

The ESPON Programme

Report no. 2 to the Nordic Council of Ministers,
NERP

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ANP 2004:793

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ANP 2004:793

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ISBN 92-893-1087-1

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Nordic Regional Policy Co-operation

The aim of Nordic Regional Policy Co-operation is to promote balanced regional development in the Nordic countries, both internally and across national borders. This objective is realised through co-operation between national authorities, and locally initiated co-operation between regions.

The Nordic Council of Ministers

was established in 1971. It submits proposals on co-operation between the governments of the five Nordic countries to the Nordic Council, implements the Council's recommendations and reports on results, while directing the work carried out in the targeted areas. The Prime Ministers of the five Nordic countries assume overall responsibility for the co-operation measures, which are co-ordinated by the ministers for co-operation and the Nordic Co-operation committee. The composition of the Council of Ministers varies, depending on the nature of the issue to be treated.

The Nordic Council

was formed in 1952 to promote co-operation between the parliaments and governments of Denmark, Iceland, Norway and Sweden. Finland joined in 1955. At the sessions held by the Council, representatives from the Faroe Islands and Greenland form part of the Danish delegation, while Åland is represented on the Finnish delegation. The Council consists of 87 elected members - all of whom are members of parliament. The Nordic Council takes initiatives, acts in a consultative capacity and monitors co-operation measures. The Council operates via its institutions: the Plenary Assembly, the Presidium and standing committees.

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Preamble

Introduction

In spring 2003 NERP decided to formulate a project aiming at sending a project expert to the Coordination Unit (CU) of the European Spatial Planning Observation Network, (ESPON).

The project carries 2 objectives. Firstly to assist the CU in administering the ESPON programme and secondly every sixth month to report back to NERP delivering digested information on new knowledge concerning European Spatial Development on matters of a special Nordic interest.

The envisaged output will be 4 reports giving an impression of scientific and political development, which presently for the first time in a cohesive way is taking place within the enlarged EU 25 plus the 2 candidate countries of Bulgaria and Rumania and the 2 neighbouring countries Norway and Switzerland.

The first report was presented to NERP in spring 2004 and contained, apart from a short introduction to the background for the development of the European Spatial Development Perspective (ESDP) and of ESPON, a condensed presentation of the main findings of the 2nd. and 3rd. interim reports from the first 16 ESPON projects.

This second report will be presented to NERP in December 2004 and contains a condensed presentation of some of the findings of the first final reports from 8 projects and is based upon the summary of all 8 final reports as well as the summary from the coordinating and cross-thematic ESPON project 3.1. Furthermore this second report aims to highlight some specific Nordic features arising from the maps produced by the individual projects.

Status for the espon programme.

The ESPON programme is progressing according to the plan, delivering an impressive amount of new and coherent knowledge covering EU-25, plus Bulgaria, Rumania, Norway and Switzerland – today commonly known among all taking part in the programme as “ESPON-space”.

By August 2004 the Transnational Project Groups (TPG) had delivered 47 reports, among which 8 were Final Reports. By the end of the programme in October 2006 a number of 101 reports will have been delivered, reflecting more than the planned delivery.

ESPON CU has however started the first considerations on how to wind up this ESPON programme and how to make best use of the rest of the budget. The MC has decided upon a prioritised list of project and study proposals to be carried through until the end of the programme in 2006.

Considerations are presently taking place concerning the future of ESPON and although nothing yet has been decided by a responsible ministerial level an agreement seems al-

ready now possible to reach on an ESPON II programme during the coming Luxembourg EU Presidency.

Communication.

An important aspect of producing new knowledge is how to communicate it, not only to policymakers and politicians at European, transnational, national and local level, but also to the public in general.

ESPON CU published in June 2004 a report on preliminary results (August 2003), an 8 page summary folder and a poster. A sufficient amount of copies of this material has been disseminated to all countries taking part in the ESPON programme. A limited number of the report and folder have also been disseminated to more than 110 addressees throughout Europe and in the rest of the world. All 3 products can be downloaded from www.espon.lu

ESPON CU is presently producing a new short publication on basis of the final reports from August 2004, named ESPON Briefing 1. The number indicates the intention to follow up with new editions.

Considering the vast amount of new knowledge in the form of several thousand pages of scientific text and several hundred new maps covering cohesively the entire ESPON-space for the first time, it is evident that it is a major challenge to disseminate this material to a larger European audience in an understandable and digestible way.

It is also important to bear in mind, that the reports have been produced with the purpose of making a difference, partly to support policy development at European and national level, partly to support the development of a European scientific society in relation to territorial and spatial development.

The MC has decided to contract an international consultant to produce a Communication Strategy and Action Plan. The plan will be implemented as from the beginning of 2005.

The following is a very short and condense selections of impressions of findings and suggestions for policy recommendations delivered in the first 8 Final Reports.

For those being interested in deepening their knowledge of these reports, please go to www.espon.lu from where all reports can be downloaded.

Disclaimer

The text of this summary report does not necessarily reflect the opinion of the ESPON Monitoring Committee. The sole responsibility for this summary lies with the author.

1 Summary of findings

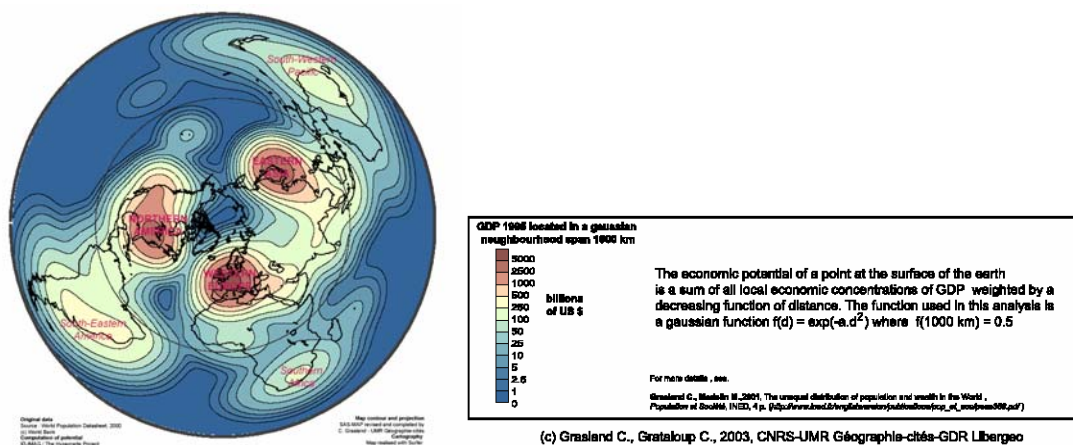
The first final reports.

All ESPON reports cover a very large territory and in many cases it is the first time a comprehensive research covering all ESPON space is carried through. From a global perspective some few key figures may be of interest.

The ESPON space or territory covers one of the largest common markets in the world. Almost 500 million inhabitants live on an area of 4.7 mill. square kilometres, which makes this territory one of the most populous and densely populated regions in the world.

