ESDP
European Spatial Development Perspective

Towards Balanced and Sustainable Development of the Territory of the European Union

Agreed at the Informal Council of Ministers responsible for Spatial Planning in Potsdam, May 1999

Published by the European Commission

Prepared by the Committee on Spatial Development

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (http://europa.eu.int) and on the Inforegio Website (http://inforegio.cec.eu.int).

Cataloguing data can be found at the end of this publication.

Luxembourg: Office for Official Publications of the European Communities, 1999

ISBN 92-828-7658-6

Printed in Italy

PRINTED ON WHITE CHLORINE-FREE PAPER

ESDP
European Spatial Development Perspective

Towards Balanced and Sustainable Development of the Territory of the EU

(1) The Ministers responsible for Spatial Planning in the Member States of the European Union and the member of the European Commission responsible for Regional Policy emphasized in Potsdam that the conclusion of the political debate on the European Spatial Development Perspective (ESDP) was an important step in the progress towards European integration.

(2) By adopting the ESDP, the Member States and the Commission reached agreement on common objectives and concepts for the future development of the territory of the European Union.

(3) The aim of spatial development policies is to work towards a balanced and sustainable development of the territory of the European Union. In the Ministers' view, what is important is to ensure that the three fundamental goals of European policy are achieved equally in all the regions of the EU:

- economic and social cohesion;
- conservation and management of natural resources and the cultural heritage;
- more balanced competitiveness of the European territory.

The ESDP is a suitable policy framework for the sectoral policies of the Community and the Member States that have spatial impacts, as well as for regional and local authorities, aimed as it is at achieving a balanced and sustainable development of the European territory.

(4) In the interests of closer European integration, the Ministers consider co-operation on regional development among the Member States and among their regions and local authorities necessary. Regional and local authorities must work together in the future across national boundaries. The ESDP is a suitable reference document for encouraging co-operation, while at the same time respecting the principle of subsidiarity.

(5) All the participants were agreed that the ESDP does not provide for any new responsibilities at Community level. It will serve as a policy framework for the Member States, their regions and local authorities and the European Commission in their own respective spheres of responsibility.

Excerpt from the final conclusions issued by the German Presidency
at the close of the Informal Council of
EU Ministers responsible for Spatial Planning

Potsdam on 10-11 May 1999

Contents

Part A

Achieving the Balanced and Sustainable Development of the Territory of the EU: The Contribution of the Spatial Development Policy 5

1 The Spatial Approach at European Level 7
1.1 The "Territory": a New Dimension of European Policy 7
1.2 Spatial Development Disparities 8
1.3 Underlying Objectives of the ESDP 10
1.4 The Status of the ESDP 11
1.5 The ESDP as a Process 11

2 Influence of Community Policies on the Territory of the EU 13
2.1 Growing Importance of EU Policies with Spatial Impact 13
2.2 EU Policies with Spatial Impact 14
2.2.1 Community Competition Policy 14
2.2.2 Trans-European Networks (TEN) 14
2.2.3 Structural Funds 16
2.2.4 Common Agricultural Policy 16
2.2.5 Environment Policy 17
2.2.6 Research and Technological Development (RTD) 17
2.2.7 Loan Activities of the European Investment Bank 18
2.3 For an Improved Spatial Coherence of Community Policies 18

3 Policy Aims and Options for the Territory of the EU 19
3.1 Spatial Orientation of Policies 19
3.2 Polycentric Spatial Development and a New Urban-Rural Relationship 20
3.2.1 Polycentric and Balanced Spatial Development in the EU 20
3.2.2 Dynamic, Attractive and Competitive Cities and Urbanised Regions 22
3.2.3 Indigenous Development, Diverse and Productive Rural Areas 23
3.2.4 Urban-Rural Partnership 25
3.3 Parity of Access to Infrastructure and Knowledge 26
3.3.1 An Integrated Approach for Improved Transport Links and Access to Knowledge 26
3.3.2 Polycentric Development Model: A Basis for Better Accessibility 26
3.3.3 Efficient and Sustainable Use of the Infrastructure 28
3.3.4 Diffusion of Innovation and Knowledge 29
3.4 Wise Management of the Natural and Cultural Heritage 30
3.4.1 Natural and Cultural Heritage as a Development Asset 30
3.4.2 Preservation and Development of the Natural Heritage 31
3.4.3 Water Resource Management – a Special Challenge for Spatial Development 32
3.4.4 Creative Management of Cultural Landscapes 33
3.4.5 Creative Management of the Cultural Heritage 34

4 The Application of the ESDP 35
4.1 Towards an Integrated Spatial Development 35
4.2 The Application of the ESDP at Community level 37
4.3 Transnational Co-operation between the Member States 39
4.4 Cross-Border and Interregional Co-operation 42
4.5 The Application of the ESDP in the Member States 44
4.6 The Importance of the ESDP for Pan-European and International Co-Operation 45

5 The Enlargement of the EU: An Additional Challenge for European Spatial Development Policy 46
5.1 A New Reference Territory for the ESDP 46
5.2 The Main Features of Spatial Development in the Accession Countries 47
5.2.1 Population 47
5.2.2 Economy 47
5.2.3 Transport 48
5.2.4 Environment 48
5.2.5 Conclusions 48
5.3 Specific Tasks of European Spatial Development Policy in the Future Member States 49
5.4 The Spatial Impact of the Enlargement on the Regions of the EU 50
5.5 The Policy Aims and Options of the ESDP in the Light of the Enlargement 50
5.6 Principles for Integrating the Enlargement Tasks into European Spatial Development and Planning 50

Part B

The Territory of the EU: Trends, Opportunities and Challenges 53

1 Spatial Development Conditions and Trends in the EU 55
1.1 Geographical Characteristics of the EU 55
1.2 Demographic Trends 57
1.3 Economic Trends 60
1.4 Environmental Trends 62

2 Spatial Development Issues of European Significance 64
2.1 Trends Towards Change in the European Urban System 64
2.1.1 The Emergence of Urban Networks 64
2.1.2 Changes in Urban Economic Opportunities 65
2.1.3 Continuing Urban Sprawl 65
2.1.4 Increasing Social Segregation in Cities 66
2.1.5 Improvements in the Quality of the Urban Environment 66
2.2 The Changing Role and Function of Rural Areas 66
2.2.1 Increasing Interdependence of Urban and Rural Areas 66
2.2.2 Different Lines of Development Trends in Rural Areas 67
2.2.3 Shifts in Agriculture and Forestry - Consequences for Economy and Land Use 67
2.3 Transport and Networking 68
2.3.1 Border and Integration Problems of the Networks 69
2.3.2 Increasing Transport Flows and Congestion 69

2.3.3 Inadequate Accessibility in the EU 69
2.3.4 Concentration and Development Corridors 70
2.3.5 Disparities in the Diffusion of Innovation and Knowledge 71
2.4 Natural and Cultural Heritage 72
2.4.1 Loss of Biological Diversity and Natural Areas 72
2.4.2 Risk to Water Resources 73
2.4.3 Increasing Pressure on the Cultural Landscapes 74
2.4.4 Increasing Pressure on Cultural Heritage 75

3 Selected Programmes and Visions for Integrated Spatial Development 76
3.1 EU Programmes with Spatial Impacts 76
3.2 INTERREG II C Programmes 77
3.3 Pilot Actions for Transnational Spatial Development under ERDF Article 10 78
3.4 Spatial Visions 79

4 Basic Data for the Accession Countries and Member States 80

Part A

Achieving the Balanced and Sustainable Development of the Territory of the EU: The Contribution of the Spatial Development Policy

1 The Spatial Approach at European Level

1.1 The “Territory”: a New Dimension of European Policy

(1) The characteristic territorial feature of the European Union (EU) is its cultural variety, concentrated in a small area. This distinguishes it from other large economic zones of the world, such as the USA, Japan and MERCOSUR[1]. This variety – potentially one of the most significant development factors for the EU – must be retained in the face of European integration. Spatial development policies, therefore, must not standardize local and regional identities in the EU, which help enrich the quality of life of its citizens.

(2) Since European Economic and Monetary Union (EMU) came into force, European integration has made considerable progress[2]. With growing economic and social integration, internal borders are increasingly losing their separating character and more intensive relationships and inter-dependencies are emerging between cities and regions of the Member States. This implies that effects of regional, national or Community projects in one country can have a considerable impact on the spatial structure of other Member States. In implementing Community policy, greater attention must be paid, in future, to spatial factors at an early stage, particularly because it will no longer be possible to compensate for regional productivity disparities by consequently adjusting exchange rates. In that respect, spatial planning can help avoid increases in such regional disparities.

(3) Development projects in different Member States complement each other best, if they are directed towards common objectives for spatial development. Therefore, national spatial development policies of the Member States and sectoral policies of the EU require clear spatially transcendent development guidelines. These are presented in this **European Spatial Development Perspective (ESDP)**, drawn up by the Member States in co-operation with the European Commission.

(4) Competition in the Single European Market is one of the driving forces for spatial development in the EU and will be intensified even more by EMU. Even though regions, cities and local authorities have already started co-operating in diverse fields, they compete with each other for economic activities, jobs and infrastructure. Currently, however, not all European regions start from a similar point. This complicates the strengthening of the economic and social cohesion of the EU. It is therefore important gradually to aim at a spatial balance designed to provide a more even geographical distribution of growth across the territory of the EU (aiming at cohesion).

(5) In view of the grave labour market problems in the majority of the regions of the EU, spatial development policy has to support the aim of ensuring new and sustainable jobs for its citizens. Citizens can only take full responsibility for shaping their lives and experience the advantages of European integration in a positive way in their own regions if there are well balanced regional labour markets.

(6) Long-term spatial development trends in the EU are above all influenced by three factors:

- the progressive economic integration and related increased co-operation between the Member States,
- the growing importance of local and regional communities and their role in spatial development, and
- the anticipated enlargement of the EU and the development of closer relations with its neighbours.

These three development factors must be seen against the background of global economic and technological developments, as well as general demographic, social and ecological trends. If used properly they will provide the framework for the increased cohesion of the European territory.

(7) Spatial development issues in the EU can, in future, only be resolved through co-operation between different governmental and administrative levels. In the wake of European integration, closer relations at all levels are developing: between the regions themselves and between the regions and the national and European authorities. Cities and regions are becoming more dependent, both on global trends and decisions at the Community level. European integration could benefit spatial development by encouraging the participation of cities and regions.

(8) The ESDP provides the possibility of widening the horizon beyond purely sectoral policy measures, to focus on the overall situation of the European territory and also take into account the development opportunities which arise for individual regions. New forms of co-operation proposed in the ESDP should, in future, contribute towards a co-operative setting up of sectoral policies – which up to now have been implemented independently – when they affect the same territory. The Community also requires the active co-operation of cities and regions in particular to be

able to realise the objectives of the EU in a citizen-friendly way. This is how the subsidiarity principle, rooted in the Treaty on EU, is realised.

1.2 Spatial Development Disparities

(9) With more than 370 million inhabitants covering an area of 3.2 million km^2 and with an annual gross domestic product (GDP) of 6.8 trillion ECU, the EU is one of the largest and economically strongest regions in the world.[3]

(10) Nevertheless, the EU shows serious economic imbalances impeding the realisation of regionally balanced and sustainable spatial development. The associated imbalanced distribution of economic potential could be described as follows (see Map 1). The area in the centre of the EU including the metropolises of London, Paris, Milan, Munich and Hamburg has 40 % of the EU's population, accounts for 50% of the EU's GDP and covers 20% of the EU territory[4]. However, at the southern border of the EU - from Portugal to Southern Spain, Southern Italy and Greece - as well as in the new Länder in Germany, the GDP per capita only reaches about 50% to 65% of the EU average. In some regions at the northern periphery of the EU territory - e.g. Northern Finland and the North of the United Kingdom - the economic situation is not much better; the regions overseas in most cases reach only a GDP per capita of less than 50% of the EU average[5]. The ESDP can contribute to achieving, in the medium term, a spatially more balanced development.

Map 1: Gross Domestic Product

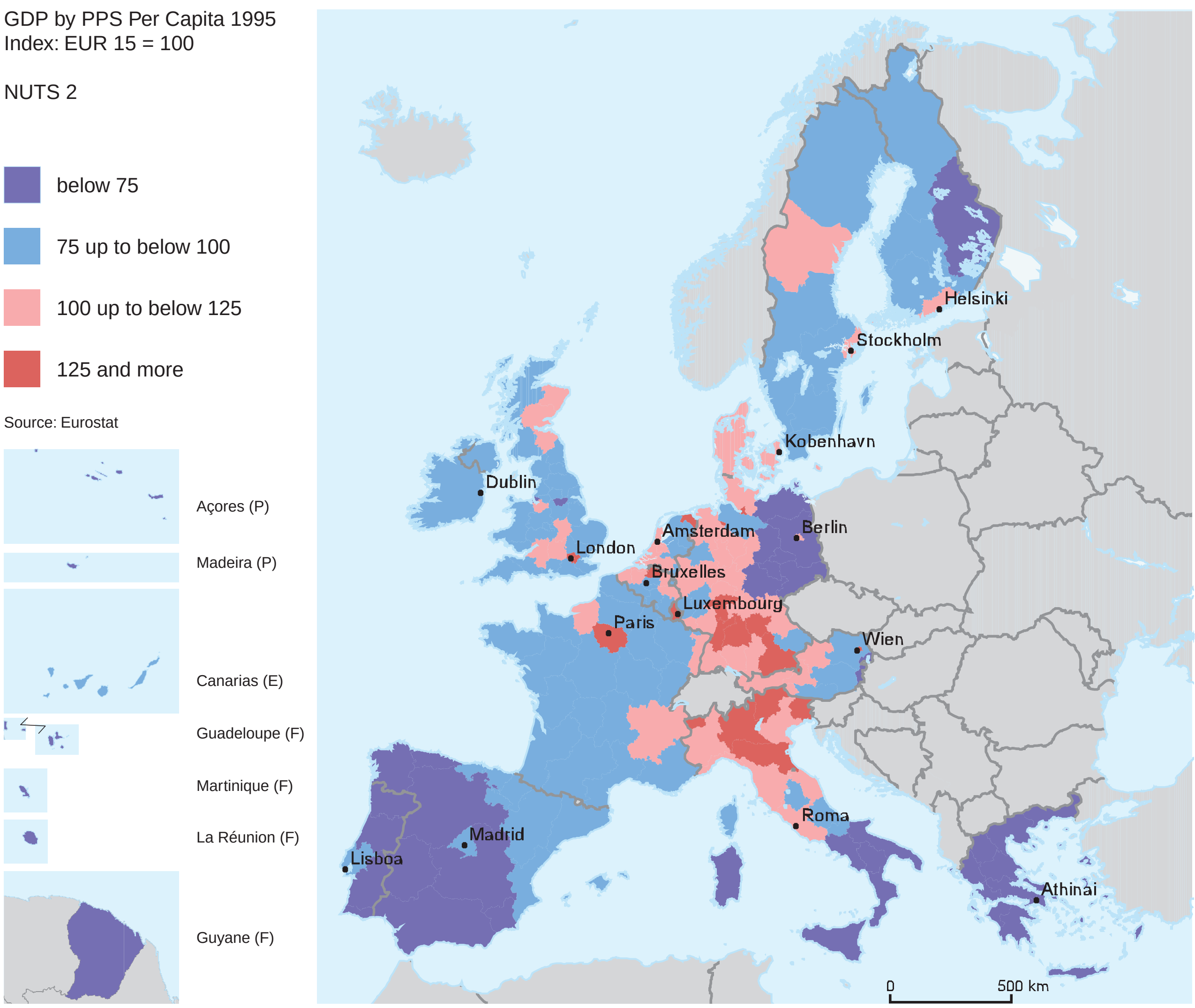
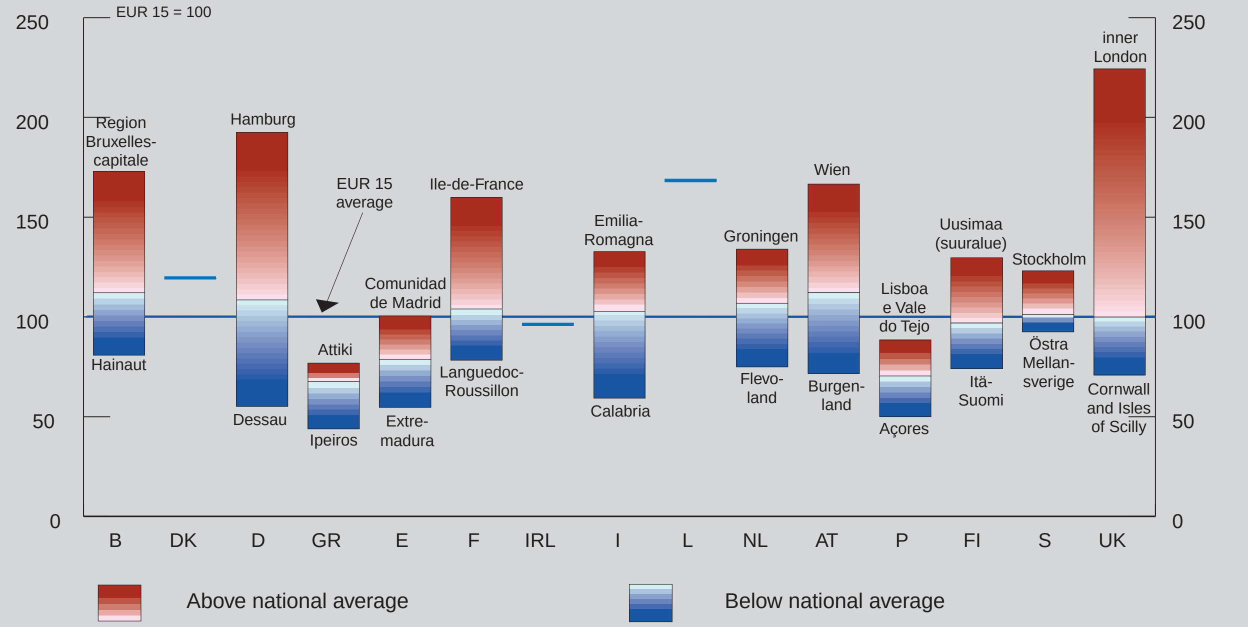


Fig. 1: Regional Disparities in GDP Per Capita (PPS) by Member State, 1996



The Regions stated (NUTS 2) are the ones with minimum and maximum GDP per head for each country.

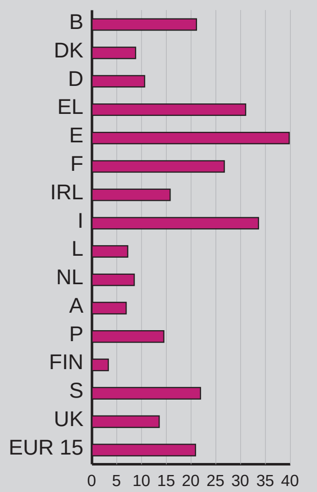
Source: Eurostat

(11) Between 1986 and 1996 the 25 regions[6] of the EU with the lowest GDP per capita were only partly able to reduce their relative backwardness. Their GDP per capita level rose from 52 % of the EU average in 1986 to 59 % in 1996. In 1986 the GDP per capita of the 25 most prosperous regions was 2.7 times larger than that of the 25 poorest regions; ten years later the GDP per capita difference was only 2.4 times as large. With this slow catching up, disparities within the EU continue to be high. According to calculations of the European Commission (DG XVI), the 1996 disparities between the states of the USA are less than 50 % of those between comparable regional units in the EU[7].

(12) Thus, while the differences in economic power between “prosperous” and “poor” regions are declining slightly, the regional disparities within most Member States are increasing. This is because the urban centres with relatively strong economic power in the four cohesion countries (Greece, Spain, Portugal and Ireland) often have higher growth rates than the poorer, mainly rural regions in these Member States. Furthermore, in the “more prosperous“ Member States, there are often disparities between formerly prosperous regions with a declining industry, showing relatively weak economic dynamics, and those regions with steady economic growth (see Fig. 1).

(13) The ESDP starts from the assumption that growth in itself or convergence of economic key figures is not sufficient to develop a balanced and sustainable economic and spatial structure in the EU. Economic growth must be reach a broader population through increased employment. One of the most important challenges in the EU is the fight against high unemployment. Following a peak level of 18.5 million unemployed people (1994), the number of unemployed fell to 16.5 million by the end of 1998. But this still corresponds to almost 10 % of the working population. Unemployment results in serious disruption in the life of the individual and leads, more generally, to a devaluation of qualifications and a loss of production and value added potential for the whole EU. 50 % of

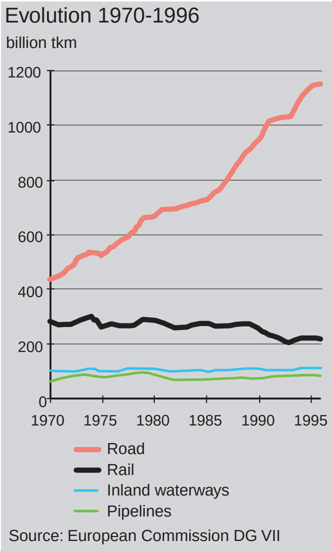
Fig. 2: Youth Unemployment



unemployment rate of people aged less than 25 1997 in %

Source: Eurostat

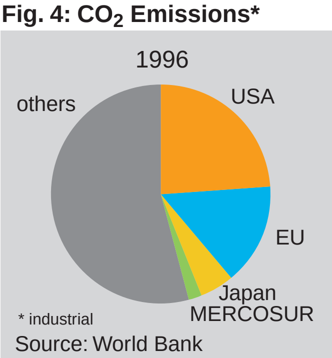
Fig. 3: Goods Transport



unemployed persons have been without gainful employment for more than one year. Youth unemployment in the EU exceeds 20 % and shows very important disparities between the Member States (see Fig. 2).

(14) The growing economic integration within the EU and increasing internal trade between the EU Member States is leading to a steady increase in passenger and goods transport. In particular, European freight transport volumes by road have clearly increased, resulting in regional pressures on settlements and transport infrastructure (see Fig. 3).

Fig. 4: CO_2 Emissions*



(15) Growing traffic volumes and an inefficient organisation of settlement structures help to make the EU a major contributor to world-wide CO_2 emissions together with the other large industrial countries and regions (see Fig. 4). A big challenge for spatial development policy is to contribute to the objectives, announced by the EU during international conferences concerning the environment and climate, of reducing emissions into the global ecological system.

(16) Natural and cultural heritage in the EU is endangered by economic and social modernisation processes. European cultural landscapes, cities and towns, as well as a variety of natural and historic monuments are part of the European heritage. Its fostering should be an important task for modern architecture, urban and landscape planning in all regions of the EU.

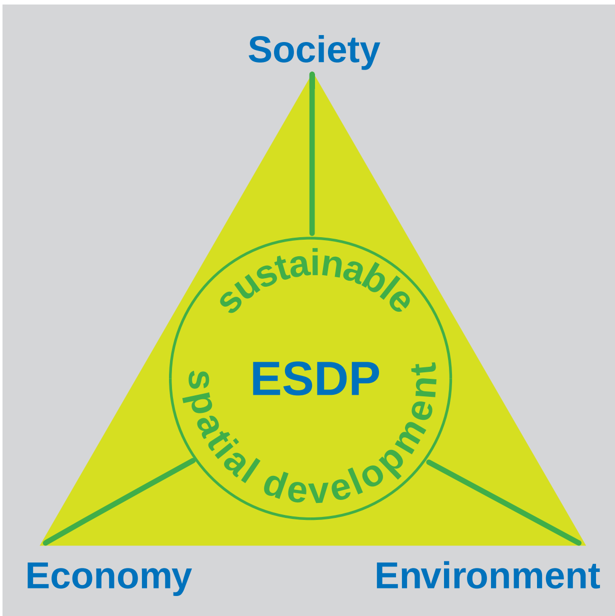
1.3 Underlying Objectives of the ESDP

(17) Considering the existing regional disparities of development and the – in some cases - still contradictory spatial effects of Community policies, all those responsible for spatial development should appreciate the policy guidelines for spatial development. The European Spatial Development Perspective is based on the EU aim of achieving a balanced and sustainable development, in particular by strengthening economic and social cohesion[8]. In accordance with the definition laid down in the United Nations Brundtland Report[9], sustainable development covers not only environmentally sound economic development which preserves present resources for use by future generations but also includes a balanced spatial development. This means, in particular, reconciling the social and economic claims for spatial development with the area's ecological and cultural functions and, hence, contributing to a sustainable, and at larger scale, balanced territorial development. The EU will therefore gradually develop, in line with safeguarding regional diversity, from an Economic Union into an Environmental Union and into a Social Union (see Fig. 5).

(18) This is reflected in the triangle of objectives linking the three following fundamental goals of European policy:

- economic and social cohesion;
- conservation of natural resources and cultural heritage; and
- more balanced competitiveness of the European territory.

Fig. 5: Triangle of Objectives: a Balanced and Sustainable Spatial Development



To achieve more spatially balanced development, these goals must be pursued simultaneously in all regions of the EU and their interactions taken into account.

(19) Spatial development policies promote sustainable development of the EU through a balanced spatial structure. As early as 1994, the Ministers responsible for spatial planning agreed on three policy guidelines for the spatial development of the EU[10]:

- development of a balanced and polycentric urban system and a new urban-rural relationship;
- securing parity of access to infrastructure and knowledge; and
- sustainable development, prudent management and protection of nature and cultural heritage.

The objectives set out in the ESDP should be pursued by the European institutions and government and administrative authorities at national, regional and local level.

(20) Strengthening structurally weaker areas of the EU and improving, across national borders, living and working conditions of areas with different development levels, presents an enormous challenge. The objectives of development, balance and protection must be reconciled. Policy aimed exclusively at balance would lead to weakening economically stronger regions and, simultaneously, increasing the dependency of less favoured regions. Development alone would favour an increase of regional disparities. An overemphasis on protection or preservation of spatial structures, on the other hand, bears the risk of stagnation since it might slow down modernisation trends. Determining the emphasis to be accorded to the objectives and their interrelationship according to the local situation is the only possible way of achieving balanced and sustainable development in the EU.

(21) The ESDP conveys a vision of the future territory of the EU. In its aims and guidelines it provides a general source of reference for actions with a spatial impact, taken by public and private decision-makers. Beyond that, it should act as a positive signal for broad public participation in the political debate on decisions at European level and their impact on cities and regions in the EU.

1.4 The Status of the ESDP

(22) With the ESDP the Member States in co-operation with the European Commission have indicated that, following European integration, they want to retain variety and achieve regionally more balanced and sustainable development in the EU. This position is supported by the European Parliament, the Committee of the Regions and by the Economic and Social Committee. The ESDP, as a legally non-binding document, is a policy framework for better co-operation between Community sectoral policies with significant spatial impacts and between Member States, their regions and cities. It is, therefore, consistent with the political principles, agreed in 1994, as follows:

- spatial development can contribute in a decisive way to the achievement of the goal of economic and social cohesion,
- the existing competencies of the institutions responsible for Community policies remain unchanged. The ESDP may contribute to the implementation of Community policies which have a territorial impact, but without constraining the responsible institutions in exercising their responsibilities,
- the central aim will be to achieve sustainable and balanced development,
- it will be prepared respecting existing institutions and will be non-binding on Member States,
- it will respect the principle of subsidiarity,
- each country will take it forward according to the extent it wishes to take account of European spatial development aspects in its national policies[11].

1.5 The ESDP as a Process

(23) The ESDP is the result of intensive discussion among the Member States themselves and with the European Commission on the spatial development of the EU. The Belgian Presidency made the proposal to draw up the ESDP[12]. The Ministers responsible for Spatial Planning agreed in Corfu[13] on the framework and initial policy options for spatial development in the EU. The main spatial development principles (concepts) for settlement development were established at the Ministerial meeting in Leipzig[14]. The subsequent French[15], Spanish[16] and Italian[17] Presidencies developed important scenarios and analyses for an appropriate assessment of spatial development. Since the Irish Presidency, the potential of the Troika to undertake co-operative work, within the Committee on Spatial Development, has been strengthened in order to ensure continuity of its work[18]. The Dutch Presidency presented the first draft of the ESDP which was followed by a broadly-based debate throughout Europe[19]. The Luxembourg[20] and United Kingdom[21] Presidencies placed the emphasis on the implementation or application of the ESDP. In addition, the dialogue pursued with the Accession Countries was intensified during the Austrian Presidency[22].

(24) Through consultations at both national and European level, widespread participation of the institutions and groups responsible for spatial development was achieved. On the basis of the "First Official Draft of the ESDP" (Noordwijk Document/June 1997) comprehensive consultations took place in the fifteen Member States, involving central governments, regions and social groups. In addition, the European Commission staged a series of public seminars, together with the Member States, on the key issues of the ESDP. The opinions of the European institutions (European Parliament[23], Committee of the Regions[24], Economic and Social Committee[25]) and the inter-service consultations of the European Commission have also provided important contributions for the ESDP. The ESDP is, thus, the result of a Europe-wide process of public debate.

(25) The political objectives and options proposed in the ESDP are aimed at guiding spatial development of the spatial structure in the fifteen Member States. The consideration of current spatial circumstances at an early stage and the appropriate evaluation of possible impacts of sectoral planning decisions on the development of cities and regions is an ongoing process. As in the case of other documents, plans and programmes aimed at further promoting spatial development, the European Spatial Development Perspective must, therefore, periodically be subject to review. EU enlargement and other political events, for instance an intensification of the dialogue with the States bordering the Mediterranean, will have a great influence on future European spatial development. When the ESDP is revised, the main focus is likely to be on the enlargement of the EU and related spatial development issues.

(26) The Member States should co-operate closely with each other and with the European Commission in applying the ESDP. The translation of the objectives and options set out in Chapter 3 into concrete political action will take place gradually. Initial proposals for the application of the ESDP by the various actors at different levels are presented in Chapter 4. It will be possible to carry out some measures and projects immediately after the ESDP has been agreed. Other options and proposals will require further discussion and fleshing out at European level. This includes, in particular, the exchange of experience and the monitoring and evaluation of spatial developments. The discussion on the future orientation of spatial development policy in Europe within the Committee on Spatial Development will also have to be continued after the ESDP has been agreed.

2 Influence of Community Policies on the Territory of the EU

2.1 Growing Importance of EU Policies with Spatial Impact

(27) Successive Treaties (Single European Act, Maastricht and Amsterdam Treaties), have led to the territorially significant sectoral policies of the EU having a stronger influence on the elaboration and implementation of national and regional spatial development policies and thus on spatial development in the EU. “Spatial impact“ or “regionally significant“ means in this context that Community measures modify the spatial structure and potentials in the economy and society thereby altering land use patterns and landscapes. In addition, these measures may influence the competitive position or spatial significance of a city or region within the European economic system and settlement pattern.

(28) The following are the most important treaty headings providing the European Commission with the basis for action with implications for spatial development in the EU:

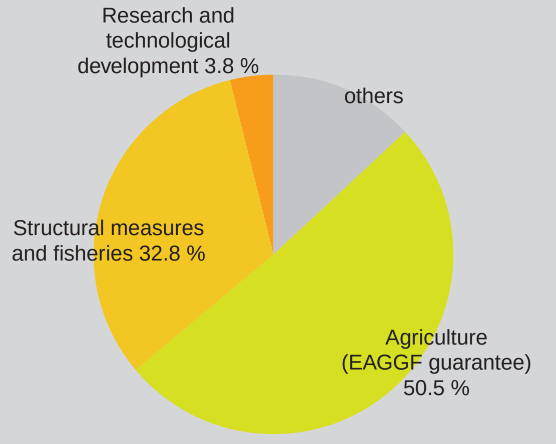
- Community Competition Policy;
- Trans-European Networks (TEN);
- Structural Funds;
- Common Agricultural Policy (CAP);
- Environment Policy;
- Research, Technology and Development (RTD);
- Loan Activities of the European Investment Bank.

(29) Particular significance is attached to the Structural Funds, the Trans-European Networks and environment policy, since they have the most direct effect upon development activities in the European regions. The spatial development concepts set out in the Treaty on European Union of 7 February 1992 (especially the aim of cohesion) as well as the linked increase of competencies, in particular for the Trans-European Networks (Art. 129 b of the EC Treaty), for economic and social cohesion (Art. 130 a of the EC Treaty) as well as for the area of the environment (Art. 130 r-t of the EC Treaty). In the Amsterdam Treaty, concluded on 2 October 1997, a harmonious, balanced and sustainable development is acknowledged as one of the essential aims of the European Community. The promotion of social and territorial cohesion is, within their respective competencies, a Community and Member State task. Article 2 of the Amsterdam Treaty emphasises the significance of environmental protection and of improvement in environmental quality as Community tasks.

(30) The Common Agricultural Policy (CAP) and the Structural and Cohesion Funds, are from a financial perspective, the most important policy measures of the EU (see Fig. 6). 83 % of the 80.2 billion ECU of the EU budget was allocated to these two areas in 1997[26].

(31) In most cases, the objectives of EU policies - as defined in the Treaties – do not have a spatial character. Yet they have a significant impact on the territory of the EU. The spatial impact depends on the specific method of intervention - whether it is of a financial (e.g. income support, regional and horizontal structural measures, sectoral measures such as research programme financing), legislative (e.g. competition rules, market liberalisation, environmental legislation, market-based instruments) or planning (e.g. trans-European transport and energy networks) nature. EU planning directives, for instance the directive for the establishment of a coherent integrated biological network, intervene in land use. In addition, a number of Community policies directly influence the behaviour of economic players. Moreover, their actions are partly determined by market

Fig. 6: EU Budget 1997



Source: Europäischer Rechnungshof, Jahresbericht zum Haushaltsjahr 1997 forces, which are in turn reinforced by the Single Market. The diversity of the methods of intervention of Community policies means that it is difficult to measure spatial impact. The ESDP can be an initial basis for assessment.

