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**Contribution of the Upper Rhine area to the European Commission's  
“Green Paper on Territorial Cohesion– Turning territorial diversity into  
strength” {SEC(2008) 2550}**

25.02.2009

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## Summary

1.) The Upper Rhine area assures the European Commission of its support and urges it to further develop its ideas on the subject of territorial cohesion and to set them out in more concrete form in a White Paper. We believe it is important that the White Paper be guided even more by the ESDP objectives and the Territorial Agenda.

2.) The system of governance implemented in accordance with the pillar model of the Upper Rhine Trinational Metropolitan Region is an example of the realisation that territorial cohesion at the regional level does not necessarily have to go hand in hand with the formation of a structure in the sense of organisational institutionalisation and that, rather, the primary objective should be the functional networking of the relevant players in order to solve specific problems or develop potentialities.

3.) The Upper Rhine area's experience of cross-border territorial cooperation shows that it is well possible to get the most out of territorial diversity in the cross-border areas and that, in particular, this can be achieved by means visible to everyone. In order to exploit this potential for Europe, the following measures and steps seem to be important.

- When further developing the territorial cohesion concept it will be necessary to take special account of border areas.
- The development of potentialities must be the main focus of future EU activities (In addition to the compensatory approach, it is necessary to reinforce the territorial strengths and, at the same time, foster the territorial complementarities in cross-border areas).
- The EU must play a motivating and informative role and continue to provide concrete support in the border areas.
- Future EU support programmes and measures must take account of the needs of cross-border areas and be precisely adapted to them. Ideally, these programmes and measures should be developed on the spot (strengthening of the territorial bottom-up processes).
- The testing laboratory function of cross-border areas should be actively promoted through experimental provisions on cross-border matters in the relevant national and European legislation.

## A. Introduction

### A.1 Our understanding of the “territorial cohesion” approach

As we understand it, the concept of territorial cohesion on which the Green Paper is based comprises two innovative approaches that may provide forward-looking responses to two of Europe’s key regional policy issues.

Firstly, in the context of the implementation of regional policy it is possible to identify a territorial problem that can be summed up as follows: in many cases sectoral policy lacks a “spatial conscience”, by which we mean that policies are too often carried out in a specific region or area by pursuing sectoral objectives and programmes while at the same time overlooking the more important concerns of the region as a whole and the need to take an overall view.

Moreover, the traditional notion of regions predominates, usually referring to the institutional responsibilities of the various public bodies and/or administrative boundaries.

The territorial perspective, on the other hand, takes on a different view, namely that of the coordination of different functional players in a geographical space. Here, the connection to the territory is established through the coordinated specialisation and exploitation of a specific area’s functional strengths and vertical and horizontal interdependencies.

Ideally, the scope of the coordination will vary according to the needs of the business and academic/scientific communities and civil society (“variable geometry”) and not primarily the concerns and responsibilities of the public players.

Secondly, the concept of territorial cohesion emphasises the fundamental problem of cohesion: unacceptable disparities between or within areas jeopardise cohesion in Europe. The term cohesion refers here both to the internal aspects of a specific area and the relations between different areas.

The particular aim of cohesion as outlined in the Green Paper is the exploitation of an area’s strengths, thus placing the emphasis in conceptual terms on the particular potential of a region. More specifically, this exploitation requires overcoming the many different level-specific barriers to development (biogeographic, economic, cultural, ecological, etc) in all areas generating positive spillover effects through improved accessibility (TEN, national activities, measures to assist smaller areas) and the strategic interlinking of the existing driving-forces of development (synergies, complementarities).

On the other hand, the territorial cohesion approach involves two key challenges that need to be taken into account with regard to the further development of concepts at EU level:

- First of all, the functional notion of a territory itself creates new limits, which are at odds with the players’ traditional administrative and spatial responsibilities and thus potentially carry the risk of levelling, which will affect the visibility of the area concerned and the individual’s ability to identify with it: if traditional regional boundaries become increasingly blurred as a result of functional networking, the governance of regional development might become more complex.
- In turn, the concept of cohesion entails a risk of levelling, especially if the aspects of equal opportunities and solidarity are overemphasised when taking a broad, Europe-wide view. This would result in a contradiction to the reinforcement of territorial strengths through diversity as intended in the Green Paper and postulated both in the Lisbon Strategy and the EU’s Territorial Agenda (as territorial cohesion, see TAEU, Leipzig 2007). It is necessary to avoid focusing the concept of territorial cohesion too much on areas with specific problems since this would increase the risks of fragmenting future European political approaches and separating European areas and regions artificially. At the same time, based on the experience gained by the Upper Rhine area it is suggested

that the concept of territorial cohesion be linked more closely to civic commitment and the identification of the citizens with “their” area or region – this appears to us to be a key prerequisite for the realisation of territorial cohesion in Europe.

## **A.2 Conclusions for the Green Paper’s conceptual orientation**

### **a) Exploitation of potential as an equally valid objective**

Accordingly, in the view of the Upper Rhine Conference the logical conclusion is that the exploitation of potential should be included as an equally valid objective when considering the further conceptual orientation of the Green Paper.

To be more precise, this means that, in addition to the categories based on geographical obstacles (topography, settlement patterns), there is a need for a further category whose fundamental strength lies in its diversity and variedness. It is suggested that a separate category of “cross-border territories” is introduced into the further discussion of territorial cohesion. However, this should not be included in section 2.4 of the Green Paper (Regions with specific geographical features) but be considered as an innovative area of application of the concept of territorial cohesion as a whole.

### **b) Separate “cross-border territories” category**

Alongside geographical barriers, manmade obstacles have an at least equally important role to play with regard to development opportunities. On the one hand, national borders and administrative, cultural, linguistic and infrastructural boundaries constitute both obstacles to be overcome by means of integration processes and an opportunity. The latter can be made clear particularly well by reference to cross-border territories as examples of the situation of Europe as a whole.

Border regions have a separate potential for development that can be specifically tapped through territorial cohesion. Accordingly, they symbolise the ability to overcome European division and activate any unused European development potential, which is the particular objective of the Lisbon Strategy. In addition to the structural dimension, the creation of cross-border cooperative ventures mainly involves the development of innovative instruments and procedures with the help of which it will be possible to bring about territorial cohesion. In this respect, too, cross-border territories exemplify the situation of Europe as a whole.