The total GDP is one of the highest in the world with 11.600 billion \$ compared to 12.300 billion \$ of the NAFTA zone¹, 4,300 billion \$ of Japan, 620 billion \$ of ASEAN² and 580 billion \$ of Mercosur³. The map illustrates the world economic potential using the smoothing method.

European Spatial Planning Observatory Network ESPON 3.1 / Workpackage "Europe in the World" WORLD ECONOMIC POTENTIAL



As stated in ESDP and confirmed by ESPON projects there are large regional disparities within EU, which have grown considerably in connection with the enlargement. The highest population density and highest rate of economic performance is within the so-called “Pentagon”, cornered by the cities of London, Hamburg, Munich, Milan and Paris, being the only Global economic Integration Zone (GIZ) in EU compared to 3 to 4

¹ North American Free Trade Agreement. (between Canada, the United Mexican States and USA).

² ASEAN (Association of Southeast Asian Nations, consisting of Brunei Darussalan, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam)

³ Mercosur. (A common market/customs union consisting of Argentina, Brazil, Paraguay and Uruguay)

GIZs in USA. Currently this “Pentagon” covers 14% of EU 27, 32 % of its population and 43% of its GDP.

Project 1.1.1. Potentials for polycentric development in Europe.

At macro level⁴ policentricity is seen as a useful alternative model to enhance regional development more evenly across the European territory. At the meso level urban and regional complementarities are important and at micro level urban functional and economic complementarities are emphasised.

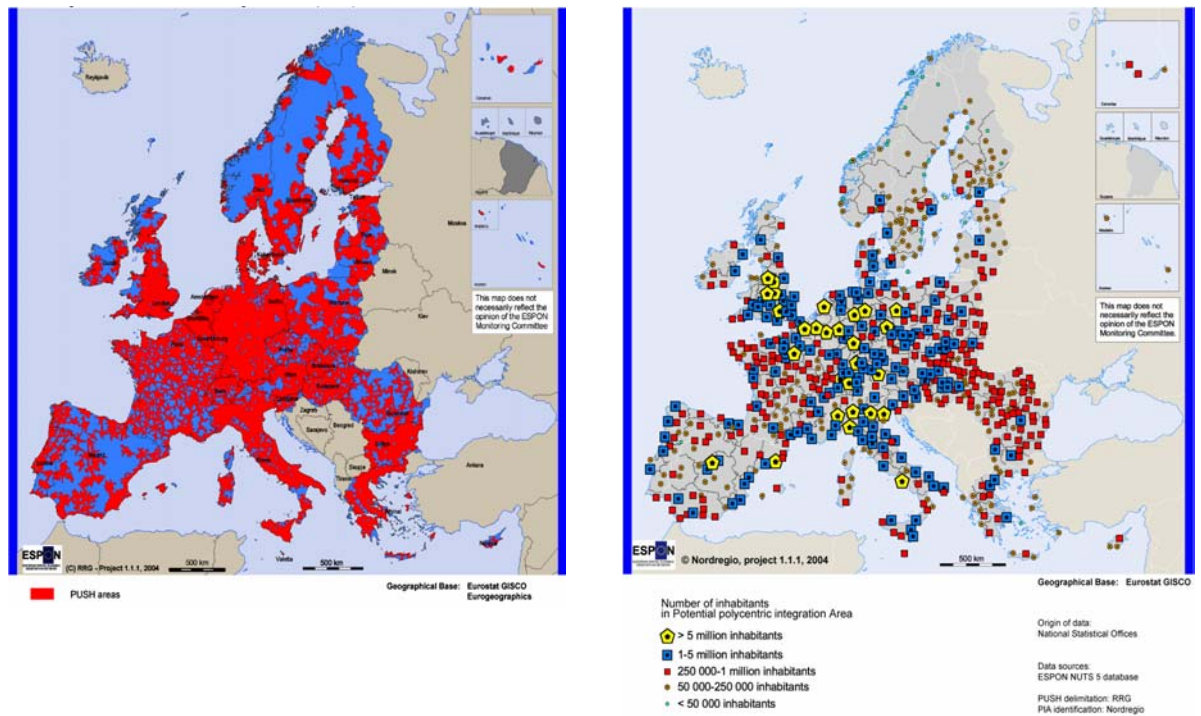
One conclusion is that the “Pentagon” is too narrow. In terms of population and city networks, Manchester, Berlin, Venice, Genoa and Paris today define the corners of the European core.

A second conclusion is that polycentricity at EU level must build upon functional specialisation through stimulating cities outside the core area to develop functions for the whole of Europe. However the project cannot identify any region in the European periphery where a polycentric integration could increase the population mass sufficiently to create a new Global Integration Zone (GIZ) to counter the “Pentagon”.

There are significant differences between the core and the periphery regarding urban tissues, income and development endowments. This is even more valid at the level of EU 27+2. At meso level urban disparities differ from one country to another. In Denmark e.g. focus is on the gap between the capital region and the rest of the cities. In Norway it is north-south disparities and in Finland there is a lack of medium-sized cities in the urban hierarchy.

The project determined 1595 Functional Urban Areas (FUA – a building block of polycentricity). The 76 FUA with highest score was labelled Metropolitan European Growth Areas (MEGA). Two new concepts are introduced in the final report; “Potential Urban Strategic Horizons” (PUSH), which on basis of proximity and the hypothesis of increased integration and co-operation may counterbalance the core. On average 66% of EU 27+2 are within 45 minutes travel time of a FUA centre. (Denmark: 98-93%, Sweden and Finland: 36-33% and Norway: 25%). Secondly Potential Polycentric Integration Areas (PIAs – overlapping commuter areas) were identified. 249 areas covering 1139 PUSHs were found. There are well distributed throughout Europe however only in the southern part of Norway, Sweden and Finland.

⁴ All projects have been asked to examine the respective themes at 3 different levels, a macro level (EU), a meso level (transnational and national) and a micro level (regional and local).



When looking at the PUSH areas (red areas on the map to the left) in the Nordic countries then a north-east/south-west concentration is visible and covers all capitals and major cities. Denmark is actually one large PUSH area. The PUSH areas are based upon the question, where to find the most promising potentials (functional entities created through increased integration and co-operation) for development towards a more polycentric urban system for Europe. Proximity to one another is a precondition, but no guarantee for co-operation though proximity does provide cities with a better opportunity for functional integration. The hypothesis is that cities with overlapping travel-to-work- areas have the best potential for developing synergies.

The PIA areas (on the map to the right) are based on the hypothesis that neighbouring cities with overlapping travel-to-work-areas can be functionally integrated and can gain from co-operation. The map illustrates the potential mass each PIA can aim for in absolute terms. The report concludes that polycentricity at EU level must build upon functional specialisation, i.e. stimulate cities outside the core area to develop functions for the whole of Europe. Increasing the demographic mass of cities through regional polycentricity is likely to further enhance the core/periphery dichotomy.