2.2 EU policies with Spatial Impact

2.2.1 Community Competition Policy

(32) Competition policy is the key agent in the integration of individual national markets into a common European market. A series of rules were set up at the Community level. They serve to avoid cartels and abuse by market-dominant enterprises, to control mergers and acquisitions of firms, and provide a framework for state aids.

(33) Competition measures have effects on the geographical distribution of economic activities and on patterns of trade throughout the EU. For example, market liberalisation can increase the competition between cities and regions often in favour of areas with better locational conditions.

(34) Commission policy recognises that there is a need to intervene to ensure equilibrium between competition and general interest objectives. For example, in the telecom and postal markets, liberalisation is complemented by provisions to ensure a basic universal service in all regions.

(35) Community state aid policy has an explicit spatial dimension. Whilst centred on the principle that state aid is generally incompatible with the common market, it nevertheless accepts that certain categories of aid may be justified in exceptional circumstances. One such category is state aid to support the economic development or conversion of assisted regions. In order to improve the coherence between its state aid policy and the objective of economic and social cohesion, the Commission has attempted, in recent years, to concentrate state aid on the least favoured regions and to maintain a differential in aid intensity between regions to allow the weaker regions to compensate for their structural handicaps.

2.2.2 Trans-European Networks (TEN)

(36) The EU Treaty obliges the Community to contribute to the organisation and development of Trans-European Networks (TENs) in the areas of transport, telecommunications and energy supply infrastructure. This mandate should, in particular, serve the Community objectives of a smooth functioning of the Single Market as well as the strengthening of economic and social cohesion. In order to fulfil this mandate, the integration of national networks, as well as access to the networks, should be improved, particularly by connecting insular, landlocked and peripheral areas to the central areas.

(37) TEN-transport measures are the most relevant in spatial development policy and in financial terms. They focus on a well functioning and sustainable transport system. The concepts for the development of the networks were laid down in Community guidelines. It comprises the various transport infrastructure networks, traffic management systems and positioning and navigation systems. TEN–transport measures absorb more than 80 % of the total TEN budget. A large part of the investments in TEN-transport (about 25 % in 1996/97) is currently concentrated on high-speed railway lines, often connecting major conurbations (see Map 2). Cities close to high-speed transport stops and with a comparatively poor connection until now are likely to benefit most from these investments. In addition, in areas with a high volume of long-distance road traffic, high-speed lines may offer an incentive to shift increasing shares of traffic to the railways, thus helping to relieve road congestion and improve the environment. Indeed, rising traffic levels, in particular on road and air networks, are threatening the competitiveness of some central areas in the EU. It is becoming increasingly clear that increases in traffic can no longer be managed by expansion of road infrastructure alone. Spatial development policy and urban development measures have a role to play in influencing the behaviour of local business and the population in order to improve the possibilities for a shift from road traffic to the environmentally friendly transport modes, local public transport, cycling and walking. A multitude of different initiatives are also required in long-distance traffic, in particular by increasing the shift to rail, inland waterways and coastal and maritime transport.

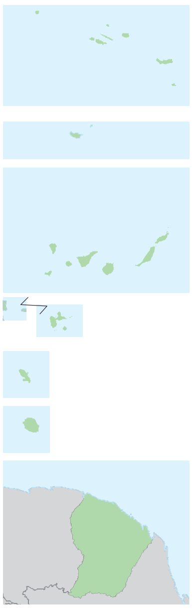
(38) Modern telecommunications technology and services offer the possibility of supporting development in rural or inaccessible regions. They can help overcome spatial disadvantages and improve lifestyles, as well as local conditions for economic activities through teleworking, distance learning and teleshopping. The promotion of new innovative telecommunications services and applications is one of the objectives of trans-European networks, which are likely to have an impact on spatial development. Initial signs of liberalisation, however, indicate that competition and commercial use are steering investment towards areas with high demand, since they appear to be the most promising. More remote regions with little market potential are threatened by

Map 2: The 14 Priority Projects of the Trans-European Transport Network

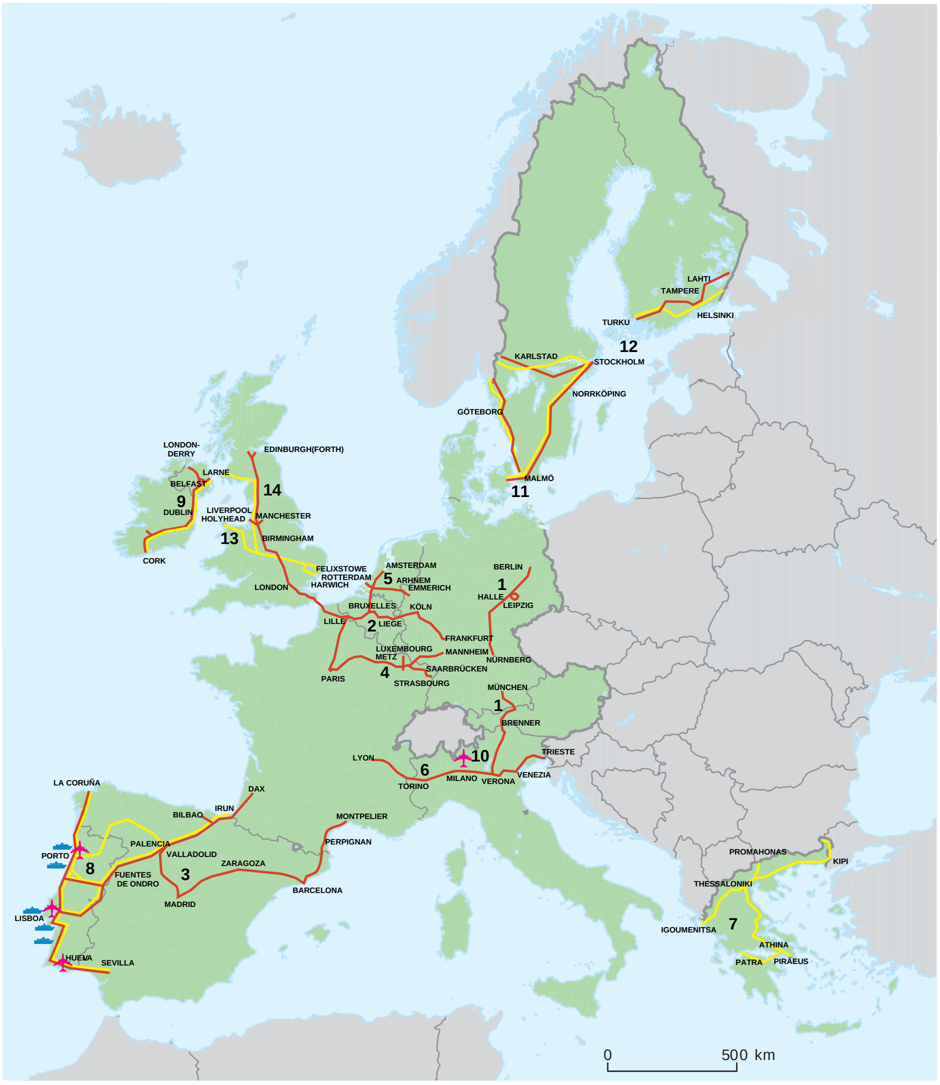
1. High-Speed Train/ Combined Transport North-South
2. High-Speed Train PBKAL
3. High-Speed Train South
4. High-Speed Train East
5. Betuwe-Line; Conventional rail/ Combined Transport
6. High-Speed Train/ Combined Transport France-Italy
7. Greek Motorways Pathe und Via Egnatia
8. Multimodal Link Portugal-Spain-Central Europe
9. Conventional rail Cork-Dublin-Belfast-Larne-Stranraer
10. Malpensa Airport, Milano
11. Øresund Fixed rail/road Link Denmark-Sweden
12. Nordic Triangle Multimodal Corridor
13. Ireland/United Kingdom/Benelux road link
14. West Coast Main Line

Rail
Road
Airport
Harbour

Source: European Commission GD VII



Açores (P)
Madeira (P)
Canarias (E)
Guadeloupe (F)
Martinique (F)
La Réunion (F)
Guyane (F)



further decline. Community initiatives are designed to ensure the availability of universal services at reasonable prices, in order to counteract this development. Yet the availability of information and communications technologies alone is not sufficient to produce positive regional developments. Other preconditions include, for example, the level of qualifications and training or the promotion of public awareness of the potential of the information society. Despite considerable progress in recent years, spatial differences in telecommunications still exist both between regions in centrally situated Member States and cohesion countries as well as within Member States themselves.

(39) TEN measures in the energy sector influence spatial organisation through two main mechanisms: the production and transmission of energy influencing land use and the distribution of energy and consumption technologies influencing the organisation of the territory via induced changes in consumers' behaviour. For both electricity and gas trans-European networks, the routing of lines or establishment of power plants, for example, fundamentally impact on local planning. This may raise difficulties linked to complex ratification procedures, varied technical and ecological constraints and acceptance on the part of the population. In addition, gas supply networks require important local storage capacities, usually in underground storage facilities whose location follows geological criteria, which limits the available options for spatial development. Particularly promising, from a spatial development perspective, are renewable energies (they represent on average 6 % of the total EU

consumption). On the one hand, they help to reduce the environmental impact of the energy sector. On the other, they favour power system decentralisation and locally applicable solutions more or less independent of the distribution network, thereby reinforcing the flexibility of the system and the economic power supply to remote areas.

2.2.3 Structural Funds

(40) The Structural Funds – and the European Regional Development Fund (ERDF) in particular – follow the objective of economic and social cohesion (as measured by traditional macroeconomic indicators). The First Report on Economic and Social Cohesion concluded that disparities between Member States have tended to decrease, but at the same time regional concentration of economic activities is increasing. This is related to the lack of mechanisms for spatial co-ordination. The latter could substantially contribute to a more balanced distribution of economic activities. For this reason, increasingly, spatial typologies are being used to frame the interventions of the Funds (for example, urban areas), in addition to traditional subsidising.

(41) Approximately 30-40 % of subsidies from the regional fund in Objective 1 areas[27] are spent in urban areas. Measures in Objective 2 areas[28] are often urban in nature in many Member States. Intersectoral measures are required to counteract the concentration of social problems, environmental damage, crime and economic decline in certain urban areas. Yet urban problems cannot be addressed in isolation. Rather, measures are required which look at urban centres as parts of a wider (regional) territory. This integrated approach needs to be further developed in the next generation of structural interventions.

(42) The programme-based system of the structural funds offers the opportunity to design integrated development plans. This is how spatial development policy opportunities can be better valorised. The integrated approach is further reinforced by the principle of partnership, which mobilises, according to national rules and current practice, all relevant regional players in the decision-making process. This improves co-ordination of direct promotion measures with non-eligible projects.

(43) Coastal areas have been recognised as deserving special attention since they are, in part, subject to intense pressures and conflicts between competing land uses. The integration of the Financial Instrument for Fishery Guidance (FIFG) into the Structural Funds and the additional eligibility of Fishery Dependent Areas (FDAs) under the regional fund, marks a fundamental evolution from a sectoral policy into an integrated policy for coastal areas. Nowadays, more than 50 % of the financial resources available to the FIFG are devoted to structural measures in cohesion countries. In addition, the Community initiative PESCA contributes actively to redirecting people and firms of FDAs towards new activities and diversifying the structure of FDAs (restructuring harbours towards multi-activity areas of a maritime nature, combining fisheries or aquaculture with tourism, etc.).

(44) Community initiatives also contribute to the objectives of structural policy. From a spatial development standpoint, the Community initiative INTERREG is the most significant measure of the structural funds, as it provides an integrated approach to spatial development. Priority is not given to individual sectors, such as shipbuilding, mining or textiles, but is given to the relation between the factors influencing territorial organisation in an integrated development approach in border regions and larger transnational co-operation areas.

2.2.4 Common Agricultural Policy

(45) The Common Agricultural Policy (CAP) is primarily designed sector by sector to improve the productivity of agriculture. Following the reform carried out in 1992, financial assistance was handed out in return for setting aside agricultural land, with the result that between 1993 and 1994 about 6 million hectares of agricultural land were set aside. This initiative benefited, in particular, agricultural incomes in areas of the EU which were already being intensively farmed, since the sums paid were related to historical earnings. Areas in which there was less intensive farming tended to be disadvantaged, leading to an increase in the prosperity gap between individual agricultural regions.

(46) Studies on the spatial impact of the CAP on incomes, the labour market, infrastructure and natural resources reveal the close and specific relationship between agriculture and the countryside. In this respect, the CAP determines the development of many rural areas. Its impact varies a great deal from region to region depending on the specific environmental, cultural, and socio-economic conditions and partly on the types of production and market organisation.

(47) The intensification, concentration and specialisation of production in agriculture also has negative effects on spatial development: for example, monotonous landscapes, abandonment of traditional management methods, the use of large areas of wetland, moorland and natural rough pas-

ture, pollution of ground water by increased use of pesticides and fertilisers, and reduction in biological diversity. Attempts have been going on for nearly two decades to integrate agricultural policy with the broader economic and social context of rural areas. Experience has shown how diversifying farming into activities such as the development and marketing of high-quality products, agricultural tourism and investment projects related to the environment, which have hitherto been marginal, can open up new prospects and opportunities.

(48) A key part of the 1992 reform concerned the environmental aspects of agriculture. There are examples showing that programmes geared towards lowering the intensity of animal farming and increasing environmentally friendly farming methods have improved the environmental situation and brought financial gains. These programmes still account for only 3 % of the CAP budget. At present, only 1 % of the territory is being ecologically farmed; of this 75 % is receiving EU assistance.

(49) A further reason why improved co-ordination between policy areas seems necessary for development in rural areas is that the enlargement of the EU and the continuation of world trade talks is likely to lead to greater competition in global markets, thereby, increasing the pressure to intensify production in certain regions. This may have considerable negative effects on the environment. In turn, agricultural activity in rural areas with a weak economy will continue to be exposed to economic pressure, thus increasing the need for better strategies for spatial development (including environmental management).

2.2.5 Environment Policy

(50) The Amsterdam Treaty further stressed the importance of environmental issues and the need to integrate environmental protection requirements into the implementation of Community policies and activities, with particular attention paid to the promotion of sustainable development.

(51) The tasks of Community environment policy contain provisions which put particular emphasis on links with spatial development and, in particular, land use. For example, the EU-wide designation of protected areas is intended to give rise to a composite biotope system operating under the name of “Natura 2000”. This system consists of bird conservation habitats and species which should be protected, while taking into account socio-economic and regional requirements intended to preserve certain types of natural areas and specific varieties as well as re-creating stocks of flora and fauna. The EC Nitrate Directive[29] is aimed at reducing existing nitrate pollution from agricultural land and preventing further ground water pollution.

(52) A variety of other Community activities have an indirect effect upon land use and spatial development, such as Directive 85/337/EEC, which stipulates that environmental impact assessments for large projects have to be carried out and published; the definition of a range of other directives defining quality standards for areas close to natural surroundings; and the regulations aimed at reducing emissions.

(53) Moreover, the Commission launched in 1996 the Demonstration Programme on Integrated Coastal Zone Management (ICZM) which promotes sustainable management through co-operation and integrated planning, involving all the relevant players at the appropriate geographic level. It represents a first attempt at the Community level to pursue an integrated territorial approach and to develop recommendations for a European strategy for integrated coastal zone management[30].

(54) Over the years, Community environment policy has paid increasing attention to the development of urban areas via legislation on waste and water treatment, noise and air pollution. For example, noise limits are often incorporated into national abatement laws and land use planning methods, thus influencing new infrastructure developments. Similarly, concentration limits for air pollutants can have direct impacts on urban development and industrial areas.

(55) Environment policy requirements are becoming important locational factors when it comes to setting up or relocating businesses. Community provisions may have, for certain Member States, considerable implications not just from an ecological point of view but also from an economic one.

2.2.6 Research and Technological Development (RTD)

(56) Organised around a multiannual Framework Programme composed of various RTD and demonstration programmes, Community RTD policy promotes co-operation with and between companies, research centres and universities with a view to reinforcing the scientific and technological foundations of industry and its competitiveness on the world stage. It also aims at co-operation with third countries and international organisations, diffusion and utilisation of RTD policy results and stimulation of training and mobility of the researchers of the Community.

(57) Projects being selected irrespective of regional criteria, the regional distribution of funds is shaped by the geographic distribution of top research and technology institutions across the cities and regions within the EU. Nevertheless, it would be premature to deduce from this that Community policy in respect of RTD ignores the less developed regions and concentrates exclusively on the highly developed regions with their strong economies, in which the majority of institutions receiving promotional assistance can naturally be found. For example, a remarkably high number of institutions which have been founded and funded during the last 15 years come from the less favoured regions of the Union. Moreover, training and mobility incentives for researchers in disadvantaged regions offer greater opportunities for co-operating with regions which have diverse research centres. In addition, specific programmes of the fifth Framework Programme are focusing on research in fields relevant to spatial development, such as “the city of tomorrow and cultural heritage”, “the sustainable management of agriculture, fisheries and forestry, including integrated development of rural areas”, or “sustainable management and quality of water” – to mention but a few.

(58) The new structure of the fifth Framework Programme will better support the development and implementation of various Community policies, including those having a clear territorial dimension. Structurally weaker regions can also be the target of Community research, technology and development policy. Experience shows (such as in Scotland or the new German Länder) that even economically weak regions are capable of attracting high-output research and technology centres and of “keeping them there”. Nevertheless, this requires close co-operation between local, regional and national players together with targeted regional/town/city marketing initiatives. The ESDP can act here as a framework for suitable co-operation.

2.2.7 Loan Activities of the European Investment Bank

(59) In recent years, the Community has also run structural promotion schemes increasingly outside its budget by issuing loans through a variety of EC institutions. The European Investment Bank (EIB) plays the key role here. With the same financial volume, loans can reach a larger number of target parties than grants. As loans have a greater “incentive effect”, a larger number of investment projects can be promoted. Contributions on the part of loan recipients in the form of interest payments and capital repayments also increase the efficiency of this in terms of economic policy. Finally, there is the opportunity to use loans for long-term projects, particulary for infrastructure projects. Their financing by means of loans has the fiscal benefit of growth effects within the wider economy which can be used for interest payments and capital repayments in the form of higher tax revenues. The main objective of the EIB is the promotion of the development of both infrastructure and investments in less favoured regions of the EU. For this reason, loans could contribute in a significant way to the managing of future enlargement towards the East by modernising the spatial structure. The low-interest EIB loans within the Community came to 84 billion ECU in the period 1991 to 1995, equivalent to around 90 % of total loans issued.

2.3 For an Improved Spatial Coherence of Community Policies

(60) Even though most Community policies have no immediate spatial character they are supported by a number of spatial concepts, which can be differentiated as follows:

- *Delimitation of areas eligible for financial support and determination of assistance rates*
  These areas determine the interventions of spatial structural policies as well as the possibility of national financial aids with a regional purpose; such as, for example, the eligible areas under the regional fund.

- *Improvement of infrastructures*
  Certain Community policies intervene by financing infrastructures which exert a direct impact on the territory. This is the case, for example, with the trans-European networks, in particular in the transport and energy sectors, both in their linear (e.g. motorways, high-voltage lines) and location-related infrastructure (e.g. centres for freight transport, power stations) aspects.

- *Using spatial categories*
  A number of Community policies make use of spatial categories, for example in the implementation of legal provisions in the field of environmental protection (e.g. areas selected for protecting given habitats and species of fauna and flora under the network Natura 2000), in the allocation of specific aids (e.g. mountain regions, whose agriculture is also supported by a specific directive; and islands according to Article 130 a of the Amsterdam Treaty), or in the definition of certain items in the fifth Framework Programme for Research, Technology and Development.

- *Development of functional synergies*
  Within the framework of some Community policies, spatial elements are taken into account to establish functional interdependencies and to emphasise synergies. Thus, research in the field of transport considers interactions between the use of the territory and transport demand or the requirements of sustainable mobility concerning the choice of transport mode. Regional policy attempts to promote regional innovation strategies in line with local needs; energy policy is dealing with the exploitation of solar energy in harmony with town planning objectives.

- *Integrated spatial development approaches*
  Beyond the simple acknowledgement of functional interactions and the development of the synergies which can result, a number of Community activities try to develop integrated and multisectoral approaches with a strong spatial dimension. This is true of the Community initiative on Transnational Co-Operation in the field of Spatial Development (INTERREG II C); of the policy for the integrated development of rural areas (LEADER); and the Demonstration Programme on Integrated Coastal Zone Management (ICZM). Yet these ambitious integrated development approaches are still relatively few.

(61) Local communities and regions feel the benefits to varying degrees of regionally significant policy expenditure undertaken by the EU as well as by Member States in accordance with Community-wide binding regulations. The spatial effects of Community policies do not automatically complement each other, in line with a more balanced regional development. Nor do they automatically correspond to the development concepts of regions and cities. Without a reciprocal fine-tuning process, they can unintentionally aggravate disparities in regional development if they are exclusively geared towards specific sectoral objectives.

(62) The Member States and the Commission consider the ESDP to be an instrument which can help to improve the co-ordination of Community policies. The earliest possible consideration of policy aims and options in the formulation and assessment of Community sectoral policies will have a positive effect on the development of local entities and regions. If local and regional authorities are on the other hand aware of the spatial effects of sectoral policy related decisions at EU-level, then they can react better to them.

(63) Early consideration of the regionally different effects of EU sectoral policies is therefore necessary. Achieving the spatial development aims within the EU does not only depend on the available financial volume, but to an increasing degree on the early co-operation of spatially significant sectoral policies. In this respect, there is an urgent need to develop mechanisms for strengthening co-operation within the European Commission departments for ensuring the spatial coherence of interventions. Moreover, a systematic research and evaluation of the spatial effects of current EU policies by the Commission is necessary.

3 Policy Aims and Options for the Territory of the EU

3.1 Spatial Orientation of Policies

(64) Because of development disparities and the way in which Community policies affect individual regions, local communities and regions of the EU are not automatically converging to a regionally balanced territory in the wake of EMU. It is, therefore, more important to take spatially differentiated measures and the opportunity presented by European integration to achieve sustainable and, thus, territorially balanced development of the EU.

(65) For this purpose, the spatial development aims and policy options set out in the following chapters can be taken into consideration by all authorities and government agencies involved. Reflecting these aims and options in spatially significant sectoral policies at Community, national, regional and local levels can ensure that, besides the implementation of sectoral objectives, spatial development guidelines for the territory of the EU are also taken into consideration at an early stage in the policy process. These spatial development guidelines are as follows:

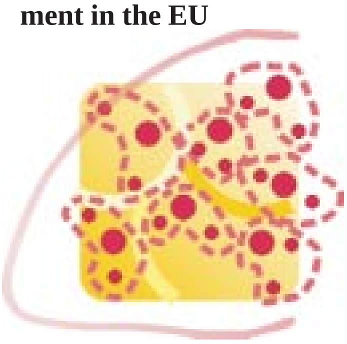
- development of a polycentric and balanced urban system and strengthening of the partnership between urban and rural areas. This involves overcoming the outdated dualism between city and countryside.

- Promotion of integrated transport and communication concepts, which support the polycentric development of the EU territory and are an important pre-condition for enabling European cities and regions to pursue their integration into EMU. Parity of access to infrasctructure and knowledge should be realised gradually. Regionally adapted solutions must be found for this.
- Development and conservation of the natural and the cultural heritage through wise management. This contributes both to the preservation and deepening of regional identities and the maintenance of the natural and cultural diversity of the regions and cities of the EU in the age of globalisation.

(66) Specific policy aims and options are being worked out for each of these three policy guidelines for spatial development. These do not apply to the same extent in all areas of the EU. They should be interpreted according to the economic, social and environmental situation of an area, in order to create balanced and sustainable development.

3.2 Polycentric Spatial Development and a New Urban-Rural Relationship

3.2.1 Polycentric and Balanced Spatial Development in the EU



(67) With past enlargements, and the prospect of future extensions, the EU is now of a size and diversity which demands a spatial development strategy. The concept of polycentric development has to be pursued, to ensure regionally balanced development, because the EU is becoming fully integrated in the global economy. Pursuit of this concept will help to avoid further excessive economic and demographic concentration in the core area of the EU. The economic potential of all regions of the EU can only be utilised through the further development of a more polycentric European settlement structure. The greater competitiveness of the EU on a global scale demands a stronger integration of the European regions into the global economy. In this context the maritime character of the EU offers favourable locational conditions. The creation and enlargement of several dynamic global economy integration zones provides an important instrument for accelerating economic growth and job creation in the EU, particularly also in the regions currently regarded as structurally weak (Objective 1 and 6 Areas of the current regional funds).

(68) At present, there is only one outstanding larger geographical zone of global economic integration : the core area of the EU, the pentagon defined by the metropolises of London, Paris, Milan, Munich and Hamburg. This zone offers strong global economic functions and services, which enable a high income level and a well-developed infrastructure. In addition, there are some isolated islands of significant growth (e.g. Barcelona, Region of the Øresund), where GDP is not yet high enough to change significantly the currently imbalanced spatial development in line with the underlying objectives of the ESDP. The economic-geographic situation of the EU differs from that of the USA, for instance, which has several outstanding economic integration zones on a global scale: West Coast (California), East Coast, Southwest (Texas), Mid-West.

(69) The current spatial trends in the EU reveal a further concentration of activities, particularly high-quality and global functions in the core area of the EU and in a few metropolises. In view of the enlargement of the EU, a further concentration of spatial development in just one single globally outstanding, dynamic integration zone would not lead to a reduction of the disparities between the central part and an increasingly large periphery. A new strategy for spatial development is therefore necessary.

(70) Previous policy measures affecting spatial development were primarily concerned with improving the links between the periphery and the core area through projects in the field of infrastructure. However, a policy is now required to offer a new perspective for the peripheral areas through a more polycentric arrangement of the EU territory. The creation of several dynamic zones of global economic integration, well distributed throughout the EU territory and comprising a network of internationally accessible metropolitan regions and their linked hinterland (towns, cities and rural areas of varying sizes), will play a key role in improving spatial balance in Europe. Global and high quality services have also to be taken more into consideration in metropolitan regions and cities outside the core area of the EU.

(71) A spatial development perspective restricted to a polycentric development of individual metropolitan regions is not in line with the tradition of maintaining the urban and rural diversity of the EU. For this reason a polycentric set-

tlement structure across the whole territory of the EU with a graduated city-ranking must be the goal. This is an essential prerequisite for the balanced and sustainable development of local entities and regions and for developing the real locational advantage of the EU vis-à-vis other large economic regions in the world.

(72) Spatially effective policy decisions and investments, including the use of funding from the structural funds, particularly in the current Objective 1 areas, should therefore be oriented towards a polycentric development model. Suitable policy measures, in particular, to ensure a highly efficient infrastructure at transnational, national and regional level, should support and complement the development of the respective dynamic zones of integration.

(73) To strengthen a balanced settlement structure, ways and procedures must be found to enable cities and regions to complement each other and co-operate. The possibilities for this are varied and have to some extent been successful. As well as city networks at regional level, the need for complementing co-operation also applies to city networks at interregional, transnational or even EU level. Depending on the local, or regional, situation to begin with both objectives and solutions pursued vary.

(74) Promoting complementarity between cities and regions means simultaneously building on the advantages and overcoming the disadvantages of economic competition between them. However, complementarity should not be focused solely on economic competition but be expanded to all urban functions, such as culture, education and knowledge, and social infrastructure. The policy pursued must encourage effective co-operation between cities, built on common interests and the input of all participants. A prerequisite, therefore, is the voluntary nature of the co-operation and the equal rights of the partners.

(75) Cities have increasingly diverse functional inter-dependencies with their surrounding countryside. These interdependencies require voluntary co-operation across administrative boundaries between local authorities, to strengthen the region as a whole in competitive terms. All participating partners profit from this. Possible fields of co-operation are local transport, waste management and the designation of shared residential or industrial areas. Co-operative cross-border city networks can provide a means of overcoming development disadvantages in border areas.

(76) The creation of networks of smaller towns in less densely settled and economically weaker regions is also important. In these areas, co-operation between urban centres to develop functional complementarity may be the only possibility for achieving viable markets and maintaining economic institutions and services which could not be achieved by the towns on their own.

(77) Cities which are relatively far apart should co-operate in networks aimed at solving common problems. Beyond the exchange of experience, common objectives should also be pursued and joint projects implemented. Examples include local traffic management, city planning, co-operation between universities and research centres, the management of the cultural heritage and historic city centres, and the integration of new immigrants into urban society.

(78) Co-operation between cities and regions beyond the external borders of the EU provides an important opportunity to strengthen political and economic relations with neighbouring regions in Northern, Central and Eastern Europe and the Mediterranean. It also promotes co-operation on strategically important infrastructure and environmental projects.

(79) **Policy Options**

1. Strengthening of several larger zones of global economic integration in the EU, equipped with high-quality, global functions and services, including the peripheral areas, through transnational spatial development strategies.
2. Strengthening a polycentric and more balanced system of metropolitan regions, city clusters and city networks through closer co-operation between structural policy and the policy on the Trans-European Networks (TENs) and improvement of the links between international/national and regional/local transport networks.
3. Promoting integrated spatial development strategies for city clusters in individual Member States, within the framework of transnational and cross-border co-operation, including corresponding rural areas and their small cities and towns.
4. Strengthening co-operation on particular topics in the field of spatial development through cross-border and transnational networks.
5. Promoting co-operation at regional, cross-border and transnational level; with towns and cities in the countries of Northern, Central and Eastern Europe and the Mediterranean region; strengthening North-South links in Central and Eastern Europe and West-East links in Northern Europe.

3.2.2 Dynamic, Attractive and Competitive Cities and Urbanised Regions

(80) The regions of the EU can only be competitive and hence contribute to the reduction of unemployment if towns and cities, especially those outside the global integration zones and metropolitan regions, have enough economic potential. These include, in particular, the so-called "gateway cities", which provide access to the territory of the EU (large sea ports, intercontinental airports, trade fair and exhibition cities, cultural centres); and smaller towns and cities which are active regional centres revitalising rural regions in decline. The "gateway cities" also include metropolitan regions located on the periphery, which can use specific advantages, such as low labour costs or special links with economic centres outside Europe or neighbouring non-Member States.

(81) Many of the less dynamic towns and cities of the EU have a relatively narrow economic basis dominated by a single economic sector, whose decline has a negative impact on the whole regional economy. The competitiveness of these towns and cities depends thus on a policy of diversifying their economic bases. The future prospects of the surrounding rural areas are also based on competitive towns and cities. Material and social welfare in cities is, therefore, an important factor for social, environmental and economic development. The development policies to achieve these objectives are very dependent on local conditions. The five following aspects are of particular importance to the sustainable development of towns and cities:

- control of the physical expansion of towns and cities;
- mixture of functions and social groups (which particularly applies to large cities in which increasingly large sections of the population are threatened by exclusion from urban society);
- wise and resource-saving management of the urban ecosystem (particularly water, energy and waste);
- better accessibility by different types of transport which are not only effective but also environmentally friendly; and
- the conservation and development of the natural and cultural heritage.

(82) Sustainable urban development offers many opportunities for "thinking globally and acting locally". The UN conferences in Rio and in Istanbul (Habitat II) have stimulated global measures which should be implemented at national and local levels. This issue must be taken into consideration by Community policies and by all Member States. The policy options cited in this section, which are related to the Agenda 21[31] and the Habitat Agenda[32], can be best implemented by a multi-sectoral, integrated urban development strategy.

(83) Strategies and instruments helping to achieve sustainable urban development strongly depend on local, regional and national starting conditions of the towns and cities of the Member States. The exchange of good practices in sustainable urban policy, which has been set up by Member States, offers an interesting approach for applying ESDP policy options[33]. The European Commission has also presented, in its action framework, policy aims and proposed measures for urban areas which are consistent with policy aims for urban development in the ESDP.[34]

(84) Member States and regional authorities should pursue the concept of the "compact city" (the city of short distances) in order to have better control over further expansion of the cities. This includes, for example, minimisation of expansion within the framework of a careful locational and settlement policy, as in the suburbs and in many coastal regions. It will only be possible to stem the expansion of towns and cities within a regional context. For this purpose co-operation between the city and the surrounding countryside must be intensified and new forms of reconciling interests on a partnership basis must be found.

(85) The future of the towns and cities in the EU depends on fighting growing poverty, social exclusion and stemming the loss of certain urban functions. Both the reconstruction of neglected areas and derelict industrial land and a balanced supply of inexpensive, high-quality housing in urban areas have to be promoted. Through integration of urban functions in the city, all citizens should have appropriate access to basic services and facilities, open spaces, general and professional education and health care. This includes the conservation and development of small planted areas in urban green spaces, which have both ecological and important social functions.

(86) The prudent management of the urban ecosystem is of great importance. An integrated approach with closed cycles of natural resources, energy and waste must be pursued in order to reduce burdens on the environment. Through this ap-

proach, both waste production and the consumption of natural resources could be limited (particularly in the case of resources which are not renewable or which regenerate slowly). Air, soil and water pollution could also be reduced. The expansion of natural areas in the cities, the conservation of biodiversity and common energy systems for households and industry are examples of measures which belong to a prudent environment policy.

(87) Accessibility of cities has an important influence on the quality of life, the environment and economic performance. Accessibility should be promoted by a spatial policy for location which is compatible with land use and transport planning. The aim here should be to reduce the expansion of the towns and cities and to adopt an integrated approach to transport planning. This would reduce dependency on the private car and promote other means of mobility (public transport, cycling).

(88) **Policy Options**

6. Expansion of the strategic role of metropolitan regions and "gateway cities", giving particular attention to the development of peripheral regions of the EU.
7. Improvement of the economic basis, environment and service infrastructure of cities, particularly in economically less favoured regions, in order to increase their attractiveness for mobile investment.
8. Promotion of an economic diversification strategy in cities which are too dependent on a single branch of economic activity, and support for the economic development of towns and cities in less favoured regions.
9. Promotion of integrated urban development strategies sensitive to social and functional diversity. Particular attention should be given to fighting social exclusion and the recycling and/or restructuring of underused or derelict urban sites and areas.
10. Promotion of a wise management of the urban ecosystem.
11. Promotion of better accessibility in cities and metropolitan regions through an appropriate location policy and land use planning that will stimulate mixing of urban functions and the use of public transport.
12. Support for effective methods of reducing uncontrolled urban expansion; reduction of excessive settlement pressure, particularly in coastal regions.

