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Preparation of the Moscow Declaration

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CEMAT

Preparation of the Moscow Declaration

Synthesis of national reports

Introduction

During the period 2007-2010, under the Presidency of the Russian Federation, CEMAT has devoted its activities to the new challenges facing territorial development in Europe. Ten years after the adoption in Hannover of the Guiding Principles for the sustainable Territorial Development of the European Continent, it seemed appropriate to realise a survey among member states aiming at identifying the global evolution of territorial structures and imbalances in recent years, the territorial impacts of emerging and growing challenges and the related driving forces and, finally, the evolution of territorially significant policies. The results of the survey are an essential source of inspiration for the CEMAT Moscow Declaration (to be adopted on 9 July 2010). The survey was carried out in 2009 and early 2010. Following member countries have submitted a national report to the CEMAT Secretariat until the requested deadline of 29 March 2010: Armenia, Austria, Croatia, Czech Republic, Estonia, Finland, France, “the former Yougoslav Republic of Macedonia”, Germany, Hungary, Ireland, Latvia, Norway, Poland, Russian Federation, Slovak Republic, Ukraine.

These national reports and the national reports received after this date are available on the Council of Europe CEMAT website: <http://www.coe.int/CEMAT> in the section Ministerial Conferences - National Reports - 15 CEMAT (2010) 2Bil.

1. Global evolution of territorial structures and imbalances over the past five years

Demographic evolution

As demographic structures change rather slowly, the impact of changes are long lasting. Europe is now entering a period in which demographic factors are likely to become critical and strategic. Low birth rates during several decades in numerous countries result now in population ageing in a global context where migration flows, especially international ones, are growing significantly. Within individual countries, disparities in demographic processes are often significant.

A first contrast can be observed between the countries where the population is globally growing and those where it is declining. Population decline in recent years has been affecting countries like Croatia, Germany, Hungary, Latvia, Poland, the Russian Federation and Ukraine. In various countries, population is stable or slightly growing, such as in Armenia, Czech Republic, Finland and Slovakia. Some countries show clearer trends of population growth, such as Austria, France, Ireland and Norway. In Austria and Norway, immigration is the main factor of demographic dynamics, while in France, the increase in birth rates plays a significant part too. In a number of countries, which have been lastingly affected by outmigration, the migration balance has recently become positive, such as in Armenia, Croatia, “the former Yugoslav Republic of Macedonia” and the Slovak Republic.

Demographic contrasts between regions are however stronger than those prevailing between countries. Polarisation processes can be observed in numerous countries, with a number of regions attracting more and more people and others being affected by population decline and outmigration. The most important factor of discrimination, in this respect, is the level of urbanisation in the regions. Regions with large cities, especially capital cities, are more inclined to attract population, especially the younger qualified population groups, while remote rural areas are rather prone to lose inhabitants. Rural-urban migrations can be observed in Armenia, Croatia, the Czech Republic, “the former Yugoslav Republic of Macedonia”, Eastern Germany, Hungary, Latvia, Norway, the Russian Federation, the Slovak Republic. In Poland, however, it is reported that cities have generally lost inhabitants (outmigration, negative natural balance) while the population of the countryside has increased (positive natural balance and low migration volume). In Ukraine, the deep demographic depression, which has lastingly affected the country has not left potential in rural areas for further migration towards the cities. The level of urbanisation is however not the only factor explaining the demographic disparities between regions. The geographic location and accessibility, the economic structure, the attractiveness are also important factors. Numerous regions along the eastern EU borders are subject to negative demographic trends (eastern Latvia, eastern Poland, eastern Slovakia, eastern Hungary). The same processes can be observed in countries farther in the east or south-east of the continent, such as the Russian Federation, Ukraine and “the former Yugoslav Republic of Macedonia”. Regions with industrial reconversion problems (north and north-east of France, north-east of Hungary, eastern regions of Ukraine) are generally losing population in relation to the decline in employment. It can also be observed that regions with attractive natural characteristics are gaining population through the development of the tourist and residential economy. Numerous coastal regions and mountain valleys belong to this category.

Population ageing is probably the most important common feature of demographic trends in Europe. The average median age of the population is growing in most countries and this trend is likely to continue and even intensify over the coming decades. There are however significant

differences in the intensity of the ageing process between countries and even more between regions. Population ageing in Armenia, France and Norway is less advanced than in numerous other countries such as Croatia, Germany, Hungary, Latvia and Ukraine. At regional level, population ageing is generally particularly strong in remote rural areas, which have lastingly been subject to emigration (Austria, Croatia, Czech Republic, Eastern “the former Yougoslav Republic of Macedonia”, East-German regions, Great Plain of Hungary, regions of eastern Poland, various regions of the European part of the Russian Federation). There are however situations where population ageing is also very advanced in metropolitan areas. This is the case in Budapest and Bratislava.

Changes in the demographic characteristics of Europe, especially the ageing and internationalisation processes of the population are likely to have strong impacts for numerous public policies (employment, health care, social and cultural policies).