Policy recommendations differ according to the 3 levels. At micro level cities should be encouraged to cooperate and join forces in order to improve the common urban ranking. Governance is key and national governments could do more to improve the framework for local governance (robust policies and political commitment). Also strategic policy documents are key, especially related to inter-city cooperation and urban functional complementarity. EU Structural Funds (SF) regulations could facilitate regional functional polycentricity.

At meso level EU can influence polycentricity (balancing the urban system) both through structural support and agenda setting. Spatial strategies deal primarily with economic development and urban competitiveness and only to a limited degree with urban structures and polycentricity. There is a need for a pan-European definition of FUA to improve the data base.

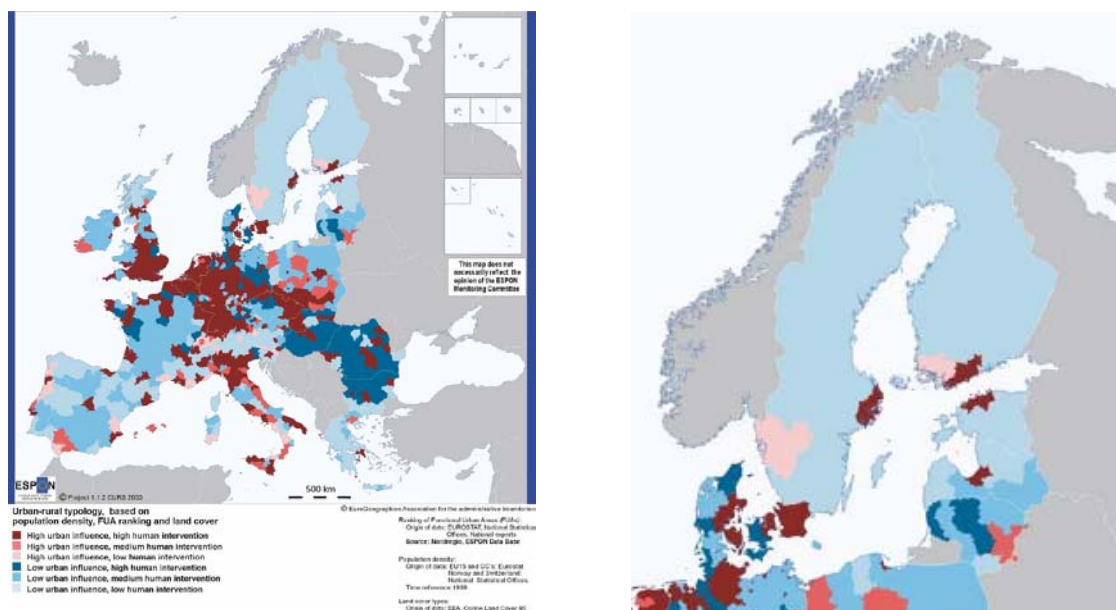
At the macro level the main objective is to stimulate alternative GIZs. Peripheral cities can gain in size through regional integration. However at macro level polycentricity must build upon functional specialisation. EU/SF should be used more targeted, e.g. through the Interreg and Interact programme.

The report questions the possibility to achieving polycentricity simultaneously at all 3 spatial levels. If successfully implemented across Europe, regions within or close to the core will inevitable gain most whereas at meso level it will strengthen already strong urban regions and contribute to a monocentric national urban hierarchy.

Project 1.1.2. Urban-rural relations in Europe.

A clear-cut visual divide between urban and rural areas in Europe is simply gone, being replaced by “rurbanisation” and the physical environment is loosing qualities, which traditionally were associated with urban and rural setting.

The prevalence of agricultural land across Europe is a tremendous important asset. It provide for locally food production as well as for possibilities for recreational purposes. Protection and conservation should therefore have high priority.



The project divides the European territory into 6 regional types according to various degree of urban influence/human intervention. On this basis the analyses conclude e.g. that EU is presently characterised by significant out-migration flows of certain segments of population from large cities towards rural areas. This contributes to limiting the growth of large cities, but adds in general insufficiently to small and medium-sized towns. Trends work against sustainability due to car-related mobility and dispersed urbanisation but contribute to development of services in rural areas, profitable for rural population. A number of rural areas are however characterised by e.g. declining population/ employment and/or marginalisation.

Unfortunately Norway is not covered by the Corine Land Cover database and is therefore grey on the map. The map shows high urban influence/high human intervention around the capitals; Helsinki, Stockholm and Copenhagen. Further also Scania with

Malmö, North Sealand, the island of Funen and in East Jytland from Viborg in North to Kolding in South belong to the same typology indicating high urban impact on rural areas with increasing development of human settlement. In the dark blue areas the human intervention is also high, whereas the urban impact is low. In the large pink area around Gothenburg/ Sweden and in the area around Turku/Finland the human intervention is however low. In Denmark this increasing human intervention in rural areas follows to a certain degree the main "H" infrastructural pattern.

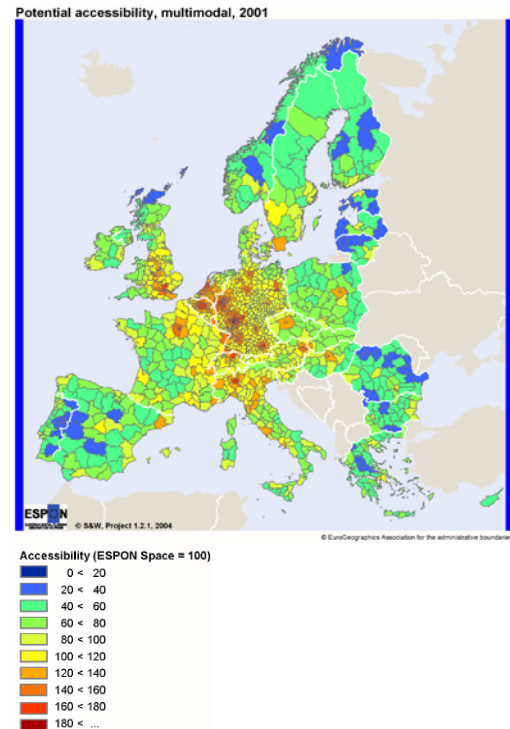
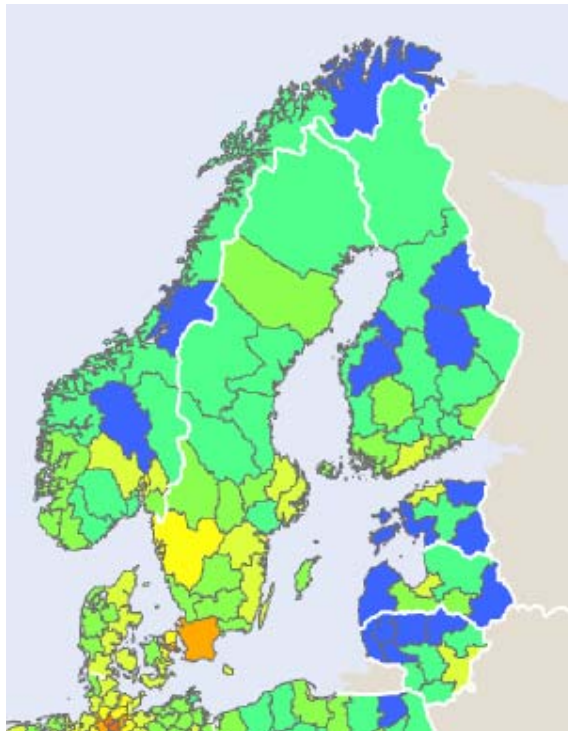
The project recommends a series of policy changes, e.g. to promoting urban-rural complementarities and partnerships where possible, as e.g. to emphasise it more strongly in the final ERDF regulations. Also in future structural policies it could be mentioned explicitly in the overall strategy for cohesion policy. Various sector policy authorities should be more observant towards potentialities for urban-rural issues. Concerning functional aspects it recommends strengthening of settlement patterns, promotion of indigenous economy, development of new public transport solutions, protection of valuable natural areas and strengthening of small and medium-sized town centres.

