

LE GOUVERNEMENT DU GRAND-DUCHÉ DE LUXEMBOURG Ministère du Développement durable et des Infrastructures

Département de l'aménagement du territoire

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## Progress on Territorial Cohesion in the EU: European Territorial Scenarios and Visions for 2050 (Action 2 of the IT-LV-LU Trio Presidency)

## Input paper for the informal Ministerial meeting on Territorial Cohesion under the Luxembourg Presidency

### 26 November 2015 in Luxembourg

#### 1. Setting the scene

An increasingly integrated and accelerating world, the spatial concentration of economic activities and of social as well as environmental challenges, increasingly deviating job opportunities and living conditions for people inside and outside of Europe are resulting in increasing migration flows. Citizens and policymakers are concerned about the current situation and perspectives, in particular in southern territories, as a consequence of the recent economic and financial crisis of Europe. Mountain regions, islands, or border regions all dispose of a specific territorial feature and have been subject of a European debate for a longer time. However, besides the evolving development trends, there is also the search for the best use of the European territory in terms of smart, inclusive and sustainable growth for the benefit of European citizens; many sector-related policies such as the transport, ICT or energy policies, or the Digital Agenda are impacting the territorial perspectives. In such turbulent times, it is important to step back one step in order to understand the underlying long-term trends and find the appropriate policy answers. In order to do so, now is the right moment for starting a policy-oriented debate on long-term territorial scenarios and visions. The wealth of ESPON results and territorial evidence and the recent projects of a number of countries like France, Poland or the Netherlands or regions like the Baltic Sea offer a richness of material that can function as a sound basis for a debate at the political level. Furthermore, ESPON elaborated on scenarios and visions, the European Commission initiatied works on territorial sceanios, and the Committee of the Regions is devoting an Opinion on "Territorial Vision 2050: What future?".



# 2. Proposals on the use of scenarios and visions in the context of territorial cohesion policy

Based on the results of the report on the Workshop "What European territory do we want?" in Luxembourg (Annex I) and the debate of policymakers up to the level of Directors-General level preparing for the Ministerial meeting the following concrete proposals on the potential use of scenarios as well as visions and the role of various actors in promoting this use are presented to the Ministers responsible for Territorial Cohesion.

#### (1) Using scenarios to inform sector policies and cross-sector initiatives

The use of territorial scenarios should be actively promoted in the discussions on sector policies and cross-sector initiatives at the EU level. The development of territorial scenarios could illustrate the likely effects of different policy options on the future development of the European territory and thus raise awareness of the territorial dimension of sector policies and cross-sector initiatives at the EU level. This would be most useful in the design and implementation phases. In particular, the following discussions could be enriched by a scenario-building process as these policies and territorial developments have a clear focus and impact beyond the year 2020:

- *European Investment Plan*: Territorial scenarios could serve as a useful tool to embed the investments envisaged under the European Investment Plan in a territorial context in order to illustrate which territorial potentials could be utilised to achieve the envisaged multiplier effect. The Commission and EIB would need to take a key role in addressing this issue.
- *Energy Union*: Territorial scenarios illustrating different territorial patterns of energy production and consumption factors may prove useful in relation to the effective and efficient implementation of this policy.
- *Digital Agenda for Europe*: Territorial scenarios could be used to illustrate different territorial patterns in reference to production factors, users, and markets with the aim of guiding the necessary investments in ICT infrastructure and human capital.
- *Cohesion policy post-2020*: Future Cohesion policy should be informed by scenarios and may benefit from a visioning process in order to provide for a clear focus in the upcoming programming period.
- Internal and external migration and the situation regarding refugees: In territorial terms the migration-related impacts are pivotal for territorial development in Europe; therefore, scenarios could help understanding the full impact in the future. The degree to which migration can be steered and what can be done to cope with the consequences are important frame conditions for sector policy-making.

The NTCCP, together or initiated by specific countries, under the leadership of the Trio Presidency with the assistance of the European Commission (DG REGIO) and stakeholders, could start preparing short discussion papers concerning the territorial dimension of the European Investment Plan, the Energy Union, and the Digital Agenda for Europe on the basis of alternative territorial scenarios in order to deliver a targeted input at the right moment.

European Commission (DG REGIO) and the Committee of the Regions could provide ESPON with relevant inputs on the themes for territorial scenarios and their potential mapping in order to deliver the results to relevant line DGs.

ESPON – if given the mandate by the Member States – could further strengthen its efforts in the field of scenarios, while also testing new forms of mapping and visualisation that allow for the use of more qualitative information and the showing of uncertainties.