Economic evolution

Economic disparities within Europe are still significant. Despite the strong catching up process in the central and east European countries during the decade preceding the economic crisis, the West-East slope in terms of GDP/head, remains steep. Within the countries themselves, the regional disparities have generally been growing, more strongly however in central and eastern than in western Europe. A reduction of regional disparities in recent years is only reported in Norway and in the Russian Federation. Globalisation favours economic growth in metropolitan regions much more than in regions only endowed with small and medium-sized towns. The urban-rural divide in terms of economic growth prevails in practically all countries. There are however other factors of differentiation in the field of regional economic performance, which add their effects on the preceding ones. In central and eastern Europe, the western border regions generally perform much better than the eastern ones. This can be served in Hungary, Poland, Slovakia, “the former Yougoslav Republic of Macedonia”, Ukraine). In the Russian Federation, the oil and gas producing regions have been performing as well as large metropolitan areas. In Germany, beside metropolitan areas, employment has also progressed in various areas without large cities (north-western regions, various Bavarian regions). The knowledge economy concentrates, in all countries, in large metropolitan regions, especially in capital cities, as well as in various second-rank cities with universities and research institutions (such as Lodz, Cambridge, Montpellier, Karlsruhe). In the Russian Federation, the “science towns” and the “special zones for technological development” are worth being mentioned. With a few exceptions, the knowledge economy strengthens the process of territorial economic polarisation. There are various categories of lagging regions, basically the remote rural regions and the regions of industrial reconversion. In both cases, the main handicap is the lack of economic diversification. In addition, a number of regions concerned suffer from insufficient accessibility and from peripherality. Lagging rural areas are often situated in mountainous regions (Armenia, Austria, Croatia, France, “the former Yougoslav Republic of Macedonia”, Norway, Russian Federation, Slovakia), but can also be found in plain and hilly landscapes (Latvia, eastern Poland, Great Plain of Hungary, eastern Germany, northern regions of the Russian Federation). Regions of industrial reconversion are frequently based in regions, which were well endowed with raw materials (coal and lignite deposits, iron ore etc). Many are located along the European coal belt, stretching from northern France to Upper Silesia. Other regions with weakly competitive manufacturing activities are to be found in north-eastern Hungary, in north-eastern Estonia, in the east of Ukraine, in various parts of the Russian Federation as well as along the coasts, where shipbuilding activities are concentrated. More recently, the globalisation process has affected a

large number of regions with labour-intensive activities using low or medium-level technologies. The main sectors concerned are textile, electro-technical, electronic and mechanical engineering. Corresponding activities are rather widespread throughout the European territory. Industrial reconversion processes have a longer history in Western Europe than in central and eastern Europe, where they however exploded during the transition period

Numerous regions in Europe benefit from the tourist and residential economy. Beside highly attractive regions where tourism is the major source of revenue (coastal regions, Alpine mountains), soft tourism is becoming a complementary source of income in a growing number of regions with high value natural and cultural heritage and attractive landscapes. While these activities are rather well developed in western Europe, a number of regions of central and eastern Europe and of the Russian Federation are progressively catching up, especially those with sufficient accessibility. The increasing number of retirees and of self-employed persons favours the development of the residential economy in attractive areas, sometimes far away from large cities. Social transfers (pensions, social allowances) contribute more and more to some forms of territorial equalisation to the benefit of a number of less developed areas. This trend is however stronger in western than in central and eastern Europe, because the volume of social transfers is substantially larger.

Significant evolutions of the settlement systems

The evolution of settlement systems in Europe is a complex process. Although the driving forces shaping the process of urbanisation show significant similarities among the various countries and regions, they apply their influence in regional contexts, which are rather different. The urbanisation process has not been homogeneous in time throughout Europe. In some regions, it started substantially earlier than in others, so that the present picture of settlement systems reflects different historic trajectories. In addition to this, the countries of Central and Eastern Europe and the Russian Federation have inherited urban settlements, which had been significantly influenced by the policies of the communist era. A patchwork of heterogeneous situations is resulting from this. At both extremes, one finds on the one hand regions with significant flows of population leaving the large cities, especially the core areas, to settle rather far away in small or medium-sized cities, even when keeping their professional activities in the large cities and, on the other hand, regions where the rural-urban migrations are still significant and contribute to accelerating the urbanisation process.

Against this background, a major common driver is the move towards the knowledge economy under the influence of the globalisation process, which leads to the accelerating growth of large metropolitan areas, especially the capital cities. This process can be observed in western as well as in eastern Europe. For instance in Norway, the major cities of Oslo, Bergen, Stavanger and Trondheim are growing more rapidly. The growth is also spreading towards small and medium-sized towns. In France, the population of large metropolitan areas, such as Paris, Lille, Lyon, Marseille or Strasbourg is growing. In Germany, growth and innovation areas are mainly the metropolitan regions and other important agglomerations, especially in the western regions. In Austria, city regions are becoming the growth poles of the economy. Also in Finland, the main poles of Helsinki, Turku, Tampere and Oulu concentrate the major part of growth. In Central and Eastern Europe, the process of metropolitan growth is even stronger than in Western Europe, reflecting a catching up process, which started during the transition period. This is particularly obvious in countries with a strongly monocentric settlement pattern dominated by the capital city: Croatia (Zagreb), Armenia (Yerevan), Czech Republic

(Prague), “the former Yugoslav Republic of Macedonia” (Skopje), Hungary (Budapest), Latvia (Riga), Estonia (Tallinn) and Slovakia (Bratislava). In countries with a more polycentric urban structure, growth is generally better distributed among various large cities, as it is for instance the case in Poland (Warsaw, Kraków, Wrocław, Poznań, the Gornolaska conurbation, Gdansk-Sopot-Gdynia and Łódź) and in the Russian Federation (Moscow, St Petersburg, Belgorod, Krasnodar and others).