Project 1.2.1. Transport services and networks: territorial trends and basic supply of infrastructure for territorial cohesion.

Three groups of countries can be distinguished in terms of varied networks, which correlate with the size of the population in each area. One area contains the old EU countries (minus Luxembourg, including Denmark) plus UK and Switzerland, which all have a homogenous distributed network. The Scandinavian countries (N, S and F) belong to the second group with networks not very developed owing to low population density. The last group contains most of Eastern countries (except Poland, Czech Rep. and Romania), which all present a hierarchical network.

Spatial disparities appear differently. The centre-periphery phenomenon is clear and gives longer average travel time in peripheral regions like in Scandinavia, whereas presence and size of cities in littoral regions differ considerably and so do consequently average travel times. Thirdly geographical conditions like mountains or plains may have important impact on degree of isolation.

When it comes to dynamics and flows new structures due to enlargement take shape like Vienna and Bratislava becoming major crossroads for the Southeast connections. The potentials of the "Triangle" of Warsaw, Berlin and Vienna may result in strong relations, however also in potential congestions of present network. Main corridors for freight road traffic are located in EU15, however enlargement will impact some regions with increased freight volumes in specifically East Germany, Austria and North-east Italy. Rail freight traffic shows more or less similar trends.



The maps present potential accessibility in the Nordic countries through multimodality. It shows that only the Øresunds Region and the Gothenburg region are equal to or above EU average, whereas the rest of the Nordic regions to various degrees are below the average. It is possible to draw a line from Bergen in West Norway to Joensuu in southern East Finland south of which multimodal accessibility is increasing to above EU average, whereas north of this line multimodal accessibility is around 50% of the EU average and in some it is close to 0.

The project recommends the fulfilling of the objective of balanced, polycentric and sustainable development, that transport systems must facilitate economic activity, without being too costly, allowing everyone freedom of displacement, access to fundamental goods/services. It should reduce spatial inequalities, be sustainable and contribute to preserve resources and ecological diversity.

Among recommended changes of present policies and with specific address to the Nordic area (the Baltic States), and as complement to the development of “Corridor I” the report recommends further development of air service to neighbouring countries.

Project 1.2.2. Telecommunication Services and Networks; Territorial Trends and Basic supply of Infrastructure for territorial Cohesion.

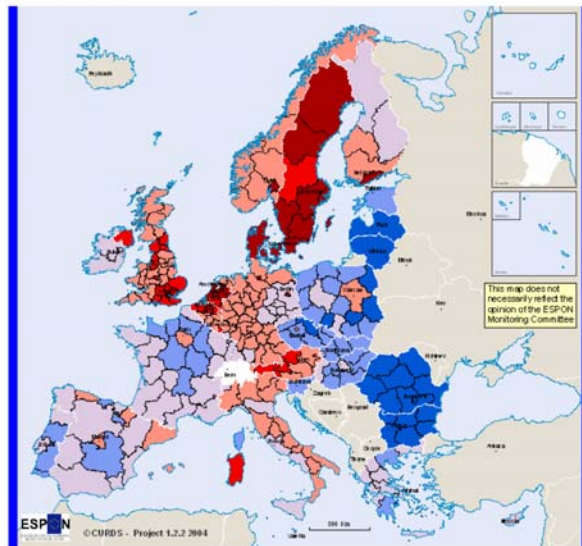
Shape and demand for telecommunication in Europe is complex due to the number of countries covered by the analyses, national socio-economic circumstances and historic differences in telecom development. Further different technologies exhibit different patterns and finally each country has particularly attitudes towards intervention in the market. In short, national specificities remain crucial in understanding territorial differences across Europe. However some clear territorial patterns do emerge.

At macro level there is a clear North-south divide. The main factor is the strength of the Nordic countries, which lead the way in uptake of almost all technologies. There is a

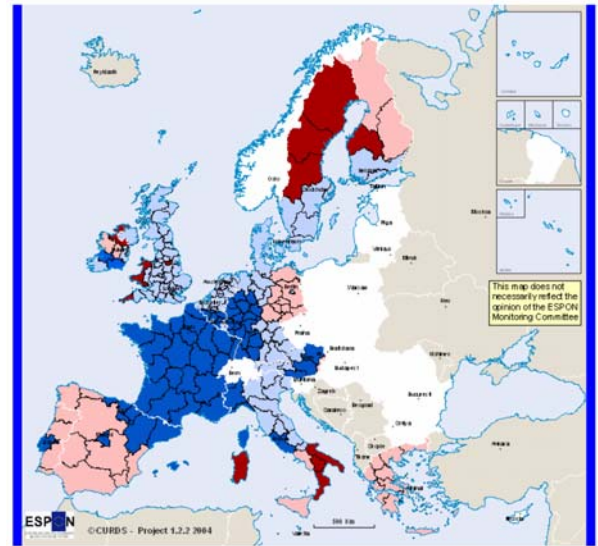
West-East divide across all technologies, however with differences both related to the individual technologies as well as to the degree of implementation.

At meso level national specificities are crucial in understanding regional differences across Europe. Many Nordic regions can be regarded as highly advanced. Also into this category falls core city regions while many East European countries are lagging behind, notably Bulgaria and Romania.

An overall typology of combined household and business telecommunications development



Household internet penetration and Objective 1 status



At micro level the study finds disparities between metropolitan, urban and rural areas. Most importantly the study shows that the currently most developed forms for broadband, ADSL and modem follows a hierarchical roll-out pattern based on population density.

Inter-regional differences are narrow compared to inter-country differences, which show distinctive “national telecoms cultures like; Sweden and Finland (high communication/computing cultures), Greece, Italy and Czech Rep. (high voice communication culture), Netherlands and Denmark (high computing cultures) and Germany and France (low telecommunication culture).