## **A.3 Illustration of the potential of cross-border territories, taking the Upper Rhine as an example**

In the view of the Upper Rhine Conference, the specific potential that the cross-border territories possess for the development of territorial cohesion in Europe can be illustrated by the following six fields of innovation.

***a.) Border areas are ideal spaces for a policy aimed at strengthening territorial cohesion because it is possible to achieve visible effects particularly easily by implementing the relevant cohesion policy***, as the positive impact of the European policies to date shows.

For example, as part of the implementation of the INTERREG initiatives it has been possible in the Upper Rhine area to carry out a total of 320 projects involving national co-funding totalling 120 million euros. Since the introduction of the euro, consumer behaviour has changed noticeably in the region as a result of greater price transparency: up to 80% of customers in

shops in the towns close to the border come from the neighbouring country. A cross-border financial services sector has de facto only developed in Europe's frontier areas. In the property market, the proportion of sales to customers from the neighbouring country in the towns close to the border can be as high as 60%.

In the field of police and judicial cooperation, the Schengen Agreement and the implementation treaties subsequently concluded between Germany, France and Switzerland have led in the Upper Rhine area to the intensification of cross-border cooperation between the public bodies and authorities concerned: the creation of a Joint Franco-German Centre for Police and Customs Co-operation in Kehl, joint investigation groups, in-service training measures, seminars (for example concerning the implementation of the EU's Framework Decision on the cross-border supervision of probation measures) and the coordination of police infrastructure are just a few examples that have also enabled the population to see and experience for themselves the implementation of European policy in this area.

In the Upper Rhine area, the cross-border labour market, with more than 90,000 commuters crossing the borders, is an important socio-economic reality. In the context of the EURES-T Upper Rhine programme, employment services, the social partners and the local and regional authorities work closely together and contribute through various projects and measures to the transparency of the cross-border labour market (for example, the EURES-T measure Allemagne-France-Train: a job-application seminar followed by a training placement in the neighbouring country; and cross-border citizen consultation days). Working or looking for a job on the other side of the border means living with different employment, tax and social-insurance systems, and intensive cross-border cooperation on matters to do with the labour market improves the basic conditions involved and constitutes a significant factor for growth.

***b.) Co-operation in cross-border territories comprises not only cooperation between public bodies but also activates economic and social potential in a targeted way. Only here is it possible to enable the citizens to really comprehend the relevance of territorial cohesion for them.***

In the Upper Rhine area, intensive forms of cross-border citizen participation are already being implemented in the context of various projects (the "Being a citizen on the Upper Rhine" three-country conference, the "people to people" programme, the citizen forum of the Strasbourg-Ortenau Eurodistrict, the PAMINA citizen forum, cross-border surveys of citizens' opinions). The Strasbourg-Ortenau Eurodistrict is currently drawing up its new work programme with the close involvement of citizens and their elected representatives. There are cooperation networks between Chambers of Commerce and Chambers of Crafts, an Upper Rhine Business Club and a network of business promoters. An interactive sports card, a website on air quality, a cross-border museum pass that provides entry to more than 180 museums, the INFOBEST network of information and advice offices, the Euro-Info-Consumers (Euro-Info-Verbraucher/Euro-Info-Consommateurs) consumer advice centre, the Regio-S-Bahn Basel trilateral regional railway network and the new Hartheim-Fessenheim and Mimram (Strasbourg – Kehl) pedestrian and cyclist bridges are all additional examples that illustrate the actual benefits that the citizens enjoy as a result of territorial cooperation. At the same time, they illustrate the integration of the various stakeholders and territorial potentials. Today, the growing cross-border identity of the citizens along the Upper Rhine is a specific form of a European regional identity and in turn symbolises the gradual implementation of territorial cohesion.

***c.) Cross-border territories enable the concept of territorial cohesion to be given greater thematic breadth than is possible in the case of national territories. This is shown in particular with regard to cluster development.***

In the Upper Rhine area, it has been possible to realise this in a number of projects and initiatives, the most prominent being the Biovalley cluster initiative, which has increased the visibility of the Upper Rhine's potential in the field of the life sciences both in Europe and worldwide. Trans-sectoral governance networking also takes place in the context of the Upper Rhine area's climate protection policy (interlinking of environmental protection, support for SMEs, benefits for the citizens and cost-savings) and in the field of university education and research in the context of the cross-border Confederation of Upper Rhine Universities, or EUCOR (interlinking of policy-making, academic and scientific matters, business, research and student affairs). There is also networking in the area of integrated territorial development as part of the Spatial Planning Framework, as well as in the case of the trinational course run by the Lörrach Co-operative University (Berufsakademie) or the cross-border vocational courses in the craft trades provided in the Strasbourg/Ortenau Eurodistrict. Another example of the integrated governance already being implemented is the Upper Rhine Conference, in which the cooperation of 600 experts in 13 theme-based working groups and 40 specialised committees is coordinated in a targeted way. This is shown, for example, in the drawing up of a joint cross-border climate protection strategy ("Energie-Vorbildregion Oberrhein"), which was signed on 8 December 2006. The four Eurodistricts on the Upper Rhine and the RegioTriRhena network are also examples of a decentralised and integrated policy that crosses national borders.

***d.) Cross-border territories act as testing laboratories for European integration.***

The more than fifty years of cross-border cooperation on the Upper Rhine shows how border regions play an important role as testing laboratories for European integration in many fields. Only 7% of the EU's population commute regularly across borders but 80% of this mobility takes place in the Community's border areas, which thus constitute experimental European living, economic, working and leisure areas. Most of the fields of law relevant for this horizontal everyday mobility (labour, social-insurance and tax law, etc), are not harmonised across the European Union, so that the practical cooperation of the relevant administrative authorities on the spot is an attempt to make an important contribution to territorial cohesion. This also applies to fields of law that are regulated at European level but implemented differently in the member states (for example occupational safety and health or the protection of waterways). Finally, the cooperation along the Upper Rhine area with Switzerland has enabled this country to participate in EU programmes. This and the Basle Trinational Eurodistrict, an example of innovative institutionalisation, are important European models for the innovative development of cooperation along the EU's external borders and a unique feature of the Upper Rhine Trinational Metropolitan Region, which has both external and internal EU borders.