Urban growth, in terms of population, is however not limited to the metropolitan regions (which includes also a number of small and medium-sized towns). It has been observed in a number of cases that medium-sized urban entities, although distant from metropolitan areas, may exhibit population increase. In France, for instance, a number of medium-sized towns benefit from inter- and intra-regional migration flows, sometimes because of specific attractiveness (coastal areas or mountain valleys). In Austria, urban settlements in regions with significant tourism and competitive agriculture are also progressing in terms of wealth and population. In Armenia, the return of emigrants favours the development of medium-sized towns with high attractiveness (Tsakhadzor, Hanqavan). In central and eastern Europe, the number of medium-sized and smaller towns is generally significant, but these are too weak in relation to the functions of the capital cities for enabling the development of an autonomous and sustained growth process. This can be observed for instance in Croatia or in Hungary.

The segments of the settlement systems, which are subject to decline, are generally to be found in the remote, weakly accessible rural areas and peripheral regions. In Armenia, most settlements in mountain and border regions are declining. In Hungary, a significant population loss has taken place in numerous former agricultural market towns of the Great Plain. In Norway, peripheral towns and districts are declining. The same process affects small rural settlements in eastern Germany. The peripheral settlements of northern and eastern Finland are also affected by population decline. This raises the question on how to maintain the services of general interest.

Various old industrial towns are also subject to decline (such as in the north-east of Hungary, in the eastern regions of Ukraine or in the North-Bohemian regions in the Czech Republic). A relatively new trend is the population decline of various large cities in a number of countries. In Germany, this applies to large agglomerations in the eastern Länder. In the Russian Federation, the number of cities with over 1 million inhabitants is falling. In Ukraine, only five regional agglomerations showed positive demographic trends during the period 2001-2008. The others were declining. Strongest decline was observed in Ternopil, Sumy and Kherson. With regard to the acceleration of population ageing and the existing or expected population decline in a growing number of countries, the management of urban decline will become a new and challenging task for public policies throughout Europe.

Looking at the evolution at the scale of metropolitan and other urban regions, the most striking common phenomenon has been, in the past years, that of suburbanisation. The process is generally one of concentrated de-concentration, with concentration of population in metropolitan areas at larger scale and de-concentration from the metropolitan core area towards the outskirts. This trend is common to Western and Eastern Europe. It affects particularly Vienna in Austria, Helsinki, Turku and Tampere in Finland, Zagreb in Croatia, Prague, Brno and Ostrava in the Czech Republic, Bordeaux, Montpellier, Toulouse in France, Skopje in “the former Yugoslav Republic of Macedonia”, Riga and Daugavpils in Latvia, the Oslo conurbation, in Norway, Warsaw, Gdansk, Poznań, Wrocław and Cracow in Poland, Bratislava and Kosice in Slovakia, Tallinn and Tartu in Estonia. In the Russian Federation,

suburbanisation is still modest due to various constraints (climate, transport etc.). New villa communities emerge however, especially around Moscow and St Petersburg. In addition, new satellite developments are planned near large Russian cities.

Even in the context of metropolitan growth, it happens that the population of the core urban areas declines. This happens rather frequently in countries of Central and Eastern Europe, where the process of re-urbanisation has hardly started, as it is a case in the Czech Republic, in Riga (Latvia) or in various large Polish cities. Similar trends are also reported in Western Europe, for instance in France.

The progress of suburbanisation, associated, in a number of cases, with the depopulation of core areas, is raising concern with regard to the sustainability of urban development, especially the increase of traffic flows and the consumption of valuable agricultural land or of nature areas. Population ageing and the related decline of population, the interest of aged population groups for more urbanity, better access to services and cultural life and the need to curb down greenhouse gas emissions are now converging towards the shaping of more compact cities, mainly through redevelopment measures, through the development of public urban transport and through the improvement of the quality of life in cities.

Significant evolutions of rural areas

The most common trend with regard to rural areas, reported by most countries, is their growing economic diversification. The main factor of differentiation in rural trajectories is the location of the respective rural areas in relation to large cities. Other factors play an additional part, such as the natural conditions (soil, climate) for agricultural production and the endowment with factors of attractiveness (natural and cultural heritage, climate, availability of services etc). The process of economic diversification of rural areas is generally more advanced in Western Europe than in Central and Eastern Europe, where it just started at the end of the transition period. There, rural areas are in general more dependent upon agriculture. Despite this difference, three categories of rural areas can be distinguished in western as well as in central and eastern Europe: those which are directly under the influence of large cities; those which are remote and peripheral with a weak settlement structure and, finally, those which are in between and may be a rather diverse in nature. The first category is generally the one with the best economic performance and with the most diversified economic structure (agriculture, SMEs, services, commuters to cities etc). They are however subject to growing suburbanisation and to significant pressures on the environment (increasing traffic, destruction of natural areas, consumption of agricultural land etc). This evolution can be observed in Armenia in the surroundings of Yerevan, in Austria around Vienna and along main transport corridors, in Croatia around Zagreb, in the Czech Republic around various large cities, in France in the surroundings of larger agglomerations, in the surroundings of Polish cities, in the green belts around Russian large cities, in the surroundings of Bratislava. Paradoxically, the performance of agriculture in areas close to large cities is generally very satisfactory. This is due to the proximity of large consumer markets, enabling small agricultural holdings to be highly productive.

The most remote and peripheral rural areas, without significant cities in their surroundings, are generally subject to marginalisation and depopulation. This is being observed in the mountainous areas of Armenia, in northern Lower Austria and in southern Burgenland, in the border areas of the Czech Republic, in a significant number of French rural areas with low accessibility and ageing population (Auvergne, Limousin, Lorraine, Normandy, Bretagne etc.), in the mountainous areas of "the former Yugoslav Republic of Macedonia", in some eastern

German regions, in eastern Hungary as well as in southern Transdanubia, in eastern Latvia, in numerous Norwegian regions (north, west, south-east and interior), in eastern Poland, in Russian rural regions with unfavourable climatic and soil conditions, in the Slovak border regions of Banska Bystrica and Nitra, in numerous Ukrainian rural regions. In this category, some rural regions are facing specific challenges, as for instance in various Hungarian rural regions with Romas and ethnic minorities and numerous deprived rural settlements, or the north of Norway with its sparse population and long distances between settlements and small labour markets.