Telecommunication is part of the concept of accessibility and contrary to road, rail and air the Nordic countries are in the lead, regardless which form of telecommunication technology. Looking at household internet penetration in relation to Objective 1 status or not (map to the right) the degree of penetration is above EU average apart from eastern and northern part of Finland, where the level of telecommunication is moderate. As non EU-member Norway there is no data on household internet penetration, however Norway is characterised as being moderate advanced (map to the left).

The maps are based on data from 2002 and are as such not fully up to date. In this branch 2 years may have large impact and both UK and France have stated, that the maps do not reflect the present stage. However this may apply to most countries.

The report recommends the issuing of conditional licenses imposing more even territorial coverage. This could be facilitated through subsidy to telecommunication providers or public-private partnerships. Also it recommends local governments as “rule-makers” to make use of their planning power in various ways to ease a better territorial distribution. And finally the report presents the need for a greater symmetry of knowledge between the public and private sector related to the area of telecommunication.

Project 2.1.1. Territorial impact of EU transport and TEN policies.

The project has analysed 13 scenarios, which is listed in the table 1.1. Of these 3 scenarios are retrospective and 10 scenarios are prospective. The main general result is that the overall effects of transport infrastructure investments and other transport policies are small compared with socio-economic and technical macro trends, like globalisation, increasing competition between cities and regions, ageing of population, shifting labour force participation and increase in labour population.

The second main result is that even large increases in regional accessibility translate into only very small increases in regional economic activity. However this seems to depend on existing level of accessibility. For regions in the European core investments may bring only minor incentives to economic growth. The retrospective scenarios show that European transport policy impacts have been small and their distributional effect minimal.

The prospective scenarios suggest that the socio-economic impacts of the transport policy may be larger if the TEN and TINA (Trans European Network and Transport Infrastructure Needs Assessment) programmes will be implemented.

Main findings on forecasts of polycentricity can be summaries as follow; polycentricity of EU urban system has increased in the past and is likely to increase continuously as eastern cities catch up, however polycentricity will mainly grow in east-EU and decline in west-EU due to the continued growth of the largest cities. At national level polycentricity has declined in the past and is likely to continue declining. All transport infrastructure policies examined tend to accelerate decline of national urban systems as they primarily support links between large urban centres.

Transport pricing scenarios making transport less expensive have the same effect as infrastructure investments whereas scenarios making transport more expensive in general strengthen national polycentricity. Transport policies favouring EU polycentricity may increase the dominance of capitals and so contradicting the ESDP aim of national balanced polycentric urban systems.

In relative terms considering all ESPON space all scenarios, apart from the one making transport more expensive, support convergence and territorial cohesion. However in absolute terms the opposite holds: all scenarios increase the gap in accessibility and GDP pr. capita between rich core regions and poor periphery regions.

Table 1.1 Transport policy scenarios

Time horizon	Policy type	Scenario characteristics
Retrospective 1991-2001	Reference	A0 Do-nothing
	Infrastructure	A1 Only rail projects
		A2 Only road projects
		A3 Rail and road projects
Prospective 2001-2021	Reference	00 Do-nothing
	Infrastructure	B1 Priority projects (new list)
		B2 TEN/TINA projects
		B3 TEN/TINA projects except cross-border corridors
		B4 TEN/TINA cross-border corridor projects only
		B5 TEN/TINA projects only in Objective 1 regions
	Pricing	C1 Reduction of the price of rail transport
		C2 Increase of the price of road transport
		C3 Social marginal cost pricing of all modes
	Combination	D1 Priority projects plus SMCP (B1+C3)
		D2 TEN/TINA projects plus SMCP (B2+C3)

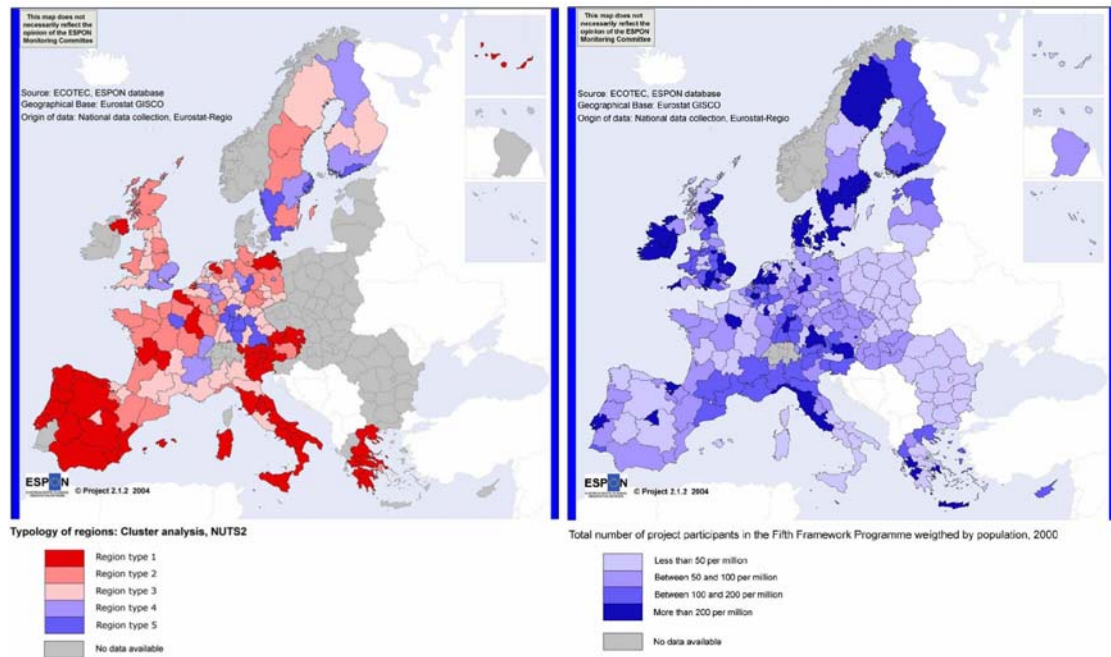
Considering EU10 only scenarios strengthening the corridors between east and west improves accessibility in all EU10. All other projects widen the gaps between capitals and rural regions.

The report recommends – as EU policies are partly in conflict with one another - to revising policy measures in the direction of a more balanced spatial development at the cost of a certain degree of economic efficiency. Alternatively policies can be left unchanged combined with compensation to those regions suffering losses.

Pricing scenarios should not be abandoned, but should be accompanied by compensation. The report recommend as such a mix of pricing and compensation in order to protect the environment and avoid undesired spatial imbalances.

Project 2.1.2. Territorial Impact of EU R&D Policy.

The report confirms a positive relationship between GDP, levels of tertiary education and employment in high tech manufacturing and R&D expenditure, but it finds that these variables were not unit elastic (no parallel increase in GDP or tertiary education and R&D spending). Participation in Framework Programme (FP) showed negative relationship to levels of high tech manufacturing employment, meaning that the presence of R&D capacity in a given territory may not be required for performing high tech manufacturing.



