

Strategic Advisory Forum

1st Meeting – 14.03.2018

Introduction of possible key messages and direction of travel for a Territorial Reference Framework

Alison Hunter
Senior Adviser, European Policy Centre (EPC)



**Overview of key messages
from SAF 1: laying the
foundations**



TRF: hierarchy of Territorial Cohesion objectives and importance of the current post-2020 debate

- Why does geography matter?
 1. Europe's changing economic geography
 2. Negative externalities
 3. Geographical decision making jurisdictions \neq boundaries of social and economic impacts



Why do geographical considerations matter for Territorial Cohesion?

1. Geography as an explanatory variable for outcome differential
2. Place-based policy treatments affect outcomes in targeted geographies (and beyond those geographies)
3. Addressing geographical disconnect within and beyond neighbouring territories



Connecting the current post-2020 debate with the TRF study: Reflection

- The post-2020 MFF policy making process and geographical trends
- More specificity about the nature of geographically-focused solutions - more relevance and visibility?
- Remaining scope for improved critique of Territorial Cohesion agenda and its broader policy relevance? (Or does current Territorial narrative already limit this?)
- What does this imply for the TRF?



The current, influencing window of opportunity: what is needed and how to do it?

1. Strong and precise messaging – position territorial policies in current debate
2. Prioritise strategic messaging to feed into current debate and set the tone and foundations for the TRF



Three critical challenges

1. Fragmentation and disintegration
2. Interdependencies and (their) externalities
3. Mis-match of functionalities



Challenge 1: Changing economic geography and increasing fragmentation (p.10-11)

Nature:

- fragmentation as cause and consequence; threat to EU cohesion and European integration; concentrated wealth and asymmetric growth

Policy state-of play:

- macro level analyses lack sensitivity; insufficient understanding of root causes of fragmentation; gap in policy solutions to address growing economic and social disparities

Role for TRF?

- **SAF input**



Challenge 2: The effects of negative externalities (p.11-13)

Nature:

- the success of the Single Market; related prevalence of EU interdependency; and corresponding links to externalities (positive and negative). Impacts 'felt' in places

Policy state-of play:

- EU responses to facilitate deeper integration and positive externalities (e.g. CEF, MRSs, Interreg programme) and increase in demand for these. BUT macro-level analysis missing of effects (positive and negative); fragmentation and lack of coherence of programmes / initiatives which seek to optimise EU integration

Role for TRF?

- **SAF input**



Challenge 3: geographical units of decision making are not aligned to geographical policy impacts

Nature:

- 'Reach' of geographical jurisdiction falls short of reach of impact; spillover effects (positive and negative) not widely understood or accounted for

Policy state-of play:

- limited consideration of endogenous policy making and its rationale alongside geographically sensitive policy treatments; increasing prevalence of functional areas as 'unit' for policy treatment (different types) but hampered by complexity and bureaucracy.

Role for TRF?

- **SAF input**



Summary of key, proposed themes to support TRF direction

- 1. Stronger rationale (and catalyse demand) for territorial evidence:**
 - a) study's scenario and vision work in context of: a) more spatially-sensitive policy making; and 2) the status quo
 - b) stimulate greater demand for place-based framework
- 2. Convincing argument and key messages**
 - a) For stronger geographical focus across all levels of policy making
 - b) to challenge / expose limitations of agglomeration approach
- 3. Act now (later is too late)**
 - a) Current debate: increase visibility and promote relevance of the Territorial Cohesion agenda
 - b) Adaptation, preparation and application of messages for post-2020 Territorial Agenda
- 4. Is there a strong rationale for a refreshed 'inter-connected Europe' narrative?**



// Thank you

Alison Hunter, Senior Adviser, European Policy Centre (EPC)

This presentation will be made available after the meeting.