3.2.3 Indigenous Development, Diverse and Productive Rural Areas

(89) Rural areas in the EU are characterised by diversity and indigenous development. They are complex economic, natural and cultural locations which cannot be characterised by one-dimensional criteria such as population density, agriculture or natural resources. Some rural areas have successfully assimilated structural change. This is attributable not only to locational factors, such as favourable sites or low wages, but also increasingly to factors such as the quality of the natural and cultural heritage: the existence of networks and partnerships; the democratic handling of decision-making; and not least, the initiative and commitment of regional and local politicians and other social players. The success of many rural regions in the EU demonstrate that countryside-based activity is not in itself a hindrance to dynamic economic development and employment growth. There are rural regions which have developed a relatively good competitive position in agriculture or tourism.

(90) However, a number of rural areas have not yet managed to achieve structural change and have considerable economic problems, often due to their peripheral location. Besides a high percentage of agricultural employment, the structural weaknesses of these areas can have other causes, such as an extremely low population density; inaccessibility; climatic disadvantages; poor infrastructure; lack of structural development; outdated industrial structures and outdated agricultural production conditions. Rural areas which are subject to new pressures, for example through economic growth and the expansion of neighbouring settlements of metropolises and larger cities and areas hit by the decline of agriculture, also have to face great challenges.

(91) In the past, rural regions were regarded by policy makers as homogenous areas with the same obstacles and opportunities for development. This way of looking at things no longer fits the reality of the EU. Now the common characteristics of rural areas are a low population density and a high proportion of agricultural land use. However, with regard to the paths taken in development and prospects for

development they differ greatly from each other. The diversity of rural development in the EU makes it clear that spatial development strategies must begin by taking into consideration local and regional conditions, characteristics and requirements.

(92) New impetus can be expected from a re-evaluation of the relationship between city and countryside. This should be based primarily on the ESDP's integrated treatment of the city and countryside as a functional, spatial entity with diverse relationships and interdependencies. A sharp distinction between city and countryside within a region ignores in most cases the fact that only regions can form labour, information and communication markets. The region is, therefore, the appropriate level for action and implementation. For many matters relating to spatial development, it is also the appropriate level for analysis.

(93) In a polycentric urban system the small and medium-sized towns and their inter-dependencies form important hubs and links, especially for rural regions. In rural "problem" regions only these towns are capable of offering infrastructure and services for economic activities in the region and easing access to the bigger labour markets. The towns in the countryside, therefore, require particular attention in the preparation of integrated rural development strategies.

(94) As a result of economic growth, rural areas are, today, subject to a great number of negative environmental impacts. This includes strong pressure on the undeveloped areas near towns to meet the growth in demand for first and second homes; the negative effects of new leisure activities; and soil, air and water pollution through the processing and storage of waste. The appeal of areas with attractive landscapes such as mountains and coastal regions is endangered by mass tourism. Intensive agriculture can also lead to soil contamination and the destruction of cultural landscapes. These negative impacts can only be countered through suitable regional planning and corresponding environmental and agricultural policies for the re-establishment of biodiversity; reduction of soil contamination; and extension and diversification of agricultural use.

(95) Agriculture in areas with unfavourable production structures must also face up to the challenge of international competition. Potential solutions include the development of high-quality agricultural produce, through suitable strategies for marketing this produce and the re-discovery of the multi-functionality of agriculture, i.e. varied opportunities for earning a living in agricultural undertakings (e.g. farm holidays, wind generators). The social value of conserving the environmental, natural and cultural heritage is growing and offers a variety of employment opportunities for agriculture. Suitable provision of opportunities for education and further training can help in developing sources of income in addition or as an alternative to agriculture.

(96) The structurally weak areas in the EU, therefore, require particular attention. In these areas an effort must be made to diversify the rural economy in order to avoid dependency on single structures, and to create future-oriented employment opportunities. The small and medium sized towns in these regions offer hubs for the development of industry and service-related activities, research and technology, tourism and recreation. The process of the internal diversification of the rural economy leads to extra-regional links and networks; contacts with new markets and other companies, and access to information and knowledge.

(97) In the rural areas of the EU there is a considerable potential for renewable energy: solar energy; wind energy; hydro-electric power and tidal energy; energy from biomass; and even from urban waste near large towns and cities (methane production). This opens up interesting prospects for economic diversification and environmentally friendly generation of energy. This potential should be activated for the efficient use of resources. A further step would be the supply of excess energy to larger energy networks.

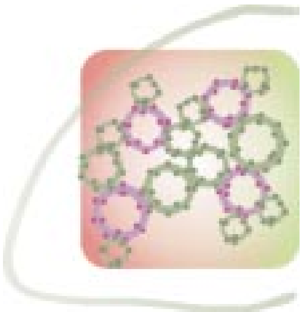
(98) The key to the sustainable development of rural regions lies in the development of an independent perspective and the discovery of indigenous potential and the exchange of experience with other regions, but not in the copying of development perspectives for other regions in the EU. Policy strategies must also take account of the diversity in development opportunities and threats. They have to provide the means for the rural areas to act. This will allow the regional and local players to respond to their problems with the greatest flexibility.

(99) **Policy Options**

13. Promotion of diversified development strategies, sensitive to the indigenous potentials in the rural areas and which help to achieve an indigenous development (including the promotion of multi-functionality in agriculture). Support of rural areas in education, training and in the creation of non-agricultural jobs.

14. Strengthening small and medium-sized towns in rural areas as focal points for regional development and promotion of their networking.
15. Securing sustainable agriculture, application of environmental measures and diversification of agrarian land utilisation.
16. Promotion and support of co-operation and information exchange between rural areas.
17. Use of the potential for renewable energy in urban and rural areas, taking into account local and regional conditions, in particular the cultural and natural heritage.
18. Exploitation of the development potential of environmentally friendly tourism.

3.2.4 Urban-Rural Partnership



(100) Many local problems cannot be solved nowadays without an integrated way of looking at towns and countryside, since they tend to be regional problems. Practical partnership expresses itself through co-operation and co-ordination. However, in order for co-operation to grow into a long-term successful partnership, several preconditions have to be created:

- the equality and independence of the partners;
- voluntary participation in partnership;
- consideration of different administrative conditions; and
- common responsibility and common benefit.

(101) Partnerships between towns and the countryside have several spatial dimensions: a regional, supra-regional, inter-regional and transnational perspective. The regional perspective includes the partnership between towns and cities of every size and their surrounding countryside. Here in particular, towns and countryside must share an integrated approach, since they form a region and are mutually responsible for its further development. Towns in rural regions also have an important function as engines of growth for regional economic development. In sparsely settled rural areas only towns can offer certain standards in the supply of infrastructure and services and attract economic activities. In these areas towns are particularly important in the preservation of the settlement structure and the cultural landscape.

(102) The supra-regional perspective relates to an extensive division of functions between urban and metropolitan regions on the one hand and rural regions on the other. In principle an approach based on partnership also aims at achieving a balance between the various interests on a larger scale, in which both economic and environmental interests and social aspects are taken into account.

(103) In the case of the inter-regional and transnational dimensions, the exchange of experience and "learning from others" is predominant. Here the objective is not to find a balance between interests on the basis of partnership but, instead, to evaluate and pass on experiences gained in co-operation between towns and countryside on specific projects or initiatives.

(104) Partnership means sharing costs and benefits, for example, the provision of high-quality and expensive infrastructure facilities or the provision of areas for water supply to the urban population. New forms of partnership offer the opportunity of re-evaluating the exchange of services between towns and countryside for a sustainable spatial development perspective, aiming at the creation of a regional "service pool" for the exchange of local government services.

(105) In addition to the partnership between administrations, partnership-based networks between companies in towns and the countryside play a major role in the regional economy. Potential synergies can be exploited and learning processes established, to provide companies in spatial proximity with knowledge and information.

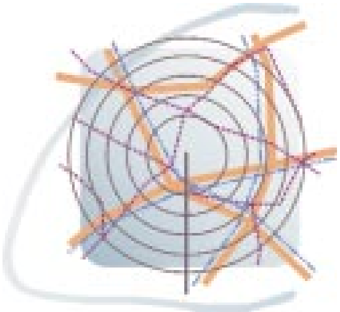
(106) **Policy Options**

19. Maintenance of a basic supply of services and public transport in small and medium-sized towns in rural areas, particularly those in decline.
20. Promotion of co-operation between towns and countryside aiming at strengthening functional regions.
21. Integrating the countryside surrounding large cities in spatial development strategies for urban regions, aiming at more efficient land use planning, paying special attention to the quality of life in the urban surroundings.

22. Promotion and support of partnership-based co-operation between small and medium-sized towns at a national and transnational level through joint projects and the mutual exchange of experience.
23. Promotion of company networks between small and medium-sized enterprises in the towns and countryside.

3.3 Parity of Access to Infrastructure and Knowledge

3.3.1 An Integrated Approach for Improved Transport Links and Access to Knowledge



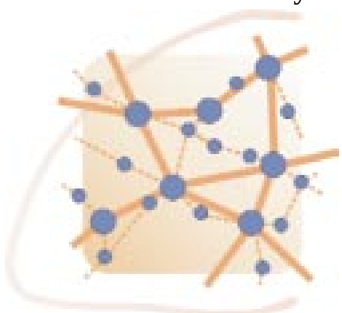
(107) Urban centres and metropolises need to be efficiently linked to one another, to their respective hinterland and to the world economy. Efficient transport and adequate access to telecommunications are a basic prerequisite for strengthening the competitive situation of peripheral and less favoured regions and hence for the social and economic cohesion of the EU. Transport and telecommunication opportunities are important factors in promoting polycentric development. Efficient transport and telecommunication systems and services have a key role in strengthening the economic attractiveness of the different metropolises and regional centres.

(108) The mobility of people, goods and information in the EU is characterised by concentration and polarisation tendencies. Increasing competition in the transport and telecommunication markets can intensify this development. Policy must ensure that all regions, even islands and peripheral regions, have adequate access to infrastructure, in order to promote social and economic and, therefore, spatial cohesion in the Community. It should also ensure that high-quality infrastructure, for instance high-speed /high-capacity rail lines and motorways, do not lead to the removal of resources from structurally weaker and peripheral regions ("pump effect"); or that these areas are not crossed without being connected ("tunnel effect"). Spatial development policy should work towards having high-quality transport infrastructure supplemented by secondary networks to bring about their positive effects in the regions.

(109) On the other hand, the concentration of transport services in the core area of the EU and their congested corridors reduce functional effectiveness and increase pressure on the environment in some areas. In order to reduce traffic burdens, integrated intermodal solutions which involve a shift to environmentally friendly transport systems and a more efficient use of existing infrastructures are very important. In the long term this requires improved fine-tuning between transport operators. Comprehensive integrated spatial development strategies must take this into account. In the future, territorial impact assessment should be the basic prerequisite for all large transport projects.

(110) These problems cannot be solved solely through building new infrastructure, however important it may be for all regions. Transport and telecommunication structures are not sufficient prerequisites on their own for regional development. Accompanying measures in other policy areas, such as regional structural policy or promotion of education and training, in order to improve the locational advantages of the regions are required. This applies especially to structurally weak regions.

3.3.2 Polycentric Development Model: A Basis for Better Accessibility



(111) The future extension of the Trans-European Networks (TENs) should be based on a polycentric development model. That means, in particular, ensuring the internal development of the globally important economic integration zones and facilitating their integration into the global economy. In addition, more attention should be paid to regions with geographical barriers to access, especially islands and remote areas. Spatial differences in the EU cannot be reduced without a fundamental improvement of transport infrastructure and services to and within the regions where lack of access to transport and communication infrastructure restricts economic development. A funda-

mental improvement of infrastructure and accessibility requires more than just providing the missing links in the TENs.

(112) Priorities, in complementing the network, for action should include supplementary measures for developing intra-regional linkages and development. The efficiency and density of these secondary networks will be vital for the integration of the regional and urban economies and their competitiveness. In particular, they serve to strengthen the smaller and medium-sized towns and their function in generating regional development overall.

(113) There is a risk that investments in secondary networks and their integration into the TENs cannot be carried out in time, or cannot be carried out at all, if the completion of higher ranking networks is given greater priority. To avoid a relative deterioration of service quality in those EU areas which are not directly integrated into the Trans-European Networks, the extension of secondary networks should not be treated as less important. This also includes the modernisation of regional transport services. In doing this, the utilised means of transport should be adapted to the specific local and regional circumstances (conventional rail network, buses, regional airports, etc.). Apart from this, the secondary networks can contribute to managing the traffic flows on the TENs and tapping the critical potential for large scale links. In this respect, the timetable for linking the secondary networks to the trans-European networks can be crucial for their development.

(114) Apart from the EU-wide dimension, the intercontinental dimension of transport networks must also be taken into consideration. The current structures of the intercontinental accessibility of the EU are characterized, on the one hand, by regional differences in the standards of transport networks and nodal points (ports, airports), and, on the other, by the policy pursued by airlines and shipping companies, which tend to favour – usually for economic reasons - specific intercontinental nodal points in the core area of the EU. The integration of the regions into the intercontinental networks has therefore up to now not been balanced from a spatial point of view. However, this is not only due to the uneven distribution of the nodal points for intercontinental transport but also to the level of services at the various intersections. In the interests of achieving balanced development, it is therefore important to reduce the disparities not only in transport infrastructure but also in the level of services and the corresponding costs, because the private sector will play an increasingly important role for intercontinental transport in the process of developing nodal points and networks with different levels of services.

(115) Achieving balance in air transport and setting up a European network of large sea ports, including regional sub-systems of ports, would be in the interests of all regions. This would benefit both the nodal points in the core area of the EU, suffering in some cases from increasing strain, and also the peripheral areas which require further promotion of their economic potential. The basic promotion of the links between the intercontinental nodal points and their hinterland by means of rail and inland waterway transport is also very important if the goal of a sustainable transport system is to be achieved. In conjunction with a policy aimed at achieving an efficient integration of all regions in the EU, transnational spatial development perspectives can be a significant help in developing sea port and airport infrastructure.

(116) Telecommunication networks can play an important role in compensating for disadvantages caused by distance and low density in peripheral regions. The relatively small market volumes in regions with low population density and correspondingly high investment costs for telecommunication infrastructure can thus lead to lower technical standards and high tariffs, which bring competitive disadvantages. In many spheres (tele-working, distance education courses, tele-medicine, etc.) the provision of high-quality services at affordable prices is a key factor for regional development. Nevertheless, the application of modern technologies does not depend solely on the availability of advanced infrastructure, equipment or services and their affordability, but also on the development level of each region. Particular attention should, therefore, be focused on measures to stimulate demand, the development of application-related knowledge and the fostering of awareness of opportunities in order to stimulate investment.

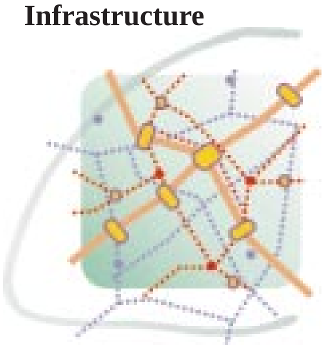
A prerequisite for all infrastructure projects should be an early assessment of the anticipated spatial impacts and a fine-tuning of Community, national and regional or local measures.

(117) **Policy Options**

24. Strengthening secondary transport networks and their links with TENs, including development of efficient regional public transport systems.
25. Promotion of a spatially more balanced access to intercontinental transport of the EU by an adequate distribution of seaports and airports (global gateways), an increase of their service level and the improvement of links with their hinterland.

26. Improvement of transport links of peripheral and ultra-peripheral regions, both within the EU and with neighbouring third countries, taking into account air transport and the further development of corresponding infrastructure facilities.
27. Improvement of access to and use of telecommunication facilities and the design of tariffs in accordance with the provision of “universal services” in sparsely populated areas.
28. Improvement of co-operation between transport policies at EU, national and regional level.
29. Introduction of territorial impact assessment as an instrument for spatial assessment of large infrastructure projects (especially in the transport sector).

3.3.3 Efficient and Sustainable Use of the Infrastructure



(118) The current growth of passenger and goods transport (in particular in road and air transport) has an increasingly adverse impact on the environment and the efficiency of transport systems. Approaches for relieving these systems are possible through an appropriate spatial development policy, which influences the location of employment and population and therefore mobility requirements and choice of transport mode. More efficient use of existing infrastructure can be achieved by strengthening environmentally friendly transport systems and promoting intermodal transport chains. However, this objective must be achieved without negative effects on the competitiveness of both the EU as a whole and its regions. The integration of transport and detailed planning of land use can be particularly effective in the large urban regions, where the dependence of the population on the car could be greatly reduced. A policy which favours the use of public transport in cities and their hinterland and in densely populated regions is necessary.

(119) In the core area of the EU and in other densely populated areas along the large corridors and some coasts, traffic - in particular road traffic - has reached such a dimension that measures for a reduction of the related accessibility deficits and the environmental impacts urgently need to be introduced. Measures should, therefore, be increasingly taken for strengthening the more environmentally acceptable transport modes. This includes, for instance, the levying of road tolls or the internalisation of external costs of road traffic, combined with a corresponding location policy. The choice of measures should be in accordance with local conditions. Nevertheless, both road traffic for passengers and for freight will remain of great importance, especially for linking peripheral or sparsely populated regions.

(120) The strengthening of more environmentally friendly transport modes requires an intermodal approach and co-ordinated transport infrastructure management. Their more efficient and sustainable use requires an increased use of railways and, in goods transport, of waterways (maritime, coastal and inland waterway shipping). In addition to increasing the efficiency of these networks, this calls for the development of appropriate intermodal links - that is to say an area-wide range of transfer and transhipment points. The potential of rail transport can only be fully realised through substantial modernisation. This applies both to the creation of interoperability between the individual systems and the improvement of logistics. In the more densely populated European regions, high-speed rail transport up to a distance of 800 km can substitute for air transport. In sparsely populated peripheral regions, particularly in insular locations, regional air transport, including short-haul services, has to be given priority. In general, specific solutions must be sought for less favoured areas.

(121) The authorities responsible for ports, airports, rail transport and trunk roads and the operators of the different networks should co-ordinate their policies and activities through integrated intermodal strategies. Potential synergy between the transport systems must be explored. Solutions can also be found in the shared use of existing infrastructure in order to avoid over-capacity as much as possible. For instance two neighbouring ports can jointly use railways, or an airport can serve a hinterland across a border.

(122) Another important consideration is co-operation between national, regional and local transport policies. Efficient links between the networks at different levels is essential. Regional initiatives can help national institutions and network operators to an improved use of capacities as well as a better planning by taking local requirements into account.

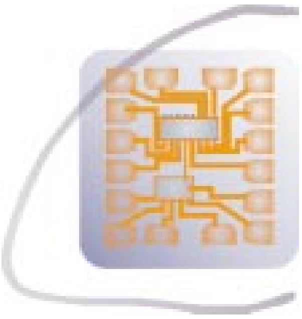
(123) Telecommunications, information and communications technologies are important supplementary instru-

ments for regional integration. Thus, they cannot be seen as substitutes for transport development. A major focus should be on co-ordination between decision-makers for transport and for telecommunications. Regional planning and transport planning should also be more strongly integrated with each other.

(124) **Policy Options**

30. Better co-ordination of spatial development policy and land use planning with transport and telecommunications planning.
31. Improvement of public transport services and provision of a minimum level of service in small and medium-sized towns and cities.
32. Reduction of negative effects in areas subject to high traffic pressure by strengthening environmentally compatible means of transport, levying road tolls and internalising external costs.
33. Promoting the interconnection of inter-modal junctions for freight transport, in particular for transport on the European corridors, especially regarding shipping and inland navigation.
34. Co-ordinated and integrated infrastructure planning and management for avoiding inefficient investments (for example superfluous parallel development of transport infrastructure) and securing the most efficient use of existing transport infrastructure.

3.3.4 Diffusion of Innovation and Knowledge



(125) Access to knowledge has the same importance for the competitive situation of the EU as access to infrastructure. Regionally interdependent labour markets and production and service locations require dynamic innovation systems; effective technology transfer; and institutions for training their workforces. Despite the progress of the past decade, which created the climate for new technologies and also provided improved training opportunities and specialist knowledge, access to knowledge and the capacity for innovation are still spatially unbalanced. The awareness of the population of the opportunities offered must also be strengthened. Governments (at all levels) must ensure that there are better links between education and research and the requirements of regional economic structures. They must also ensure that the general level of education is raised.

(126) Future economic development is likely to give prominence to the exchange of non-material services. Jobs are increasingly requiring more qualifications. The increase in productivity and employment growth depend increasingly on a further spread of new and better products and processes. Those companies which are able to combine innovation with new forms of organisation and more highly qualified workforce will be able to position themselves better on the market in the long term.

(127) In this respect, access to an adequate supply of high-quality training and to research centres is absolutely essential. In order to have a direct link between companies in less developed areas and research centres and training facilities it is essential that highly-qualified and well trained mediators are able to create such links. Technical service centres, where innovations can be presented and tested by local companies, would be helpful. In addition, communications between local companies on the one hand, and technology centres, universities, management consultants, etc., on the other hand, should be improved to develop complementary skills.

(128) The economic attractiveness of a region also depends on training standards and the professional skills of its labour force. In recent years, less developed areas have made significant progress in this, particularly in combating illiteracy. These efforts have to be continued. In addition, it must be ensured that local companies are also able to employ and pay the work force according to their qualifications, thereby keeping them in the region.

(129) Information and communication technology can help to reduce deficits in the field of access to innovation and knowledge and, by this means, support the settlement of companies in rural regions. This creates investment incentives in regions which normally have lower relative location costs. A polycentric development of the territory of the EU can support this policy.

(130) The dissemination of the new information technologies in all regions involves the provision of a general basic service of equally high quality and the adoption of an ap-

propriate policy of charges. As the northern countries demonstrate, low population density is not an insurmountable obstacle to the provision and widespread use of high-quality telecommunications services. In addition to regulative measures, strategies aimed at stimulating demand for knowledge promote the operation and use of information and communications technologies. This includes, for example, awareness-raising campaigns and better training opportunities.

(131) **Policy Options**

35. Wide-ranging integration of knowledge-relevant policies, such as the promotion of innovation, education, vocational training and further training, research and technology development, into spatial development policies, especially in remote or densely populated areas.
36. Securing Europe-wide access to knowledge-relevant infrastructure taking account of the socio-economic potential of modern SMEs as motors of sustainable economic development.
37. Fostering networking among companies and the rapid diffusion of innovations, particularly through regional institutions that can promote innovations.
38. Supporting the establishment of innovation centres as well as co-operation between higher education and applied R&D bodies and the private sector, particularly in economically weak areas.
39. Development of packages of measures which stimulate supply and demand for improving regional access and the use of information and communication technologies.

3.4 Wise Management of the Natural and Cultural Heritage

3.4.1 Natural and Cultural Heritage as a Development Asset

(132) The Communication from the Commission to the Council and the European Parliament on a European Community biodiversity strategy[35] states that spatial development can play an important role in the conservation and sustainable use of biodiversity at local and regional level. The natural and cultural heritage of the EU is permanently threatened in a diverse number of ways. Even though strict protection measures are sometimes justified, it is often more sensible to integrate protection and management of the endangered areas into spatial development strategies for larger areas.

(133) The cultural heritage of Europe – from the cultural landscapes of rural areas to the historic town centres – is the expression of its identity and is of world-wide importance. It is also part of the everyday environment of numerous people and enriches their quality of life. Rigorous protection measures, such as those envisaged for architectural conservation for certain areas and monuments, can only cover a small part of this heritage. For the greater part, a creative approach is required, to reverse in a number of areas the predominant trend of neglect, damage and destruction and thus pass the cultural heritage, including current achievements, on to future generations. It is important to spread cultural life throughout the EU, in particular by supporting the development of cultural facilities, upgrading public spaces and reviving commemorative sites. In this respect cultural development can play a role of social and spatial balancing.

(134) The natural and cultural heritage are economic factors which are becoming increasingly important for regional development. The quality of life of towns and cities, their hinterland and rural areas plays an increasingly important role in the location decisions of new companies. Natural

and cultural places of interest are also an essential precondition for the development of tourism.

3.4.2 Preservation and Development of the Natural Heritage

(135) The development of natural resources takes place in the EU under the auspices of environmental management (air, water, soil) and targeted protection of certain areas (protected areas, environmentally sensitive areas).

(136) The extent of protected areas in the EU has grown in the past ten years although most areas remain protected "islands". The objective of a Community-wide network of protected areas – "Natura 2000"– incorporated in the Habitat Directive and other environmental directives is a very promising approach, which has to be harmonised at an early stage with regional development policy. Concerted protection measures for areas which belong to the network must be drawn up and fine-tuned in line with spatial development perspectives. An ecological network and Natura 2000 can also secure and develop the protection of valuable biotopes. There is a role to be played by links and corridors between protected areas, such as hedges, which can assist migration and the genetic exchange of plants and wild animals. In addition, a broader land-use policy can provide the context within which protected areas can thrive without being isolated, including, if necessary, the identification of buffer zones.

(137) In addition to protected areas, different types of environmentally sensitive areas also display great biological diversity – for instance mountainous areas, wetlands, coastal regions and islands. Since such largely intact habitats are becoming increasingly rare, their ecologically valuable core areas must also be placed under protection. However, protection alone is not sufficient for conserving these areas. Their less sensitive parts should be the subject of economic uses in keeping with their ecological function. At the same time, this opens up new development opportunities for the regions, for instance in the field of environmentally friendly tourism.

(138) The conservation and development of natural resources calls for appropriate integrated development strategies and planning concepts as well as suitable forms of management. This ensures that nature conservation and the improvement of living conditions for people are taken into consideration equally. Spatial and environmental impact assessment can provide the necessary information basis for this. In the search for balanced solutions, the population affected should be intensively involved. The recommendations for spatial planning in the coastal regions of the Baltic Sea are very promising examples of international co-operation in this area[36].

(139) Apart from this, new approaches should be taken to harmonise nature protection and spatial development. In the preservation of natural heritage protected areas and other ecologically valuable areas, an important service for the whole of society is provided. Protection regulations and development restrictions should not be allowed to have a negative impact on the living conditions of the population. Instead, ecological resources should be costed in economic terms – for instance through adapted fiscal solutions. Through earnings produced in this way, each region could open up appropriate new development opportunities, at the same time preserving the natural heritage.

(140) The so-called "greenhouse effect", that is the concentration of gases contributing to the global warming of the earth's atmosphere, represents a major challenge for environmental protection. Responsibility for climate change lies in particular with the combustion of large amounts of fossil fuels in the energy and transport sector; the destruction of forests; the intensification of agriculture; and the production of CFCs and halons. As a counterweight, the obligations entered into by the EU in Kyoto to reduce CO_2 have to be strictly implemented. Spatial development policy can make an important contribution to climate protection through energy-saving from traffic-reducing settlement structures and locations, as well as making contributions through the increased use of CO_2-neutral, renewable energy sources. In their function as "green lungs", European forests are extremely important for sustainable development. This also involves the optimum use of forest resources in Europe. In this context, sustainable forest management should have top priority.

(141) The destruction of soils is another serious environmental problem in the EU. Through the type, extent and intensity of human use, a large amount of soil is threatened with irreparable loss of structure and function as the elementary basis for life. Significant risk factors are soil

erosion caused by land use; floods; forest damage; ground water contamination; concentration of pollutants; and also the intensity of agricultural use and the allocation of open space for settlement purposes. Efficient land protection, to preserve natural resources and soil functions is therefore necessary. Soil protection must also ensure that compaction resulting from use, erosion and soil destruction is reduced, just as much as combating potential pollutants or excessive use of open space for settlement purposes.

(142) Protected and endangered areas have to be recognised as components of urban and rural regions. Spatial planning at suitable government and administrative levels can play a decisive role here, as well as in the protection of humans and resources against natural disasters. In decisions concerning territorial development, potential risks - such as floods; fires; earthquakes; landslides; erosion; mudflows; and avalanches and the expansion of arid zones should be considered. In dealing with risks, it is important, in particular, to take the regional and transnational dimensions into account.

(143) **Policy Options**

40. Continued development of European ecological networks, as proposed by Natura 2000, including the necessary links between nature sites and protected areas of regional, national, transnational and EU-wide importance.
41. Integration of biodiversity considerations into sectoral policies (agriculture, regional policies, transport, fisheries, etc) as included in the Community Biodiversity Strategy.
42. Preparation of integrated spatial development strategies for protected areas, environmentally sensitive areas and areas of high biodiversity such as coastal areas, mountain areas and wetlands balancing protection and development on the basis of territorial and environmental impact assessments and involving the partners concerned.
43. Greater use of economic instruments to recognise the ecological significance of protected and environmentally sensitive areas.
44. Promotion of energy-saving and traffic-reducing settlement structures, integrated resource planning and increased use of renewable energies in order to reduce CO_2 emissions.
45. Protection of the soil as the basis of life for human beings, fauna and flora, through the reduction of erosion, soil destruction and overuse of open spaces.
46. Development of strategies at regional and transnational levels for risk management in disaster-prone areas.

3.4.3 Water Resource Management – a Special Challenge for Spatial Development

(144) Water is an important resource for nature, agriculture, households, industry, recreation, energy production and transport. In the EU, the availability of water is often taken for granted. The difficulties with regard to guaranteeing water supply will, however, in future probably increase not only in quantitative terms, but also from a qualitative point of view. Through continuing pollution, over-utilisation and bad management, the quality of water resources has deteriorated, although the extent of this problem within the EU varies from region to region. Since water does not recognise any boundaries, the problems are often of a transnational nature. It is, therefore, necessary to co-operate across administrative boundaries in the field of water resource management, for example in large river valleys, of flood protection, of drought prevention and of ground water and wetland protection.

(145) Water protection policy and water resource management have become a necessity. Policies for surface water and ground water must be linked with spatial development policy. Preventive measures for the reduction of waste water, over-utilisation and pollution of water resource should have preference over “end-of-pipe” technologies. Corresponding spatial and land use planning can make a decisive contribution towards the improvement of water quality. That is the reason why the impact of large water exploitation related projects should be examined through territorial and environmental impact assessments. Moreover, cross-border and transnational development strategies are a basis for a better water resource management.

(146) Water can also represent a threat. Spatial planning, above all at transnational level, can make an important contribution to the protection of people and the reduction of the risk of flood. Flood prevention measures can be combined with nature development or restoration measures. The INTERREG II C programme for the prevention of flooding has identified some potential approaches.

(147) The demand for water is continuing to increase, particularly as a result of the growing consumption by households, agriculture and tourism. In the Mediterranean areas, the problem is particularly acute. Programmes for combating drought, such as the special programmes within the framework of INTERREG II C, must be aimed in a more focused way at limiting the demand for water and at increasing the efficiency of the water supply systems. Concerning activities with a high demand for water, spatial planning can already make an important contribution by identifying uses that require less water within the planning process. These problems require a broadly-based public debate, since only a broad awareness of the issue among the population can ensure the sustainable use of water resources .

(148) Drainage projects and the overuse of ground water also have negative impacts on environmentally sensitive areas. Large areas of moist biotopes have been destroyed and some wetlands have disappeared completely. In terms of their biological value and their natural cleaning and regulating functions, wetlands are a valuable resource. Their preservation and restoration have top priority.

(149) Chemical and organic compounds in the seas and their overuse threaten maritime ecosystems and lead to an overall degradation of the environment.

(150) **Policy Options**

47. Improvement of the balance between water supply and demand, particularly in areas which are prone to drought. Development and application of economic water management instruments, including promotion of water-saving agricultural methods and irrigation technology in areas of water shortage.
48. Promotion of transnational and interregional co-operation for the application of integrated strategies for the management of water resources, including larger ground water reserves in areas prone to drought and flooding, particularly in coastal regions.
49. Preservation and restoration of large wetlands which are endangered by excessive water extraction or by the diversion of inlets
50. Concerted management of the seas, in particular preservation and restoration of threatened maritime ecosystems.
51. Strengthening of regional responsibility in water resource management.
52. Application of environmental and territorial impact assessments for all large-scale water management projects.

3.4.4 Creative Management of Cultural Landscapes

(151) Cultural landscapes contribute through their originality to local and regional identity and reflect the history and interaction of mankind and nature. They are of considerable value, for instance as tourist attractions. The preservation of these landscapes is of great importance, but must not make economic use impossible or hinder it excessively. In some cases, the targeted protection of places of particular interest is necessary. In other cases, entire landscapes should be preserved and/or restored. The way in which agriculture is practised is frequently the most important aspect in countering the destruction of cultural landscapes.

(152) A common feature of many European landscapes is their constant further development. However, this tends to lead to more uniformity in landscapes and the loss of biodiversity. A small number of places should be placed under protection as unique examples of historical cultural landscapes: for instance the “Bocage” arable landscapes along the Atlantic coast. Protection measures are also required for elements which are particularly typical of older landscapes, for instance the old systems of open fields through which places of historical interest evolved. In a similar way histor-

ic paths which lead through different countries, such as the pilgrims' path to Santiago de Compostella or the Italian "Via Francigena", are of such great value that they should be placed under protection.

(153) In a great number of cases the creative further development or the restoration of landscapes is more important than preservation of the current situation. Today, measures affecting landscapes are frequently uncoordinated. Their results tend to be random and often just reflect various interests of each participant. New commercial and housing developments are often built without aesthetic or environmental considerations. In some cases, extraction of raw materials destroys entire landscapes. Therefore, for many areas in Europe an individually adapted and creative landscape policy must be drawn up. Policy should be based on an integrated approach to new developments and contribute to the creation or restoration of attractive landscapes.