European regions capacity to undertake R&D differs greatly, which influences the ability to generate economic growth through innovation. Consequently no common typology of regions can be applied across Europe. However some sufficient common features allowed to formulating 5 types, of which the best, region type 5 (only 8%) were located in Germany, Finland, France, Sweden and the UK.

The report reinforces that the pattern of R&D activity is one of concentration in a limited number of regions with strong disparities between these and other regions

In the map to the left blue colour shows "exceptionally strong system of R&D and innovation" whereas red colour shows "weak at undertaking R&D and innovation. Unfortunately there is no data for Norway and Denmark, but both Sweden and Finland are in the upper half.

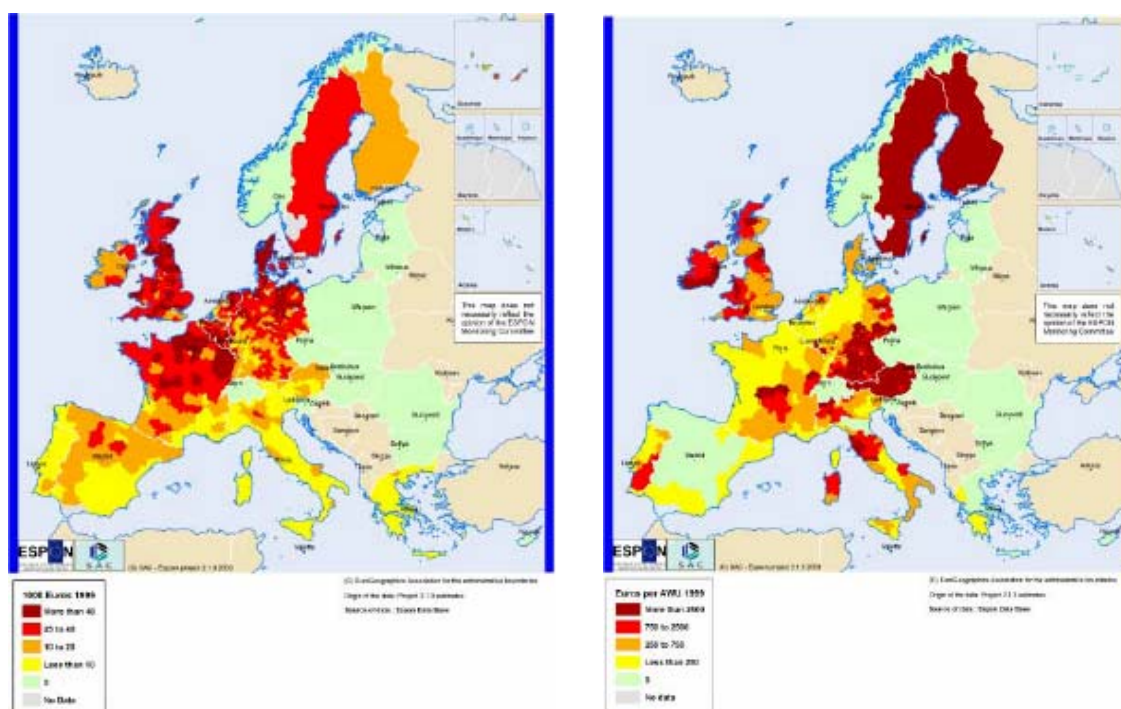
The map to the right shows the total project participation in the 5th. Framework programme across EU27+2, weighted by population, however with no data for Norway. Dark blue colour indicates a project participation of more than 20%. Although a general strong performance is characteristic for the Nordic countries, weak regions can be identified.

The report recommends better co-ordination between EU policies in order to achieve common goals like increasing economic activity and promoting territorial cohesion. It suggests the development of knowledge centres at inter-regional level linked to European centres (interesting in relation to the closing of many Technological Information Centres in Denmark). Structural Fund should ensure existence of capacity to absorb planned increase in R&D related actions. And improved consistent regional data availability is necessary for continued monitoring of spatial trends to support policy development.

Project 2.1.3. Territorial Impact of CAP (Common Agricultural Policy) and RDP (Rural Development Policy).

EU agricultural land within ESPON-space occupies about 400 million ha. (about ¼ of the total area and the rest is mountains, woods, rivers, urbanised areas, infrastructures etc.). Around half is arable (i.e. cropped) and the rest is either permanent pastures or under permanent crops (fruit orchards, vineyards, olive groves, etc.).

Among the main findings the report states, that higher levels of CAP expenditure per ha UAA (Utilisable Agricultural Area) are strongly associated with more prosperous regions. Pillar 1⁵ support is generally higher in more accessible regions and lower in more peripheral regions at all levels (macro, meso and micro) and goes to a large degree to richer regions in EU15. Pillar 2 support is higher in peripheral regions.



It appears that CAP has uneven effects across EU15 mainly due to pillar 1. Pillar 2 may in some cases be more consistent with cohesion, but runs counter to Eurowide cohesion in the way it is currently structured.

The dark red colour in the map (Pillar 1 support) to the left indicates more than 40.000€ pr. Agricultural Work Unit (AWU) and orange colour indicates 10.000 to 25.000€ pr. AWU, whereas the same colours in the map to the right (Pillar 2 support) indicate respectively "more than 2500€" and "250 to 750€" pr. AWU. It appears, that the Nordic countries (minus Norway) have little reason for complaining).

The report recommends that Pillar 2 should be increased progressively, as anticipated in Agenda 2000, being desirable as RDR incorporates cohesion objectives in contrast to pillar 1. Further RDR budget should be allocated to Member States according to criteria

⁵ Agenda 2000 defined 2 "pillars" of CAP: Pillar 1; e.g. commodity market support, emergency buying and producer support, direct payments, supply management tools. Pillar 2; various rural development policy measures.

of relative needs. Concerning direct Single Farm payments it is suggested to find models to modulated these more progressively in richer regions (!)

The principal conclusion of the report is that summing up the CAP works against the ESDP objectives of balanced territorial development and does not support the objectives of economic and social cohesion. Further in terms of EU policentricity pillar 1 appears to favour core areas more than assisting peripheral regions and locally CAP favours the more accessible areas. RDR is a cohesion measure, however expenditure under pillar 2 does not appears to support cohesion objectives either.

It is recommended that both Commission and Member States starts reviews of their institutional arrangements for rural development and agriculture, encompassing broad consultation and debate, and leading to firm proposals.

Project 2.2.3. Territorial Effects of Structural Funds in Urban Areas.

Collection of coherent and systematic data sets in previous audits have focus on 25 to 60 cities and the most resent URBAN AUDIT II increase the scope to 189 large and medium size cities. Project 2.2.3 was expected to examine 1500 cities and lack of data has been a profound problem as data tends to be collected at programme level (NUTS 2).