***e.) Border areas are particularly suitable for the development of new forms of governance***

The process begun in the Upper Rhine area four years ago to create an integrated trinational metropolitan region is an innovative pilot project for meeting the Green Paper's objective of implementing new governance structures based on territorial cohesion. The Upper Rhine area can thus serve as a model for the modernisation approaches being employed by a number of other border areas in Western and Central Europe and is at the same time a reference model for the young European border areas in Eastern Central Europe, Eastern Europe and South Eastern Europe.

The exemplary governance of the Upper Rhine Trinational Metropolitan Region is discussed in detail in section C.2. It is an example both of the functional cross-border networking of key players in politics, administration, the business world, science and civil society at various institutional and spatial levels and of the integration of various policies aimed at the strategic implementation of territorial cohesion. However, it also raises the important question (which is once again applicable to all border regions in Europe) concerning the possibilities of, and limits to, the transfer of functions and responsibilities to the new cross-border territorial governance structures.

#### ***f.) Border areas are important for establishing major transnational transport corridors in Europe***

Finally, the Upper Rhine area can be taken as an example to illustrate the importance of the cross-border areas for the establishment of major transnational transport corridors. This, too, has a direct link to the subject of territorial cohesion, since cross-border areas are the places where different national systems meet. The Upper Rhine lies at the meeting-point of the North-South (PP24) and West-East transport corridor (PP 17, the high-speed “Magistrale für Europa” rail line) in Europe. The development of intermodal transport chains and progressive traffic management systems is particularly difficult in border regions. The reason for this is that infrastructures are often old and poorly linked together and systems still come to an end at national borders. Only if the potentials of cross-border territories are developed will it be possible to establish the transnational European corridors. Developed cross-border areas will then cease to be bottlenecks and become active promoters and partners of the EU. The establishment of the Mulhouse–Müllheim–Freiburg railway line, which will provide a territorial link from the Region Freiburg/Centre et Sud Alsace Eurodistrict to the Rhine-Rhône TGV line from 2012, may be mentioned as a positive example of this.

#### **A.4 The Upper Rhine area: a place of cross-border interaction**

The size of the cross-border territory along the Upper Rhine in terms of its area, population and economic strength and the participation of three countries and several subnational levels of governance and administration results in a need for the strategic interlinking of four action levels, and this is likely to be extremely important for the further development of the concept of territorial cohesion in Europe:

- Cross-border (local as the case may be)
- (Inter)-regional (Alsace, Baden, southern Palatinate, North-Western Switzerland)
- Transnational (Germany, France, Switzerland)
- EU/Non-EU states.

Governance: Experience in the Upper Rhine area shows that territorial cohesion can only be achieved when all the players involved at the various levels work together in a targeted manner by complementing one another (eg, high-speed rail transport/links to regional public transport, health, interlinking of universities and research laboratories, cultural institutions, etc). The key idea here is subsidiarity, which must be understood to be both vertical and horizontal.

The structure of the Upper Rhine area is such that it presents a varied and diverse settlement pattern (“network of towns in a garden landscape”) that, as a polycentric metropolitan region, can develop the trinational potentialities without the overload and congestion of the large urban agglomerations. This polycentricity and diversity along the Upper Rhine ultimately exemplifies



the situation of Europe as a whole and shows that territorial cohesion is not only a question of quantity but also quality. Despite the strong economic activity, the Rhine floodplain from Basle to Karlsruhe was classified as a RAMSAR area.

Identity-forming as a basis for territorial cohesion presupposes planes of reference based on large geographical areas. Along the Upper Rhine, this process is essentially based on the river itself (“Rhine Rift”), builds on existing strengths and incorporates the intercultural and linguistic disposition/openness of the inhabitants: the “mythical” frontier river Rhine, which has historically been a dividing line separating the sides of political and cultural conflicts, is today a symbol of a sense of community, meeting other people and productive cooperation. The Upper Rhine can thus be a model for the creation of territorial cohesion for other European metropolitan regions and areas of cross-border interaction.

## **B. Replies to the questions in the Green Paper**

### **B.1 Definition**

#### **1.1 What is the most appropriate definition of territorial cohesion?**

According to the Territorial Agenda of the EU (TAEU), territorial cohesion should be defined as “a permanent and cooperative process involving the various actors and stakeholders of territorial development at political, technical and administrative levels” (Paragraph 4, p. 1) with the aim of developing the potential of a specific area or region. This comprises the networking of the functional players concerned and also includes the development of dialogue-like processes that guide action between politics, administration, the business world, science and civil society as a specific form of territorial governance as well as a spatial development strategy based on a consensus approach.

In the view of the Upper Rhine Conference, territorial cohesion accordingly refers to the following aims in equal measure:

- the elimination of existing weaknesses,
- the development of hitherto unexploited potentials through strategies and projects,
- the participatory networking of the players according to respective functions and needs, and
- vertically and horizontally integrated governance.

A basic prerequisite for territorial cohesion in the cross-border context is that different target groups and the population as a whole are involved in drawing up and implementing the relevant development projects.

#### **1.2. What additional elements would it bring to the current approach to economic and social cohesion as practised by the European Union?**

Territorial cohesion emphasises more strongly the diversity of the issues and functions involved and of the conditions for the structural development of regions, and this makes it possible to maximise diversity and complementarity. It is also possible in connection with this concept to integrate civil society better and thus improve social cohesion in a particular area as the basis of territorial integration.

The Upper Rhine Conference and the Upper Rhine Council welcome the fact that the emphasis on the territorial aspects of European cohesion policy will lead to a shift in focus towards a stronger regional dimension. At the level of the regions, it will be possible to ensure problem-based solutions, interdisciplinary approaches and coherent spatial development. In the regional context, it will be possible to improve the integration of the various players in civil society, the business world and the field of science and entrench territorial cohesion in dimensions that correspond to the lives of the citizens.