(154) In some cases, the countryside can deteriorate through a lack of human intervention. This happens, in particular, where traditional agricultural land use methods are given up. Neglecting land management in endangered areas, such as mountainous or coastal areas, can have particularly serious consequences, for example when it reinforces soil erosion. In areas where human activities are not yet very pronounced, reducing human intervention can also allow nature to recover. The promotion of traditional land use methods, the development of tourism and reforestation can, for example, be alternatives to completely fallow land.

(155) **Policy Options**

53. Preservation and creative development of cultural landscapes with special historical, aesthetical and ecological importance.
54. Enhancement of the value of cultural landscapes within the framework of integrated spatial development strategies.
55. Improved co-ordination of development measures which have an impact on landscapes.
56. Creative restoration of landscapes which have suffered through human intervention, including recultivation measures.

3.4.5 Creative Management of the Cultural Heritage

(156) Many European towns and cities have a large number of extremely valuable cultural areas which are often suffering slow but constant deterioration. Despite considerable investment in maintenance and restoration of these areas, it has not been possible to halt this trend. Protection programmes must be initiated to avoid irreparable damage. The signatory states of the Grenada Convention of 1985 have committed themselves to an approach that ensures the protection and maintenance of the architectural heritage, but which at the same time must take into consideration the requirements of a modern society[37].

(157) Cultural heritage is particularly sensitive to environmental pollution and to risk factors generated by both natural and human factors. Knowledge about different risk factors is still insufficient and requires the development of sophisticated methodologies based on a comprehensive concept of risk evaluation.

(158) Europe's cultural heritage not only consists of individual historic buildings and archaeology sites. The different lifestyles of inhabitants of European towns and cities have to be viewed in their entirety, as a part of the cultural heritage. Many European cities are subject to the dangers of commercialisation and cultural uniformity, which destroys their own individuality and identity. This includes, for example, real estate speculation, infrastructure projects which are out of scale with their environment or ill-considered adaptations to mass tourism. These factors frequently combine to cause serious damage to the structure and the social life of towns and cities and to reduce their potential as attractive locations for mobile investments. Spatial development strategies can help to counter these dangers.

(159) Modern innovative buildings should not be regarded as disruptive influences but, instead, as potentially enriching the cultural heritage. In many cases, however,

the best architectural works are individual successes, frequently accompanied by unattractive development, which impairs the quality of the urban environment. Buildings or groups of buildings are seldom arranged on the basis of a contemporary vision of urban planning and integrated in a harmonious way into urban ensembles. As in rural areas, the townscape is often the result of random development. Strategies for the creative design of townscapes are only gradually being developed. They are, however, urgently required, in particular in towns and cities where the deterioration in the quality of the buildings has reached a state which prevents people from living or investing there.

(160) **Policy Options**

57. Development of integrated strategies for the protection of cultural heritage which is endangered or decaying, including the development of instruments for assessing risk factors and for managing critical situations.
58. Maintenance and creative redesign of urban ensembles worthy of protection.
59. Promotion of contemporary buildings with high architectural quality.
60. Increasing awareness of the contribution of urban and spatial development policy to the cultural heritage of future generations.

4 The Application of the ESDP

4.1 Towards an Integrated Spatial Development

(161) In applying the policy options, Member State government and administrative agencies as well as EU services should consider, at an early stage, sectoral and spatial conflicts and timing difficulties and set the right priorities. This requires new ways of co-operation, which according to the ESDP's principles should be on a voluntary basis. The application of the policy options is based on the principle of subsidiarity. There is thus a need for close co-operation amongst the authorities responsible for sectoral policies; and with those responsible for spatial development at each respective level (horizontal co-operation); and between actors at the Community level and the transnational, regional and local levels (vertical co-operation – see Fig. 7). Co-operation is the key to an integrated spatial development policy and represents added value over sectoral policies acting in isolation.

(162) Integrated spatial development policy at EU scale must, therefore, combine the policy options for development of certain areas in such a way that national borders and other administrative hurdles no longer represent barriers to development. The ESDP provides the framework for integrated application of the policy options. Its application is not the responsibility of one authority but of a wide range of spatial development (land use, regional planning, urban planning) and sectoral planning authorities.

(163) The policy options differ from each other with regard to the geographical area to which they apply. The ESDP recommends three levels for spatial co-operation:

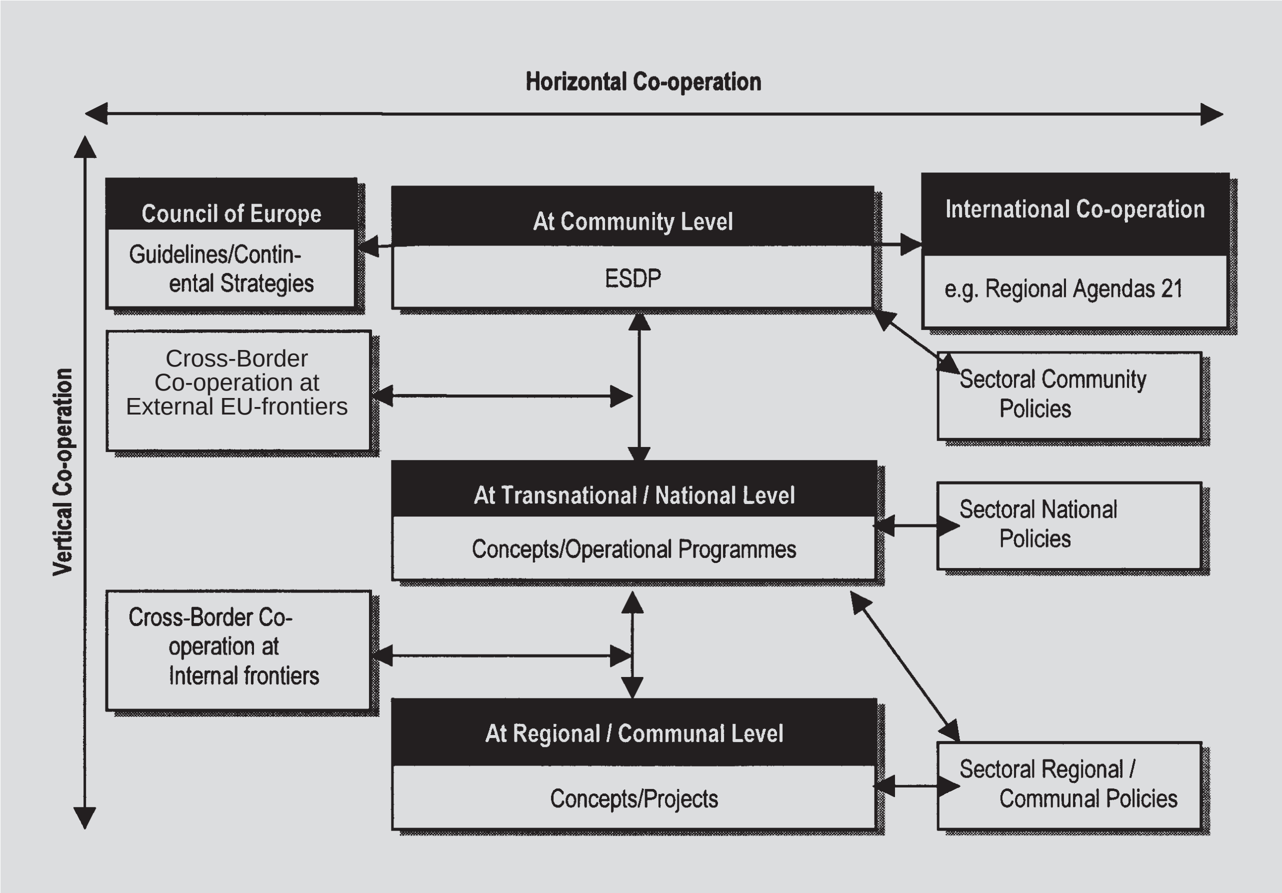
- the Community level,
- the transnational/national level,
- the regional/local level.

From the EU point of view co-operation at transnational level is of central importance. Transnational strategies and programmes help applying sectoral Community policies to the different regions of the EU. They can also support the co-ordination of Community policies with respective national, regional and local policies.

(164) Of the possible groupings of ESDP policy options, there are a number which are key to achieving a balanced and sustainable spatial development policy. These have to be determined locally according to the prevailing situation. Examples of this are as follows:

- Promotion of the networking of urban regions: All cities and regions must be capable of contributing to reducing unemployment, to economic growth and to social harmony in the EU. For this purpose, strategic partnerships and co-operation between the urban regions should be more strongly encouraged. This requires a regional, cross-border and transnational approach to urban networking.
- Better accessibility as a pre-condition for polycentric development: Even if it is not possible to achieve the same degree of accessibility between all regions of the

Fig. 7: Ways of Cooperation for spatial development



EU, improvements in line with the principle of sustainability - particularly in peripheral regions and densely populated areas with high traffic volumes - are of great importance.

- Development of Euro corridors: These corridors can strengthen the spatial cohesion of the EU and they are an essential instrument of spatial development for the co-operation between cities. The spatial concept of Euro corridors can establish connections between the sectoral policies, such as transport, infrastructure, economic development, urbanisation and environment. In the development perspective for Euro corridors, it should be clearly indicated in which areas the growth of activities can be clustered and which areas have to be protected as open space. There are a great number of potential corridors in the EU. Some corridors are already well-developed. In other regions such corridors have to be developed and connected with existing ones. Important missing links and secondary networks should be established.
- Strengthening of the cities and regions at the external borders of the EU: policies for the development of “Gateway Cities”, multi-modal infrastructure for the European corridors, equal access to telecommunication facilities and intercontinental accessibility could strengthen the role of the regions and their cities at the external borders. This applies both to the enlargement process and to the development of more intensive relations with non-Member States, towards the South and with other world economic regions.
- Conservation and development of biodiversity in the EU regions: the successful development of a European ecological network depends on a spatially co-ordinated approach between different Community policies and on corresponding national measures. Many wild species of fauna, especially birds, use the entire territory of the EU in the course of a year. The relationships between the elements of this network, such as wetlands, national parks, islands, coastal regions, mud flats and certain rural regions must be identified and co-ordinated at a European level with the active participation of the local and regional levels.

- Development of the European cultural heritage: maintaining the variety of the European identity in the globalisation context requires the combining of coherent conservation strategies with economic and regional development needs. Spatial planning guidelines and tools should be identified and developed, both for heritage sites or areas which are dispersed across Europe but have a common historical background (for example the heritage of the Celts, and historical pilgrims' routes, etc.) and for those of international significance which are concentrated in one location (for example city ensembles as Bruges or Venice).
- Need for Integrated Coastal Zones Management (ICZM): Due to increasing sectoral conflicts, demographic developments and the multitude of institutions and players with a stake in coastal zones, these areas represent an important challenge for EU-wide spatial development.

(165) It is becoming clear that a different approach is required for the application of spatial policy aims and options to that for policy areas where there is a clear Community responsibility.

- Even though no spatial development competence is rooted at Community level, we must ensure that different spatially-relevant Community policies do not conflict with or neutralise each other.
- However, the ESDP framework should not be imposed on other policy areas. Its application is entirely voluntary. This, above all, demands co-operation, consultation and agreement of the respective policy-makers and executive bodies at Community, national, regional and local levels. Comprehensive public support is a necessary prerequisite for the effective application of the spatial development policy approach.
- The main focus of the ESDP's application as a European document is at Community and transnational levels. Priority should be given to issues which cannot be dealt with in an appropriate way by one or two Member States but, instead, require the co-operation of several countries. A successful spatial development policy, therefore, depends far more on co-operation with the local and regional levels than in other policy areas. Transnational or cross-border actions at this level are crucial for the application of the ESDP.
- There are numerous methods of cross-border co-operation in spatial planning. Projects for the balanced and sustainable development of border regions and investment projects can be strengthened and supported by achieving mutual consensus on both sides of borders, political agreements, inter-governmental evaluation of spatial effects and the adaptation of national legislation.

In the following section, the most important proposals for the application of the ESDP at the respective governmental and administrative levels are outlined.

4.2 The Application of the ESDP at Community Level

(166) The consideration and application of the ESDP by the European institutions can lead to a greater effectiveness of Community policies. The European Parliament, the Committee of the Regions and the Economic and Social Committee have made statements on the ESDP voicing their support for a regionally more balanced development of the cities and regions in the EU.

(167) The European Commission has formed an inter-service group for investigating the interrelationships between Community policy and spatial development. In addition, a spatial approach combining several policy fields, such as that pursued in the Demonstration Programme on Integrated Coastal Zone Management, is being tested. This creates new areas for the pursuit of horizontal co-operation.

It is proposed that the European Commission examine periodically and systematically the spatial effects of policies - such as the Common Agricultural Policy, Transport Policy and "Trans-European Networks", Structural Policy, Environment Policy, Competition Policy and Research and Technology Policy – at European level.

(168) The meetings of the Ministers responsible for spatial development and those of the Committee on Spatial Development (CSD) play a central role in the application and further development of the ESDP. However, the informal character of these arrangements does not allow the taking of decisions. For this reason, European institutions such as the European Parliament and the Economic and Social Committee support a formalisation of these arrangements, whilst maintaining the principle of subsidiarity. Member States have different opinions on this.

It is proposed that Member States examine the suggestions of the European institutions to formalise both the Ministerial meetings on spatial planning and the Committee on Spatial Development, while maintaining the principle of subsidiarity.

(169) With the setting up of EMU and the expansion of international trade, matters concerning spatial development are not only of greater importance for institutions of the EU but also for political organisations co-operating Europe-wide and internationally (Council of Europe, OECD), for non-governmental organisations, business groups and service enterprises as well as labour unions.

It is proposed that the European institutions, together with the national spatial development authorities of the Member States, implement suitable co-operative measures with international organisations and institutions to promote a coherent practical application of the ESDP at international level.

(170) Information and analysis required at Community level to support an ongoing spatial monitoring system includes:

- broadening the knowledge basis by making available comparable data and indicators; and analyses and research on cross-border, transnational and Europe-wide trends which influence spatial development;
- exchanging information on the practice of spatial planning on a comparable basis; and
- observing and evaluating spatial development with implications for the ESDP's policy aims and options, as well as establishing appropriate criteria and indicators; this is of particular importance to the further development of the ESDP.

It is proposed that Member States regularly prepare standardised information on important aspects of national spatial development policy and its implementation in national spatial development reports, basing this on the structure of the ESDP. This will enable comparability of the presentation of spatially relevant trends in the Member States.

(171) With the ESDP a first assessment of the trends and problems of spatial development in Europe has been made. In addition to ongoing research and studies, there is a need for detailed analysis of European spatial development on a common statistical basis over a longer period. Harmonised data and evaluations of regional economic developments in Europe are already available at a European level through documents such as the Periodical Reports on the Social and Economic Situation and the Development of the Regions in the Community and the "Cohesion Report"[38]. However, in drawing up the ESDP large gaps were discovered with regard to comparable spatially relevant data. The seven criteria which were first proposed during the Spanish and Italian Presidencies and detailed under the Dutch Presidency could provide a starting point for their collection. These criteria, currently being examined under a study programme of the European Commission, are as follows:

- Geographical position.
- Economic strength
- Social integration
- Spatial integration
- Pressure on land use
- Natural assets
- Cultural assets

It is proposed that the European Commission and the Member States agree upon reliable criteria and indicators, in order to be able to effectively support sustainable development of the regions and cities. Long-term research on spatially-relevant issues in the EU must be implemented as part of the ongoing updating of the ESDP. Corresponding activities particularly involve:

- studies and pilot projects, sponsored by the Commission, to identify and analyse problems and solutions of spatial and regional development and to test new forms of co-operation in connection with the ESDP;
- the exchange of innovative experience to promote the use and transfer of knowledge in the area of spatial and economic development.

(172) Spatial criteria and indicators are also necessary in the development of long-term scenarios for spatial development. The present ESDP issues are based on certain assumptions which are valid for the medium term. However, while co-operation on spatial planning can proceed in the short to medium term, it is important to bear in mind long-term issues and prospects.

It is proposed that the European Commission and the Member States engage on the assessment of emerging trends, their driving forces and their spatially differentiated impacts in a major task to be carried out with a view to the long term. This work would examine issues such as:

- changes in population numbers and distribution;
- economic globalisation;
- the changing nature and location of economic activity and employment;
- technological changes in transport, telecommunications, energy and the advent of the information society;
- EU sectoral policies and projects;
- the effectiveness of different types of urban networks and partnerships;

- EU enlargement;
- Relationship with non-EU countries.

(173) Spatial research institutes of the Member States should prepare and exchange information by means of a network, and initiate political co-operation between national spatial development authorities and with the Commission. The results could provide the Committee on Spatial Development (CSD) with basic material for its deliberations. Co-operation between research institutes and a close working relationship with the CSD requires a permanent structure. This should be co-financed out of the Community budget. Apart from a network secretariat, the setting up of another European Agency could be unnecessary if successful networking between national research institutes is established. This is currently being tested within a study programme in accordance with Article 10 of the ERDF Regulation.

The institutionalisation of a "European Spatial Planning Observatory Network" should be undertaken at the earliest opportunity taking into account the experience gained in the study programme.

4.3 Transnational Co-operation between the Member States

(174) An innovative approach to integrated spatial development policy at a transnational level is already being taken in the EU, through Community initiative INTERREG II C, introduced in 1996. Under this initiative, Member State co-operation takes place according to three main spheres of support: transnational co-operation for spatial development in seven co-operation areas (see Map 3); preventive flood protection in two programme regions and precautions against drought damage in four national support programmes (see Map 4); on the basis of mutually developed programmes. In addition to this, transnational pilot actions are being implemented in 4 co-operation areas in accordance with ERDF Article 10 (see Map 5). The geographical areas covered by these programmes are the result of detailed negotiations between the participating countries. In some areas non-Member States of the EU are participating.

(175) In these large areas transnational co-operation on spatial development projects is being tested for the first time, using common organisational, administrative and financial structures (see Table 1).

(176) Some inter-country development projects go beyond immediate border areas. For instance, within the framework of flood protection on the Rhine, the planning for catchment areas in Germany is being assisted with EU funding. As a result, future flooding here and in the Netherlands should not be as extensive as in the past. Along several transnational transport corridors, common traffic management, the creation of integrated transport systems and a co-ordinated development of regional economic potential are being tested.

(177) Approval is given for these projects, for which all partner countries expect an added value for spatial development, even if they are not financially involved in the projects. Included are planning activities, project management, networks, pilot actions, the exchange of experience, feasibility studies and – to a limited degree – complementary infrastructure investments. At the same time, different national experiences in areas such as public administration, planning, law, management and public-private partnership are being exchanged across borders. An impetus is thus being given to companies, authorities, federations and regional and local authorities to take part in transnational co-operation.

(178) The implementation of the operational programmes has involved regional and local authorities, underlining their strong interest in transnational co-operation. They have also substantially co-financed projects. In the first rounds of decision-making, some programmes became financially oversubscribed. In the Baltic Sea region, for example, where co-operation is based on common policy aims for spatial development[39] , there are 200 local and regional authorities involved in carrying out projects.

It is proposed that the European Commission and the Member States continue the project-oriented transnational co-operation for spatial development within the framework of the Community initiative INTERREG III and create the appropriate basic conditions for this. This will be an important instrument for the application of the ESDP. Key tasks are:

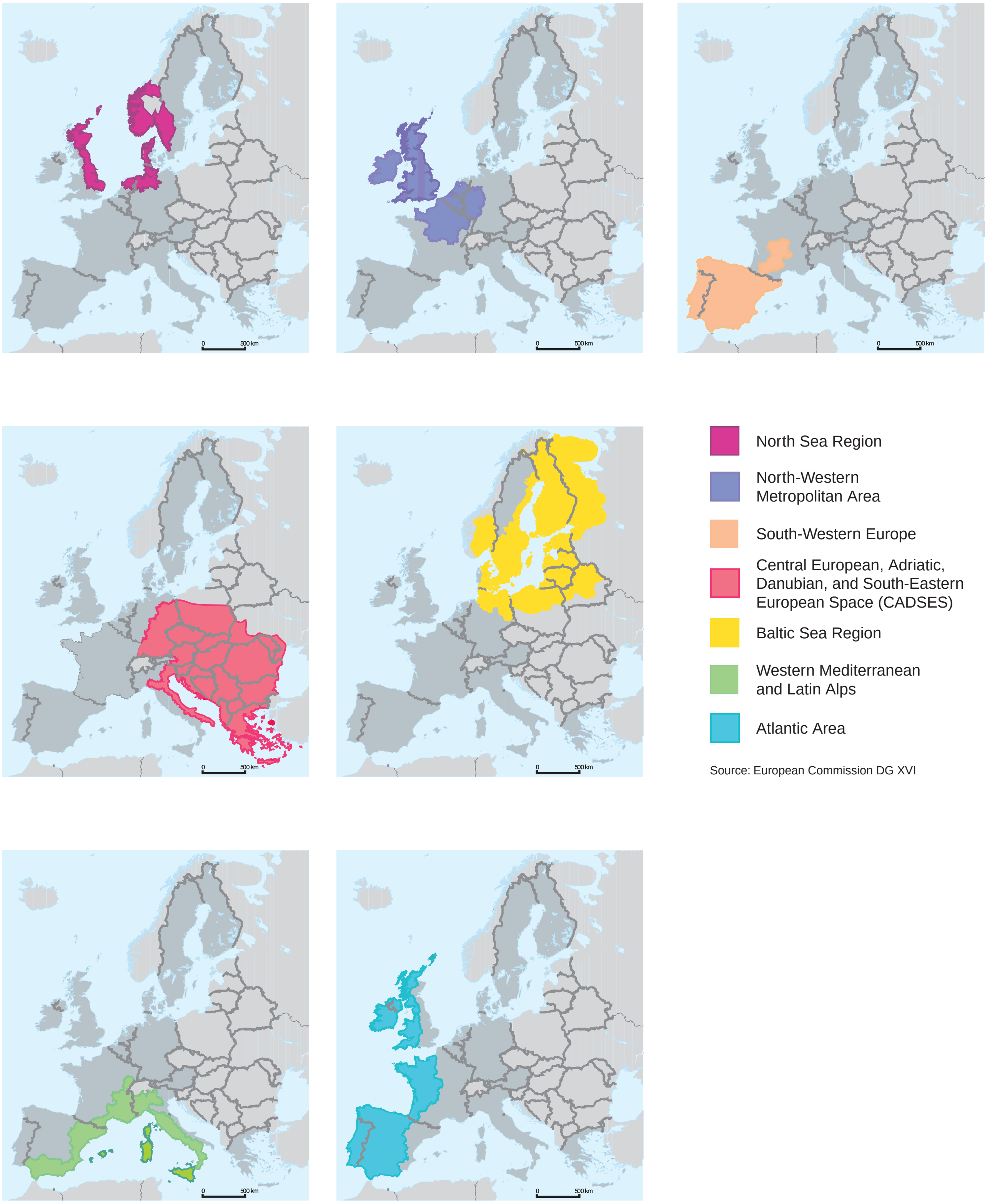
- ***the retention of suitable co-operation areas and the further development of common transnational administrative, financing and management structures for programmes and projects;***
- ***the more intensive co-operation of regional and local authorities in decision-making processes and programme implementation;***
- ***the further promotion of spatially integrated projects, taking into account sectoral policy issues, in order to ensure synergy;***
- ***the removal of legal obstacles in the Member States which hamper cross-border and transnational co-ordination for spatially significant plans and measures;***

Table 1: Structures for the Application of Transnational Operational Programmes for Spatial Development

Co-operation-Area	Decision-making committees	Secretariat	Financial Handling of the EU-Funds
INTERREG II C – Transnational Co-operation for Spatial Development			
Baltic Sea	Joint	Headquarters in Rostock, D Branch in Karlskrona, S	Centrally through I-Bank Schleswig-Holstein in Kiel/Rostock
North Sea	Joint	Headquarters in Viborg, DK	Centrally through Jyske-Bank in Viborg
CADSES	Joint	Networking of national institutions	National institutions
NWMA	Joint	Headquarters in London, UK	Centrally through Lloyds Bank in London
Atlantic Area	Joint	Networking of national institutions supported by a central secretariat in Poitiers, F (in preparation)	Centrally through appointed bank
South-Western Europe	Joint	Networking of national institutions	National institutions
Western Mediterranean	Joint	Networking of national institutions	National institutions
INTERREG II C – Flood Mitigation			
Flood Prevention Rhine-Meuse	Joint	Headquarters in The Hague, NL	Centrally through I-Bank Nordrhein-Westfalen in Düsseldorf
France/Italy	Joint	Networking of national institutions	National institutions
Article 10 – Pilot Actions			
Northern Periphery	Joint	Centrally in Oulu, Finland	Centrally through den Regional rat von Nord-Ostrobothnia
West. Mediterranean/Latin Alps	Joint	Networking of national institutions	National institutions
Alpine Space	Joint	Networking of national institutions	National institutions
Mediterranean Gateway	Joint	Networking of national institutions	National institutions

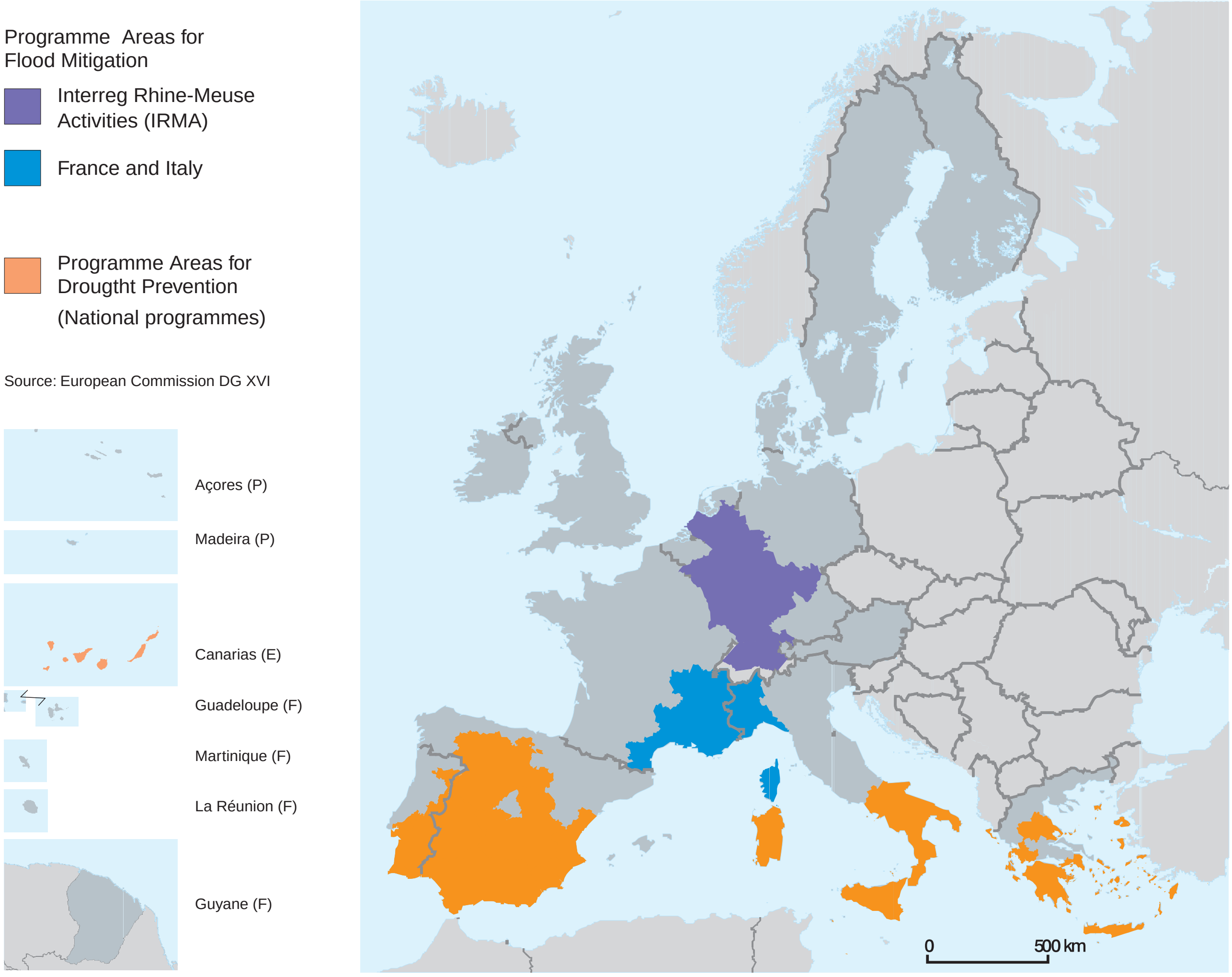
- ***the use of the projects for the preparation of investment measures and for the further development of instruments of spatial development, in particular cross-border territorial impact assessments;***
- ***the support of co-operation with neighbouring non-Member States, in particular with Central and Eastern European states as well as with Cyprus, to prepare them for accession to the EU, and with countries bordering the Mediterranean;***
- ***the evaluation of the results of transnational co-operation, within the framework of INTERREG and ERDF Article 10, against the background of the ESDP, by the responsible bodies of the EU and the Member States.***

Map 3: Interreg II C Transnational Cooperation Programmes



Source: European Commission DG XVI

Map 4: Interreg II C Programmes for Flood Mitigation and Drought Prevention



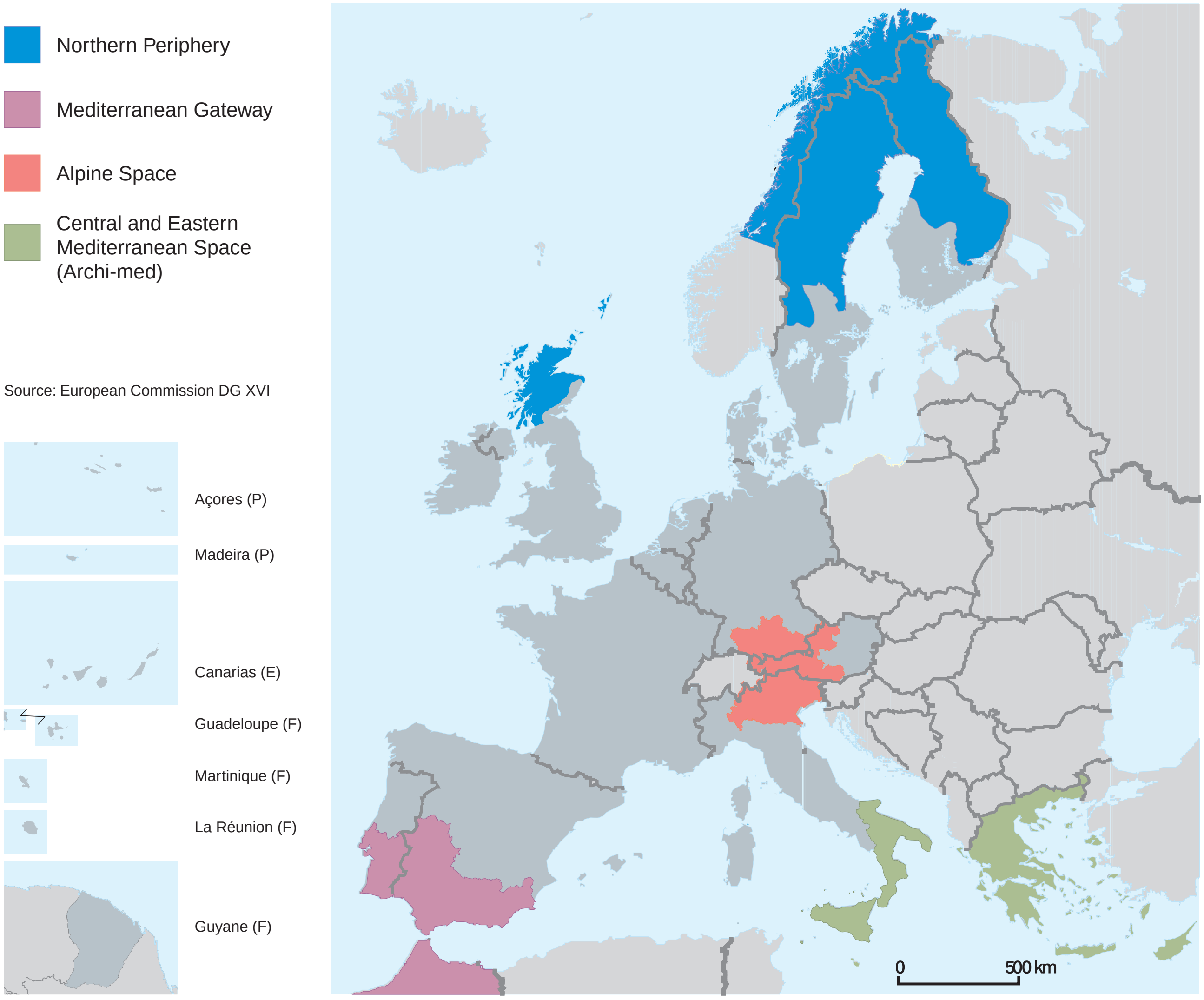
(179) Currently, non-Member States can participate in the INTERREG II C and Article 10 pilot actions. They do not, however, receive any funding from the ERDF, but from other assistance programmes (PHARE, TACIS). The combination of these different assistance programmes in a common co-operation area is proving very difficult as a result of different administrative provisions. The INTERREG programme could be used as a "lead-up instrument" for countries willing to join the EU if their participation were eased through simplified administrative structures.

It is recommended that the European Commission improve the co-ordination of INTERREG with programmes of the Community which provide non-Member States with funding for transnational measures in such a way that programmes and projects for spatial development can be implemented from "one source".