#### (2) Review of Europe 2020 Strategy

The European Commission will present its proposals to review the Strategy before the end of 2015. The territorial dimension of the Europe 2020 Strategy could be strengthened in the review process through alternative territorial scenarios by illustrating the territorial dimension of the five headline targets up to 2020 and beyond.

The NTCCP, with the assistance of the European Commission (DG REGIO) and stakeholders as well as the incoming presidencies, could start preparing short discussion inputs concerning the territorial dimension of the five headline targets of the Europe 2020 Strategy on the basis of alternative territorial scenarios in order to deliver a targeted input at the right moment.

In reference to initiatives of the European Commission, data from the project on regional projections of economic and demographic indicators undertaken by DG REGIO and JRC in combination with data that was collected for the Europe 2020 Index and indictors form ESPON could be used to develop alternative territorial scenarios for the five headline targets up to 2020 and beyond. However, an effort by EUROSTAT is also needed to *improve the data situation* and create a sound basis for scenario-building.

#### (3) Territorial Impact Assessments

*Territorial Impact Assessments could further function as eye openers* or invitations for dialogue through the production of territorial scenarios. Apart from the large European policy initiatives, other policy developments could also benefit from a better understanding of how they link into expected territorial developments in Europe. This may facilitate effective and efficient policy development while making the best use of Europe's territorial diversity.

At the EU level, the *territorial dimension has recently been recognised in the Better Regulation Guidelines (2015)* and integrated into the official European Commission's Impact Assessment process. The instrument of territorial impact assessments should include a time dimension that integrates information on expected future developments.

#### (4) A Territorial Agenda post-2020

In line with Trio Action 1, the preparations for developing a Territorial Agenda post-2020 should start in the year 2018 under the coordination of the Trio presidency of United Kingdom, Estonia and Bulgaria with the aim of concluding the process in the year 2020 under the Trio presidency of Austria, Romania and Finland. A revision of the TA 2020 should be informed by a long-term territorial scenario and visioning process involving relevant stakeholders from all sectors and levels of government. Involving a broad range of sectors in the development of scenarios and a common vision on the long-term territorial development of Europe would foster ownership that could help to overcome the silo mentality. Such a common vision could also function as a reference framework for strategic policies at the EU level. A particular role would be required by the Trio presidency of Austria, Romania and Finland with the support of ESPON on scenario-building and visioning processes, the European Commission on scenarios and data provision, as well as EU-level sector representatives, and the Committee of the Regions regarding the involvement of actors in a vertical perspective.

#### (5) A call for initiative and ownership

The referene document "Towards a better use of the European Territory – Pathways for strengthening territorial cohesion in the European Union" discussed under Action 1 of the Trio Presidency aready indicated that taking the initiative and creating ownership by offering input and the occasions to discuss scenarios and visions is a key prerequisite for progressing on this topic. In particular, the incoming Presidencies, the European Commison and ESPON are asked to make a particular effort to support the proposals made and to act as a mentor for making the proposals a reality. Scenario-building and discussion should be a priority for the years until 2018, whereas a visioning processes supporting the revision of the TA 2020 would be a key priority from 2018 onwards.

#### **3.** Questions to the Ministers

The debate about scenarios and visions clearly indicates the added value of such an approach. At the occasion of the Informal Ministerial Meeting on Territorial Cohesion in Luxembourg on 26 November 2015, Ministers are invited to discuss and validate the proposals developed in the previous section. It is evident that the development and the use of scenarios as well as visions is a particularly demanding endeavour for those actors initiating such a process. Therefore, feedback on the proposals should not only consider the interest in such actions but also the possibility to support the implementation of these actions. Ministers are invited to discuss the following questions:

- 1. Do you share the principal added value of starting a scenario and visioning process as a way to strengthen territorial cohesion and the implementation of the Territorial Agenda 2020 in the European Union?
- 2. Could you see a particular role for your country / institution in following up on and implementing one of the proposals made above?

#### Annex I:

## Key Messages of the Workshop "What European territory do we want?" 23 April 2015 in Luxembourg

The workshop was to prepare a political debate on European Territorial Scenarios and Visions for 2050 by critically assessing the available material and discussing potential approaches. The target audience of the workshop were policymakers, researchers, and stakeholders from all sectors at the European, transnational, national, and regional level. The workshop was divided into two main sessions that consisted of keynote presentations and impulse statements to showcase the available material and clarify access points for a political debate. An expert team of Spatial Foresight was invited to prepare a report that takes up the proceedings of the workshop and offers conclusions on how to move forward and use scenarios or visions in the European policy-making process; this report is available as a supporting document for this NTCCP meeting<sup>1</sup>. Based on the summary report prepared by the experts, the following key messages, which are basically in line with what was already discussed at the NTCCP meeting in Riga, could be identified at the workshop.

