, or lack of capacity to develop a robust strategic plan\textsuperscript{103}

Additionally, emphasis on opportunities for knowledge exchange and learning can obscure the contribution of the programme in other areas. Exchange of experience and good practice commonly dominate views about the contribution of INTERREG.\textsuperscript{104} In contrast, the production of joint results and achieving impacts on issues of common interests is widely perceived as challenging. For instance, an evaluation of UK-INTERREG IIIB programmes found that “the quality and impact of transnational co-operation has firmly been placed in a qualitative, learning context. While the majority of projects pursued physical project outcomes, the most important impact of working with transnational partners was reported to be learning and know-how exchange.”\textsuperscript{105} However, strategic partners in the UK INTERREG IIIB programme felt the potential strategic importance of the programme should be more widely promoted and recognised. Expectations that the programme was just for networking and partnership development were pitched too low.\textsuperscript{106}

6.2.4 Trans-border relationships: networks and linkages for territorial cohesion?

Of particular importance to the networking aspect of territorial cohesion, programme activities can result in a significant increase in the number, intensity and dynamics of cross-border contacts at national, regional and local levels. It has been suggested that cross-border regions can be characterised as “terrains for the emergence of new transnational actors and new opportunities for existing actors”.\textsuperscript{107} INTERREG is credited with the

\textsuperscript{102} Ibid.
\textsuperscript{104} Böhme, ‘The Ability to Learn in Transnational Projects’, \textit{op. cit.}, p. 691.
\textsuperscript{105} EKOS ltd, \textit{Evaluation of UK-Interreg IIIB Programmes}, \textit{op. cit.}, p. 90.
\textsuperscript{106} EKOS ltd, \textit{Evaluation of UK-Interreg IIIB Programmes}, \textit{op. cit.}
\textsuperscript{107} Perkmann, ‘Building Governance Institutions’, \textit{op. cit.}, p. 658.
‘invention’ of new regions as spaces and arenas for cooperation at the cross-border and trans-national level.\textsuperscript{108}

There are significant contrasts in the policy mix between strands, and within Strands A and B, influenced by the scope of interventions allowed in each strand, the current level of integration in target areas, and the potential to deepen integration. In addition, different cross-border objectives reflect diverse historical and political contexts. Nonetheless, there is some overlap between the activities undertaken under the different strands and the form of the projects supported. Strand A has been focused on enhancing integration in specific border zones. In less-developed border areas, much of this activity is concentrated on physical infrastructure. In more developed areas, a significant strand of activity is focused around developing shared strategic frameworks in fields including environmental and spatial management, integrated or sustainable transport, tourism concepts and service delivery. In some cases, partners undertaking such projects are not even in spatially contiguous regions, but are linked by a common thematic concern (especially on maritime or mountainous borders).

Measuring the ‘quality’ and contribution made to building trans-border relationships and projects is difficult. Most projects that received funding in the first round of INTERREG programmes were government-sponsored border-region projects which aided one side of the border or the other, but did little to improve cross-border cooperation.\textsuperscript{109} Later programmes have made efforts to improve and intensify cooperation. For instance, a series of phases has been identified in the design and implementation of INTERREG-Phare CBC funded projects. In each case, cooperation indicators are designed to show the extent to which each phase has involved cooperation between partners or has been undertaken independently.\textsuperscript{110}

While there are common benefits and challenges associated with the networks and linkages involved in INTERREG programmes, it is also worth noting the variety of experience. In general, evaluation studies reveal that the smaller, most homogeneous programmes have the potential to perform most smoothly.\textsuperscript{111} For instance, one study found that cooperation involving the maritime border areas between England and France was characterised by competition and lack of coordination. In other cases, the networks involved can be short-term coalitions, with topographic networks across borders proving less stable than vertical technocratic networks.\textsuperscript{112}

\textsuperscript{108} Gualini, ‘“Territorial cohesion” as a category of agency’, \textit{op. cit.}, p.13.
\textsuperscript{109} Wilson, ‘Obstacles to European Union regional policy’, \textit{op. cit.}
\textsuperscript{111} Taylor, Olejniczak and Bachtler, \textit{A Study of the Mid Term Evaluations}, \textit{op. cit.}
\textsuperscript{112} Perkmann, ‘Building Governance Institutions’, \textit{op. cit.}, p. 664.
More problems have arisen in INTERREG areas which are to an extent ‘artificial’, without a strong, shared common interest or identity. Five main categories have been identified: unbalanced cooperation, with the majority of the partners belonging to the same country; axial cooperation, following a transport axis or waterway; trans-national regional cooperation, developed inside an existing or emerging functional region; virtual networking, aiming at the sharing of experience; and finally ‘add-on’ projects following already existing national cooperation structures. While experiences vary, it is worth noting that, over time, programmes, and their associated structures, have become progressively embedded.