The third category of rural areas, located between the two other ones, is rather heterogeneous in character. It shows however interesting dynamics, also for rural areas, which are not under direct metropolitan influence. A number of these areas exhibit the development of productive and competitive agriculture (North Mazovia/Podlasie in Poland) or of tourism (Armenia, Croatia, Czech Republic, Hungary, Norway, mountainous and coastal areas of Poland, Slovak Republic). In Norway, the economic diversification for rural areas has a long tradition. It started one century ago with the hydro-electricity and the related metal and chemical industries. The coastal areas benefited from fishing, aquaculture, shipbuilding and tourism. In France, the so-called "new countryside" is subject to revitalisation thanks to the tourist and residential economy. Such areas can be found in south-eastern France, along the Atlantic coast and along the French Spanish border as well as in Corsica. In various cases, the residential and tourist economy is however not sufficient to counterbalance the decline of industrial and agricultural activities.

Various factors will in future continue to determine changes in rural areas, such as population ageing, the increasing production of green energy, the further extension of metropolitan areas, the further liberalisation of trade in agricultural commodities at world scale, the injection of exogenous capital into the rural economy of certain regions and, last but not least, the revitalisation policies for rural areas implemented in a large number of countries.

Issues related to the maintain of services of general interest in rural areas will become more and more critical. Because of the diversity of situations, there is a need for individual and comprehensive approaches and strategies, in order to avoid growing imbalances between rural and urban areas.

Progress of transnational and cross-border territorial integration

Territorial integration across national borders means developing functional relationships similar to those existing within each national territory and overcoming the historic and artificial segmentation of the European territory, which has prevailed during long periods and has been particularly exacerbated by the Iron Curtain between Western and Central and Eastern Europe during the communist era. The permeability of borders is a key factor for the development and blossoming of territorial integration. In this respect, very heterogeneous situations prevail throughout Europe. With regard to political and administrative factors, the national borders, which have the longest tradition and highest intensity of openness, are those between the Western European countries. The accession to the EU of a large number of countries of Central and Eastern Europe in 2004 and 2007 has greatly increased the permeability of their internal borders. With regard to the mobility of persons, the Schengen borders are also a significant constraint. In addition, the permeability of borders is also conditioned by natural factors, such as the existence of natural obstacles like mountains or seas, as well as by the existence of efficient transport infrastructure. The speed and intensity of cross-border territorial integration is also related to the importance of historical and cultural

factors. The regions where territorial integration has progressed most are those where large cities are situated close to the border. In a context of permeable borders, this leads to the emergence of cross-border urban agglomerations or to networks of cities.

Outstanding examples of the emergence of cross-border relations are Liile-Kortrijk-Tournai at the French-Belgian border, the urban agglomeration of/around Geneva at the French-Swiss border, the agglomeration around Bratislava at the Slovak-Austrian and Slovak-Hungarian borders, where suburbs of Bratislava have been developing recently on the neighbouring territories of Austria and Hungary.

Numerous networks of cities and towns have also emerged across national borders in recent years, such as for instance the networks of Upper Rhine cities across the German-French-Swiss borders (Basel, Freiburg, Mulhouse, Strasbourg, Karlsruhe and several medium-sized towns), the MAHL network at a Belgian Dutch German border (Maastricht-Aachen-Heerlen-Liège), the areas Miskolc-Kosice and Komarno-Komaron at the Hungarian-Slovakian border, the areas Debrecen-Oradea, Szeged-Timisoara and Bekescsaba-Arad at the Romanian-Hungarian border, the area Nakykanizsa-Zalaegerszeg-Szombathely-Graz at the Austrian-Hungarian border, the area Valka-Valga at the Latvian-Estonian border. Along external EU borders and other non-EU related borders, the permeability is generally lower. There are however various examples of progressing integration, for instance in the area Latgale-Vitebsk at the border between Latvia and Belarus, in the area Nyiregyhaza-Zahoni at the Hungarian-Ukrainian border.

Territorial integration is also progressing along corridors with well-developed transport infrastructure, such as those linking Norway to Sweden (Oslo-Göteborg; Trøndelag-Jämtland, Nordland-Norrbottn), the corridor linking northern Finland to the Barents region in Russia, the Via Baltica through the Baltic States or the pan-European corridors being developed in south-east Europe, connecting for instance “the former Yugoslav Republic of Macedonia” to Greece and Bulgaria (corridors 8 and 10).

Major mountain areas are generally significant obstacles to territorial integration (Alps, Pyrenees, Carpaths). In a number of cases, however, integration is progressing across the mountains, such as for instance between Visoke Tatri-Zakopane at the Slovak Polish border. Maritime borders have also a low degree of permeability. In the case of straits or short sea distances, integration is also possible, as for instance between southern Norway and Denmark and between Croatia and Italy. The case of totally closed borders, making any form of territorial integration impossible, is rather exceptional. Examples are however the borders between Armenia and Azerbaijan, respectively Turkey.