In addition to the elements in the Green Paper that have already been mentioned (overcoming differences in density, the accessibility of high-quality infrastructure, overcoming distance), the natural environment and the landscape can be understood to be integral components of territorial cohesion. The objective of territorial cohesion can accordingly lead to a situation in which the development and interlinking of natural spaces that ought to be protected is not based on where systems begin and end but on the features of the natural environment. Particularly in border regions, the integrated and sustainable management and development of landscapes is also

an important aspect of cultural cohesion, as this is often an element that helps to shape a cross-border regional identity.

Furthermore, it is in keeping with the principle of territorial cohesion to improve the interplay between the large centres/urban agglomerations and the rural sub-areas and develop the functional relations within and between the regions. In order to mitigate any unjustified disparities in access to services, transport links, energy networks and broadband, as well as to promote the conscious division of functions between the sub-areas, short-distance and supraregional accessibility have to be further improved. Here, the main problems lie at the points where the national infrastructure systems meet.

Incentives can be created by developing the relevant benchmark approaches. Especially between Europe's border regions, territorial cohesion could contribute to a Europe-wide exchange of good practices.

## **B.2 The scale and scope of territorial action**

### **2.1 Is there a role for the EU in promoting territorial cohesion? How could such a role be defined against the background of the principle of subsidiarity?**

The EU can promote territorial cohesion in the areas of spatial development, health, transport infrastructure, education and research, the rescue services and disaster relief, as well as the environment, through the following activities:

- support for innovative pilot projects in order to strengthen territorial cohesion,
- support for exchanges of information and networking processes to identify and capitalise on best practices and promote interregional benchmarks,
- support for measures aimed at harmonising the division of functions in border areas,
- giving special attention to cross-border territories in connection with the development and implementation of EU law,
- help with the creation of key infrastructure,
- improve usability of the ESPON network for the everyday practice of cross-border territories (diversification of the geographical planes of reference).

Here, it would appear important to differentiate between the various European approaches: in some border regions, the current main priority is to expand cooperation, while in others the emphasis is on support for adapting the existing cooperation structures to new challenges, in order to enable genuine territorial governance structures and integrated spatial development strategies to be established.

The promotion of cooperation and integration in cross-border areas ought to be a particular focus of European policy in the future. Support for this particular type of area must not be limited to financial aspects but be aimed more broadly at dismantling the specific systemic obstacles to the implementation of territorial cohesion across borders. Existing cooperation structures, such as the Eurodistricts on the Upper Rhine, the Upper Rhine Conference and the Upper Rhine Council, should be strengthened in such a way as to develop a clear division of functions within a vertical multi-tier system and facilitate the transfer of tasks and responsibilities to cross-border institutions in accordance with the principle of horizontal subsidiarity. At the same time, the particular features of cross-border areas on the EU's external borders must be specifically taken into account. Furthermore, it would appear sensible to develop a system of coordinated public communication in the future.

## **2.2 How far should the territorial scale of policy intervention vary according to the nature of the problems addressed?**

The criterion for policy intervention should be the variable geometry principle, according to which the vertical and horizontal integration of functions generates different support requirements depending on the territorial level. At the level of the Eurodistrict in the Upper Rhine area, local authority interventions are necessary but are seriously impeded – for example, in the area of the citizens' everyday mobility – as a result of the different laws and administrative rules of the states concerned. At the level of the Upper Rhine area as a whole, on the other hand, there is a need for political intervention with regard to the functional networking of players engaged in different areas of activity and sectors and at different levels and with regard to major strategic projects capable of achieving critical masses of available potential in a European dimension. Here, there is a particular need to provide assistance for the creation or development of large-scale cross-border infrastructure in specific policy areas (transport, waterways, research and development, education, conservation, etc).

It is especially important that, as the basis of any policy intervention, integrated development plans adapted to the level-specific territorial potentialities should be available since only such a strategically planned approach to implementing territorial cohesion can help to improve the coordination of sectoral policies. We therefore welcome the debate on territorial cohesion being used to promote improvements in the spatial coordination of policy intervention.

## **2.3 Do areas with specific geographical features require special policy measures? If so, which measures?**

In the view of the Upper Rhine Conference and the Upper Rhine Council, no special measures are required for areas with specific geographical features. However, the future European territorial cohesion policy should not only focus on the category of “areas with specific geographical features” as far as the development of potential is concerned. Border regions and cross-border integration areas are characteristic of Europe's territorial cohesion and are of strategic importance, so particular emphasis should be placed on them when drawing up the future European territorial cohesion policy. It is there that Europe becomes a concrete reality for its citizens, who are able to experience this reality in their everyday lives.

Cross-border integration areas such as the Upper Rhine are trailblazers of European integration and model areas for implementing territorial cohesion through concrete measures and projects. At the same time, the activation of social and economic potentialities is still being made difficult and in some cases impeded because of the existence of state borders. These challenges and the opportunities presented mean it is necessary to provide special support for cross-border integration areas – in addition to the areas with specific geographical features mentioned in the Green Paper and irrespective of the question of economic strength.

If the accessibility of a territory can be improved by carrying out infrastructure projects, the relevant measures (eg, bridges, tunnels) are also necessary in cross-border areas. Along the Upper Rhine, for example, there is a particular need for investment in the creation and optimisation of multimodal cross-border transport systems.

More fundamentally, it is also necessary in cross-border areas to make more opportunities available for the delegation of functions and responsibilities, according to specific needs, from the level of the individual state to cross-border structures.

Cross-border cooperation should in the future also be reflected in the budget as a main focus for Commission action: cross-border cooperation and integration should be one of its key priorities. In order to provide support for (re)development, adequate EU funds must also be made available for the old border regions.

### **B.3 Better cooperation**

#### **3.1 What role should the Commission play in encouraging and supporting territorial cooperation?**

The Commission does not play a direct role but it can nonetheless be an important driving force for European cohesion. It has a supporting function for the local, regional and national players in the cross-border areas and can, as already called for in ESDP 1999, contribute through an integrated spatial development policy to ensuring that national borders and other administrative hurdles no longer constitute impediments to development. However, it would appear extremely important for the Commission to recognize the benefits of established governance structures in cross-border areas more than it does at present.

The role allocation in the case of ERDF Objective 3 (ETC) has proved its value and should be retained. However, any territorial effects of national and European policies should be taken into account even more strongly in the future (integrated spatial development strategies required in order to qualify for EU funding).