4.4 Cross-Border and Interregional Co-operation

(180) Regional and local authorities are key players in European spatial development policy. The application of policy options requires the active support of the regional and local levels, from small towns in rural areas to metropolitan regions. The regional and local authorities realise the objectives of the Community through their co-operation with each other and in line with the "bottom-up" approach. At the same time, this is the level at which citizens experience first hand the results of European spatial development policy. A great number of development tasks can only be solved with satisfaction through cross-border co-operation with local governments. Co-operation beyond national borders, therefore, plays a key role in applying the ESDP.

Map 5: Article 10 Pilot Actions



(181) Cross-border co-operation between neighbouring border regions has been promoted in Europe by governmental and spatial planning commissions and through the recommendations of the Council of Europe. Since 1990 it has been financially supported by the Community initiative INTERREG. Nearly all of the border regions have taken advantage of the support from INTERREG in order to set up common organisations, structures and networks. The setting up of these structures was the prerequisite for elaborating cross-border spatial development strategies, for instance in Scandinavia in the Øresund region, in the Benelux countries, in the Euro regions along the German-Dutch border and in the Saar-Lor-Lux region. Through such action, it has been possible to develop and fine-tune the spatial effectiveness of individual projects. Cross-border spatial development strategies can in future provide a common basis for a number of cross-border operational programmes "from one source", linking different projects, for example:

- promotion of cross-border co-operation between neighbouring border areas, aimed at developing compact economic cores (city clusters);
- the improvement of relationships between regional public transport and main transport networks; and
- a landscape development and environmental protection policy for ecologically sensitive areas to create a cross-border composite system of biotopes.

It is proposed that Member States and regional and local authorities implement further cross-border programmes and projects, particularly:
- ***preparing cross-border spatial visions and strategies and taking them into consideration in national spatial development plans and sectoral planning;***
- ***regular cross-border fine-tuning of all spatially-related planning and measures; and***
- ***the setting up of common cross-border regional plans and, where appropriate, land use plans as the most far-reaching form of cross-border spatial development policy.***

(182) The national planning authorities, regions, and cities of neighbouring countries have, despite EMU, still no opportunity for actively influencing development decisions in neighbouring countries.

It is proposed that Member States, within the framework of their legislation, examine the basis for preparation of cross-border plans and measures which have a considerable spatial impact on neighbouring countries. Neighbouring countries should thereby agree on appropriate planning and measures in accordance with the principles of reciprocity and equality. Such action should, however, be taken on the basis of partnership and the principle of subsidiarity, applicable not only to the local/regional level but also to the national level.

(183) Many policy options are related to the regional and local levels and require the co-operation of non-neighbouring, geographically separated authorities with common interests, located in different Member States. One of the underlying intentions of the ESDP is that to tackle spatial problems, action is not only needed for the EU or transnational level. Regional and local authorities should also be encouraged to participate in solving European problems. In that way, they can contribute their ideas to a spatial structure for tomorrow's Europe.
The following proposals relate both to cross-border and to inter-regional co-operation. However, they apply equally to co-operation between local authorities within a region (intra-regional).

It is proposed that regional and local authorities co-operate more closely in the field of sustainable spatial development. This applies to:
Measures for information and co-operation at regional level:
- ***improvement of accessibility by linking regional transport systems with national/international hubs;***
- ***a contribution to the development of an integrated transport infrastructure;***
- ***action programmes for the preservation of settlements in rural areas which are affected by reductions in population and set-aside schemes;***
- ***strategies for the sustainable development of landscapes and the evaluation of the landscape potential for exploiting renewable energy resources;***
- ***development of landscapes and ecosystems with regional and European significance;***
- ***co-ordinated land use plans which incorporate wise management of water resources; and***
- ***programmes for the conservation and expansion of the common cultural heritage.***

Measures for information and co-operation at local levels:
- ***common strategies for economic diversification aimed at the development of city co-operation and city networks;***
- ***adoption of planning concepts for sustainable urban development, including amongst other things the promotion of multi-modal transport concepts and a reduction in the need to travel;***
- ***urban and rural partnerships to develop sustainable innovative spatial development strategies for the cities and their surrounding countryside; and***
- ***action programmes for the protection and conservation of the urban heritage and the promotion of high-quality architecture.***

4.5 The Application of the ESDP in the Member States

(184) The responsible authorities for spatial planning at the national, regional and local levels have important tasks in two respects:

- externally, by reflecting the ESDP, in their responsibility as Member States, in planning and implementing cross-border, transnational and interregional co-operation measures; and
- internally, by taking the ESDP into account in the formulation of spatial development policy related to their territory.

It is proposed that the Member States now take into account the policy aims and options of the ESDP in their national spatial planning systems in the way they see fit and inform the public of their experiences gained from European co-operation in spatial development.

(185) The application of the ESDP in national and regional spatial planning will be of particular value for the further economic and social cohesion of the EU. It will help local authorities to take better consideration of the aims and policy options of the ESDP in their own policies.

It is proposed that Member States also take into consideration the European dimension of spatial development in adjusting national spatial development policies, plans and reports. Here, the requirement for a "Europeanisation of state, regional, and urban planning" is increasingly evident. In their spatially relevant planning, local and regional government and administrative agencies should, therefore, overcome any insular way of looking at their territory and take into consideration European aspects and inter-dependencies right from the outset.

(186) A number of Member States have institutionalised consultation processes on matters concerning spatial development. For development projects with a considerable spatial impact, some carry out territorial impact assessments. This is aimed at increasing the positive effects of investments on spatial development at an early stage through the participation of those affected. The countries bordering the Baltic Sea have recommended the application of such a procedure for model projects in the coastal region.

The Member States should intensify the exchange of experience on territorial impact assessments and further develop national regulations and instruments.

4.6 The Importance of the ESDP for Pan-European and International Co-Operation

(187) The ESDP also provides a framework for closer co-operation between the fifteen EU states and the Council of Europe with regard to pan-European spatial development. Particularly intensive co-operation with the eleven Accession Countries[40] is sought. Increasing interrelations with Switzerland and Norway and these countries' obvious interest in co-operation confirm the need for enlarging spatial development beyond the EU-15 territory. The co-operation with the twenty-five non-member states in the Council of Europe plays a significant political role in the development of a continental spatial development policy.

(188) On the basis of the resolutions of the European Conference of Ministers responsible for Spatial Planning (CEMAT) in October 1997 in Cyprus, a pan-European strategy (Guidelines for Future Spatial Development on the European Continent) is currently being drawn up. In contrast to the co-operation between the EU Member States in drawing up the ESDP, the main focal points at the level of the Council of Europe are:

- greater emphasis on the continental dimension of the spatial development of Europe,
- analysis of the specific situation and requirements of the countries of Central and Eastern Europe in comparison to Western Europe and discussion of the respective guiding principles for spatial development,
- investigation of financial models for spatial development projects.

At the next European Conference of Ministers responsible for Spatial Planning in the year 2000, the European spatial development Ministers will deal with the document during the EXPO in Hanover.

- ***It is proposed that the policy aims and options of the ESDP should be taken into consideration as the basic contribution of the fifteen EU Member States to the Pan-European strategy for spatial development.***

(189) A further international field of action for the application of the ESDP is the preparation of regional and local agendas on sustainable development, as a result of the Rio Process (Agenda 21). The solutions found here must be used for the further development of a sustainable European spatial development policy. At the same time, balanced and sustainable spatial development is an important part of an ecologically responsible policy for Europe. These interdependencies were, for instance, taken as a basis in the Regional Agenda 21 for the Baltic Sea region (Baltic 21).

It is proposed that the Member States, regional and local authorities participate in the elaboration and application of regional agendas 21 by providing strategies and projects. The ESDP can provide an important impetus for this.

5 The Enlargement of the EU: An Additional Challenge for European Spatial Development Policy

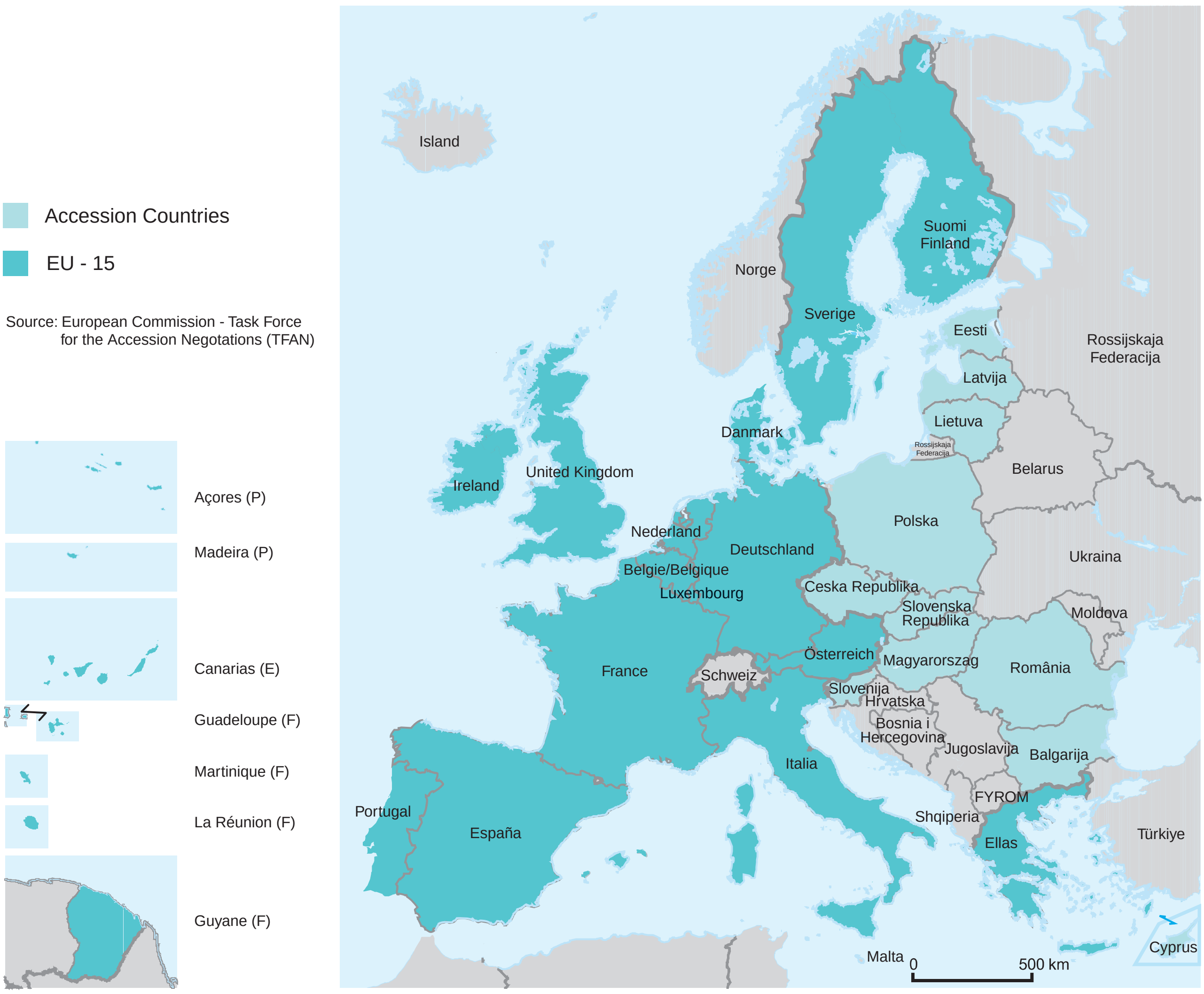
5.1 A New Reference Territory for the ESDP

(190) When the first official draft of the ESDP was presented in Noordwijk in June 1997, the Member States and the European Commission agreed that a separate chapter should be added to the document. This chapter would deal with the challenges facing European spatial development policy posed by the enlargement process that had recently begun.[41]

(191) The whole purpose of ESDP is to serve as guidance for spatial development policy in the EU over the coming years. The size of this territory is expected to increase during this period. Eleven countries have applied for membership of the EU. The enlargement of the EU by these Accession Countries will raise the total population by 28 % and will increase the size of the territory by 34 % (see Map 6).

(192) In accordance with the resolution of the Luxembourg European Council, reached at the end of December 1997, negotiations have been started with six applicants: Estonia, Poland, Slovenia, Czech Republic, Hungary and Cyprus. It is

Map 6: Enlargement Area



generally assumed that at least some of these countries will become full members during the application phase of the EDSP. Irrespective of when they accede, the EU has started granting extensive pre-accession assistance to the Accession Countries, which may have some significant impact on spatial development. The enlargement of the EU, which is most likely to take place in several phases, and the economic and political integration of the Accession Countries pose an additional challenge to European spatial development policy.

(193) This implies the need for a new territory of reference for the further progress of the ESDP. In this context, we are not only referring to the preparatory work for the enlargement of the Union by the eleven Accession Countries, but also to co-operation with third countries not interested in joining the Union, including those that will be neighbours after the enlargement has been completed.

(194) Before enlargement takes place awareness of the specific challenges posed by the enlargement region should be raised. To date, not enough work has been done to enable us to cover this here in as much depth as has been done for other spatial planning issues affecting the current Member States. In the further ESDP process, it will be essential to examine the policy options and proposals for applying the ESDP in relation to the enlargement. For this reason, we would like to look ahead and describe the next steps that need to be taken at the European and transnational level in order to develop a perspective for European spatial development policy that includes the enlargement area and involves the eleven countries concerned.

5.2 Main Features of Spatial Development in the Accession Countries

5.2.1 Population

(195) The sizes of the eleven countries concerned vary enormously. The accession of the Baltic countries, Slovenia and Cyprus would increase the number of smaller countries with less than 4 million inhabitants – that have not been strongly represented so far in the Union – to seven. Only Poland and Romania are large in territory and in population.

(196) The population density of the eleven Accession Countries (98 inh/km2 on average) is slightly below the Community's current average (115 inhabitants/km2). The range of densities among the individual countries is much greater within the Union than among the Accession Countries. The population density of the least populated Baltic countries exceeds that of some Scandinavian Member States.

(197) The spatial distribution of the population is different in the Accession Countries, with a generally much more concentrated settlement structure than in Member States. Roughly 62 % of the population in the Accession Countries lives in border regions, compared with only around 15 % within the EU-fifteen. Cross-border collaboration among the Accession Countries is, therefore, one of the great challenges to European spatial development policy.

5.2.2 Economy

(198) Economic prosperity (as measured by Gross Domestic Product – GDP - per capita in Purchasing Power Parities) in the Accession Countries (1995) is generally below that in the Member States. Within that, there is a great disparity. The accession country with the highest level of prosperity (Slovenia) is almost the same as the Member State with the lowest level (Greece; 67 % of the EU average). The Baltic countries plus Romania and Bulgaria are at the bottom of the scale in terms of a GDP per capita.

(199) After the far-reaching setbacks suffered at the beginning of the 1990s, most Accession Countries started to show relatively stable growth rates in the second half of the 1990s. These are generally higher than the growth rates in Member States and some of the Accession Countries have promising prospects.

(200) Employment trends are characterised by sharp falls in the originally high employment levels in the manufacturing sector and highly divergent developments in the generally declining agriculture sector (falling strongly in the Czech Republic, Slovakia and Hungary; stagnating in Poland and Slovenia; increasing in Romania, Bulgaria and in the Baltic countries). Unemployment rates are generally high. Regions with high percentages of jobs in industry and agriculture are in the worst position.

(201) There are enormous regional disparities in employment trends and economic growth in the Accession Countries. In particular, in capital regions and areas near to EU external borders GDP per capita (in Purchasing Power Parities) sometimes exceeds national averages by enormous amounts. As the capital regions and Western regions along the current EU external border have recently been developing at a breathtaking pace and are leaving the other regions way behind in the transformation process, we expect further increases in regional disparities. Among the losers are declining industrial re-

gions with economic, social and environmental problems and disadvantaged rural regions (which on the whole have a higher share of the population than in the EU-fifteen) located beyond the influence of EU external borders and of metropolises along non-EU borders and in internal remote areas.

(202) Regional comparison shows that economically successful regions in the Accession Countries (Slovenia and several Czech regions) are already overtaking some of the economically weakest regions of the EU. The GDP per capita in the capital regions of Budapest, Prague and Sofia surpasses those of the weaker regions, such as in Greece, Portugal, Spain and Germany. The extent of regional disparities of the Accession Countries is comparable to that in the cohesion countries.

5.2.3 Transport

(203) In the Central and Eastern European Accession Countries, there have been dramatic shifts in several ways in the area of transport: geographically a shift from an eastward to a westward orientation; in terms of modal split, a shift from rail to road; and in economic terms, a shift from the public to private transport.

(204) The expansion and improvement of infrastructure constitute the greatest challenge for all Accession Countries. The challenge is to meet growing demand in the rapidly growing market economies and correspondingly provide an appropriate infrastructure which will enable a balanced development at the different spatial levels (international, national and local), to introduce new financing and management methods and to raise technical standards to those of the Community.

(205) Although the overcoming of inadequate infrastructure in the Accession Countries enjoys political priority, progress is constrained by a series of barriers. Among these are the lack of financial resources, as well as the fact that these investments are characterised by a low rate of return on investment, especially in the strongly growing road transport sector. Domestic and foreign investors have the best prospects in the attractive telecommunications and air transport sectors. The other sectors (especially rail transport) will continue to need strong international assistance.

5.2.4 Environment

(206) The situation with respect to the environment is generally very ambivalent. Most Accession Countries have managed to preserve extensive cultural landscapes and/or ecological systems undamaged to an extent that is hardly to be found in many Member States. The number and size of national parks and other protected zones are impressive, although the actual protection in practice should not be overestimated.

(207) The relatively unimpaired ecological state of large parts of the enlargement area is now suffering from environmental strains such as air contamination from household emissions and road traffic (a high percentage of outdated vehicles), water contamination from the intensive cultivation of land and from industrial waste water. Environmental problems are highly concentrated in all the industrial regions. In certain hot spots, the damage to the environment has reached such a level (breaking ecological standards to a record extent) that it has consequences for the health of the population. It is appropriate to speak of environmental catastrophes in these cases.

(208) In general, the level of environmental pollution is already falling in the Accession Countries, and not only to the extent that production is decreasing. This indicates that active environmental protection policies are starting to take hold. On the one hand, we expect the continued progress of the economic reforms to further reduce the strain on the environment and to decouple it from economic growth. On the other hand, this will depend on the ability to finance the process, and to what extent a solution to the conflict resulting from the aim of improving the environment and that of maintaining industrial production can be achieved and the rather costly environmental standards enforced.

5.2.5 Conclusions

(209) The starting position of the Accession Countries should not be viewed solely as a source of problems. If an appropriate strategy for tackling the problems is adopted, most of them could be transformed into opportunities. Among these opportunities count the ability to avoid developments in spatial structures that have proved to be disadvantageous in some Member States, to exploit the macro-economic benefits of investments required, and to preserve and/or apply sustainable exploitation methods to resources not used to date.

(210) The task of meeting the challenges involved in the process of transformation is still mainly considered a national responsibility in the Central and East European Accession Countries. This does not leave any scope for applying regionally differentiated strategies. In this respect, most countries have little or no regional policy dimension to their policies. A tradition for spatial development and regional

policies similar to those of many EU Member States and as defined in the EU Structural Funds hardly exist. This is reflected by the lack of spatial development and regional policy instruments and institutions as well as by the fact that generally independent regional levels in the political and administrative territorial system do not exist.

(211) National spatial policies in the Accession Countries evaluated within the scope of Agenda 2000, prepared by the European Commission, have few common features that could serve as a link to EU regional policy in its present form (institutional partnership, regional development schemes, co-financing). These requirements are best met by the regional policies in place in Poland, Slovenia and Hungary.

(212) The general starting situation described up to now does not apply to Cyprus, whose overall conditions are fundamentally different from those of the remaining ten Accession Countries. This applies to the geographical location of the island in the Eastern Mediterranean, to its economic and political situation and to its size. Cyprus has only half the population of Estonia, the smallest of the Central and East European Accession Countries.

(213) The Cyprus' economy has reached relatively high rates of growth based, in particular on developments in the service sector. In this respect special attention shall be devoted to the importance of tourism, despite the set back of recent years. Gross Domestic Product per capita is lower than the EU average but above that of Greece and Portugal. Cyprus could based on its geographical position play a key role in an enlarged EU as a gateway country to the Middle East .

5.3 Specific Tasks of European Spatial Development Policy in the Future Member States

(214) The special challenge will be to pursue the basic goals of the ESDP under the conditions of enlargement without jeopardizing their attainment within the Member States. In a general political context, the specific contribution of European spatial development policy to the integration of the enlargement area into the EU will be

- to clarify how investments by the public sector in the Accession Countries are implemented by different bodies that are largely independent of each other; how these interconnect and impact in one and the same territory (in the context of the economic catching-up process and restoration and avoidance of serious environmental damage);
- to identify strategies that can be used to reduce or avoid foreseeable conflicts between the different policy fields and administrative levels and to exploit possible synergies.

(215) Even though spatial planning is not an explicitly defined Community task, the Community's financial commitment in the Accession Countries clearly indicates its responsibility for ensuring that different policy measures do not counteract or neutralise each other. The need for European co-operation regarding the spatial co-ordination of the different sectoral policies is also true for the enlargement area.

(216) The low economic potential of the enlargement area and the increasing ties between the enlargement area and the Community's current territory, imply that the spatial development processes in the enlargement area will not take place as simple replicas of development processes within the current the EU-15, but will lead to new and specific tasks for European spatial development policy. For this reason, more attention must be paid to the time factor than has been necessary for spatial development policy at the European level to date.

(217) Under the given circumstances, spatial co-ordination plays a greater role in the Accession Countries than in the current Member States. This concerns, in particular:

- the planning for the expansion of transnational transport infrastructure and the Community's transport policy,
- measures for ecological restoration, in particular, of old industrial zones, and
- measures for structural adjustments in rural regions.

(218) More intensive cross-border co-operation and transnational co-operation in spatial development will support the integration process in the enlargement area. This is true of both regions at the current external borders of the EU and for the border regions between Accession Countries within the enlargement area.

(219) The weak, and in some cases absent, regional level in the political and administrative structures of Central and Eastern European Accession Countries is one of the most important issues that requires the specific support of the EU for the establishment of regional institutions.

These institutions should

- improve the regional dimension of spatial information;
- activate regional initiatives;
- identify how EU regional policy, which depends on co-operation, is to be handled (partnership institutional regional development schemes, co-financing).

5.4 The Spatial Impact of the Enlargement on the Regions of the EU

(220) The future enlargement of the EU creates the need to reform EU regional and agricultural policies as presented by the European Commission in Agenda 2000. As the reform is still ahead of us, the spatial impact of the enlargement on the regions of the current Member States is hard to foresee.

(221) Based on experience gained from earlier enlargements of the EU, the increase in the number of poorer Member States will reduce the richer Member States' scope for manoeuvre in regional policy issues within the scope of European regional policy. It will require a stronger commitment of national regional policies to counteract widening disparities. The main task of European spatial development policy in this context is to help reduce infrastructure deficits in the Accession Countries.

(222) The impact of the economic opening up of the Accession Countries on the regions in the EU has been the subject of only a few studies. Further studies, regarding the impact of the enlargement on the regions of the EU, are required to accompany the integration process. These studies must take into account the dynamic process resulting from the economic reforms themselves as well as those resulting from the changed degree of accessibility.

(223) It may be assumed that the spatial impacts of the enlargement on the territory of the EU-fifteen will not be determined only by accessibility patterns, but also by the EU regions' capacity to respond to the new competitive situation. Structural shifts in the regions at the current external borders of the Union, which affect primarily the low-wage segments of the economy, may be interpreted as an accelerated adjustment process and are of limited impact.

5.5 The Policy Aims and Options of the ESDP in the Light of the Enlargement

(224) Generally, the three spatial policy guidelines of the ESDP should also apply to the enlargement area. It should be taken into account when applying the ESDP that a large part of the enlargement area has to deal with the following situations:

- a continued transitional situation in the political and administrative system, also affecting handling of spatial issues;
- a rapid economic process of catching up with considerable potential for inherent geographical polarisation;
- a technical infrastructure that is developing only very slowly and unevenly (telecommunication and air transport top the list, road way ahead of rail);
- environmental damage, in some cases on an incompatible scale;
- a public sector with considerably fewer financial resources.

(225) Rural regions in the enlargement area are affected especially by transformation problems. They show sharp economic disparities and have few urban centres. To a certain extent, the mix of sharp declines in production and employment levels, poor infrastructure and poor transport accessibility could lead to a massive wave of out-migration from rural regions and, as a consequence, to the collapse of their spatial structure. European spatial development policy must respond with adapted aims and options to the situation in the rural regions of the enlargement area, which account for a larger proportion of the total surface area than in the EU-fifteen. In this context, the sometimes restricted scope for action at the regional and local level within the political and administrative system must be taken into account.

5.6 Principles for Integrating the Enlargement Tasks into European Spatial Development and Planning

(226) The accomplishment of the enlargement, especially the integration of Central and Eastern Europe into the Union, is a new central task for European spatial development policy. It is not an occasion simply to adapt and extend the schemes developed within the current Union. European spatial planning means preparing for the process of enlargement, accompanying it and thus providing support. The enlargement process, which is characterised both by dynamic changes and by uncertainty regarding the timeframe of the various accessions, makes it absolutely necessary that spatial planning at the European level be organized on a co-operative basis with the support of the countries concerned and preferably be kept separate from formal accession procedures.

(227) An important mechanism for this is provided by the on-going co-operation programmes in the area of transnational

spatial planning within the Community initiative INTERREG II C. The programmes for the Baltic Sea Region and the Central European, Adriatic, Danubian, and South-Eastern European Space (CADSES) already go beyond the Union's borders and cover all of the Central and Eastern European Accession Countries.

(228) These transnational programmes already form starting points, in addition to co-operation in the Council of Europe, for the further development of European spatial development policy as defined in the ESDP for the enlargement area. The new Community initiative INTERREG III (under the Structural Fund Programme Period 2000 - 2006) provides the operational and financial basis for the involvement of the Member States and the European Commission, including the Accession Countries.

(229) The spatial development policy of the EU must as a rule extend beyond the territory of the Member States, considering the perspectives of neighbouring countries and including these countries through co-operation. The same applies to the countries along the future external borders of the Union in Europe and to the neighbouring Mediterranean countries of North Africa and the Middle East. INTERREG III and the Council of Europe provide an appropriate framework in this context as well.

(230) The two transnational co-operation documents VASAB 2010+ (for the Baltic Sea region) and VISION PLANET (for the CADSES region), which are currently being prepared, offer strategic guidance adapted to spatial needs for the distribution of EU funds for pre-accession assistance, within the scope of the new PHARE programme (as of 2000) as well as within the scope of the new ISPA (Instruments for Structural Policies for Pre-Accession) and SAPARD (Special Action Programme for Pre-Accession Aid for Agriculture and Rural Development). This is significant since it means that the Accession Countries will have a jointly worked out strategic planning basis at their disposal for a spatially differentiated application of the funds within the programme period 2000 - 2006.

It is proposed that Member States consider the incorporation of Accession Countries and neighbouring countries into the European spatial development policy as a central task in the years ahead. This co-operation will contribute to the preparation, promotion and achievement of the enlargement process.

The two INTERREG IIC programmes for the Baltic Sea Region and the CADSES region and their structures form a basis for the further development of co-operation between the ministries responsible for spatial development of the EU Member States and the Accession Countries. Equally important is the ongoing co-operation on spatial development policy among the Accession Countries themselves.

In applying the ESDP through transnational co-operation with and among the Accession Countries, it is proposed that networks be created for transnational spatial development policy within the enlargement area (to supplement those set up currently at the external borders of the EU).

For the regional and local levels, it is essential that the specific requirement for new institutional structures be addressed.

New policy aims and options that are needed for the specific tasks and problems in the Accession Countries should be based on relevant studies. The territorial dimension of a number of issues should be addressed. Instead of dealing with numerous issues for the entire territory, selective problem-oriented priorities should be set.

The involvement of the countries concerned from the very start is indispensable. For this reason we need to link the work of the Council of Europe closely to the process of further developing the ESDP.

It is proposed that Member States set up mechanisms for future co-operation at the transnational level as soon as possible, before the first countries accede. They will go beyond the time frame of INTERREG II C. It will be for the countries concerned and the European Commission to decide how far these mechanisms should go beyond the spatial framework established by the ongoing INTERREG II C programmes.

Part B

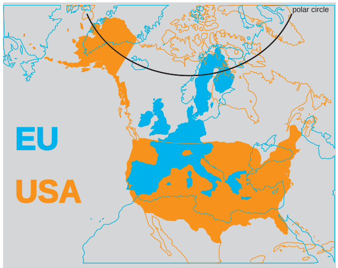
The territory of the EU: Trends, Opportunities and Challenges

1 Spatial Development Conditions and Trends in the EU

1.1 Geographical Characteristics of the EU

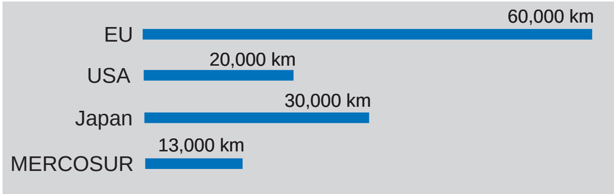
(231) The European Union is the third richest economic region in the world (by GDP/inhabitant) after Japan and the USA. The Latin American MERCOSUR[42] amalgamation has a leading position amongst other developing economic alliances (see Table 2). The fundamental geographical factors of the EU relevant to spatial development policies are comparable neither with the USA nor with Japan no with MERCOSUR. In contrast to the solid land mass of the USA and MERCOSUR and the islands which make up Japan, the physical characteristic of the European Union is its "peninsular shape" on the Western fringes of the Eurasian continent (see Fig. 8). Many of its Member States are also islands or peninsulas. While the whole of the USA has just under 20,000 km of coastline, the coastline of the EU is estimated at approx. 60,000 km (see Fig. 9).

Fig. 8: Geographical Overlay EU - United States



(232) However important closeness and affinity to the sea is, accessibility by land of nearly all regions is a feature of the EU, thanks to its natural features. Overcoming major natural barriers has been enormously improved recently by large-scale technical projects such as the Channel Tunnel and the fixed Øresund link. These have clearly enhanced spatial cohesion within the EU. However, seas still represent significant barriers for some peripheral areas of the EU, such as Greece, separated by the sea from its nearest EU neighbour, Italy, and thus from the rest of the territory of the EU (see Map 7).

Fig. 9: Length of Coastline



Source: CIA - The World Fact Book, 1997

(233) In the same way, particular attention should also be paid to the seven ultra-peripheral regions mentioned in Article 299-2 of the Treaty of Amsterdam[43]. As a result of their geographical position, they are closely linked to other continents and thus give the EU a headstart in co-operation with their neighbouring countries, such as Martinique or French Guiana with other Latin American countries. Support should be given to setting up and strengthening economic, social and cultural development centres both within these ultra-peripheral regions and neighbouring countries as well as for the entire region they form.

(234) Nowadays, seas, large rivers and mountain ranges generally no longer act as physical, economic and cultural barriers. Some have even become attractive residential,

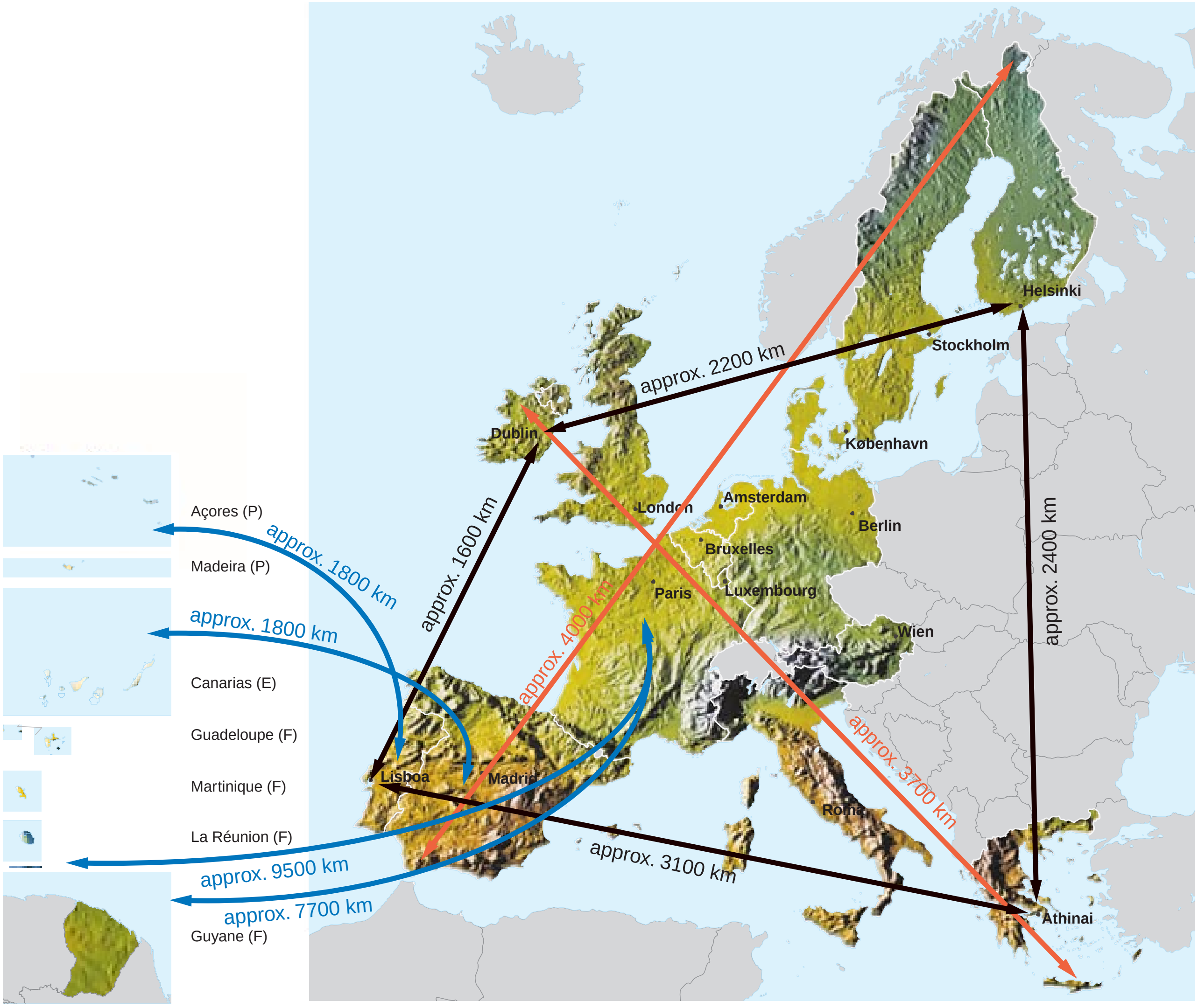
Table 2: Statistical Comparison of EU / USA / Japan / MERCOSUR

		EU-15	USA	JAPAN	MERCOSUR
Population in 1000	(a)	372 082	263 250	125 095	204 523
Area in 1000 km^2	(a)	3 236	9 364	378	11 877
GDP total in ECU billion (1996)	(a)	6 776	6 014	3 620	1 370
GDP per inhabitant in ECU (1996)	(a)	18 150	22 650	28 760	6 700
Imports/inhabitant in ECU	(a)	4 210	2 404	2 194	335
Export/inhabitant in ECU	(a)	4 445	1 828	2 582	289
Land borders with countries outside the economic area in km (of which with Central an Eastern European countries)	(b)	9 305 (5006)	12 248	0	17 924

(a) Federal Statistical Office: Statistisches Jahrbuch 1998 für das Ausland, Wiesbaden 1998 Exchange rates: (1 ECU = 1.27 USD): EUROSTAT, average for 1996

(b) CIA - The World Fact Book, Washington 1997

Map 7: Physical Map and Distances



business and tourism areas, resulting in conflicting spatial development objectives due to different user demands. Large river valleys suffer less from the separating effects of rivers than from high density of housing and traffic. Approximately one third of the urban EU population (cities with more than 20,000 inhabitants) lives close to the coast (within 20 km); if the river valleys of the fifteen largest European rivers are included, this amounts to more than 50 % of the total population[44]! The Alps (in terms of habitable area) comprise one of the most densely populated regions of Europe. Rivers, lakes and mountains are identity-giving entities. The Alps, the Danube, the Baltic and Mediterranean Seas are good examples where integrated approaches are required to tackle common issues, strengthen common assets and promote greater spatial cohesion.