However the project estimates that more than half of SF expenditures occur in FUAs at micro level. Less than 20 % occur in FUAs at meso level) and only around 10% occur at makro level. Around 15% went to non-FUA areas. Development of skills and expertise and economic development (support to SMEs and innovation) are most addressed interventions. Least attention is paid to ageing workforce, increasing migration and flexible working patterns. Effects of SF in urban areas are reflected in the focus of the programme on supporting structural change, with emphasis on economic elements and physical effects on development of the urban area itself are a consequence of these actions (e.g. business parks etc.).

The URBAN Community Initiative has a similar focus, however with a clearer urban dimension. Given that the SF programmes have been drafted as regional economic development programme urban issues are not among the core issues in the mainstream programmes.

The project concludes that the biggest territorial effects of SF in urban areas are the effects of promoting economic development and social cohesion.

The project recommends e.g. a stronger urban focus in SF programmes, with reference to ESDP goals. Further SF should support urban areas serving transnational/EU-level and determining eligibility should be on 2 levels; urban areas that make up the urban system of the EU and less favoured and peripheral regions and it recommends extensive use of Territorial Impact Assessment. Finally it recommends strongly cohesive development / collection of data in order to improve future assessment and monitoring.

2 Questions for further considerations.

Project 1.1.1 questions the possibility for polycentricity simultaneously at all 3 levels and this may be called one of the most destabilising ESPON statements so far as it runs counter to the ESDP philosophy. It leaves national governments with the question of what to support, development of a European polycentricity or a national one? An example is the Øresund region. To support a Danish polycentricity would imply moving focus away from the Copenhagen metropolitan region (concerning e.g. national functions), which theoretically would run counter to supporting Copenhagen/ (Malmø) into a further development as a MEGA as part of a polycentric development at EU level.

It might however not be a question of “either or” – either supporting EU development or a national one. Today it is necessary to acknowledge that e.g. Copenhagen and Kolding are not mere competitors concerning e.g. national institutions and in particular not concerning global services. They belong as such to 2 different areas of competition. Copenhagen belongs to a global competition whereas Kolding belongs to a national one and to each of them apply different functions, which relate to the respective level of competition. Therefore there is no sense in only viewing them as competitors and therefore it is also possible to consider polycentric development at 2 different levels, based upon functions and not mass.

What impact may this line of consideration have on present national policies? The same question applies to all the Nordic countries, which have capitals at various MEGA level.

The other 1.1.1 recommendations briefly referred to also give rise to questions on how to do or what to propose more concretely. However it may be necessary to priorities among the recommendations as they are interrelated and suggestions for actions or policies may run counter to one another.

Project 1.1.2 recommends to promoting urban-rural complementarities and partnerships, e.g. through emphasising it more strongly in the final ERDF regulations! Which formulations should be recommended to the Commission?

Various sector policy authorities should be more observant towards urban-rural potentials! Which sectors and how? Regional policy, agriculture, business development, transport, environment, nature preservation, urban policy, IT development, just to mention a selection of policies. In other words horizontal coordination is key but at the same time it needs to be based upon a common perspective, where the various sector policies complement one another while individually work towards the fulfilling of the same objective. The 5\$ question is; which potentials?

Various functional aspects like settlement pattern, indigenous economy, transport, nature protections and strengthening of urban centres are raised as areas of possible interventions. Are this in line with present policies and if not what are the alternatives and obstacles?

Project 1.2.1 recommends further development of air service to neighbouring countries with specific address to Baltic countries. To which extent can NMR impact e.g. SAS and other local airline systems?

Project 1.2.2 characterises Nordic countries as being in the lead when it comes to telecommunication. However at micro level disparities in the roll-out pattern between metropolitan, urban and rural areas also applies to Nordic countries. To what extent are governments through legislation ready to put pressure on or to subsidising telecommunication companies in order to secure an equal and balanced distribution of networks as basis for equal societal opportunities throughout the countries?

Project 2.1.1 presents conclusions, which makes it seem right to carry through a major revision of EU transport policies. However is the recommendations worth following up on? Considering the depressing report conclusions concerning economic effects compared to the effects of other sectors, one might say that there is a certain degree of “catch 22” linked to them, either it is negative for the economy or for the environment.

Project 2.1.2 recommends the establishment of inter-regional knowledge centres, which to a certain degree questions whether the reasons behind the resent Danish economic cut down on support to TIC centres, resulting in closing of many centres were sound! Also a better coordination between SF and R&D policies is recommended, but which recommendations to the Commission should be formulated to ensure a better coordination?

Project 2.1.3 recommends that both the Commission and Member States starts reviews of their institutional arrangements for rural development and agriculture. It is evident that coordination of SF and RDR is vital in order to both complementing one another and securing territorial cohesion. Which policy recommendations should be put forward? It is also evident that CAP, pillar 1 does not presently have a “sustainable” (!) profile neither in relation to the allocation criteria nor to supporting territorial cohesion, not to mention the effect on the general societal opinion of the EU union considering the amount of funding allocated to CAP, which by some (this author e.g.) may be called the “l’enfant terrible” of EU. To which extent are Nordic countries prepared to work for “finding models to modulate direct Single Farm payments more progressively”, as this report so diplomatically is putting it?

Project 2.2.3 recommends a stronger urban focus in SF programmes, e.g. with reference to ESDP policy options no 2, 6 and 7. Which arguments and strategies are necessary for promoting this recommendation and are there other ESDP policy options, which from a Nordic perspective should be considered too?

Considering the allocations of SF in urban areas in Nordic countries have there then had positive effects according to envisaged outcome or could the results have been different? Do national projects give rise to reflections on needs for changes?

Considered in combination with findings and recommendations from other projects, be it “polycentrism, urban rural relations, infrastructure development, etc.” which reflections come to your mind concerning how to support urban areas through SF?

3 Sammenfatning (dansk)

Med reference til introduktionen i første rapport er dette den anden rapport i en serie på fire rapporter om resultater fra ESPON programmet.

Programmet skrider frem i henhold til planen og har indtil nu leveret et imponerende mængde ny sammenhængende viden om EU-25, plus Bulgarien, Rumænien, Schweiz og Norge, i daglig tale kaldet "ESPON-området". Totalt til dato er der produceret 47 rapporter, heriblandt 8 endelige rapporter og inden afslutning af programmet, vil tallet været steget til mindst 101 rapporter, væsentligt mere end planlagt. Generelt er der tale om rapporter, som for første gang dækker så stort et område.

ESPON programmet forventes at fortsætte i den nye struktur fonds periode.

For at sprede viden om resultaterne har Overvågningskomiteen for ESPON programmet besluttet at ansætte et konsulent firma.