#### Key messages regarding territorial scenarios

- Scenarios are a plausible description of how the future might develop, based on a coherent and internally consistent set of assumptions ('scenario logic') about the key relationships and driving forces. Scenarios are, however, neither predictions of nor forecasts for the future.
- Scenarios can be used in different phases of the policy process, but they often provide the starting point for policy design or implementation as they are a useful tool for illustrating the likely effects of different policy options in the future.
- It remains an open question whether the scenario-building process should begin by assessing the impact of sector policies on territorial objectives or by adapting sector policies to territorial objectives.
- Past scenario experiences suggest that the number of alternative scenarios should be limited to provide policy-makers with a clear choice.

#### Key messages regarding territorial visions

- Visions define a desirable picture of the future. This picture is based on a core set of ideas, values and principles. Other terms that are used to describe similar long-term pictures of a desirable future are 'perspectives' or 'strategies'. However, perspectives and strategies tend to have a stronger focus on the political actions towards a desirable future, whereas 'visions' often lack a clearly defined operationalisation.
- Visioning processes can be useful in identifying as well as raising awareness of common challenges, interests, and objectives. As a consequence, visions tend to reflect a common understanding of a desirable picture of the future and induce a feeling of co-ownership in stakeholders.
- The applicability and usefulness of a vision are largely determined by time-related factors, i.e. the timing in relation to the initiation of a visioning process and the amount of time needed to

<sup>&</sup>lt;sup>1</sup> See: Spatial Foresight: "Territorial Scenarios and Visions of Europe for 2050: Proceedings of the Workshop of the incoming Luxembourg EU Presidency on 23 April 2015" (2015)

conclude the process. A sustained level of commitment among stakeholders is necessary throughout and beyond the visioning process in order to implement the relevant policy actions.

 Territorial visions should be understood as the territorial translation of a spatially blind vision, which means that territorial development becomes not an end in itself but rather a means to improve the living conditions of the population of a given territory.

#### General conclusions regarding territorial scenarios and visions

The table below provides an overview on the methodology and purpose of both scenarios and visions.

	Scenarios	Visions
Preparation	<ul> <li>Building largely on expert knowledge, but also allowing for the involvement of key stakeholders</li> <li>Often alternative scenarios are developed</li> <li>Can be based on both quantitative and qualitative approaches</li> </ul>	<ul> <li>Building on large participative processes</li> <li>Important to ensure long-term commitment of policy-makers</li> <li>Focus on a single vision that reflects a common understanding</li> <li>Timing of the initiation and conclusion of the process is crucial</li> </ul>
Presentation	<ul> <li>Future is uncertain and there are alternative scenarios of how the future might develop</li> <li>Maps are good for presentation, but can be controversial for policy-makers</li> </ul>	<ul> <li>This is 'our' desirable future – ownership is explicit</li> <li>Maps are good for presentation, but can be controversial for policy-makers</li> </ul>
Awareness raising	<ul> <li>Raising awareness of possible future developments and their territorial dimension</li> </ul>	<ul> <li>Raising awareness of common interests/objectives and their territorial dimension</li> </ul>
Used for which type of discussion	Helping stakeholders to understand the potential effects of different policy options	<ul> <li>Can stimulate a broader debate on a shared vision of where 'we' want to go and what the future territory should look like</li> </ul>
Added value for which type of policies	<ul> <li>The added value of territorial scenarios lies in the dialogue with sectoral policies on their impacts and needs (at all levels)</li> </ul>	<ul> <li>The added value of territorial visions lies in providing a common framework for a range of sector policies or initiatives (at all levels)</li> </ul>

- Territorial scenarios and visions are usually addressed at actors in the field of territorial policy. The challenge lies in moving beyond this group of territorial specialists and addressing actors from relevant sector policies.
- The development as well as use of scenarios and visions is often hampered by a failure to induce a feeling of co-ownership in stakeholders and by a lack of long-term commitment from policymakers. These difficulties could be overcome by producing tailor-made scenarios or visions and involving the relevant stakeholders in the development and subsequent implementation of the scenarios or visions.
- Whereas visions often revolve around the question of how to achieve a balance between competing political interests or objectives (growth vs. cohesion, economic vs. ecological

concerns), scenarios illustrate the likely effects of different policy options on the future development of a given territory.

- Even though maps are powerful communication tools that can raise awareness of territorial challenges, policy-makers still seem to be hesitant to engage with scenarios or visions that are visualised by means of maps.
- The use of scenarios and visions may be of particular interest with regards to the upcoming discussions on the European Investment Plan, the mid-term review of the Europe 2020 Strategy, the Energy Union, the Digital Agenda, or the preparation for the 2020+ funding period of the European Structural and Investment Funds. In this context, scenarios and visions may function as eye openers on potential policy pathways.