The experience of the Upper Rhine area also suggests that the subject of cohesion should be included in the next bilateral negotiations with Switzerland as the Swiss and EU cohesion policies are currently not harmonised, which can lead to the need to invest more time and effort in coordination and to certain losses of efficiency in the cross-border areas concerned.

#### **3.2 Is there a need for new forms of territorial cooperation?**

The experience of the Upper Rhine area shows that there is such a need and it has already led to the testing of new approaches: a key approach lies in changing the functions of the public players that have predominated up to now. They must fundamentally change their understanding of their own role from one that centres on doing things themselves to one in which they enable things to be done through the establishment and management of functional networks of relevant private and social players. This implies opening up the existing forms of territorial co-operation to additional key stakeholders (the business world, the scientific community, civil society). It also implies a change in the way public bodies see their own role, which can be expressed as follows: "Out of the institutional bodies and into the decentralised networks".

Territorial cooperation in the sense defined above also requires stronger legitimisation both in the political sense and, in particular, in terms of civil society. This presupposes – in terms of cross-border multilevel governance – the proper interlinking of the various politico-administrative tiers of responsibility and the further development of the relevant instruments. This approach is already being implemented in the management concept of the Upper Rhine Trinational Metropolitan Region.

The Upper Rhine trinational integration area also perceives a need for more far-reaching forms of cross-border spatial development policy that improve the spatial effectiveness and coordination of individual projects and make a direct contribution to territorial cohesion. The

ESDP 1999 recommendations – a) cross-border spatial planning models, b) the cross-border coordination of spatial planning, c) the drawing up of binding cross-border plans – already provide a suitable guide in this connection.

### **3.3 Is there a need to develop new legislative and management tools to facilitate cooperation, including along the external borders?**

With the European groupings of territorial cooperation (EGTCs) and the Karlsruhe Agreement, legal instruments are available to support new forms of territorial cooperation. However, the needs in the cross-border areas as far as taking practical action is concerned suggest that these instruments should be further developed in the future. The EGTCs and local groupings of cross-border cooperation do not create their own cross-border law but, rather, are dependent in their functional organisation on the scope of the national legislation in the country in which they are established. The possibilities of also transferring functions subject to national jurisdiction to these legal instruments should be examined. The formal inclusion of non-public players is currently not possible, which considerably limits the use of this possibility for establishing integrated governance structures.

On the other hand, there is no transnational law relating to voluntary associations, which would be a desirable option from the practical point of view for many projects and management approaches relating to territorial cooperation in the cross-border context. There is thus still a considerable shortage of actual transnational legal forms that contain financial and supervisory instruments that are simple to manage and also apply beyond the EU's internal and external borders. This should be taken up and discussed as a concrete need for action in the context of the further work to be done on the subject of territorial cohesion.

Support for cross-border governance projects also presupposes open support criteria that also enable non-public players to be involved – which effectively means the establishment of a territorial public-private partnership. In the case of the EU programmes currently relevant for cross-border areas, the existing support criteria have a more negative than positive effect in this connection as they one-sidedly favour public players and thus stand in the way of the development of an integrated territorial cohesion policy.

In the light of the experience of the Upper Rhine Conference and the Upper Rhine Council, it is urgently recommended that the European support instruments be fundamentally simplified as for many players (especially from civil society and the scientific and business worlds) they are too complicated, involve the expenditure of too much effort and do not enable important cooperation potentialities to be opened up. Moreover, laying down support conditions based on the administrative boundaries of regions is diametrically opposite to the functional requirements of cross-border co-operation based on the innovative meaning of the word territorial as employed in the concept of territorial cohesion.

The EU policy should be opened up for experimental analyses and approaches in order to give the cross-border integration areas new ways of continuing to function as trailblazers of European integration and as model areas for the implementation of territorial cohesion in the form of concrete measures and projects.

## **B 4 Better coordination**

### **4.1 How can coordination between territorial and sectoral policies be improved?**

Experience in the Upper Rhine area shows that the development of “informed” action strategies that take due account of potentialities and problems is in practice still made difficult by the lack of comparability as far as key regional statistics are concerned. In this context, it is necessary to optimise territorial analysis in Europe from a cross-border perspective. In this connection, we perceive a need for the optimisation and harmonisation of the methods employed by Eurostat, ESPON and Urban Audit. In view of the experience in the Upper Rhine area, this applies in particular to the inclusion of Switzerland.

References to specific territories should be the basis of all sectoral policies, and in this connection integrated development plans are necessary at the level of the individual areas themselves. The nature of the coordination must be based on specific territorial needs and situations (principle of vertical and horizontal subsidiarity). A characteristic feature here is that the degree of sectoral differentiation declines the more decentralised the policy is in its design and implementation: unlike the European and national levels, the territorial level is much more strongly characterised by a policy mix.

The optimum coordination between sectoral and territorial policies should take place through the cross-cutting networking of specialised administrative authorities and experts on the basis of territorial development strategies. This presupposes that the decentralised players themselves define the territorial objective, on the basis of which sectoral programmes and policies are then integrated, put into a concrete form “from the bottom up” and implemented, with due account taken of territorial development requirements.

### **4.2 Which sectoral policies should give more consideration to their territorial impact when being designed? What tools could be developed in this regard?**

In principle, more attention should be paid in the future to the territorial impact of all sectoral policies.

In cross-border territories, the main need for action is in those areas in which they act as testing laboratories: the labour market, social affairs, health, transport, science and research. Education is a sectoral competence and provides tomorrow’s territorial cohesion players with the requisite qualifications.

As an instrument for taking better account of territorial impacts in border areas a specific method of open cross-border coordination could be developed that involves the cross-border area itself being the relevant reference level rather than the nation-state. That reference level would be determined according to the subsidiarity principle.

Furthermore, for border areas specific procedures for analysing the consequences of cross-border initiatives should be developed in order to be able to assess the impact of various sectoral policies in a particular area and the (positive and negative) interdependencies of those policies from an ex-ante perspective. The integrated approach of the European impact assessment system could provide a model for cross-border areas, but greater account would have to be taken in the future of the effects of EU interventions in the cross-border areas as a specific “regional impact assessment” (RIA) sub-category within this system.