ESPON rapporterne dækker et af verdens største fællesmarkeder ($\frac{1}{2}$ mia. indb. på 4,7 mill. km²). Det totale GDP er på 11.600 mia. \$ sammenlignet med f.eks. 12.300 mia.\$ i NAFTA (se fodnote 1, side 9)

De første 8 endelige rapporter behandler følgende temaer; polycentri, by-land relationer, tendenser for territorial samhørighed i relation to infrastruktur og telekommunikation, territorial effekt af EU transport politik, af EU forsknings- og udviklings politik, af den fælles landbrugspolitik og af Strukturfonden i bymæssige områder.

En lang række af resultaterne kan siges at være epokegørende, mens andre måske snarere videnskabeligt set underbygger eksisterende formodninger.

Blandt de epokegørende udsagn kan nævnes, at polycentri i modsætning til som antaget i ESDP ikke umiddelbart vurderes opnåeligt på alle niveauer samtidig, men at et valg kan vise sig nødvendigt. Et europæisk polycentrisk netværk af storbyer, som kan aflaste den centrale kerne, kaldet "Pentagon" vil nødvendiggøre et udviklingsmæssigt fokus på de enkelte hovedstæder, hvilket vil kunne medføre et nationalt mere monocentrisk bysystem. Det betyder eks. vis at en fortsat støtte til Øresundsregionens udvikling meget vel vil kunne være i modsætning til et eventuelt politisk ønske om en større grad af decentralisering med henblik på en mere balanceret udvikling i Danmark. Hertil skal dog anføres, at det måske ikke nødvendigvis er et spørgsmål om "enten – eller". I dag er det vigtigt at erkende, at eksempelvis København og Kolding tilhører to forskellige konkurrence sammenhænge, en global og en national. Og til hver især knytter der sig forskellige funktioner, der relaterer sig til det respektive konkurrence niveau. Derfor giver det ikke mening at anskue dem som konkurrenter og af samme årsag kan man også tale om 2 forskellige polycentriske systemer, baseret på funktioner og ikke størrelse.

I øvrigt anfører rapporten, at Danmark er et af de mest polycentriske lande i et Europæisk perspektiv.

Et andet udsagn erklærer by-land adskillelsen for forsvundet i EU og erstattet af en blanding ("rurbanisering"), afstedkommet af vise befolkningsgruppers udflytning fra de større byer, hvilket dels resulterer i mere pendling, men omvendt ikke tilstrækkelig til at

støtte små og mellemstore byer. En større grad af by-land komplementaritet og partnerskab anbefales og såvel forskellige sektorpolitikker som ERDF⁶ anbefales at udvise større opmærksomhed overfor diverse muligheder.

Når det kommer til transport service og netværk, kan EU-29 opdeles i 3 grupper, hvor de nordiske lande (minus DK) tilhører en gruppe af lande med et begrænset udviklet netværk med baggrund i den lave befolknings tæthed. For at opfylde målet om en balanceret, polycentrisk og bæredygtig udvikling anbefales det, at transport systemet understøtter økonomisk udvikling ved ikke at være for dyr, ved at give frihed til lokalisering og ved at give adgang til fundamentale goder og service. Særlig med hensyn til de nordiske lande anbefales en yderligere udvikling af lufttrafikken til nabolande.

På telekommunikationsområdet er de Nordiske lande i EU sammenhæng ledende i implementeringen af stor set alle teknologier på området. På makro⁷ niveau er der således en klar nord-syd adskillelse, ligesom der er en klar øst-vest adskillelse, om end med forskelle. På meso niveau er en forståelse af nationale særtræk grundlæggende for at forstå regionale forskelle. På mikro niveau synes der generelt at være en forskel i mellem metropoler, byer og åben land og det anbefales at udstede konditionelle licenser med henblik på en bedre territoriell dækning ligesom lokale myndigheder anbefales at bruge deres lovgivningsmagt til at sikre en bedre territoriell dækning.

Den territorielle effekt af EU transport politik har ikke resulteret i en speciel stor økonomisk vækst i EU 15 og synes heller ikke at ville gøre det i fremtiden. Det modsatte gør sig gældende for de nye medlemslande, især hvis TEN og TINA projekterne gennemføres. Vedrørende EU-polycentrisk udvikling vil denne primært stige i de nye medlemslande, mens den nationalt fortsætter et eksisterende fald. Alle undersøgte infrastruktur politikker synes at støtte samme udvikling, på nær ”højere transport pris” scenarier. EU polycentri modsvarer således national polycentri. Dels anbefales en revision af EU politikker, dels anbefales et mix af højere pris på transport (af hensyn til miljøet) og økonomisk kompensation til de regioner, der især rammes.

Der er stor forskel på europæiske regioners evne til at anvende R&D, hvilket igen har indflydelse på evnen til at generere økonomisk vækst gennem innovation. De bedste regioner (kun 8 %) er placeret i Tyskland, Finland, Frankrig, Sverige og UK. En bedre koordination imellem EU politikker er nødvendig for at opnå fælles mål om økonomisk vækst og territoriell samhørighed og det anbefales bl.a. oprettelse af videns centre på interregionalt niveau, samt at EU's Strukturfond (SF) bør sikre kapacitet i relation til R&D handlinger.

EU's landbrugsjord indenfor ESPON området omfatter 400 mill. ha. (ca.25 %). En stor del af EU's Community Agricultural Policy (CAP) udgifter er stærkt knyttet til mere velstående regioner. Søjle 1 støtte (se fodnote 5) er generelt højere i mere tilgængelige regioner og lavere i mere perifere regioner på alle 3 niveauer og går for en stor del til rigere regioner i EU15, mens søjle 2 støtten, med væsentligt lavere beløbs størrelser er højere i perifere regioner og til trods for dens større konsistens med samhørighed, så modvirkes dette på den måde, den p.t. er struktureret på. Det anbefales bl.a., at søjle 2

⁶ ERDF, European Regional Development Fond.

⁷ Alle ESPON projekter behandler deres respektive tema på 3 niveauer; ”makro” – global/EU, ”meso” – transnational/national, ”mikro” – regional/lokal.

støtte øges og at den direkte støtte til det enkelte landbrug “moduleres” mere progressivt i rigere regioner. Grundliggende konkluderes det at søjle 1 og 2 er i modsætning til ESDP mål om en balanceret territorial udvikling og til målet om økonomisk og social samhørighed, således som CAP p.t. er struktureret og administreres.

Den territorielle effekt af strukturfonden i bymæssige områder er altovervejende en side effekt af støtte til økonomisk udvikling og social samhørighed. SF programmerne er således kreeret som regionaløkonomiske udviklings programmer og bymæssige spørgsmål er derfor ikke iblandt de centrale temaer. Det anbefales derfor at styrke den bymæssige dimension, bl.a. i relation til at støtte et Europæisk polycentrisk og balanceret bysystem.

4 References

ESPON project 3.1. Executive summary, Lead Partner, BBR, Germany
TPG consisted of 9 partners

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TPG consisted of 8 partners?

For further information on names and addresses of members of the Transnational Project Groups (TPG), please consult:

http://www.espon.lu/online/documentation/network/transnational_pg/