(235) During the Cold War era, there was the general perception that the "peninsula" of Western Europe was effectively an "island", especially in terms of human perception. The political division between East and West was a much greater barrier than the Atlantic to the West. This suddenly changed in 1989. The view to the East, to the other half of Europe, has opened up.

(236) The different climatic conditions in the sub-areas of the EU provide natural boundaries and form another important factor for European spatial development. Extreme cold, for example, can result in major costs, so that peripherality from markets is further hampered by transportation problems. Water supply problems constitute an obstacle to regional development in parts of the southern Member States.

(237) The variety of cultural heritage in Europe can today be regarded as having an inestimable value and being the foundation upon which Europe is growing closer together. Apart from the basic geographical factors, different cultural, political and economic development paths have substantially shaped the current spatial structure of the EU. Different language and cultural areas and different ways of life have developed in the different parts of Europe. There are considerable disparities in the population density, the degree of urbanisation, the level of development and prosperity. This applies on a large scale (e.g. from the perspective of central and remote regions). This also applies, however, on a small scale within Member States and between regions within the EU.

(238) The trends in spatial development in the EU described below will, of course, not be identical in each part of Europe, and in some areas experiences will be different or even run counter to the general trend. Trends are briefly outlined here from the European perspective; some statements require more detailed scrutiny and must be analysed further.

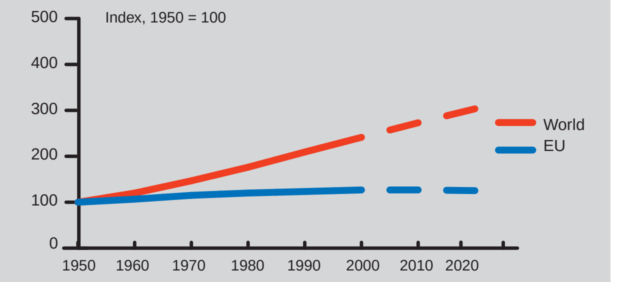
(239) The following chapters do not contain any new geographical analyses. They refer to the many studies and analyses carried out by European, national and other institutions since 1990, particularly to those carried out by the Commission (Europe 2000[45], Europe 2000+[46]) and by individual EU presidencies.

1.2 Demographic Trends

(240) Three trends will dominate population development in the EU in the next 20 to 30 years:
- decline in population;
- migratory movements; and
- shifts in age profile.

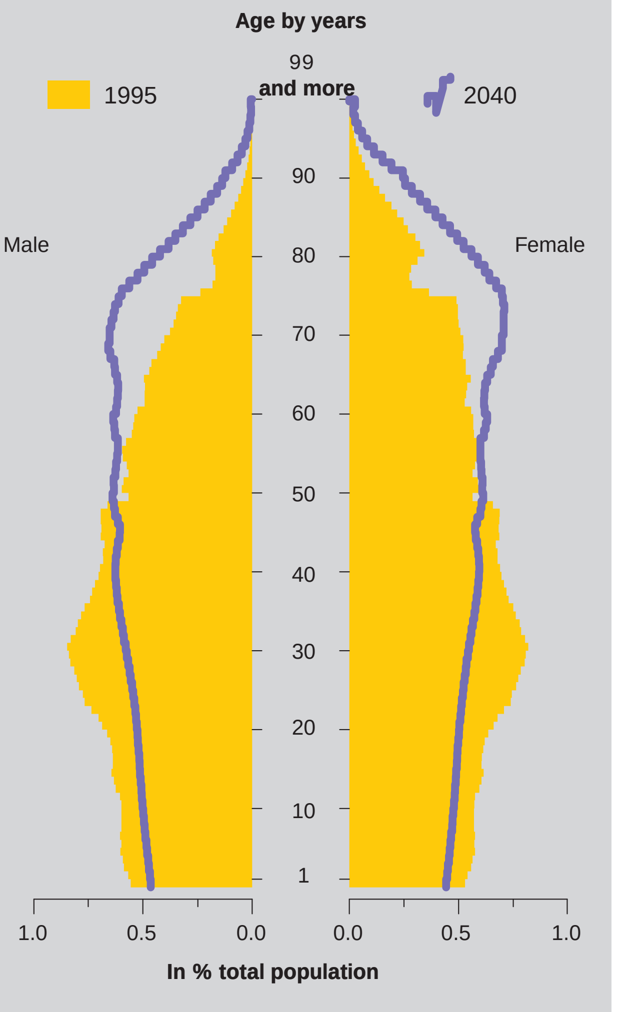
(241) Natural population growth in the EU has been very low for years and is showing a declining trend. Without considerable changes in the birth rates of the EU fifteen, a shift from population growth to population decline could begin to appear around 2020[47] (see Fig. 10). Against this background, international and interregional migratory movements are of increasing importance for EU population development and its sub-areas. The natural growth rate is currently less than 0.1 % (1995). On top of this, however, is net immigration into the EU, which has been approximately 0.2 % of the total population per year in previous years[48]. Net immigration therefore accounts for two thirds of total population growth and will in future probably become its only source. The regional distribution of immigration into the EU varies significantly.

Fig. 10: Demographic Trend



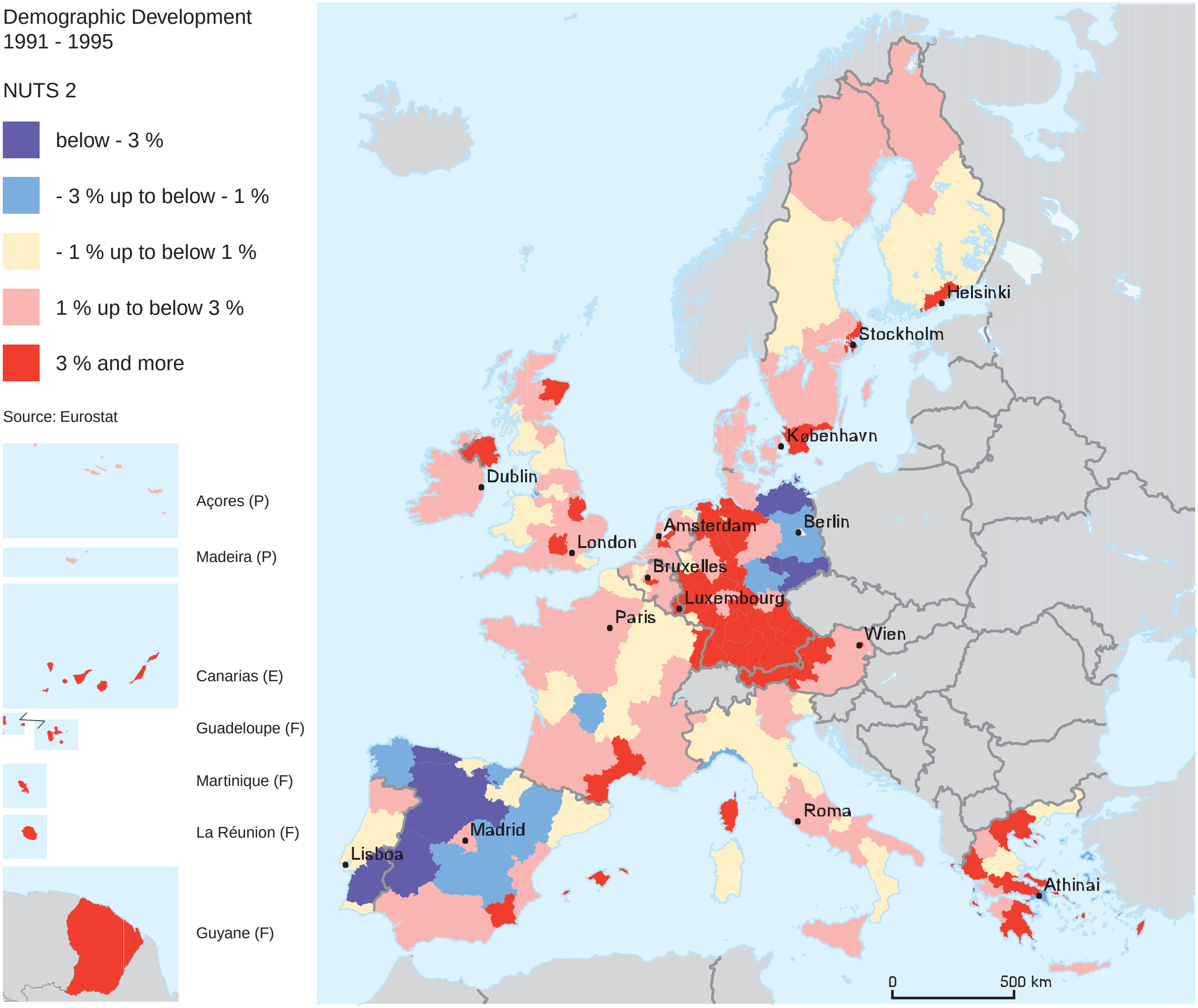
Source: Statistisches Jahrbuch für das Ausland 1998

Fig. 11: Age structure in the EU 1995-2040



Source: Statistisches Bundesamt, Wiesbaden

Map 8: Demographic Development

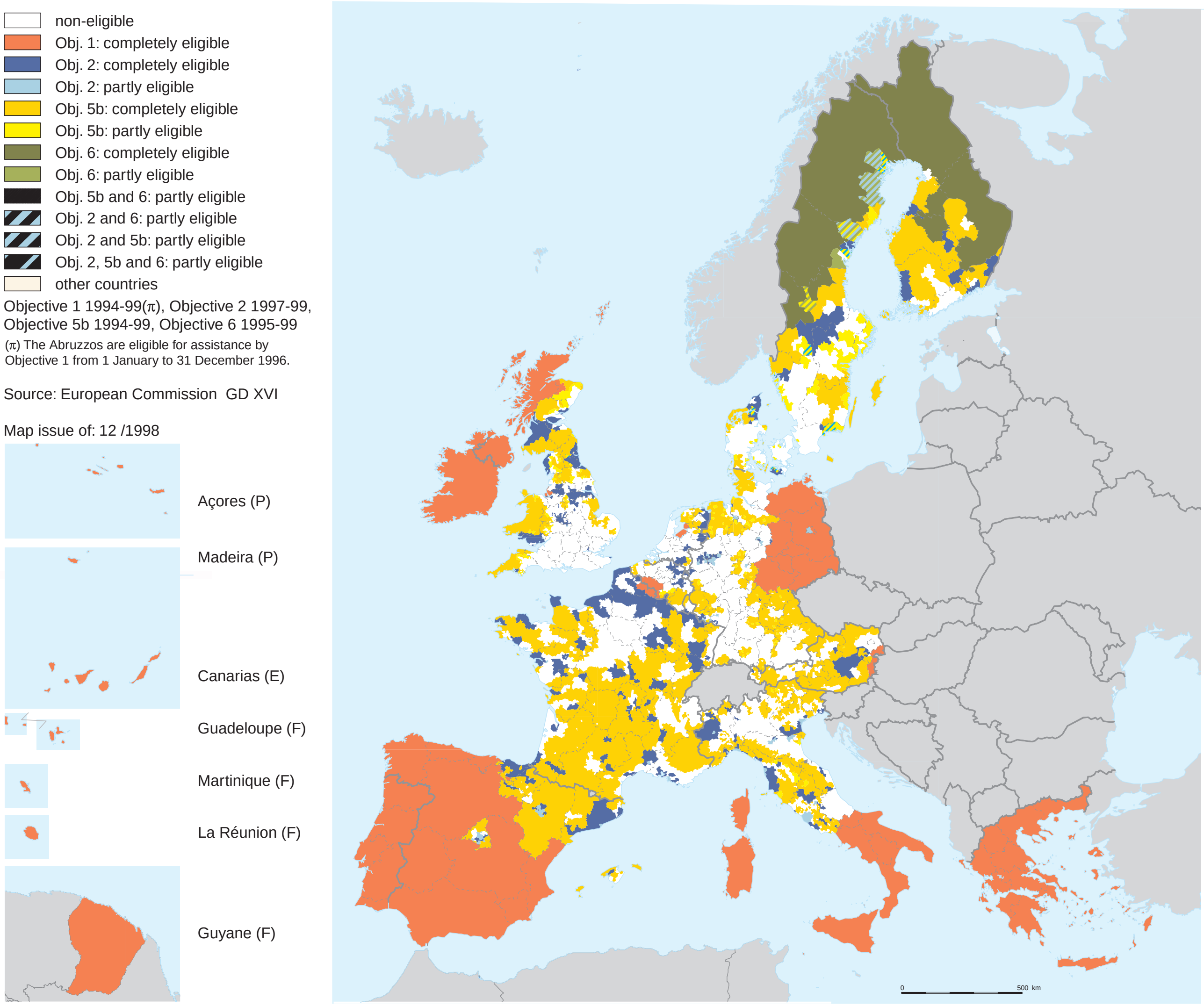


(242) Language barriers and administrative obstacles contribute to the fact that the migration rate between EU Member States is relatively low. Considerably higher, but on an international basis (for example compared to the USA) still very low, are migratory movements between regions within Member States.

(243) Most immigrants settle in urban areas, thereby reinforcing existing urbanisation patterns. Within the Member States as well, people tend to move from regions with high unemployment to those with lower unemployment figures. The extent of this tendency varies, however, between individual Member States. Many of the highly urbanised regions, especially in Northwest Europe, are likely to experience higher population growth in future, while regions with very low population densities, for example in the Iberian Peninsula, in France, in Northeastern Germany and large parts of the Nordic countries, are likely to continue to lose population (see Map 8).

(244) Despite the immigration of predominantly young people, the average age of the EU population will continue to increase (see Fig. 11). The changing composition of the population, their preferences for where they live and the characteristics of housing will affect spatial planning. The future society of the EU will be characterised by a higher proportion of older people, who will, in contrast to previous generations, be more mobile, prosperous and active.

Map 9: Eligibility for Structural Funds



Children and young people will increasingly be from immigrant families and will often be caught "between cultures". As has been the case with the extended family of typical rural society, the "average family" (married couple with children) is also on the decline. People living alone, single parents (often financially weak) and childless couples (people with two incomes and therefore comparatively financially strong) are increasingly characterising society in the EU. Different groups make different demands on space; social requirements for land use are becoming more complex. As a result of unemployment and the crisis in the welfare state, opportunities for satisfying requirements are running out.

(245) In general, this is leading to various spatial development trends overlapping. Societal changes are leading to smaller households and this is, in turn, leading to a growing demand for housing despite the decline in population. There is also a trend to move closer together for financial reasons, in particular amongst young people, in regions with high unemployment and where the supply of affordable housing is poor. Changes in the population structure are also reinforcing the trend towards urbanisation. In cities, single parents find better services; households where both people are earning find a better range of employment opportunities; and people living alone find better leisure and cultural facilities. The new requirements are being fully met with far-reaching spatial consequences. "Pensioner towns" are thus also increasingly developing in Europe (as has been the case in the USA for a long time) in regions which are scenic and have a more favourable climate.

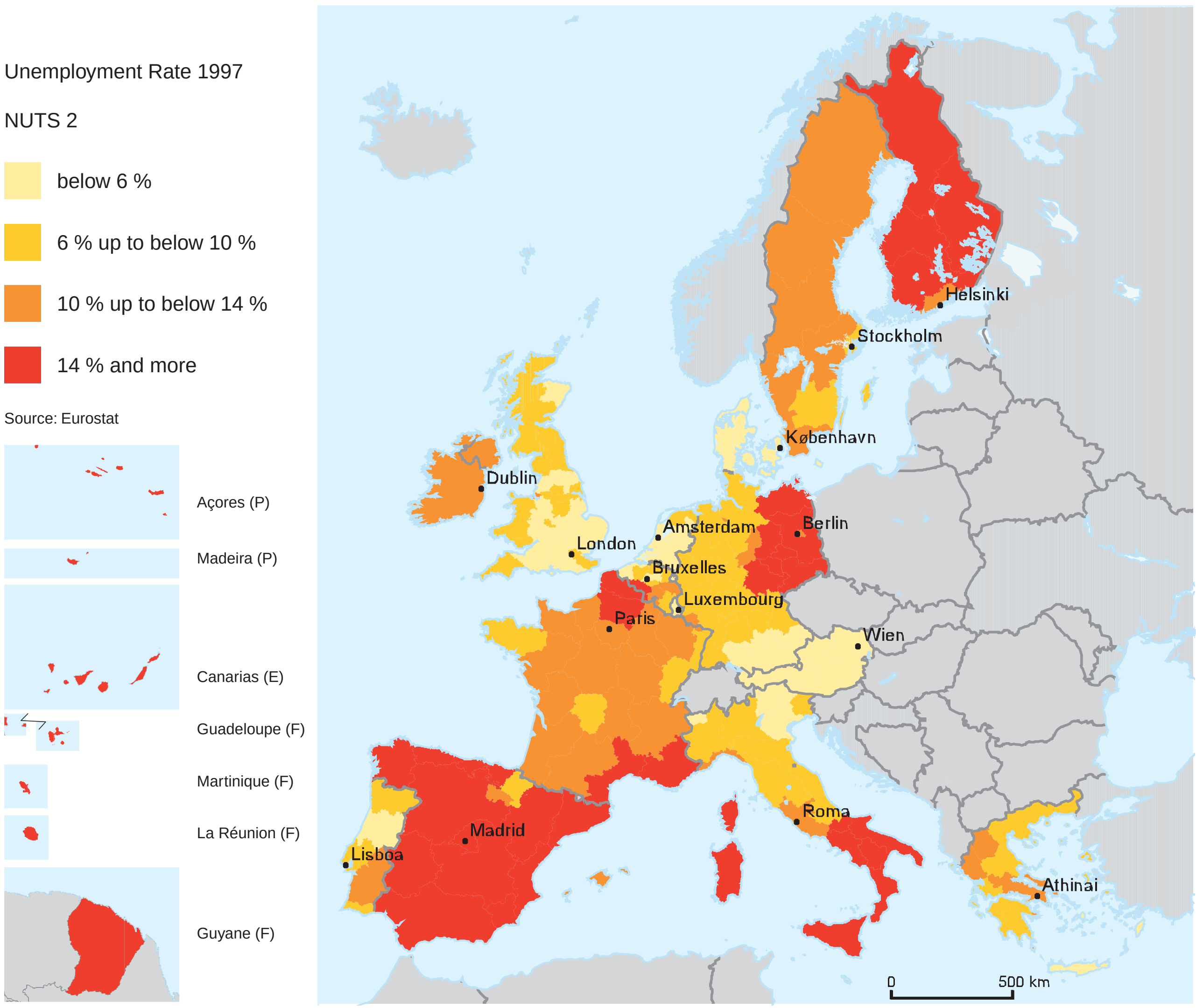
1.3 Economic Trends

(246) Demographic trends also constitute a great challenge to regional economic development and, thus, to European competitiveness. They also raise development issues concerning the sustainable development of metropolitan regions and the future viability of rural regions. Restricted mobility reinforces the need for regional policy to promote the creation of jobs. These are important aspects of a development towards greater economic and social integration in the EU.

(247) Sustainable development requires a policy which promotes competitiveness and supports economic and social integration. The regions of Europe need competitive firms in order to create the jobs which are so important for the aspirations of people and to generate tax revenue (necessary for public services). Table 2 shows that the EU generates the highest gross domestic product world-wide. In the balance of trade, (export/import), the EU is in second place after Japan.

(248) The regional disparities in GDP per capita provide a starting point for European regional policy (see Map 9). The Periodic Reports[49] and the Cohesion Report[50] by the European Commission indicate that the economic situation of the Member States has become more similar in recent years (in particular due to the catching-up process in Ireland). But despite the financial efforts of EU regional policy, there has been a very slow decrease of disparities between the regions of the EU (measured in terms of GDP

Map 10: Unemployment



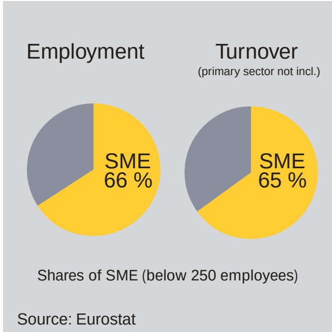
per capita). The economic activity of the EU is concentrated in a core area: a pentagon defined by London, Paris, Milan, Munich and Hamburg. This area represents 20 % of the total area and contains about 40 % of EU citizens producing about 50 % of the EU's total GDP[51].

(249) For a thorough assessment of regional competitiveness, other criteria such as employment, productivity, investments and balance of trade must, however, be taken into account. The value of gross domestic product as an indicator for the regional distribution of income and tax revenue is limited. The Cohesion Report refers to the fact that a lot of national policies influence the distribution of income, chiefly through taxes and benefits. That is why the regional distribution of Personal Disposable Income (PDI) differs considerably from the distribution of income before taxes and benefits. The Cohesion Report concludes that the regional disparities of PDI, after taking account of the effects of tax and public spending flows through national budgets, are between 20 % and 40 % lower than the regional disparities in GDP per capita in the Member States[52].

(250) Unemployment in the EU is the greatest challenge to European integration policy. Following a peak of 11.2 % in the unemployment rate in 1994, it fell to just under 10 % by the end of 1998. However, this still means that 16.5 million people within the European Union are unemployed! About half of all unemployed people, i.e. about 5 % of the working population, had been unemployed for longer than a year in 1997 (by way of comparison: the long-term unemployment rate in the USA is below 1 %). There are very distinct regional differences. In 1997, unemployment rates ranged from 2.5 % in Luxembourg to 32 % in Andalucia in southern Spain and 36.8 % in the French overseas department of Réunion. Most of the regions with the lowest unemployment, with the exception of Portugal, are situated in the centre of the EU (Luxembourg, southern Germany and northern Italy). The regions with very high unemployment (more than 20 %) are, in contrast, situated in the periphery, especially in Spain, southern Italy, eastern Germany as well as in the French overseas departments (see Map 10). The unemployment rate for women is 12.5 %; this is three percentage points more than that for men. A total of more than 20 % of young people under 25 are unemployed in the EU[53].

(251) Large industrial enterprises have often formed the basis for the prosperity of many cities and conurbations in the EU. Although the headquarters of many large companies continue to be in large cities, production is increasingly taking place in other locations. Regions in rural areas will benefit from this. Large companies will continue to be important, but they cannot be relied upon to create new jobs on a large scale in the future, particularly at their headquarters. The shift from manufacturing to services and structural change within companies (such as the increasing outsourcing of management functions to independent subcontractors) will, however, lead to the establishment of new companies.

Fig. 12: Importance of the SME within the EU

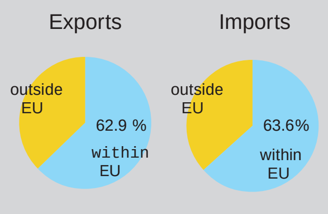


(252) The EU's economy and employment are based on small and medium-sized enterprises (SMEs), although they vary in nature (see Fig. 12). Of the 160 million working population, 101 million are employed in a total of 16 million companies (excluding agriculture). 23 % of employees in the EU are employed in very small enterprises (1-10 workers), whereas the percentage in the USA is 12 % and only 7 % in Japan. Very small enterprises predominate in southern Europe (on average 1.8 employees in Greece and 4.7 in Spain). Results of research state that, while the rate for establishing new firms in the USA is higher than in the EU, the likelihood of survival for the new firms is greater in the EU[54].

(253) Flexibility and innovation are important preconditions of economic development. In this regard, small and medium-sized enterprises offer many advantages. Due to the short decision-making channels, they are often closer to customers and are able to react more quickly and flexibly to customers' needs. As far as location is concerned, however, SMEs are normally less flexible. As soon as they are established in a particular area, they become very strongly dependent on that local area. There are considerable personal factors which keep a small firm in the region in which both managers and employees live. Some firms are also locationally and functionally tied to a single large customer or sector of industry. In addition to this, many SMEs do not have the manpower and financial resources required to evaluate whether re-location (and, if so, to what new area) would be profitable.

(254) In terms of value, roughly 60 % of exports from Member States are traded within the EU, predominantly between neighbouring countries[55] (see Fig. 13). Through

Fig. 13: Trade 1996



Source: Eurostat Yearbook '97

the Common Market, trade within the EU has developed more quickly than with other world regions. Over and above that, there is a considerable potential for growing trade with Central and Eastern Europe. It is just as important, especially for the southern Member States, to bear in mind events and developments in the Middle East and North Africa, which could have significant implications for the location of production activities and patterns of transportation.

(255) A substantial share of trade represents intra-company flows, caused by trends towards specialisation, economic networking between firms, geographical division of labour and larger-sized markets. Closely connected with trade interdependencies is the direct investment by companies (sometimes complementary, sometimes substitutive). Direct foreign investment in the EU increased from less than 50 billion ECU to more than 350 billion ECU between 1985 and 1995. Development prospects for European regions are closely linked to their ability to offer competitive products on the world market and attract direct foreign investment. In the more recent past, Ireland and Scotland have especially benefited from direct foreign investment (mainly from North America and Southeast Asia).

(256) European Monetary Union will trigger off further intensification of EU domestic trade and further specialisation within the EU. This will enhance the competitiveness of the EU on the world market to the benefit of all Member States. It will, however, also involve the risk of increased marginalisation of those regions which are badly prepared for this intensified competition.

(257) New information and communications technologies will also be of considerable importance to spatial development. Their spatial effects are, however, unclear and research findings are not yet sufficient for a reliable estimate of these effects. On the one hand, these new forms of technology may intensify urban concentration, while on the other they also offer opportunities for promoting development in more remote areas of the Union. The latter will not, however, happen “automatically”. Instead, regional policy strategies must be developed in order to realise the potential use of new information and communications technologies useable in remote regions.

(258) In general, economic trends have in the past mostly led to an increase in regional disparities in development. It is important to continue to observe these trends and address them using an active spatial development policy. The competitiveness of European regions must be increased by enabling regions to achieve their long-term potential of sustainable development. A policy aimed at creating a diversified economic structure in the regions represents a good foundation for the balanced distribution of jobs and would, therefore, have a great influence on settlement patterns and migratory movements.

1.4 Environmental Trends

(259) The third main group of trends concerning future spatial development in the EU relates to the environment. Careful use of natural resources and protection of the environment (air, water and soil) from harmful substances are important objectives which can be achieved only with international and world-wide co-operation. A modern and effective form of spatial development, which takes the use of resources into account, can help here.

(260) Although relatively few species of Europe’s flora and fauna have become extinct during this century, the EU’s biodiversity is affected by decreasing species numbers and loss of habitats. Urban development, the drive towards more productive agriculture, afforestation, unrestrained tourism (for example in coastal areas and islands, particularly during the summer months), damaging infrastructure projects have all contributed to the loss of habitats through destruction, modification and fragmentation of ecosystems. For example 75 % of the dune systems of southern Europe (from the Straits of Gibraltar to Sicily) have disappeared. Also the Loire estuary, which comprised a wide diversity of natural habitats, has seen its natural banks decline from 300 km at the beginning of the century to 30 km.[56]

(261) The richness and diversity of landscapes are distinctive features of the EU. Landscapes are valuable in relation to the sustainable use of natural resources; as wildlife habitats; as open space or with regard to their beauty or the cultural elements they contain. They also yield economic benefits - for example they can form the basis of a tourist industry as in coastal areas and in the Alps. Landscape quality has been under pressure from urban development, tourism, recreation, mining, and changing agricultural and forestry practices which have resulted in the replacement of natural diversity.

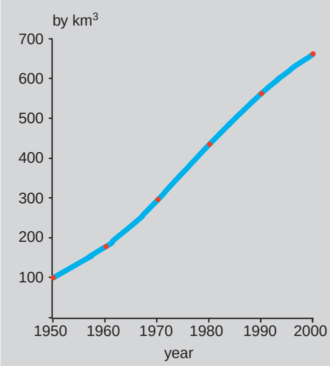
(262) In some Mediterranean regions, such as Sardinia, intensive sheep farming has affected soil structure and therefore landscape quality resulting in a degree of desertification. But the importance of conserving landscape in order to halt the loss of biodiversity and cultural identity is increasingly being recognised. This goes beyond the more limited objective of species or site protection. For example Sardinia, Tuscany, Languedoc-Roussillon, Andalucia and Catalonia are among the regions jointly pursuing a policy on conservation and management of Mediterranean landscapes. The Council of Europe has promoted a range of initiatives related to landscape conservation.

(263) Almost 22 billion tonnes of carbon dioxide (CO_2) are released each year world-wide through the combustion of fossil fuels (petroleum, coal and gas)[57]. CO_2 is regarded as being chiefly responsible for the greenhouse effect, which could lead to an increase in the sea level in the long term and beyond that to further natural disasters (e.g. floods and droughts). The EU accounts for approx. 15 % of world-wide CO_2 emissions; other important economic regions emit more than 20 % (USA 24 %, Japan 5 % and MERCOSUR 2 %)[58]. The economically powerful nations (this applies in the world-wide comparison and also within the EU) are the main sources of emissions, both in absolute terms and per capita. The reduction in CO_2 emissions must be tackled world-wide. The industrial regions, in particular, are being asked to make their contribution to the world-wide reduction in “greenhouse gases”. With the Kyoto Protocol of December 1997, quantitatively fixed and compulsory commitments to reduction were agreed for the first time for the most important greenhouse gases. Thus, the EU has undertaken to reduce its emissions by 8 % (compared with 1990) by 2008 – 2012.

(264) The European regions produce 25 % of global atmospheric emissions of sulphur dioxide and nitrogen oxides. Ammonia emissions from agriculture still exceed critical levels in 60 % of the European territory[59]. Sulphur dioxide emissions are largely due to the combustion of oil and coal in power stations, industry and private households. Nitrogen oxides are emitted by combustion processes with transport, power generation and domestic heating the most important sources. Most ammonia in the atmosphere is due to spreading of animal manure.

(265) The effects of acidification depend on the magnitude of deposition and the inherent sensitivity of soil and water. They may also occur at a great distance from the source. European and national legislation, improvements in combustion technology and improved methods in agriculture have led to a reduction in acid deposition, but in more than half of the European continent the level of deposition is expected to remain in excess of critical loads, resulting in long-term risks to eco-systems.

Fig. 14: Annual Water Demand in Europe



Source: Dobris Report 1995

(266) Water consumption in private households, agriculture and industry has increased greatly in the past few years both in the EU and in Europe (see Fig. 14). Depending on the degree of industrialisation, climate and agricultural irrigation, the amount and pattern of water consumption varies significantly. Increasing consumption can particularly be seen in agriculture, while consumption in private households generally remains constant or is only increasing slightly. It is even declining in some Member States.

(267) The supply and quality of drinking water is of particular importance. Especially in southern Europe, where water supplies are already being used very intensively and water shortage is a frequently occurring problem, the drinking water supply system is causing problems. Groundwater depletion is occurring in many regions. As two thirds of the population in the EU obtain their drinking water from the ground water reservoir, this has effects which must be taken seriously. In addition, there are growing risks of salinization of ground water, especially in some Mediterranean coastal areas and in the west of the Iberian Peninsula, with serious consequences for agriculture. In many EU regions, leakage from public distribution systems represents a large problem. The losses are estimated at up to 50 % in some areas[60]. A draft EC directive, one of whose aims is to require integrated management of water catchment areas, is currently being negotiated.

(268) The degree of water pollution also gives cause for concern (ground water, surface water, sea water). Legislation and action programmes on the treatment of domestic and industrial waste have helped improve the quality of surface water, but amounts of polluting substances from agriculture and industry continue to threaten water quality. While organic waste materials are now extensively under control in Central and Western Europe, nutrients from sewage and agriculture contribute to a widespread eutrophica-

tion of rivers and lakes. Pesticides continue to pollute surface and ground water, reduce biodiversity and find their way into the food chain. Pollution of ground water will be a long-term problem, as the natural regeneration of this resource is extremely slow.