Cross-border and transnational cooperation contributes significantly to the progress of territorial integration across borders. The numerous EU supported Interreg programs have significant impacts on normalisation and development of functional interactions across borders. Transnational initiatives like VASAB, the Baltic Strategy or the Danube Strategy are also significant in this respect. The constitution of cross-border cooperation structures at regional scale (Euroregions) is an important prerequisite for the development of cross-border functional interactions.

2. Territorial impacts of emerging and growing challenges and related driving forces

Territorial impacts of climate change

There is evidence for significant territorial impacts of climate change in all countries surveyed. Globally, a distinction can be made between two categories of impacts: the long-lasting impacts with the structural socio-economic and environmental consequences in large parts of the territory (global warming, long-lasting drought areas, melting of permafrost in Nordic regions, modification of ecosystems) and the extreme meteorological phenomena or natural hazards causing severe and sudden damages on more limited parts of the territory (floods, landslides, storms, whirlwinds, hail). Some impacts, like forest fires, are at the intersection of both categories. They are caused by long-lasting drought but have severe impacts on a more local level.

With regard to the first category of impacts, the decrease of average annual precipitations in the context of global warming is mentioned by a number of countries (Armenia, Croatia, Russian Federation, Slovak Republic), but changes in the seasonal repartition of precipitations are significant in various countries also, generally with drier summers and more rainy winters (Croatia, Czech Republic, Hungary, Poland). Rather atypical changes can also be observed, such as the increase of average precipitations in certain regions (southern and north-western areas as well as the Sevan Lake Basin in Armenia; French north-western regions; decrease of average summer temperatures in central Russia). Negative socio-economic impacts are reported by various countries, especially on the fertility of soils and productivity of agriculture (Armenia, Croatia, France, Poland, Russian Federation). Negative impacts are also observed in the field of environment (surface water quality) and ecosystems (destabilisation of forests, migration of species). In the Russian Federation, the melting of the permafrost is destroying the basements and stability of buildings and facilities. This process is particularly acute in the northern towns of Nadym, Surgut; Vorkuta and many others.

Impacts belonging to the second category, although more local, are generally more intense and damaging, including threats on human life. The most widespread are severe floods. They are reported in Armenia (Ararat and Artashat regions), Croatia (hilly lowlands, valleys of the rivers Drava, Sava, Danube and Mura), Czech Republic, France (south-eastern regions), “the former Yougoslav Republic of Macedonia” (regions of Skopje, Pelagonia, Strumica and Struga,), Germany (Rhine Valley and north-eastern regions), and Hungary (floodplains cover more than 1/3 of the national territory, especially along the valleys of the Danube and Tisza and of their tributaries), Latvia (Valley of the Daugava), Norway (lowlands of the south-east), Poland (Carpaths) and Slovak Republic. Fires are the second type of hazards in importance caused by global warming and drought. They are reported as particularly damaging in Armenia (Yerenos Mountain, Geghil area,), Croatia, Hungary, Norway, Russian Federation and Slovak Republic. In addition, several countries mention increasing risks of landslides, storms, whirlwinds and hurricanes.

Positive aspects of climate change are mentioned only in the case of Poland (higher temperature of water, smaller incidence of diseases/low mortality in winter; energy savings).

The territorial impacts of globalisation

The globalisation process accelerates the economic transformation of territories and is both a constraint and an opportunity. It is supported by trade liberalisation and technological progress, mainly information and communication technologies. Globalisation finds its

expression in the growth and transformation of trade flows, in the geographical segmentation of production processes, in foreign direct investments and in the short-term exploitation of regional comparative advantages.

At macro-territorial scale, globalisation has been a significant opportunity for the economic catching up process of the countries of Central and Eastern Europe, which has taken place mainly under the influence of FDIs. Almost everywhere, globalisation is however generating an increase of regional disparities which takes place through the concentration of investments, mainly in metropolitan regions (knowledge economy, finance, services) and in a few other privileged locations as well as, on the opposite, through the closing down or relocation of activities which are no more sufficiently competitive. The concentration of FDIs in metropolitan areas, especially in capital cities, is mentioned in Armenia, Croatia, Czech Republic, France, Germany, Finland, Hungary, Norway, Poland, Estonia, Russian Federation and Slovakia. In addition to metropolitan areas, globalisation favours also investments in oil and gas producing regions (Russian Federation, Norway) as well as in regions with specific advanced manufacturing activities (motorcar industries in particular) or with tourist potential.

The negative impacts of relocation and externalisation processes of activities have already been observed for a long time in most West European countries, for instance in France (northern and north-eastern regions; more recently in Rhône-Alpes, Normandy, Bretagne, Pays de Loire) and in Norway. Relocation processes have also started in the countries of central and eastern Europe where the FDIs in cheap labour manufacturing industries are progressively losing their competitiveness, compared with countries with even cheaper labour force (Asia, Ukraine, Moldova etc). The economic crisis seems to have increased the threats of growing relocation processes, as it is reported by various countries (Czech Republic and Estonia in particular).

Globalisation generates a particularly significant challenge in the field of innovation in order to maintain competitiveness. This has induced the constitution of numerous clusters of enterprises in various countries, as it is reported in the case of the Czech Republic, France, Hungary, Poland and Slovakia. The development of transnational pipelines for energy transport (from the Russian Federation towards western Europe and Asia; from the Caspian region towards Western Europe) is also a consequence of the globalisation process.