6.2.5 Internationalisation and decentralisation: Vertical and horizontal coordination and cohesion?

By their nature, INTERREG programmes involve a high level of horizontal and vertical communication and coordination. Territorial cooperation can bring a wide range of actors into the programming process and help ensure that projects are genuinely bottom-up, with local networks playing an essential role in the delivery of the programme. They can encourage new public conceptions of regions and the creation of new identities (e.g. Skärgården), institutions and cross-border governance systems (e.g. systemic linkages have been built between public administration and other core institutions in Austria-Slovenia IIIA). In some cases, local and regional authorities involvement in the INTERREG programme can mean that they enter a field long reserved for central state actors.

Different structures of territorial organisation in the Member States can affect the relative position of regional authorities in the process. For instance, the centralised political administration in Ireland and the United Kingdom meant a dearth of effective regional structures either within the two polities or geared for cross-border cooperation. Centralisation also meant a degree of mismatch and disagreement in local and national economic and political priorities and relatively little development planning of a cross-border nature. In Germany, the Länder are so large that only some narrow strips on their border are eligible for some programmes, potentially giving border municipalities and inter-municipal organisations a greater role in the programme.

Delivering programmes that can span multiple local, regional and national boundaries with different financial, administrative and regulatory systems can involve a high administrative cost, a problem that nearly all Member States criticised. Austria, for example, has voiced concerns that there will again be too much friction loss in the new Objective 3 and that administration will be costly. Programmes are delivered in accordance with most of the same rules which govern more straightforward Structural Funds programmes, including the application of the n+2 decommitment rule, but they face particular difficulties in

115 Taylor, Olejniczak and Bachtler, A Study of the Mid Term Evaluations, op. cit.
116 Wilson, ‘Obstacles to European Union regional policy’, op. cit., p. 6
117 Perkmann, ‘Building Governance Institutions’, op. cit., p. 662
conforming to them. One consequence is that projects are dominated by public authorities, while direct participation by businesses in programmes and cooperation between firms, particularly under Strand A, has been limited. The main reasons for this are the barriers posed by complex procedures.

The need for both horizontal and vertical coordination in the delivery of programmes adds to their network character but also creates difficulties with coordination and time delays.\textsuperscript{118} The programmes' ‘bottom-up’ perspectives can cause tensions between INTERREG programmes and larger Structural Funds or domestic development programmes, complicate relationships between different administrative tiers and create conflict between regional, local and community interests and the agendas of nation states or even of the EU. The international dimension of the programmes brings both the challenge of reflecting and representing the interests of a sometimes very broad and diverse constituency, and of overcoming the administrative complexities posed by delivering programmes spanning multiple national regulatory environments.\textsuperscript{119} In areas where cross-border cooperation predates INTERREG, the introduction of INTERREG can mean that cross-border activities “became increasingly embedded in networks involving higher-level public authorities”, running contrary to the idea of greater local and regional involvement.\textsuperscript{120}

7. CONCLUSIONS

Since its introduction in 1990, INTERREG has evolved and expanded, drawing on lessons from past programming periods, adapting to an expanding EU and responding to shifting policy priorities. Yet, with limited financial resources compared to mainstream Structural Fund programmes, INTERREG has often been perceived as an ‘additional’ or ‘extra’ activity, with limited ‘concrete’, measurable impact.

More recently, the incorporation of territorial cohesion as a third dimension of regional policy has focused increased attention on the potential role of INTERREG in pursuing this goal in the future and on drawing lessons from past experience of territorial cooperation. Across the board, policy-makers at all levels of governance agree that territorial cooperation is beneficial and that it is conducive to territorial cohesion. Nevertheless, this universal agreement on the positive effects of territorial cooperation is not always matched by the same enthusiasm when funds are being allocated. In the last budget negotiations, for example, the share of the budget set aside for territorial cooperation was decreased in comparison to the previous funding period. This raises question marks about the real value that Member States attach to territorial cooperation in its own right and as a method to achieve territorial cohesion, at least when it is necessary to prioritise.