At the level of the individual (cross-border) areas, coordination with the various sectoral players

and policies should be optimised with the aim of creating integrated spatial planning when regional development plans are drawn up.

### **4.3 How can the coherence of territorial policies be strengthened?**

The coherence of territorial policies must be improved through a closer reference to decentralised strategic and operational objectives. The binding effect of these territorial objectives can be improved by establishing the relevant monitoring mechanisms (ex-ante, ex-post). The objectives should be drawn up on the basis of an analysis of the strengths and weaknesses of a particular area. It is crucially important for the stakeholders to be involved both at the conception stage and when concrete territorial policies and projects are implemented. In this connection, the appropriate forms of citizen participation also constitute an innovative territorial potential for placing greater emphasis on specific needs and, accordingly, for the coherence of territorial policies.

As experience in the Upper Rhine area makes clear, the desired coherence also presupposes the development of governance structures that guarantee the potential-based networking of various sectoral and territorial players. Only in this way can integrated policy approaches be implemented. In the Upper Rhine area, the Eurodistricts and the governance of the Metropolitan Region are practical examples of successes achieved in the implementation of territorial coherence at the strategy and/or objectives level. In this connection, it has proved beneficial if regional development plans are then broken down into integrated packages of measures and then implemented.

The coherence of territorial policies can be strengthened through the greater thematic integration of the different policy areas and entrusting them to a single organisation with a clear remit. This partly also implies that existing organisations will have to be dissolved or integrated into the new body in order to avoid voting procedures being carried out by parallel organisations and taking up too many resources. This aspect could be given greater importance as a criterion for the provision of support.

A project contract (*contrat de projet*) of the type concluded in France between the state and the regional authorities and covering a period of years is also a very innovative model for coordinated action by the EU and cross-border areas and could help to strengthen territorial cohesion with lasting effect. This instrument helps the players concerned to achieve their common, integrated objectives and measures and also ensures the necessary synergy and monitoring mechanisms as far as implementation is concerned. The practice of public performance contracts in Switzerland and the target-agreement systems now normal in many German administrative authorities make it clear once again that the conditions for such innovative solutions in cross-border areas are particularly favourable, as the example of the Upper Rhine area shows. For example, in the PAMINA Eurodistrict a cross-border “*contrat de territoire*” of this type is currently being drawn up and will orient all sectoral players and programmes towards the common development objectives of the cross-border area. The Upper Rhine Trinational Metropolitan Region will probably also provide considerable potential for this (especially with regard to territorial development contracts between public, business and civil society players).



#### **4.4 How can Community and national policies be better combined to contribute to territorial cohesion?**

Territorial requirements must receive greater attention in the policies drawn up at national and EU level and must be taken into consideration in the various programmes as specific factors that qualify for financial support. An assessment of the impact of various European and national policies relating to a specific (cross-border) area should be carried out on a systematic basis, as already happens in the field of transport.

The territorial component of the European impact assessment system should be strengthened further by improving the ways in which the territorial impacts of future EU policies are anticipated. In view of the experience gained by the Upper Rhine area, it is suggested that specific cross-border impact assessments also be carried out in the future – the cross-border areas are ideal testing grounds for trialling future EU initiatives.

Integrated area-specific development plans should be the basis for the conclusion of concrete target and project agreements between the regional, national and EU levels. While taking care to ensure compliance with the subsidiarity principle and taking due account of the distribution of functions and responsibilities at the national level, these development plans should be based on a strategy developed in the context of the territories in question and coordinated with all territorial stakeholders. However, a vertical dimension should be added to the horizontal dimension of the “contrat de territoire” outlined in 4.3. Like a cascade, it would as far as possible cover all the tiers of the European multi-tiered system (local, regional, national, European). A decentralised, territorial spatial development policy can only be as coherent as the national and European policy. In the light of the Upper Rhine area’s experience, the European Spatial Development Perspective (ESDP) should be upgraded as the basis and benchmark, further developed and be employed even more in the future for the implementation of coordinated and integrated spatial development plans in Europe.

In the context of Interreg, this integrated, territorial approach has already been successfully employed in cross-border areas. Looking to the future, however, the European Union’s other sectoral policies should also be included in this mechanism for this type of area. In addition, we recommend opening up the possibility of coordinating the EU funds ESF and EAFRD as well as the ERDF Objective 3 programme from 2014 on a cross-border basis and developing joint operational programmes for the cross-border areas.

Finally, consideration could be given to employing territorial EU coordinators for particular issues and/or priority projects. As the example of the TEN-T shows, this might enable significant coordination efficiencies and positive cohesion effects to be achieved.

### **B. 5 New territorial partnerships**

#### **5.1 Does the pursuit of territorial cohesion require the participation of new actors in policymaking, such as representatives of the social economy, local stakeholders, voluntary organisations and NGOs?**

The development and implementation of territorial policies should be supported by broad-based, open networks. The functionality of such networks requires joint cross-cutting coordination so that the desired synergies can also contribute trans-sectorally to genuine added value and the development of innovative territorial potentialities (“strengthening the strengths”). Stakeholders from various sectors should be involved and motivated by the relevant added value. To this end, it is necessary to develop governance structures and specific partnerships – as pointed out in 3.3.,

the EGTCs have their limits here.

In this connection, the 4-pillar structure of cross-border governance in the Upper Rhine Trinational Metropolitan Region is unique in Europe and a forward-looking innovation: this is the first time in a large cross-border area that the civil society pillar has been integrated and interlinked with the other pillars (see C 2. below).

## **5.2 How can the desired level of participation be achieved?**

Political decision-making should be democratically legitimised from the outset through the involvement of the population in the process. Experience in cross-border areas shows that it is important not to take decisions over the heads of the target groups. The appropriate instruments for this include cross-border involvement in planning projects, cross-border citizens' forums and events, people-to-people programmes, cross-border disaster relief exercises, the expansion of cross-border coordination, and personalities who establish networks. Cross-border voluntary-work agencies can also foster meetings between citizens and promote their active involvement. Here, it is necessary to integrate the strong cultural basis that is present in both the everyday lives and the leisure time of the citizens (theatres, museums, choral societies, youth orchestras, etc).