Territorial aspects of changing energy paradigm and promotion of renewable energy resources

Two factors are leading to a change of energy paradigm: on the one hand the growing prices of conventional fossil energy sources (oil and gas in particular) resulting from the increasing imbalance between supply and demand a global scale and from the perspective of a possible oil depletion in the medium term and, on the other hand, the need to rapidly curb down the greenhouse gas emissions generated by the use of fossil energy sources. Conventional energy systems are based on heavy infrastructures and capital-intensive facilities, so that inertia is significant. The move towards a different energy paradigm is therefore rather slow, even in a context where new forms of energy production based on renewable sources are much more decentralised and less capital intensive. Additionally, energy production and distribution has largely been an activity of the public sector. Liberalisation and privatisation measures have modified the context in a number of countries during the past decade but major decisions remain publicly driven. The exploitation of renewable energy sources involves a very large number of private stakeholders, but the public influence remains significant for reasons of

profitability. Public financial incentives are generally necessary to motivate private stakeholders to invest.

Energy systems are closely related to the territory. At the time of the industrial revolution, heavy industries developed in areas where coal deposits were available. Nuclear power plants are dependent upon the proximity of rivers or coasts for cooling purposes. The renewable energy sources are closely related to the climate (solar energy), to the presence of hilly or coastal zones (wind energy), to soil fertility conditions (biomass) and to the presence of mountains (hydro-power).

All national reports show evidence for a move towards a new energy paradigm, which is less dependent upon fossil energy sources and is more sustainable in terms of greenhouse gas emissions. The measures taken are however by far not limited to the exploitation of renewable energy sources. Various countries report on the intensification of energy savings, with sometimes interesting spatial aspects related to urban planning (example of the “Energy certificates for settlements” in Lower Austria). Conventional power plants are being modernised to increase their efficiency and reduce their emissions (Croatia, Germany, Latvia, Poland). New nuclear power plants are being built or planned (Armenia, France, Poland, Croatia). Co-generation plants producing heat and electricity are being built in various countries (Slovakia, Germany, Estonia, “the former Yugoslav Republic of Macedonia”).

With regard to the exploitation of renewable energy sources, which is now widely recognised throughout Europe, the production of hydropower plays a major part in numerous countries. Some countries with mountainous topography, such as Norway, have a long tradition in this field. Various countries report about the existence of additional capacities in hydropower potential and are planning new hydropower plants, either large or small scale ones (Armenia, Croatia, Czech Republic, “the former Yugoslav Republic of Macedonia”, and Latvia). Most countries promote the development of solar and wind energy. In countries where geothermal energy resources are available, exploitation plans are being developed (Armenia, France, Poland, Slovakia). The production and exploitation of biomass and biogas are also becoming more and more generalised. A number of countries mentioned the need to pay particular attention to the environmental sustainability of energy systems based on the renewable resources, in order to avoid environmental damages. This applies in particular to the location and size of wind or solar energy parks and to the production of biomass through intensive agriculture. The construction of large hydropower plants may also be detrimental to ecosystems. Various national reports show the importance of technological progress for more efficient and more sustainable energy systems. Examples are for instance the mixed fuelling of conventional power plants with fossil energy and biomass (Latvia, France), the development of tidal and osmotic power plants (Norway) and the emergence of clean coal technologies (Poland).

Territorial aspects of immigration and social polarisation and related integration policies

Growing social disparities in society are observed in most European countries. They are mainly related to the transformation of the economy (growing importance of the knowledge society and of the advanced services and reduction of the amount of medium level skills needed by the labour market) and to increasing immigration (with generally low skill levels and cultural differences making integration more difficult).

In general terms, the process of social polarisation is more advanced in the Western European countries than in Central and Eastern Europe, because it started earlier (especially with regard to immigration). The countries of Central and Eastern Europe are however facing increasing problems due to the fact that the transition period and the following economic catching up courses have generated a growing social segmentation and left behind numerous unemployed people. In addition, numerous ethnic minorities exist in these countries, which are threatened by growing marginalisation.

Social polarisation has generally very strong territorial impacts resulting in social segregation. It is mainly in large cities that the highest levels of social polarisation are observed, driven by immigration flows (Croatia, France, Germany, Hungary, Norway, Russian Federation). In various countries, the number of problematic urban neighbourhoods (located either in the core cities or in the immediate urban outskirts) is growing, often characterised by multiple deprivation. The process of urban sprawl also contributes to growth in social segmentation, however with different impacts according to the countries concerned. In Western Europe, numerous less well-off groups leave the core areas of cities because of growing housing prices, transferring precariousness and poverty towards the surrounding areas (as observed for instance in France). In Central and Eastern Europe, young families belonging to higher income groups are leaving the core cities and settle in the suburban areas with a better living environment.

Poverty and marginalisation are however also frequent in specific rural areas, especially in Central and Eastern Europe. In numerous cases, the areas concerned are inhabited by ethnic minorities (Romas and others) confronted with high unemployment, very low income and difficulties of access to services, health care and higher education. Rural poverty and marginalisation is observed in Armenia, Czech Republic, Hungary (small villages near the northern and southern borders), Poland (region of the Warmia Lakes and Mazury, region of the Swietokrzyskie mountains). In Western Europe, rural poverty also exists in a number of regions, but to a lesser extent.

Policies addressing social polarisation and aiming at strengthening social integration are applied in most European countries and are rather diverse in character. It has been recognised that a combination of national policies and of more local policies is necessary. In addition, comprehensive policies addressing at the same time various issues of social integration are considered as more efficient. With regard to national policies, those, which are reported to contribute most to social integration, are the employment, housing, health care and social welfare policies as well as support policies to urban redevelopment and rehabilitation. Interesting examples are for instance the housing and urban renewal policy in the city of Vienna/Austria (instrument of the Property Developers' competition; experimental projects), the Joint Inclusion Memorandum signed in 2007 between Croatia and the EU, the policy of cities in France, the German programme "Urban districts with special development needs - a socially integrated city", the Hungarian programme for the most disadvantaged micro- regions, the OXLO policy for Oslo/Norway.