(269) The use of land for urban development and transport in the EU continues to harm the environment through, for example, loss of high quality arable land, destruction of biotopes and fragmentation of eco-systems. In some regions there are increasing spatial conflicts between additional housing requirements, commercial developments, agricultural use and protection of open space. On the other hand, there are 2000 km^2 of derelict industrial sites in Europe, which are, however, unevenly distributed. Reclamation costs are estimated at 100 billion ECU[61]. This is a huge potential of areas for housing development which avoid further urban sprawl in the catchment areas of large cities.

(270) A specific form of land use which presents special challenges to spatial development strategies of cities and metropolitan regions, and also rural regions, is waste disposal sites. Despite the application of waste avoidance strategies, the amount of waste in the EU has increased. As far as quantity is concerned, the most important sources of waste are agriculture, industry, households and mining. The proportion of hazardous waste has greatly increased.

(271) In a number of Member States there are moves to introduce integrated waste management as well as separate waste collection and recycling. Nevertheless, waste recycling in the EU is still taking place on too small a scale.

(272) Despite modern techniques and more stringent provisions, waste disposal continues to result in the discharge of pollutants into soil and ground water (e.g. at disposal sites), produces CO_2, methane and toxic gases, and leads to emissions of dioxins, hydrochloric acids and mercury (e.g. during waste incineration).

(273) Modern methods of waste management, waste avoidance and waste disposal are also part of a sustainable spatial development policy. This includes the objective of tackling waste problems in their own regional context and avoiding waste transportation (in particular transportation of toxic waste and nuclear waste) over long distances.

(274) Natural disasters, which not only alter the landscape quite suddenly as a result of forest fires, earthquakes or storms and substantially increase soil pollution but can also in some cases have disastrous ecological consequences, represent a further strain.

2 Spatial Development Issues of European Significance

2.1 Trends Towards Change in the European Urban System

(275) The EU is characterised by a high level of urbanisation and strong regions. Nevertheless, only around a third of the population lives in major metropolises. In contrast to other continents, spatial settlement patterns in the EU are characterised by rural areas that are relatively densely populated. About a third of the population lives in small and medium-sized cities outside the agglomerations. The decentralised history of Europe - characterised by independent nation states, many of which in turn originated relatively late from smaller regional states - has favoured the emergence of a strong polycentric urban system. A complex web of large, medium-sized and smaller cities has arisen, which in large parts of Europe form the basis for urbanised spatial structures even in agricultural areas. Technological, political, social and economic changes have an impact on the urban system - on its functions and on the spatial context.

2.1.1 The Emergence of Urban Networks

(276) For urban and spatial development, these changes present a great challenge. The urban system and the settlement structure of the EU are not likely to change fundamentally in the medium term. Global cities such as London and Paris and metropolitan regions such as the Ruhr and Randstad will continue to maintain their pre-eminent positions. New functions and networks may, however, in future have a major impact on the development of individual cities and regions. Cities are increasingly co-operating and pooling their resources, for example by developing complementary functions or sharing facilities and services. Such co-opera-

tion can be advantageous for regional development because it improves the range of services offered and the economic conditions of the region and thereby increasing its competitiveness.

(277) Co-operation between cities and regions is also increasingly to be found across borders. Co-operation is, however, conditional on the partners having equal rights and similar areas of competence. Differing political and administrative systems can therefore represent a barrier to cross-border collaboration. Initiatives such as Saar-Lor-Lux (Saarbrücken, Metz, Luxembourg) and Tornio-Haparanda on the Finnish-Swedish border demonstrate, however, that cross-border co-operation is possible and can be successful.

(278) Another factor which makes co-operation between cities and the achievement of synergy effects necessary but difficult is the great distances in sparsely populated areas. Sweden, for example, has had positive experience of linking medium-sized cities by high-speed trains in order to concentrate their economic potential and capacity in the area of training.

2.1.2 Changes in Urban Economic Opportunities

(279) Competition between the cities and the regions for investment is increasing, and for some the maintenance or re-establishment of competitiveness is a major and important challenge. Many cities will have to develop new economic potential. Old industrialised cities and regions must continue their process of economic modernisation. Cities and regions which depend too heavily on a single economic sector, such as public administration, tourism or port functions, must try to widen their economic base. Some cities in rural or peripheral regions will find it difficult to secure and develop their economic base. Even in peripheral regions, however, there are certainly cities which are sufficiently strong and attractive to pull in investment for themselves and their surrounding areas. Cities which assume special gateway functions can, in particular, exploit their peripheral position to very positive effect.

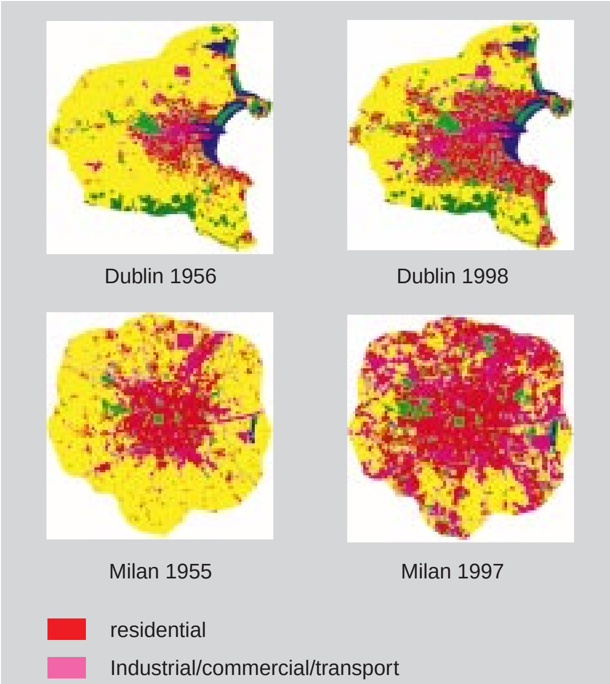
(280) Cities and regions which know how to exploit their own economic opportunities and potential do not do so at the cost of others but, on the contrary, can strengthen the world-wide competitive position of the EU. In this sense, competition is very positive. It is important, however, that competition between cities, regions and Member States is socially inclusive and environmentally responsible. Unconditional competition "using all available means" will damage cities and regions in the medium term and will not contribute to the sustainable development of Europe.

2.1.3 Continuing Urban Sprawl

(281) Because of the growing number of households and average residential space per capita, demand for residential accommodation and building land continues to rise. In many cities, new housing has been provided in existing residential areas or on new sites. In many cases, this was done in a planned and orderly fashion, but sometimes it was relatively uncontrolled. Uncontrolled growth results in increased levels of private transport; increases energy consumption; makes infrastructure and services more costly; and has negative effects on the quality of the countryside and the environment. In addition, increasing prosperity in many areas has fuelled the demand for second homes with the result that many locations can now be described as "weekend towns".

(282) In many urban areas in the EU, development pressure on areas surrounding cities has become a problem (see Fig. 15). It is therefore necessary to work together to find sustainable solutions for planning and managing urban

Fig. 15: Urban Expansion



Source: European Commission - Joint Researche Center
Strategy and Systems for Space Applications Unit (SSSA)

growth. In some countries in the Union, particularly where land is scarce, innovative steps have been taken in urban planning. These include the "compact city" approach in the Netherlands; approaches such as "land recycling" in the United Kingdom and Germany; or "target group" approaches to satisfy housing demand from specific social groups.

2.1.4 Increasing Social Segregation in Cities

(283) Growing differences in income and lifestyles are reflected in different needs in terms of housing and residential location and in different possibilities for satisfying these needs.

(284) Living conditions in cities are, for example, often considered unsuitable for the needs of children. For families with children, suburban areas often offer a better quality of life than central city locations, and the dream of a "home of one's own" can often only be realised there because of the large price difference. Many middle-to-high income families therefore move out of the city. Poorer families and immigrants are concentrated in the inner cities and on large public sector housing estates. Other central residential areas attract young people and students, while others attract higher-income and two-income families.

(285) Social disintegration or segregation is not a problem in itself. But where economic disadvantage, unemployment and social stigmatisation come together in areas which in addition are often characterised by cultural and ethnic differences, and which demand especially high integration efforts from their inhabitants, the risks of social exclusion is reinforced. It is necessary to address these problems not only because they are widespread in Europe but also because they underline the importance of the social dimension in the sustainable development of urban areas in Europe. In order to find a successful solution to the problem of poverty, social exclusion and ghettoisation, it is particularly important to reduce long-term unemployment. Some Member States have successfully attempted to do so with integrated, multisectoral programmes for economic regeneration and development of disadvantaged city areas.

2.1.5 Improvements in the Quality of the Urban Environment

(286) Most cities have introduced measures to combat environmental problems such as noise, air and water pollution, traffic congestion, waste production and excessive water consumption. However, the quality of the environment is still in need of further improvement in many city areas. In addition, urban development measures have often diminished the historic fabric of many cities and eroded their identity. This not only has a negative effect on the quality of life and the health of their inhabitants but can also have an economic impact due to loss of attractiveness and reduced investment, employment and municipal financial resources.

2.2 The Changing Role and Function of Rural Areas

2.2.1 Increasing Interdependence of Urban and Rural Areas

(287) The future of many rural areas is becoming increasingly related to the development of urban settlements in rural areas. Towns and cities in rural regions are an integral component in rural development. It is essential to ensure that town and country can formulate and successfully implement regional development concepts in partnership-based collaboration. However, the rural-urban relationship in densely populated regions differs from that in sparsely populated regions. In densely populated regions, the areas with rural characteristics are under substantial urbanisation pressure, with all the side effects of increased density, including the negative ones. These include pollution of soil and water, fragmentation of open areas and the loss of rural character. Some traditional rural functions such as extensive agriculture, forestry, nature conservation and development, for example, are highly dependent on a high degree of continuous open countryside. A key function of spatial development is, therefore, to achieve a better balance between urban development and protection of the open countryside. Urban and rural areas are closely interconnected, especially in densely developed regions. Rural areas benefit from the cultural activities of cities, while the cities benefit from the leisure and recreation value of rural areas. Town and country are, therefore, partners rather than competitors.

(288) Less densely populated rural areas, particularly if they are further away from metropolitan areas, have a better chance of retaining their rural character. In many regions, however, many small-scale development measures to improve the agrarian structure and settlement patterns have had a negative impact on the environment and, in particular, on the quality of the landscapes. In many rural areas in the peripheral regions of the EU, migration threatens the viability of public and private services. The natural and

cultural heritage of these endangered rural areas are key assets which can form the basis of economic and social regeneration initiatives, based on sustainable tourism and recreation, among other things.

2.2.2 Different Lines of Development in Rural Areas

(289) A major contribution to the cultural, natural and topographical diversity in the European Union is made by the rural areas. Their function is not just as a suburban trading area for the cities nor is it dependent on just agriculture or tourism. It involves more than ensuring food production and resource conservation. On the contrary, rural development in Europe involves a wide variety of spatial trends, schemes and influencing factors. Many rural areas have successfully passed through the process of structural change and developed independently. In the realisation of the goals for European spatial development, not only the large cities and urban regions but also the rural areas are very important. Achievement of a decentralised polycentric settlement structure will be greatly assisted if the socio-economic function of rural areas can be stabilised, secured over the long term or established. The possibility of access to infrastructure and knowledge is a key factor. With good infrastructure facilities and with access to information, rural areas have potential in terms of economic attractiveness and diversification. Rural areas are also especially important for the development of the natural and cultural heritage.

(290) Rural development also means, however, that many regions continue to be confronted by substantial structural weaknesses. These structural weaknesses can be aggravated by natural factors such as a peripheral location and difficulty of access (islands, mountain areas, etc.) or unfavourable climate (Mediterranean areas, extremely sparsely populated areas in Northern Scandinavia, etc.), (see Map 11). In these areas, agriculture as a source of income is often still very important, but with a relatively poor competitive position. Diversification, plurality of activity and securing alternative sources of income are goals which are hard to achieve without assistance and the exchange of experience. We must wait to see how far the new information and communications technologies can promote decentralised development in rural areas. There are some promising approaches, e.g. in the Scottish Highlands, where small and medium-sized enterprises have obtained access to information and communications technologies with government support, and can tap into global markets.

2.2.3 Shifts in Agriculture and Forestry - Consequences for Economy and Land Use

(291) The gradual reform of European agriculture in the face of liberalisation, cuts in public spending and environmental considerations is set to continue. According to estimates, between 30 % and 80 % of agricultural land could be taken out of agricultural production.[62] The leading position of agriculture as the basis for regional development, the economy and employment will, however, continue in a certain number of regions.

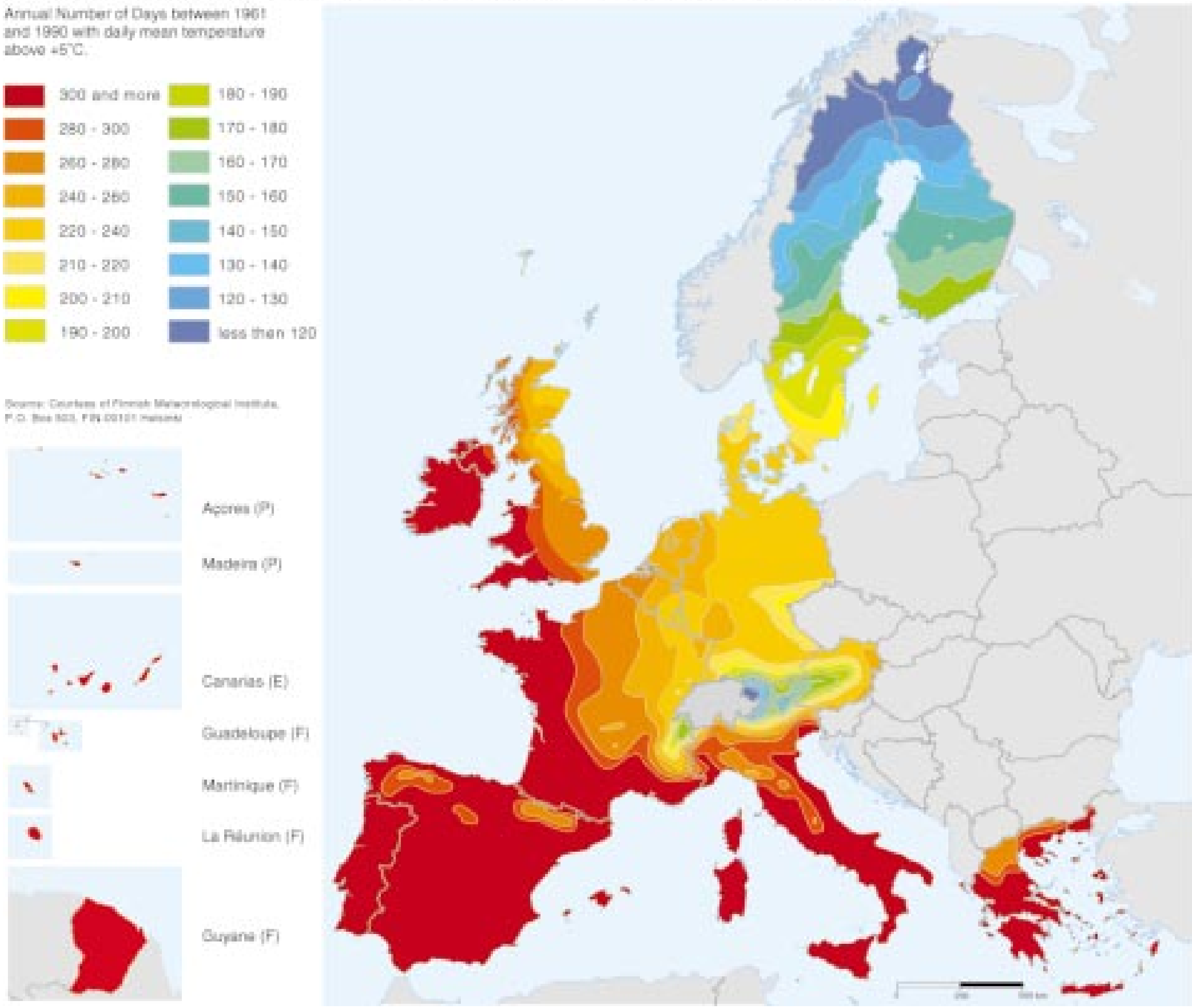
(292) Some regions can remain competitive through increased intensification of agriculture. This is supported by production methods which lead, in an extreme form, to an agriculture based on logistics and the application of technology rather than understanding of an area's natural capacity. While this approach raises productivity (at least in the short term) and increases the competitiveness of the EU agriculture industry it can have negative effects: employment opportunities decline, pollution levels rise, biodiversity is reduced and landscapes become increasingly standardised.

(293) Other regions are looking to diversification of their economic base by developing alternative activities such as forestry and rural tourism. Diversification tends, therefore, to be most successfully developed in those rural areas with the right environmental conditions and attractive landscapes, well located in relation to centres of population as, for example, in the South of Germany, the centre of France and many areas in southern Europe. Another long-standing example of successful rural diversification which is not close to centres of population is provided by crofting in the Highlands and Islands of Scotland. In this context, part-time farming is becoming increasingly important.

(294) A third way in which rural areas react to shifts in agriculture is through extensification of production. This can also involve a range of agri-environmental measures such as biological production. For example, since 1990, the area of Austria under organic farming has increased from 22,500 hectares on 1500 farms to 250,000 hectares (7.5 % of the farmed area) on 18,000 farms in 1996.[63] There is also a growing area of organic farmland in Germany, Sweden, Finland and the Netherlands.

(295) Marginalisation occurs when farming ceases to be economically viable. Marginalisation can have a positive impact on the environment and the landscape by opening up the possibility of other forms of land use such as forestry. On the other hand there can be negative aspects including

Map 11: Annual Number of Days with Daily Mean Temperature above +5°C



the possible exodus of workers from the agricultural sector; increased risk of soil erosion and forest fires; and deterioration in the quality of the landscape. Marginalisation therefore could undermine the basis of regional economies, for instance in the Alps and the Apennines.

(296) The changes in agriculture underline the diversity of rural developments, which provide more opportunities than risks to the EU's regions. Intensification opens up possibilities for investment and leaves space for other activities. Diversification can lead to incomes that are less dependent on subsidies and open up new opportunities for nature conservation and landscape protection and alternative sources of income. Marginalisation and extensification may, in some areas, improve the prospects for nature protection and afforestation.

2.3 Transport and Networking

(297) The European transport and communications infrastructure originated predominantly in a national context. Today this legacy is still evident in many parts of the EU. Future transport and infrastructure policy must take greater account of the objectives and policies of the European Community and collaboration between the Member States. Important aspects are liberalisation, increased efficiency, environmental friendliness and integration of subnetworks.

2.3.1 Border and Integration Problems of the Networks

(298) Although the Single Market and Community transport policies have reduced the impact of national borders on the infrastructure network, the presence of these borders is still very evident in terms of inadequate, underdeveloped or even missing links and services. Difficulties continue to be experienced because of physical features such as mountain ranges. In the case of railway services, technical differences between railway systems remain - for example, in relation to signalling, safety and power supply. Organisational problems and national protection of the railway companies create barriers to desired integration. Further deregulation, technical standardisation of systems and competitive pricing will continue as these are prerequisites for the development of a coherent and efficient transnational railway network. Cross-border bottlenecks can also be found on inland waterways. Improvement in the integration of these waterways into a multi-modal transport system will involve considerable investment. In other words, major technical, financial and political/organisational tasks still have to be dealt with before the EU has an integrated infrastructure network.

2.3.2 Increasing Transport Flows and Congestion

(299) A major European transport policy issue is the continuing increase in freight and passenger traffic. In 1992, intra-EU-12 trade amounted to a total of some 10 billion tonnes of goods.[64] With enlargement in 1994, the start of EMU and the opening up of Central and Eastern Europe, this figure is now considerably higher. Although the volume of movement within countries is still far greater than between countries, the share of international transport is growing more rapidly. As most transport still only covers short distances, road transport is by far the most important mode. The longer the distance to be covered, the more other forms of transport become competitive alternatives.

(300) Increases in transport flows have been most pronounced in those parts of the EU which already experience the greatest amount of congestion. Many additional bottlenecks have, therefore, arisen in the transport network, particularly in the urban regions and high-density areas, with hindrances to both passenger and freight transport and both short-distance and long-distance movements. Congestion costs time and money and impairs the quality of life and environmental conditions. Congestion is evident even in major transport corridors such as the Rhine and Rhône corridors or at border-crossing points into Poland.

(301) At present, the potential development of combined transport for freight is limited: under current market conditions, it is not competitive with road transport, except for crossing natural barriers such as the Irish, Ionian and Baltic Seas and the Alps. Short sea shipping is, however, insufficiently developed.

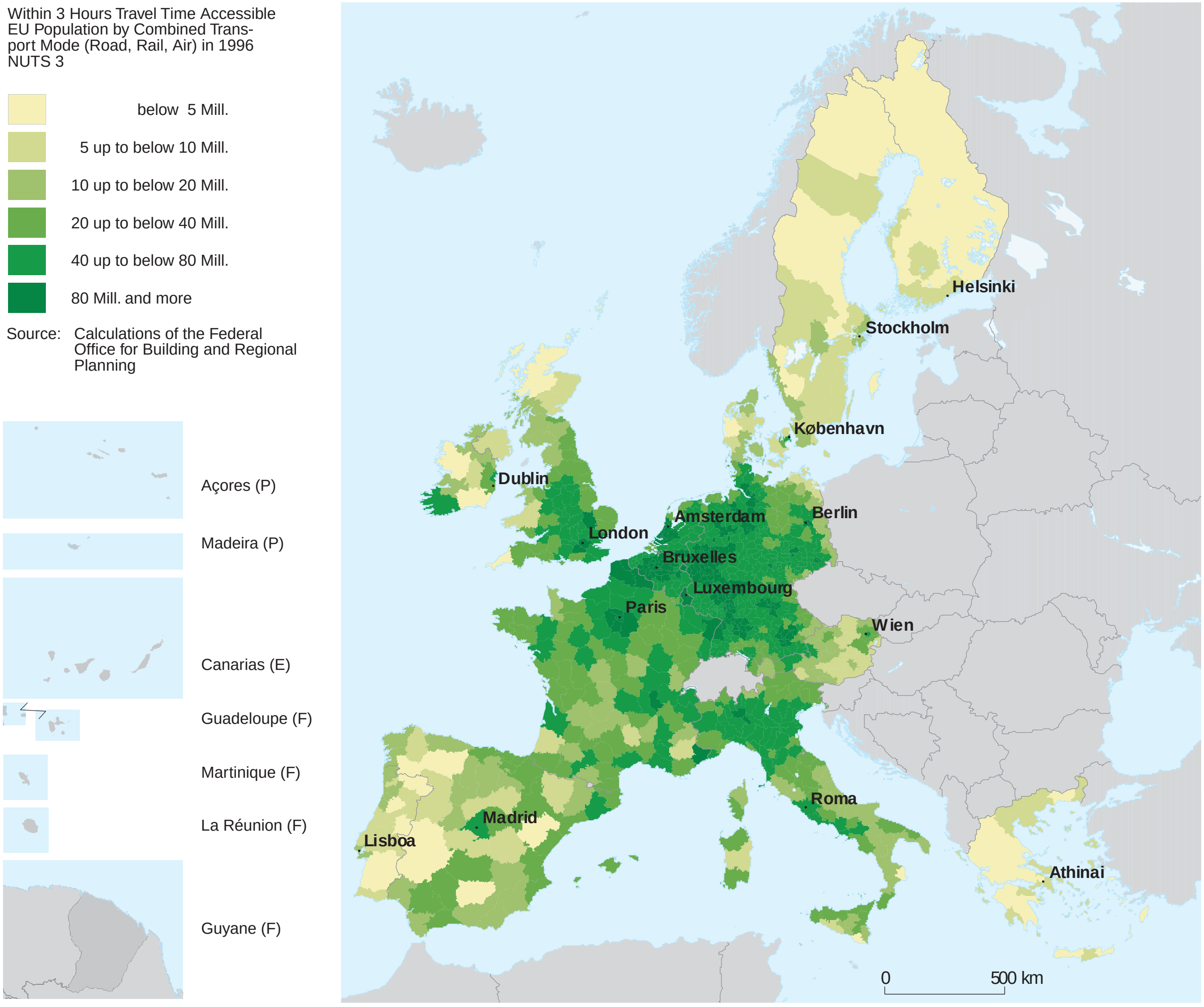
(302) For passenger travel, conditions and present trends are more favourable, especially for combining air travel and high -speed trains. There is a relatively high amount of short-haul air travel in the EU, consuming a disproportionate amount of energy per passenger kilometre. For example, 60 % of flights in and out of Amsterdam are for distances less than 800 km.[65] High-speed trains are already replacing short-haul European connections, for example London - Paris or London - Brussels. This trend will continue as further high-speed transport links are completed. New rail lines are not always necessary because wheel-on-rail technology also allows high speeds to be reached on existing lines. If present train speeds could be increased by 30 % and a travel time 50 % greater than air travel time were acceptable to travellers (particularly because of time-consuming travel to and from the airport), more than fifty European city pairs could be served by high-speed trains.[66] Such combined strategies would also relieve airports. But there are limits to air/high-speed train substitution; even at more than 300 kilometres per hour.

2.3.3 Inadequate Accessibility in the EU

(303) Good accessibility of European regions improves not only their competitive position but also the competitiveness of Europe as a whole. Accessibility in other parts of Europe is poor, which can make these areas less attractive for many types of investment. Islands, border areas and peripheral regions are generally less accessible than central regions and have to find specific solutions (see Map 12). Countries like Sweden and Finland, for example, have developed a well-planned system of regional airports with good connections to Helsinki and Stockholm, which guarantees access on a European scale. As Central and Eastern Europe open up, the regions along the present Eastern border of the EU will require a central position within the Community. With the exception of improvements in Germany, the infrastructure networks in these areas still reflect the old political borders. It is essential that gaps in these networks are closed and links between the cities and regions are reestablished.

(304) Even within areas which are regarded as less accessible at the European level, accessibility varies considerably. Larger cities, linked to more than one international

Map 12: Accessibility



network - airports, ports, HST-railway links - are more advantageously placed than small- and medium sized cities in these areas. Connections between larger and smaller towns are therefore extremely important in reducing disparities in accessibility. The same applies to the areas in central Europe, which will also have to ensure that there is a good secondary network to complement the trans-European networks under construction.

(305) The improvement of accessibility does not, in itself, guarantee further economic development in these areas; suitable development strategies must also be in place to support this. Improved accessibility will expand the hinterlands of the economically stronger areas. The newly accessible economies will have to compete against the large firms and the competitive services in these economically stronger areas. Competition may well benefit the stronger regions more than the newly accessible weaker ones. Improvements in accessibility need to be considered along with other sectoral policies and integrated strategies.

2.3.4 Concentration and Development Corridors

(306) Infrastructure networks often have the effect of strengthening the functions of existing industrial centres. Large networks bring the danger of reinforcing concentration, as investors may be discouraged to settle in areas poorly linked to major networks. For this reason, “development corridors” are increasingly emerging in Europe. These corridors, which are developing particularly in rela-

tively urbanised areas, are often transnational or cross-border, and therefore require an integrated spatial planning approach that also goes beyond purely national policies. The concentration trend does not just apply to road and rail; it is also evident in air transport. Connections to other continents are very much concentrated in the central areas of the EU. Liberalisation seems to be leading to a further increase in the concentration of scheduled intercontinental flights in Northwest European hub airports, even though congestion of the air space is already very high.

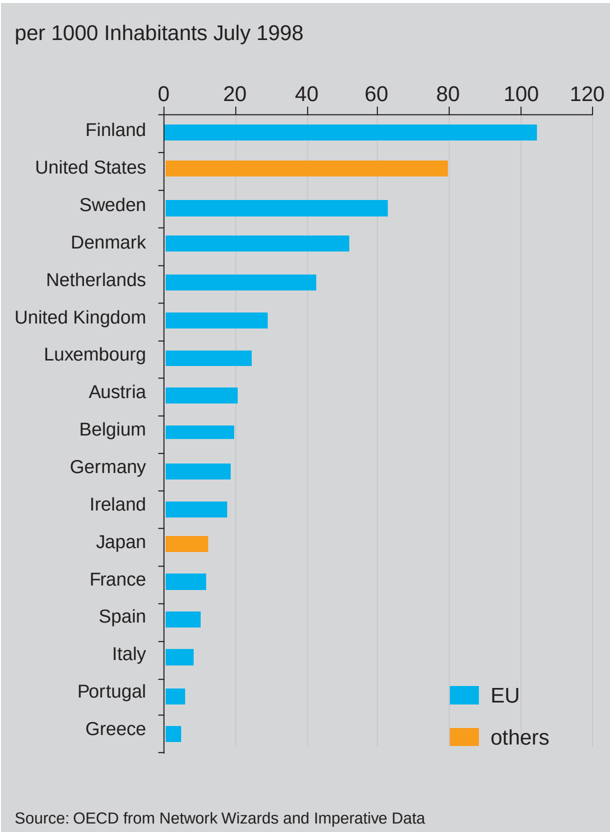
(307) According to a recent European Commission publication, 90 % of the EU's trade outwith the Community is by maritime transport[67]. In Northwest Europe there is a concentration of large seaports which account for most of Europe's international sea links. The functional hinterlands of these ports cover practically the whole of the European territory and overlap considerably. These ports are in strong competition with each other and are constantly striving to improve their individual positions. But a greater degree of co-operation could bring spatial and environmental benefits. Many ports in the Atlantic and Mediterranean areas do not have the favourable hinterland connection enjoyed by the North Sea ports, so their chance of becoming intercontinental transport nodes tends to be small. These ports, however, play an important role in their regional economies and many of them can improve their potential as European short sea shipping ports. Both Atlantic and Mediterranean ports have seen a substantial increase in traffic in recent years. The development of North Africa and Asia could further enhance their economic function as gateways to the EU and stimulate development in the hinterland of these ports. This could have a major impact on spatial development in Europe. Greater use of maritime transport would also ease the burden on land transport in Europe. The geophysical position of the "EU peninsula" could be better exploited in this way.

2.3.5 Disparities in the Diffusion of Innovation and Knowledge

(308) A phenomenon with a potentially enormous spatial impact is that of telematics. The combination of new radio and television technologies, cable technology and a policy of liberalisation offer new potential services such as tele-education, tele-medicine, tele-working and tele-conferencing. These "electronic marketplaces" theoretically allow people and enterprises to become less location-based in their behaviour. The resultant opportunities for more remote areas may be very significant, provided the skills exist to take advantage of these opportunities. Further development of these "infostructures" and telecommunications is potentially an important force for closer integration and the promotion of enhanced competitiveness for the cities and regions of the EU. The impact of "infostructures" on spatial development cannot yet be forecast in detail. It would seem that they will supplement conventional infrastructures rather than replace them and they can support and reinforce each other. Regions that have excellent access to "infostructures" and traditional infrastructure networks are therefore at an advantage.

(309) Despite considerable progress, developments in telematics have been slower in the cohesion countries (Greece, Ireland, Portugal and Spain) than in other parts of the EU (see Fig. 16). In all regions of the four cohesion countries, major investment has gone into telecommunication systems. Digital exchanges and fibre optic links are reducing disparities in provision. In 1999, a substantial proportion of the regions in these countries will have efficient systems, although organisational improvements may also be needed to ensure that the benefits of the investment feed

Fig. 16: Internet Sites



through into more competitive call charges. Knowledge, education and training are becoming an ever more important foundation stone for economic participation and success. Regions with limited or unsatisfactory access to information and knowledge, because of a lack of further education, research and training facilities, are likely to have problems in maintaining population and, in particular, getting people with higher education and more advanced skills attached to the region. This could reinforce population movements to areas that are already well endowed with infrastructure, increasing pressures on these areas while reducing the prospects for better living standards in economically weaker regions.

2.4 Natural and Cultural Heritage

(310) The diversity as well as the preservation of the natural and cultural heritage in the EU is threatened. The increasing threat to this heritage appears to be negating the progress which has been achieved in recent years in the fields of nature conservation and protection of historical monuments. It is important to realise that the wide diversity of Europe's natural and cultural heritage presents both risks and opportunities. The main types of endangered area, such as coastal areas, mountain ranges, mud-flats, reservoirs, woodlands and cultural landscapes, are at great risk throughout the whole of Europe.

(311) Coasts with their great diversity of sensitive biotopes are of major importance for human living space, for tourism and transport, for industry and energy production and for agriculture and fishing. They are generally threatened by urban construction, mass tourism, the excessive use of fertilisers and pollution. Mountains provide habitats for wild animals and plants and are the source of fresh spring water. They are not only important natural areas, but frequently also significant economic and living areas. Mountain areas in the EU are in many cases threatened by growing mass tourism, dams and new transport routes and by overgrazing, erosion and non-cultivation. Mud-flats, rivers and lakes have vital ecological functions and are unique repositories for archaeological finds. The number, size and territorial integrity of mud-flats is being severely reduced through drainage, cultivation, sinking of the ground water level, reduced water flow and new transit routes. Rivers are being straightened, their flood patterns are being restricted and dams are being built. Woods and forests, as the "green lungs" of Europe, contribute to the conservation of water and land resources and generally to the beauty of the landscape. They are also an important habitat for flora and fauna and provide recreation areas for people. The main hazards for the woodlands are air pollution, insect and fungus infestation and forest fires. It should not be forgotten that almost all areas which are regarded as endangered are areas with cities, residential locations and infrastructure, in which people live and work.