There are many trail-blazing examples of such approaches to be found in the Upper Rhine area: PAMINA 21 and Agenda 21 PAMINA, PAMINA Citizens' Forum, the Council of the Basle Trinational Eurodistrict, the Regio Basiliensis and Metrobasel associations, the Council of the Strasbourg/Ortenau Eurodistrict and internet-supported citizen participation, the INTERREG Citizens' Conferences project, cultural partnerships (local and regional organisation), REGIO CAT 2006 (disaster relief/civil protection) and the SlowUp Dreiland car-free day, with the involvement of numerous voluntary organisations, cross-border citizens' and information magazines and a schedule of events in the Region Freiburg/Centre et Sud Alsace Eurodistrict.

## **B.6 Improving understanding of territorial cohesion**

### **6.1 What quantitative/qualitative indicators should be developed at EU level to monitor characteristics and trends in territorial cohesion?**

When developing territorial monitoring systems, care should be taken to ensure that their administrative consequential costs are not one-sidedly passed on to non-central government players, which means the relevant capacities and implementation requirements must be assessed in advance. The key criterion is the question of who has an actual need for information, and at what level, and how the data to be generated should subsequently be used.

Qualitative and quantitative indicators should support both the formation of objectives and the monitoring process. Specific indicators should be developed for individual categories of European areas. In the case of cross-border territories, it is suggested that statistical and qualitative indicators be drawn up in the following areas:

- (Internal and external) Accessibility
- Degree of inner-territorial mobility, including the labour market
- Demography
- Dispersal of effort in the case of infrastructure endowment (infrastructure/inhab.)
- Intra-regional prosperity differentials (GDP, income of the population, etc)
- Degree to which key players are activated

Structural features of the networks (density, functionality, etc)

Additional indicators can be drawn up in the following areas:

- Settlement structures and structures of open spaces
- Intercommunication between areas (interdependencies)
- Extent to which the population identify with their cross-border region
- Degree of citizens' co-determination in and for the region
- Extent to which the citizens have the necessary qualifications to be active at the cross-border level
- Extent of the knowledge of the language and culture of the neighbours across the border
- Number of opportunities for people to meet and number of co-determination opportunities without the need to negotiate bureaucratic hurdles
- Mutual knowledge of/between neighbours (common media landscape)
- Number/Quality of cross-border information centres/products
- Extent of the joint decision-making processes and structures
- Division of labour in the case of public and private services
- Overburdening of the infrastructure system with relevance for transnational and/or regional intercommunication
- Statistics on property prices

Alongside “static” cross-border comparisons, which are often based on existing statistical data, time series relating to indicators of a specifically cross-border nature are of particular interest. As examples of this might be mentioned the variations recorded in the number of cross-border commuters with precise details on their place of departure and destination (labour market data), the number of cross-border nature conservation areas or the proportion of “cross-border property ownership” (property market data). Time series would also be of interest with regard to the use and perception of cross-border activities (for example, the use of cross-border recreation and leisure spaces). However, standardised surveys, which would probably be detailed and elaborate, would be necessary for this.

However, territorial cohesion is manifested not only in (statistical) indicators but also in concrete spatial models and planning documents. There are numerous examples of this in the Upper Rhine area, such as the Strasbourg/Ortenau White Paper (2003), the Spatial Planning Framework of the Upper Rhine Conference, the integrated planning approaches of the PAMINA Eurodistrict, the Basle Trilateral Eurodistrict (development plan for 2020, to be published in 2009) and the Upper Rhine Energy and Climate Protection Report of March 2006 (to be updated in 2009).

## **C. Outlook: policy recommendations for a future White Paper on territorial cohesion**

The Upper Rhine area assures the European Commission of its support and urges it to further develop its ideas on the subject of territorial cohesion and to set them out in more concrete form in a White Paper. We believe it is important that the White Paper be guided even more by the ESDP objectives and the Territorial Agenda.

### **C.1 Measures and steps for getting the most out of territorial diversity: the importance of cross-border areas**

The Upper Rhine area's experience of cross-border territorial cooperation shows that it is well possible to get the most out of territorial diversity in the cross-border areas and that, in particular, this can be achieved by means visible to everyone. In order to exploit this potential for Europe, the following measures and steps seem to be important.

- When further developing the territorial cohesion concept it will be necessary to take special account of border areas.
- The development of potentialities must be the main focus of future EU activities (In addition to the compensatory approach, it is necessary to reinforce the territorial strengths and, at the same time, foster the territorial complementarities in cross-border areas).
- The EU must play a motivating and informative role and continue to provide concrete support in the border areas.
- Future EU support programmes and measures must take account of the needs of cross-border areas and be precisely adapted to them. Ideally, these programmes and measures should be developed on the spot (strengthening of the territorial bottom-up processes).
- The testing laboratory function of cross-border areas should be actively promoted through experimental provisions on cross-border matters in the relevant national and European legislation.

This can be justified as follows:

- 1) The greater complexity and the marginal costs incurred in the case of projects, plans, etc in border areas generally result in additional expenses and involve a greater degree of difficulty that, in order to preserve equal opportunities (cohesion!), must be compensated for by means of financial and technical support<sup>1</sup>.
- 2) Continuing differences between systems result in extra everyday costs in the border areas and these costs also constitute competitive disadvantages that impede equal opportunities. Here, too, compensation is necessary. This also particularly affects those member states that have so far been unable to do more to harmonise their legislation at European level (for example, with regard to citizen-centric schemes – harmonised across borders – for the provision of grants to carry out energy-saving work on buildings).

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<sup>1</sup> The implementation of the “Learn your neighbour’s language” programme (“Lerne die Sprache des Nachbarn”/“Apprends la langue du voisin”) or the development of school partnerships in the Upper Rhine area presupposes that national provisions in border areas can be simplified or, in some cases repealed (Permission de sortie du territoire). The international fireboat Europa 1 has to meet different national standards.

3) Classical forms of governance cannot easily be transposed to border areas. As the example of the Upper Rhine area shows, it is necessary to develop specific forms of cross-border governance. Only then will there be an opportunity to also pursue a cohesion policy in border areas that promotes the territorial cohesion objective there in a credible way.