Territorial impacts of the economic/financial crisis (2008/2009) and of national top-down measures aimed at re-boosting the economy

The economic/financial crisis of 2008/2009 has strongly and lastingly affected the European economies. In the short term, a number of economic sectors (construction, manufacturing and mining activities, banking and finance, tourism) were more affected than others. In addition to the reduction of employment in these sectors, the crisis has also generated impacts of more

structural nature, such as the reorganisation of value chains, including the acceleration of the transition towards the knowledge economy and the relocation outside Europe of labour-intensive activities based on low-level technologies. The real impact of such transformations will appear distinctly only in the medium-range.

Decline in manufacturing regions has been experienced in a large number of countries, such as Armenia (Kotayk region), Croatia, Czech Republic (Most, Karvina, Chomutov, Teplice, Ostrava-mesto, Frydek-Mistek, Novy Jicin, Sokolov), France (north-eastern regions, Normandy, Pays de Loire, Rhône-Alpes, region of Toulouse), Germany (industrial regions of West Germany producing steel and iron products, machinery, chemical products, motorcars and electro-technical products), Hungary (western regions), Norway (regions specialised in the production of wood, paper, metals, car parts and in shipbuilding), Poland (the two old industrial regions of Lodz and Upper Silesia), Estonia (north-eastern region and Pärnu), Russian Federation (regions of Oryol, Ulyanovsk, Novgorod, Samara, Chuvash), Slovakia (regions of Banska Bystrica, Presov and Kosice). A number of tourist regions have also been affected by the crisis, for instance the cities of Tsakhadzor, Garni and Goght in Armenia. In Croatia, on the opposite, the sector tourism proved to be stable and did not follow the anticipated negative trend.

The regions which were the least affected by the crisis are generally those which are less involved in international trade and where a large share of employment is to be found in the public sector or in person-related services as well as regions with a more rural character. Examples are the southern regions of France, the East German regions, the less developed regions of eastern Poland or the rural Russian regions where agribusiness is well developed. The impacts of the crisis on the structural transformation of value chains are mentioned in Austria, where it is expected that high-ranking locations in and near urban regions, high-quality educational and research institutions will continue to expand. Generally, metropolitan regions, also affected by the crisis, are expected to recover more rapidly than less competitive manufacturing regions. On the background of the same logic, a number of regions, especially in Central and Eastern Europe, feel threatened by possible relocations of activities (western Hungary, Lower Silesia and northern regions in Poland; regions with narrow specialisation and towns with a single economic mainstay in the Russian Federation). A specific territorial impact reported in Hungary is that the crisis has caused the slowing down of urban sprawl.

Most European national governments have adopted specific programmes aimed at re-boosting the economy in order to overcome the negative impacts of the crisis. Although the national programmes contain a wide diversity of measures, they exhibit a rather significant convergence. The first common priority has been to safeguard employment in the short-term in sectors considered as strategic, through the boosting of domestic demand, subsidies, allocation of loans and fiscal advantages to enterprises. Such measures are mainly sectoral in character (the best example being the motor car industry) and have benefited the manufacturing regions, which are already rather well developed. The second common priority has been to speed up the development of all types of infrastructures through public investments (higher-level education and research facilities, transport infrastructure, social and health infrastructure). National public support has been given to the investments of local and regional authorities (urban renewal, housing enhancement of the cultural heritage, refurbishment of buildings etc). While measures under the first common priority are deliberately short-term in character, those under the second common priority combine short-term aspects in the field of employment safeguard and more long-term structural aspects

related to the improvement of the business and living environment as well as to the attractiveness of territories.

3. Evolution of territorially significant policies

Intensification of comprehensive approaches

A clear trend towards more comprehensive approaches to territorial development can be observed in most countries, however in quite different fields of public action: legislations, regulations, decentralisation, elaboration of territorial development programmes at various scales, multilevel governance, involvement of private stakeholders etc. Numerous examples illustrate the diversity of initiatives leading to more comprehensive approaches of territorial development.

At the highest institutional level, legislations are modified to strengthen vertical and horizontal coordination in various policies with territorial impacts and inter-ministerial commissions are established to ensure synergy and coherence between the various national policies. This is explicitly mentioned in the case of Armenia.

A number of countries elaborate national strategies of sustainable and/or regional development, the implementation of which is based on comprehensive approaches. The countries of Central and Eastern Europe, which have less tradition in comprehensive territorial development approaches, are rapidly catching up. This is for instance the case for the Sustainable Development Strategy of Latvia for 2030, which will be the highest planning document in the country, with a comprehensive and integrated horizontal approach, providing a general framework and setting main principles, targets and implementation directions for social, economic and spatial development.

The regional development programmes supported by the EU structural funds, which have financial impacts for various sectors (enterprises, innovation, research, infrastructures, rural development etc.) are also considered as a significant opportunity for developing more comprehensive approaches. In Hungary, the National Spatial Development Concept, the New Development Plan and the New Rural Development Strategic Plan for Hungary formulate messages and territorial priorities for the different sectors. They refer to territorial cohesion as a horizontal objective. In Poland, the objective of the new regional policy is to ensure an increased horizontal and multilevel coordination of activities at the level of the country and of regions. It is recognised that synergy has to develop between the various public investments and that the sector-oriented approach, which has dominated up to now, has to be given up.