(312) Soils are the basis of life and provide living space for people, animals and plants and are therefore an essential component in the natural balance. The richness of different soil types in Europe is explained on the one hand by the diversity of natural factors, but at the same time it documents the wide differences in the natural and cultural history of Europe. Soil is a decomposition and neutralisation medium for the natural material cycles, and almost all food for people, animals and plants relies on the fertility of the earth. The diversity of soil types and their natural functions are, however, greatly threatened by human activity in many areas.

(313) Moreover, climate is a part of the environment, of the natural resources, suffering more than ever from the negative impacts of human activities. Increases of gas responsible for the greenhouse effect, caused by humans, modify temperature and the distribution of rainfall. This leads to shifts of arable areas, endangers flora growth and increases both periodicity and intensity of bad weather.

2.4.1 Loss of Biological Diversity and Natural Areas

(314) Europe is still characterised by a rich and varied nature and wildlife, despite the pressures to which it has been subjected. In recent decades, international initiatives and increased public awareness of the value of this natural heritage have led many countries to develop policies to protect it in various ways, for example by:

- giving defined areas legal protection,
- land purchase by the public sector and non-governmental organisations, for example for the establishment of rare biotopes,
- assisting private owners in establishing environmentally friendly land use.

(315) Common criteria for areas eligible for protection are their level of vulnerability, their uniqueness or rarity and their value in terms of scientific information. In many Member States, this has led to the protection of extensive natural and landscape areas. At the European level, EU directives on birds and habitats have helped to conserve and protect areas of pan-European importance.

(316) A significant threat to this heritage is the spatial fragmentation of protected areas. The effectiveness of nature conservation in some protected areas is dependent on the appropriate management of the surrounding areas. A well-co-ordinated spatial development policy across the various administrative levels, including participation of the public, can assist in protecting habitats and ecosystems, thereby reversing the loss of biodiversity. The initiative to create a European network, Natura 2000, is an example of this at the European level. However, to be successful it will need to command the understanding of all partners to see the contribution that protection of Europe's natural heritage can make to sustainable development. In this context, the European Commission emphasises, in a communication to the Council and the European Parliament, the essential role of spatial planning for the preservation of species diversity[68] and sets out how spatial planning can contribute to both the preservation and sustainable management of ecosystems.

2.4.2 Risk to Water Resources

(317) Pollution and overuse of both surface and ground water is a Europe-wide issue which can extend across national borders. Intensive agricultural use, partly as a result of Community agriculture policies, continues to contribute to serious ground-water problems. In some regions, rigorous water conservation policies have succeeded in reducing pollution by industry and private households. The water quality in the Rhine, for example, has improved significantly over recent years. There are still areas, however, where pollution of ground and surface water means that higher-specification water uses, e.g. as drinking water or for recreation, are severely impaired.

(318) The quantity of water resources throughout the EU is uneven. But all Member States have sufficient resources to meet their needs. There is a geographical and seasonal distribution problem. In southern Member States, the dry period is the season of highest demand. Here - and also in some northern Member Sates - aquifers and ground water levels show a seasonal lack of capacity.

(319) An important contribution can be made by an integrated spatial development policy both in preventing floods and in combating water shortages. Although these two phenomena are of differing political and territorial significance, they are nevertheless important in terms of sustainable spatial management. Water shortages and floods are not always chance phenomena in the EU. In principle, they both represent structural problems resulting from inadequate adaptation of spatial development. The frequency with which a number of European rivers such as the Rhine, Moselle and Po overflow their banks has increased in recent years. Floods have resulted in substantial damage to private property and the economy. High water is caused by a variety of factors, most of which are of man-made rather than natural origin, e.g. the straightening of rivers, settlement of natural flood plains and land uses which accelerate water runoff in the rivers' catchment areas. The most recent flood disasters in Europe demonstrate above all that:

- dikes and other technical flood control measures do not give a 100 % guarantee of safety; and
- settlements and other uses sensitive to flooding create substantial and increasing potential for damage and loss in flood-prone areas.

(320) Even in the drier regions of the EU, where rain occurs episodically but very intensively, there has been more frequent flooding in recent years. In Spain, for example, this has caused substantial damage. Integrated, sustainable management of land use and water in the entire catchment area of rivers represents an important response to this problem. There is a wide variety of flood types. Floods in the major catchment areas (e.g. on the Rhine-Meuse, the Danube and the Oder) are caused by intensive and prolonged rainfall. Flash floods are caused by heavy local downpours, which is also true of flash floods (as in some areas in the South of France over recent years) which are primarily triggered by unforeseeable meteorological events. To prevent the damage caused by such incidents, what is required in terms of spatial development policy is that land use in the entire catchment area is aimed at reducing runoff and that, in the potential runoff and flood areas, it is reviewed and changed as necessary. Independent of this, technical flood control measures and disaster control measures by the water management bodies are essential in order to keep the damage to a minimum.

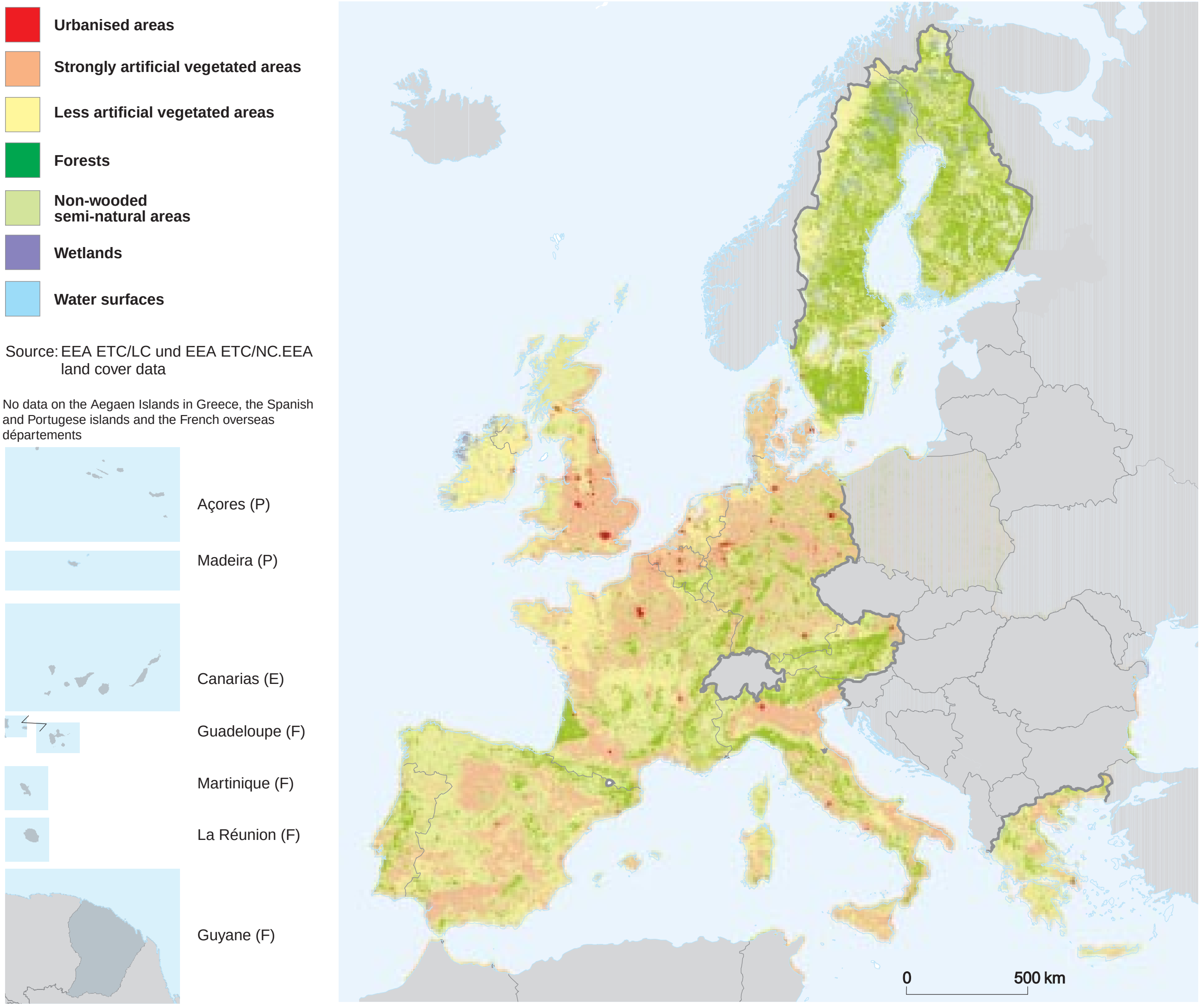
(321) The problem of water shortages in individual parts of the EU is different. The water volume problem is primarily attributable to the geographical and chronological irregularity of rainfall, which does not cover the peaks of water demand. An additional special case, typical of the Mediterranean, is the locally concentrated need for water for agricultural irrigation and recreation purposes. In the Mediterranean countries, agriculture is the main consumer of water, for example accounting for 63 % of consumption in Greece, 59 % in Italy, 62 % in Spain and 48 % in Portugal[69]. The Mediterranean area is one of the main destinations of world tourism, and tourism - and also the service sector - places substantial additional demands on the water cycle.

(322) Experience in recent years shows that without the integration of water management measures into the process of land management and management of settlement development, neither a sustainable and efficient use of water nor flood prevention can be achieved. Flood prevention in the major European river catchment areas can only be made effective through the imposition of clear conditions and intervention in land use. Similar comments apply to the reduction of water shortages. Sustainable management of water resources means establishing effective control over the various uses of water through planning and economic instruments. This applies, in particular, to agricultural irrigation and non-wasteful use of water in industry, commerce and private households.

2.4.3 Increasing Pressure on the Cultural Landscapes

(323) The way in which local and regional communities through the centuries have dealt with their environment and cultivated the land, has resulted in a rich diversity of landscapes and land use (see Map 13). They help define the identity of different regions and their diversity represents an important element of Europe's cultural heritage. But they are not just of biodiversity, historic and aesthetic value; they are also economically important. A distinctive landscape can be used to promote the qualities of an area for attracting new industry, for tourism and for other types of economic investment. The threat to cultural landscapes in the EU is closely

Map 13: Major Land Cover Types



related to the rationalisation and intensification of agricultural production and the objective of agricultural "extensification" in some areas. In other parts of the EU, marginalisation tendencies are evident. In addition, the expansion of cities and isolated settlements, consisting primarily of second homes, threaten cultural landscapes.

(324) Destruction of landscapes is not always dramatic. In some areas it is occurring gradually and almost unnoticed. It can be difficult to develop a specific protection policy for these landscapes, because it is the whole composition, not individual elements which provide the value. Landscapes are also inextricably linked to land uses; they cannot be isolated. With the assistance of spatial development strategies, however, it is possible to avoid utilisation methods which are damaging to cultural landscapes and to contain or eliminate the negative effects. In addition, clear strategies mean that spatial development of the cultural landscapes can be influenced: desirable land uses are defined and others precluded.

2.4.4 Increasing Pressure on Cultural Heritage

(325) The EU's cultural heritage is of major historical, aesthetic and economic value to local, regional and national communities. It relates both to individual objects such as monuments, buildings and archaeological sites and to historic town centres and villages. The quality and diversity of this heritage is of great importance for the EU, for Europe and for the world as a whole. The economic value of this cultural heritage lies not only in tourism but in the ability to attract investment. Urban tourism accounts for approximately 30 % of European tourism, and is expected to grow at a rate of 5 % in the years ahead. This is considerably higher than the growth rates of traditional coastal and mountain tourism, estimated at 2 % and 3 % respectively.[70]

(326) Important cultural sites, such as historic cities are subject to constant decay. Currently old street patterns and historic buildings and sites are sufficiently protected. But other areas of a town might suffer from the demand to exploit that value. Some cities, such as Venice, Florence and Bruges, are dominated by tourism to such an extent that they have reached the practical limit to fulfilling this function. Many historic town centres, particularly in metropolises such as Athens and Rome, are also suffering from pollution as a result of their metropolitan functions. Less historic but nonetheless attractive townscapes which are consequently less strictly protected are also under pressure from property market speculation, standardisation of buildings and facades and the need for improved accessibility. Many conservation measures have been undertaken by the national and local authorities during recent years. Spatial development strategies which integrate the different approaches in various areas can help reduce the growing pressures on the cultural heritage.

3 Selected Programmes and Visions for an Integrated Spatial Development

3.1 EU Programmes with Spatial Impacts

Some funds of the European Community can provide support for integrated spatial development projects.

Economic and Social Cohesion
Under the umbrella of the Structural Fund Regulation, four main funds promote economic and social cohesion: the European Regional Development Fund (ERDF), the European Social Fund (ESF), the European Agricultural Guidance and Guarantee Fund (EAGGF), "Guidance" part, and the Fisheries Guidance Instrument (FGI). With regard to spatial development projects, the Community initiative INTERREG II C (see B.3.2) and the pilot activities carried out under ERDF Article 10 (see B.3.3) are of particular importance.

The **TERRA** programme, under ERDF Article 10, is aimed at the networks of local and regional authorities with responsibility for spatial development. The projects are interregional. Co-operation and exchange of experience between geographically comparable local authorities is promoted in order to develop joint problem solutions. One initiative, for example, focuses on defining problems and possible solutions for sustainable development in river areas. Also under Article 10, the **RECITE** programme supports interregional projects and the networks of local and regional authorities in the European Union.

Promotion of Collaboration with Central and Eastern Europe and the Mediterranean
Some financial instruments aim to encourage development in the European Union and Europe as a whole. Of these, the PHARE programme (Central European countries and the Baltic states), the TACIS programme (newly independent states of the former Soviet Union and Mongolia) and the MEDA programme (countries bordering the Southern Mediterranean) are of particular importance.

The **PHARE** programme for Central European countries and the Baltic States supports the process whereby countries wishing to join are prepared for future membership of the EU. This is achieved mainly through grants for successful completion of the requirements of the transformation process, but also through a wide range of other activities, including the subprogramme for cross-border co-operation. Regions on the external borders of these countries with the EU participate. This programme contains complementary approaches to the EU Community initiatives INTERREG II A and INTERREG II C and is therefore intended to support cross-border and transnational collaboration between EU Member States and non-Member States. Multisectoral projects are also promoted.

The **TACIS** programme supports the transfer of know-how, the exchange of experience, the establishment of partnerships and networks, twin projects and pilot projects. Since 1996, the regional programmes have had a budget line for cross-border co-operation, with which projects on the borders with EU countries and also with other Central and Eastern European countries can be supported. The key focus is on networks, solutions to environmental problems and co-operation at a local level (in each case on a cross-border basis).

The **MEDA** programme finances the development of co-operation projects and the exchange of experience and know-how among EU Member States and non-Member States bordering the south coast of the Mediterranean. Collaboration takes account of sectoral policies with a major impact on spatial development, such as transport, and is intended to support the gradual establishment of a free trade area.

Support for the environment
LIFE is a financial instrument for innovative environmental projects and promotes collaboration in this regard among EU Member States. Sustainable land management is a key area of focus.

3.2 INTERREG II C Programmes

The transnational programmes comprise three areas: general transnational co-operation on spatial development, migration, and drought prevention measures. The general spatial development programmes approved by the European Commission as the basis for financing (currently seven) are described below. In contrast to INTERREG II A (cross-border collaboration), transnational co-operation under II C covers much greater areas (see Map 4 chapter A.4.3). The participating countries (or their regions) are shown on Map 7. The target combination is based on the stipulations of INTERREG II C, which are in harmony with the ESDP concept.

The objectives are:

- to contribute to balanced spatial development in the European Union, i.e. to promote economic and social cohesion through orderly and, as far as possible, optimum allocation of spatially effective measures, development of adequate communication networks, reduction of development differences and development of strategies for sustainability;
- to improve the spatial impact of Community policy with regard to spatial development; and
- to achieve improvements in co-operation aimed at transnational areas between the national bodies responsible for spatial planning, in such a way that development priorities are defined for adjoining transnational areas.

Programmes for collaboration in spatial planning are:

– North Sea Region,
– Baltic Sea Region,
– Atlantic Area,
– South-Western Europe,
– Western Mediterranean and Latin Alps,
– Central European, Adriatic, Danubian, and South-Eastern European Space (CADSES),
– North-Western Metropolitan Area.

The programmes adopt the above objectives with different weighting and orientation. For this purpose, a number of priorities (subprogrammes, which are broken down into measures and fields of action) have been defined for each programme. In various combinations, these cover the policy options stated in chapter A.3.

Field of Action/ Programme	North Sea Region	Baltic Sea Region	Atlantic Area	South-Western Europe	Western Mediterranean and Latin Alps	CADSES	North-Western Metropolitan Area
Development of joint planning processes and integrated programme strategies		X				X	X
Development of polycentric urban systems	X	X		X	X	X	
Development of rural areas				X	X		
Improved relationships between urban and rural areas	X	X	X	X	X		X
Development of multimodal transport systems and improved access to infrastructures	X	X	X	X	X	X	X
Improved access to knowledge and information	X		X				X
Prudent approach to natural and cultural heritage	X	X	X		X	X	X
Economic development in the field of tourism	X	X	X		X		
Technical assistance	X	X	X	X	X	X	X

3.3 Pilot Actions for Transnational Spatial Development under ERDF Article 10

ARCHI-MED - Southeast Mediterranean. Participants: Greece, Italy (Cyprus, Malta)

Objectives

- Development of environmentally friendly, multimodal transport systems and integration of islands into the international transport system.
- Improvement of collaboration in the area of shipping, increased quality and efficiency in water conservation and safety at sea.
- High-quality tourism, improvement in efficiency of tourist services and infrastructure.
- Improved nature and countryside conservation by securing and increasing the diversity of species.
- More precise and systematic basis of knowledge about the status of the cultural heritage and dangers to it, preservation and expansion of the existing heritage to increase the quality of the countryside.
- Enhancement of the environment as a factor of development in the Mediterranean.

Northern periphery. Participants: Finland, Sweden, United Kingdom, (Norway)

Objectives

- The overriding objective is to improve services and added value through the transnational exchange of experience, with a view to achieving sustainability. This comprises collaboration on spatial development since the development of economic activities and social services in these target regions is included. The objective is not a joint planning process but only an improved exchange of experience.
- The common strategy is aimed at gaining new knowledge about innovative and suitable approaches to sustainable development. This includes production, services and land utilisation, taking special account of the particular conditions in peripheral regions in the North. These include extremely low population density, large distances and harsh climatic conditions.

Alpine Space/Eastern Alps. Participants: Germany, Italy, Austria

Objectives

- Further development of common visions and spatial development strategies in the context of the document “Principles for a European Spatial Development Policy” (Leipzig) and other relevant documents (Venice 1996).
- Promotion of transnational, cross-border and trans-European networks between local authorities and regions in the Alps, particularly in the field of spatial development.
- Improvement and development of sustainable socio-economic activities and environmentally friendly local transport networks, particularly in ecologically threatened areas. Development of new forms to raise the awareness of the local population in order to stimulate them to greater commitment to care for sensitive and threatened areas.
- Testing of innovative lines of action in an area with a high potential for conflict between economic prosperity and nature conservation.

Mediterranean “Gateway”. Participants: Spain, Portugal (Morocco)

Objectives

- To combat the deterioration and loss of natural and cultural heritage.
- To contribute to a European spatial development perspective through improved cultural and spatial diversity.
- To identify and evaluate the differences in urban and rural forms of life.
- To enhance the competitiveness of the three participating countries through improved use of their common cultural heritage.

The three stipulated key areas of development focus are:

- improved knowledge about and evaluation of the common cultural heritage;
- sustainable and integrated protection of the common heritage by means of studies on durability and feasibility; and
- evaluation of heritage in the field of architecture as a factor in economic development on the basis of specific projects.

3.4 Spatial Visions

Example: "Vision and Strategies around the Baltic Sea region 2010", prepared by Denmark, Sweden, Finland, Norway, Germany, Russia, Estonia, Latvia, Lithuania, Belarus and Poland

Starting situation
The Baltic Sea region has valuable natural areas which are threatened by rapid development. In many cities, the quality of the environment is deteriorating as the result of growing road traffic, air and water pollution, excessive ageing of building fabric, inappropriate land use, inadequate waste disposal and other problems. There is additional environmental damage in other areas which requires immediate remedial action. The urgency of these problems should not, however, stop the countries developing their economic potentials and find solutions which are sustainable in the long term. This is the overall objective of the spatial vision for the Baltic Sea region.

Aim and status
The spatial vision for the Baltic Sea region represents a first step towards formulation of a long-term framework for co-operation in many areas. It is intended to help to avoid disjointed action and waste of resources. It is not a "master plan" but gives the responsible bodies a context for drawing up their own spatial development policies.

Goals
The goals of the spatial vision for the Baltic Sea region are to ensure:
- an urban system of international importance;
- effective and sustainable links between cities;
- sustainable development of specific areas (coastal zone, islands, border areas, rural areas, nature conservation areas).

Related fields of action focus on the following:
- promotion of specific actions in line with the vision;
- promotion of balanced development in the Baltic Sea region; and
- further development of the spatial vision.

To date, work has been carried out on the following:
- arranging regular meetings of Ministers responsible for spatial planning to elaborate the vision and strategies and update the action programme;
- making proposals for selected pilot projects;
- elaborating a research programme;
- and encouraging the networking of spatial research institutes.

4 Basic Data for the Accession Countries and Member States

Country	Area in 1000 km²	Population1997 in millions**	Population1997 inhab. per km²	GDP 1997 ECU per capita (PPP)***	GDP 1997 per capita (PPP) EU-15=100	Agriculture as % of the total GVA 1997*	Agriculture as % of the workforce Besch. 1997*	Unemp. Pers.1997 unemployment rate in %**
Hungary	93,030	10,1530	109	8.900	47	6,7	7,9	8,1
Poland	312,690	38,6600	124	7.500	39	5,9	20,5	11,2
Romania	238,390	22,5260	94	5.800	31	20,1	39,0	6,0
Slovakia	49,030	5,3870	110	8.900	47	6,0	8,6	11,6
Latvia	64,589	2,4584	38	5.100	27	7,4	18,3	14,4
Estonia	45,227	1,4538	32	7.000	37	6,3	9,9	10,5
Lithuania	65,301	3,7040	57	5.800	31	12,7	21,9	14,1
Bulgaria	110,990	8,2830	75	4.400	23	15,4	24,4	15,0
Czech Republic	78,870	10,2991	131	12.000	63	5,0	5,8	4,7
Slovenia	20,270	1,9849	98	13.000	68	4,4	10,1	7,3
CEEC 10	1.078,387	104,891	97					n.v.
Cyprus	9,251	0,746	81	n.v.	n.v.	4.5	10,0	3,4
						as % of the total GVA 1995**	as % of the workforce 1995*	
Belgium	30,518	10,154	333	21.470	113	1,7	2,7	9,2
Denmark	43,094	5,236	122	21.850	115	3,7	4,4	5,5
Germany	356,974	80,567	226	21.090	111	1,0	3,2	10,0
Greece	131,957	10,266	78	12.920	68	14,7	20,4	9,6
Spain	504,782	38,910	77	14.820	78	3,7	9,3	20,8
France	543,956	56,818	104	19.760	104	2,5	4,9	12,4
Ireland	70,285	3,605	51	18.620	98	7,5	12,0	10,1
Italy	301,302	56,648	188	18.810	99	2,9	7,5	12,1
Luxembourg	2,856	0,416	146	30.140	162	1,5	3,9	2,6
Netherlands	41,685	15,335	368	20.140	106	3,6	3,8	5,2
Austria	83,845	7,906	94	21.280	112	2,4	7,3	4,4
Portugal	92,27	9,848	107	13.300	70	5,1	11,5	6,8
Finland	338,144	5,112	15	18.620	98	5,2	7,8	13,1
Sweden	449,956	8,837	20	19.000	100	2,1	3,3	9,9
United Kingdom	241,752	57,854	239	18.810	99	1,6	2,1	7,0
EU15	3.233,376	367,512	114	19.000	100	2,4	5,3	10,7

* Source: Commission of the European Communities. Regular Reports from the Commission on the Candidate Countries' Progress Towards Accession. Brussels 1998 (Internet)

** Source: EU 15 - Eurostat 1999: Eurostatistics, Data for short-term economic analysis, Theme 1, Series B. Brussels 1999; CEEC - Eurostat 1999: Statistical Yearbook on CEECs 1998. Brussels 1999

*** GDP per capita in PPP for the CEECs - revised data according to the results of an International Comparison Project 1996 concerning Purchasing Power Standards (PPS) (OECD, Eurostat in co-operation with the national statistical offices). Purchasing Power Standards are used instead of the official exchange rates in order to access differing living standards. Thus the approach reflects the differing costs of living in the individual countries.

Comments

1 MERCOSUR: amalgamation of Argentina, Brazil, Paraguay and Uruguay to form a common market

2 The following countries joined the Monetary Union on 1 January 1999: Austria, Belgium, Germany, Finland, France, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

3 As a comparision: The USA has more than 260 million inhabitants covering an area of 9.4 million km2 and an annual gross domestic product of about 6 trillion ECU; converted into Purchasing Power Standards this corresponds almost exactly to the EU's GDP. (see Federal Statistical Office: Statistisches Jahrbuch 1998 für das Ausland. Wiesbaden 1998)

4 Estimates by the Federal Office for Building and Spatial Planning (BBR), Bonn

5 European Commission (ed.). Sixth Periodic Report (in printing process)

6 The territory of the EU has for statistical purposes been divided up into 208 spatial NUTS 2 units (not including the French overseas departments); unless otherwise indicated, they are based in the following on the term of "region".

7 See European Commission (ed.). Sixth Periodic Report. p. 12 (in printing)

8 See Title 1, Article 2 of the version of the Treaty on EU which has been consolidated by the Treaty of Amsterdam

9 World Commission on Environment and Development: Our Common Future. New York: 1987

10 Federal Ministry for Regional Planning, Building and Urban Development (ed.): Grundlagen einer Europäischen Raumentwicklungspolitik (Principles for a European Spatial Development Policy). Bonn, 1995

11 Ibid.

12 For an important step towards a concerted spatial planning, Document of the Belgian Presidency on Spatial Planning, Informal meeting on Regional Policy and Spatial Planning, Liège 12-13 November 1993

13 Ministry of National Economy, Ministry for the Environment, Physical Planning and Public Works, Informal Council of Regional Policy and Spatial Planning Ministers, Conclusions of the Presidency and Documents, Corfu 3-4- June 1994, Athens, October 1995

14 Loc. cit.

15 French Presidency, European Union 1995, The European Spatial Development Perspective, Informal council of Ministers responsible for spatial planning and regional policies, Strasbourg, 30 and 31 March 1995

16 Ministerio de Obras Públicas, Transportes y Medio Ambiente (ed.), Balance of the Spanish Presidency of the European Union with respect to Spatial Planning, serie monograficas, Madrid 1996.

17 Presidenza del Consiglio dei Ministri, Dipartimento per il coordinamento delle politiche comunitarie (ed.), European Spatial Planning, Ministerial Meeting on Regional Policy and Spatial Planning Venice, 3 and 4 May 1996, Rome 1996

18 The Committee on Spatial Development, chaired by the corresponding presidency, is composed of delegates of the Member States from the national governments responsible in the field of spatial planning or development, and the EU Commission. The latter has the secretariat function.

19 European Communities (ed.). European Spatial Development Perspective, First official draft, presented at the informal meeting of Ministers responsible for spatial planning of the Member States of the European Union, Noordwijk, 9 and 10 June 1997

20 Ministry for Spatial Planning of Luxemburg (ed.). Concept for the establishment of the "European Spatial Planning Observatory Network" (ESPON), Echternach 1997

21 Meeting of Ministers responsible for Spatial Planning of the Member States of the European Union, Glasgow, 8 June 1998, European Spatial Development Perspective (ESDP), complete draft

22 The Future of European Spatial Development Policy – CSD and ESDP after 1999, Report of the Austrian Presidency, CSD Seminar organised by the Federal Chancellery under the Austrian EU Presidency, 23-24 November 1998

23 European Parliament (ed.). Resolution on Regional Planning and on the European Spatial Development Concept, adopted on 2 July 1998, Official Journal A4 – 0206/98

24 Committee of the Regions (ed.). Opinion of the Committee of the Regions of 14 January 1999 concerning the European Spatial Development Perspective – First Official Draft, Brussels, 25 January 1999

25 Economic and Social Committee of the European Union (ed.). European Spatial Development Perspective (ESDP) (own initiative), Brussels, 9 and 10 September 1998

26 European Court of Auditors. Annual Report on the Financial Year 1997

27 Objective 1: Development and structural adjustment of backward areas whose per capita income is below 75% of the Community average.

28 Objective 2: Adjustment of regions that are particularly affected by declining industrial development.

29 EC Nitrate Directive (91/676)

30 As requested by the European Council in its resolution of 6 May 1994 (94/C 135/02)

31 United Nations Conference on Environment and Development in June 1992 in Rio de Janeiro. Agenda 21

32 United Nations Conference on Human Settlements (Habitat II); The Habitat Agenda. Goals and Principles, Commitments and Global Plan Action. Istanbul, Turkey, 3-14 June 1996

33 See German Association of Cities, Austrian Association of Cities, City of Vienna/Europaforum Vienna in co-operation with the Federal Ministry of Transport, Building and Housing in Germany, Federal Office for Building and Regional Planning in Germany: Urban Exchange Initiative. Report on elements of a sustainable urban development in the European Union. (Draft March 1999)

34 Commission of the European Communities (ed.). European sustainable cities: report. 28 October 1998 – COM/98/605 F, Luxemburg 1999

35 European Community biodiversity strategy (COM(98)42).

36 Stockholm Declaration on Sustainable Spatial Development Policy in the BSR. In: Vision and Strategies around the Baltic Sea 2010: From Vision to Action. Fourth Conference of Ministers for Spatial Planning and Development. Stockholm October 22, 1996

37 Convention for protection of Europe's architectural heritage. 3. October 1985

38 European Commission (ed.). First Report on economic and social cohesion 1996. Brussels, Luxemburg 1996

39 Vision and Strategies around the Baltic Sea 2010: From Vision to Action. Fourth Conference of Ministers for Spatial Planning and Development. Stockholm October 22, 1996

40 Accession Countries: this comprises the countries with whom accession negotiations were entered into in 1998: Estonia, Poland, Slovenia, Czech Republic, Hungary and Cyprus; and associated central and Eastern European countries which officially requested accession: Bulgaria, Lithuania, Latvia, Romania and Slovakia.

41 The basis for the elaboration of this chapter is Biehl, Dieter (Institut für ländliche Strukturforschung Frankfurt a. M.): Spatial development perspectives for the enlargement of the European Communities, 1998 (publication in preparation). During the preparation of this chapter by the Austrian Presidency all the Accession Countries expressed their position. Together with Switzerland and Norway, they also commented on the “ESDP - First Official Draft”.

42 MERCOSUR: amalgamation of Argentina, Brazil, Paraguay and Uruguay to form a common market

43 Ultra-peripheral regions: French Overseas Departments, Azores, Madeira, Canary Islands

44 Calculations of the Federal Research Institute for Building and Regional Planning (BBR), Bonn

45 Europe 2000: Outlook for the development of the Community’s territory. Luxembourg: Office for Official Publications of the European Communities, 1991

46 Europe 2000+: Co-operation for European territorial development. Luxembourg: Office for Official Publications of the European Communities, 1994

47 Eurostat – forecast, in : Statistisches Bundesamt: Die Bevölkerung der Europäischen Union heute und morgen, Wiesbaden 1998

48 Eurostat, Regio – regional data bank (Regions: Yearbook 1997)

49 European Commission (ed.). Competitiveness and cohesion: trends in the regions – fifth Periodic Report on the social and economic situation and development of the regions in the Community. Office for Official Publications of the European Communities, Luxembourg 1994. European Commission (ed.). Sixth Periodic Report on the social and economic situation and development of the regions of the European Community. Office for Official Publications of the European Communities, Luxembourg 1999 (in printing)

50 European Commission (ed.). First Report on economic and social cohesion 1996. Office for Official Publications of the European Communities, Luxembourg 1996

51 Calculations of the Federal Research Institute for Building and Regional Planning (BBR), Bonn

52 Sixth Periodic Report on economic and social cohesion 1996. Loc. cit., p.55

53 Sixth Periodic Report, loc. cit.

54 Wissen, L. van, Regional demography of enterprises in Europe: an overview, Netherlands Interuniversity Demographic Institute, 1997, The Hague

55 Eurostat yearbook 1997, Luxembourg 1997

56 Statistisches Jahrbuch 1998 für das Ausland, loc. cit., p. 366

57 European Spatial Development Perspective. Complete draft. Glasgow 1998, p. 15 f.

58 World Bank (ed.): World Development Indicators 1998

59 European Environment Agency (EEA): Europe’s Environment. The Dobøí_ Assessment. Office for Official Publications of the European Communities, Luxembourg 1995, p. 323 f.. These works are related to the entire area including Central and Eastern Europe as well as the European part of Russia. The EEA states that estimates concerning world wide emission are not very reliable.

60 Ibid.

61 Ibid.

62 ESDP, Complete draft, loc. cit., p. 25, endnote 21

63 Ibid., p.26

64 National Spatial Planning Agency. Spatial Patterns of Transportation, Atlas on freight transport in Europe, The Hague, 1997, p. 6

65 Train/Air Complementarity (A study for the National Spatial Planning Agency), Stratagem, Amsterdam, 1997

66 Loc. cit.

67 ESDP, Complete draft, loc. cit., p. 30

68 COM (98) 42-C4-0140/98

69 Statistisches Jahrbuch 1998 für das Ausland, loc. cit., p. 185

70 ESDP, First official draft, loc. cit., p. 34, endnote 21

European Commission

ESDP - European Spatial Development Perspective
Towards Balanced and Sustainable Development of the Territory of the European Union

Luxembourg: Office for Official Publications of the European Communities

1999 — 87 pp. — 21.0 x 29.7 cm

ISBN 92-828-7658-6

Price (excluding VAT) in Luxembourg: EUR 19