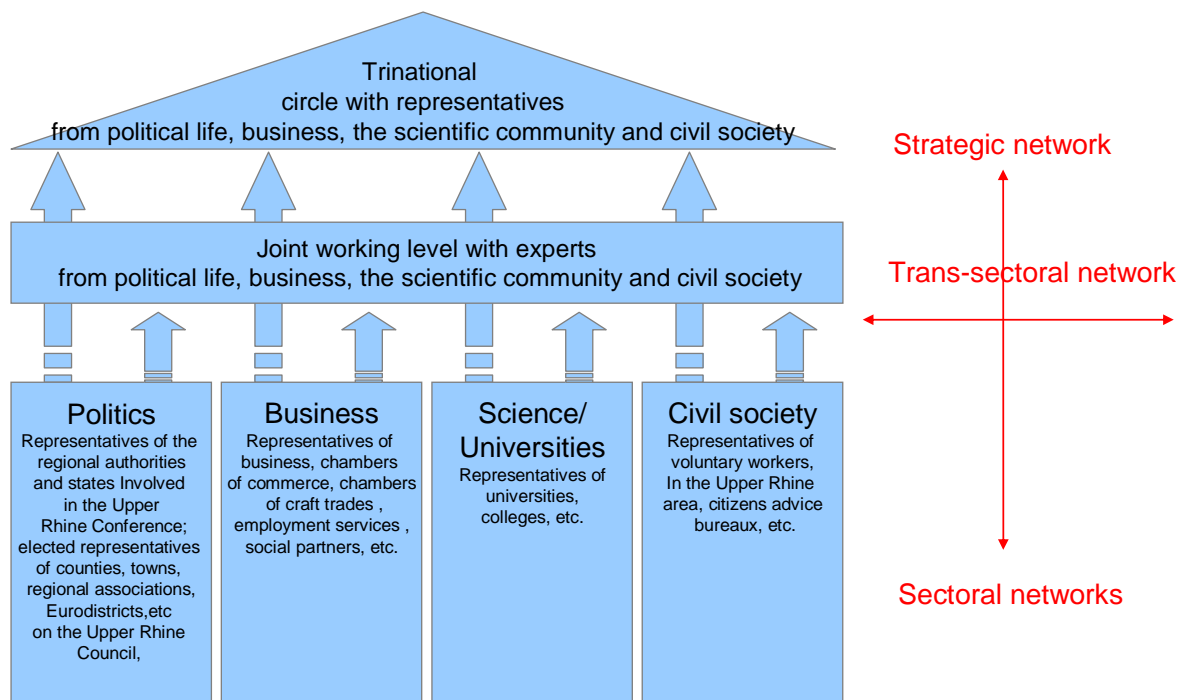
4) With regard to cross-border accessibility, which is a prerequisite for cohesion, it needs to be pointed out that the development of cross-border local public transport systems is not always economically feasible without outside support owing to technical differences and gaps in the network that would be very expensive to close.

## **C.2. Exemplary cross-border governance on the Upper Rhine**

In this connection, cross-border governance in the Upper Rhine area can in several respects have a groundbreaking role to play as a model for Europe. This governance is, firstly, an example of the fact that it is not necessary for there to be one or more dominant major cities to create a maximum level of territorial cohesion and that efficient networks of towns can form polycentric, cross-border metropolitan regions that serve to promote territorial cohesion in Europe. This applies to many territorial situations in Europe.

Secondly, in the Upper Rhine area there is a concrete need for cross-border action in several sectors and the development and implementation of the relevant policies involves players who are working at various levels and in different fields. In order to function as a metropolitan region, there needs to be a specific networking arrangement, coordination and the distribution and delegation of responsibilities. If this is to be guaranteed, there has to be integrated multi-level governance, a feature of which in the Upper Rhine area is the fact that a functional distribution of responsibilities and division of labour based on vertical and horizontal subsidiarity is being implemented between the basic level of the four local Eurodistricts, the strategic level of the Upper Rhine Trinational Metropolitan Region and the various sectoral authorities in the national sub-regions. This complementary and coordinated specialisation is a prerequisite for the creation of excellence and innovation in the context of territorial cohesion, and this applies both to border areas and to Europe as a whole.

The system of governance implemented in accordance with the pillar model of the Upper Rhine Trinational Metropolitan Region (see diagram 1) is also an example of the realisation that territorial cohesion at the regional level does not necessarily have to go hand in hand with the formation of a structure in the sense of organisational institutionalisation and that, rather, the primary objective should be the functional networking of the relevant players in order to solve specific problems or develop potentialities. Although functional networks need nodal points and also require effective management, their actual potentialities lie in the possibility of linking identical trans-sectoral interests in carrying out particular courses of action that are not necessarily institution-focused but are based around potentiality-oriented flagship projects.

**Diagram 1: Governance model of the Upper Rhine trinational metropolitan region**

### C.3 Stages of development towards cross-border governance

The following diagram no. 2 summarises a further insight gained in the context of territorial cooperation in the Upper Rhine region: territorial cohesion presupposes the result-driven cooperation of many different players in the form of a functional network. However, the governance necessary for this requires the sequential implementation of at least six development stages that build on one another. The potentialities of territorial governance can only fully develop if all six stages are implemented within a specific (in this case cross-border) area. Here, the diversity and functional networking between players in different sectors are of strategic importance.

In the Upper Rhine Trinational Metropolitan Region, this development model has proved itself as a best-practice solution in many different fields. In particular, the more than 320 Interreg projects in the Upper Rhine area ensure lasting added value in the cross-border context because they have not been developed ad hoc but have been conceived in accordance with this pattern on the basis of a proper analysis of problems and potentialities in the cross-border territorial context and have been implemented with the participation of all strategically relevant partners: a meeting of experts leads to individual and institutional networking, which in turn leads to a constant flow of mutual information and, from a particular point onwards, to conscious, active coordination between those involved. The result is the synchronisation of action-orientation leading to joint strategies, which are then followed by decision-making processes that in turn ensure the integrated, partnership-based implementation of projects and policies.

This pattern is characteristic of the cooperative context of cross-border areas and can, in our estimation, constitute an efficient model for the promotion of strong territorial cohesion in Europe.

Diagram 2: Stages of a territorial governance