This should not come as a surprise. After all, in terms of quantitative impacts, the achievements of INTERREG are mixed. A number of studies highlight the scope for

\textsuperscript{118} Ibid., p. 661.

\textsuperscript{119} Taylor, Olejniczak and Bachtler, A Study of the Mid Term Evaluations, op. cit.

\textsuperscript{120} Perkmann, ‘Building Governance Institutions’, op. cit., p. 659.
INTERREG programmes to provide key additional resources, which initiate or facilitate a range of development activities, particularly through financial leverage effects. However, more generally, the comparatively limited budget allocated to INTERREG limits its scope to produce large-scale tangible impacts. Additionally, the character of INTERREG B and C programmes, focusing on larger geographic areas and often involving networking activities, limits their ‘concrete’ impact even further.

Conversely, in terms of the qualitative impacts of territorial cooperation, the added value of INTERREG is difficult to dispute. Supporting enhanced integration between EU Member States and the balanced and sustainable development of the European space is clearly a distinctive area where supranational frameworks and initiatives can come into their own. Closer integration between the regions and cities of Europe is seen as a key aspect of territorial cohesion. Ultimately, the aim is for a networked Europe with a myriad of cross-linkages between rural and urban spaces and in all parts of the continent. Even so, networking and accessibility still constitute only two possible dimensions of territorial cohesion and they are not the most prominent dimensions. Given that the core debate is between equity-based and growth-based views of territorial cohesion, fierce disagreements can be expected over other policy instruments to achieve territorial cohesion.

This brings us to a second key question that has not yet been settled. It is the question of whether a common definition of territorial cohesion is possible and whether it is necessary or even desirable. Some Member States argue that territorial Cohesion policy should be formulated in a multi-level system of governance. In other words, regional and local authorities would define their own development potentials and priorities, while general rules would be laid down at the national and European levels. It appears that this is also what Danuta Hübner had in mind when she delivered her speech in the Azores: a common definition but no one-size-fits-all solution. And yet, some Member States that are sceptical about territorial cohesion seem quite happy to define it in purely in procedural terms and without seeking a common understanding of the term. It is not clear, however, what territorial Cohesion policy would amount to in the absence of such a common understanding.

And finally, territorial cooperation can be associated with complex procedures and substantial administrative burdens. It is arguable that, to a greater extent than other Structural Funds programmes, the success of these activities can depend on external administrative, political and socio-economic factors. Measuring this success in terms of tangible results, particularly in the short-term, can be a significant challenge. In general, it is difficult to find objective measures of elusive processes such as cooperation or cohesion. In part, this is due to the political salience of these measures: they are not merely used for monitoring purposes but, depending on the choice of indicator, a territorial unit may or may not qualify for special support. And as has been shown for the GDP per capita indicator as opposed to geographical factors, eligibility criteria for the Structural Funds are especially controversial.
Questions for discussion

What are the implications of the territorial cohesion objective for Cohesion policy? On which points is agreement feasible and where are differences of opinion more likely?

- How would you define territorial cohesion, if at all? Should there be any attempts to find a common understanding to fill the term with meaning? Or should one seek a procedural interpretation instead, i.e. approach territorial cohesion by deciding on the most appropriate means to achieve it?

- What is the most appropriate means to achieve territorial cohesion and what is its importance relative to other possible means? What is its importance relative to other priorities of Cohesion policy? What role, if any, should the EU level have in defining and implementing territorial Cohesion policy?

- What is the experience with territorial cohesion in your Member State? What would be the priorities for future use of Cohesion policy to support territorial cohesion?

- What indicators of territorial cohesion would you find suitable? What would they be used for (e.g. to monitor progress, as eligibility criteria or...)? What would the achievement of territorial cohesion look like?

Is the INTERREG programme an important channel for reinforcing territorial cohesion in practice?

- What have been the strengths and weaknesses of INTERREG in your experience? Is it a problem that INTERREG programmes are commonly perceived to lack ‘concrete’ results?

- What does INTERREG contribute to the goal of ‘territorial cohesion’? Could INTERREG provide a mechanism to exploit development potentials in a new way? Could it be a mechanism to promote more strategic territorial cooperation across regional and national boundaries in key fields, such as research and development, SMEs, environmental protection and energy provision? Or should territorial cooperation become part of mainstream policies in these fields?