Decentralisation and regionalisation favour the emergence of true multilevel governance. In Norway, the spatial planning reform of 2009 made the regional planning system more efficient and powerful in a context of horizontal and vertical coordination. The regional government reform of 2010 strengthens the regional level of government and creates strong and committing alliances between the regional and national levels. In France, comprehensive approaches are applied to the Joint Multiannual Programmes for Project Development of the state and regional authorities, which are aimed at promoting the competitiveness and attractiveness of the territory, sustainable development as well as territorial and social cohesion. Similar procedures are applied for specific areas subject to economic restructuring, with approaches involving all partners.

Also outside the EU, comprehensive approaches are adopted in the case of national initiatives, which are relevant for territorial development. In the Russian Federation, the strengthening of

horizontal and vertical cooperation takes place in the devising and implementation of national projects, especially in the sectors of health, education and housing policies, involving also regional and local authorities. The move towards a system of long-term strategic planning is also reinforcing comprehensive approaches. A specific Department has been created within the Federal Ministry of Regional Development to coordinate long-term sectoral development strategies and federal targeted and departmental programmes. In Ukraine, new schemes of territorial planning are elaborated for various regions, in which specific attention is paid to trans-regional and cross-border aspects as well as to the specific development potentials (planning schemes for the Autonomous Republic of Crimea and for the Odessa oblast).

Comprehensive approaches are also applied at the scale of micro-regions. Examples are the inter-municipal cooperation in Lower Austria (59 micro-regions with a “micro-regional development concept” and a “micro-regional framework concept”). In Germany, the Demonstration Projects of Spatial Planning (MORO), supported by the Federal Ministry, aim at testing and realising innovative, spatial planning oriented strategic approaches and instruments involving cooperation between academics and practitioners of the local and regional levels. Micro-regional comprehensive approaches are also developed in Slovakia.

Territorial development strategies at cross-border scale, in the context of cross-border cooperation, are also moving towards more comprehensive approaches, as mentioned by various countries (France, Norway, Germany).

Promotion of sustainable territorial development

The promotion of sustainable territorial development has gained in importance in recent years in a large number of countries. This generally accepted priority finds however very diverse ways of expression and implementation, a fact showing that sustainable territorial development is an ambitious task, involving many aspects of public policies.

In a number of countries, sustainable territorial development is embedded in the planning legislation (as for instance in France). Various countries have developed national strategies or programmes for sustainable development (Latvia, France) or have introduced the concept of sustainability in their national territorial or regional development strategy. It is the case for the Czech Republic (Strategy for Regional Development), Hungary (National Spatial Development Concept), Poland (Territorial Vision for 2030), Slovakia (Conception for the Territorial Development of Slovakia). In the national strategies, specific attention is generally paid to the balanced development of the settlement system based on the concept of polycentricity (Armenia, Norway, Poland, Slovakia).

At the operational level, sustainable territorial development is being promoted through a wide diversity of measures and initiatives, such as the “Green Urban Development” (Armenia), “Area sustainable development” (Czech Republic), the development of high-speed railways and the promotion of public transport in agglomerations (France), the regulation of biomass production (Environment and Energy Operational Programme in Hungary), the promotion of high-quality housing, efficient services and job opportunities in less developed, more rural areas (Norway), the integration of the maritime zone into the planning area (Poland), the enlargement of areas under nature protection (Norway), the economic diversification of areas too dependent upon a single or small number of basic manufacturing industries (Russian Federation).

Innovative approaches to sustainable territorial development are also developed in various countries, such as the Regional Management Bodies in Austria (support to the implementation of projects developed by the civil society), the demonstration projects (MORO) and the development of indicators for monitoring sustainable territorial development (Germany), the elaboration of a Handbook on Territorial Cohesion including the spatial interpretation of sustainability and the possibilities for its enforcement through practical examples (Hungary).

Policies aimed at strengthening the regional competitiveness

The accelerating globalisation process generates growing competition between regions, so that the strengthening of the regional and territorial competitiveness has become a general priority of public policies throughout Europe. Numerous strategies and instruments are being used for this purpose. With regard to the levels and types of actions, it appears that national governments implement specific policies and measures (support to the attraction of FDIs, support to research and innovation and to specific clusters, promotion of education and employment, support to infrastructures) while the regional/local levels identify, organise and promote the endogenous development based on the specific territorial potentials. Efficient strategies result in a combination of top-down and bottom-up approaches, generating complementarity and synergy. EU countries benefit in addition from the support of structural policies, which also aim at strengthening regional competitiveness.

The training, qualification and re-qualification of human resources is considered as essential for attracting modern enterprises using advanced technologies (Armenia, Croatia, Czech Republic, Germany, Hungary). The promotion of the knowledge economy, research and development, technological innovation and innovative clusters is of equal importance. Support to clusters is specifically mentioned in Croatia, France, Germany, Hungary and Slovakia. Various types of infrastructures play an important part in the strengthening of regional competitiveness. Transport infrastructures contributing to improving the accessibility are mentioned in the case of Latvia and the Russian Federation. Other types of infrastructures, which are more directly business-related are equally important, such as broadband networks, enterprise zones, technology parks (Hungary, Poland, Russian Federation). Various countries pay significant attention to the development of SMEs and to the improvement of their operating environment (Czech Republic, France, Norway, Hungary, Germany). More specific approaches are, for instance, developed in Norway, with the relocation of national administrations from Oslo towards less-developed areas, with the aim to spread power and expertise throughout the national territory. The enhancement of landscapes in rural areas is also considered in Norway as important for increasing the attractiveness and competitiveness of the territory (attraction of high skilled manpower, development of tourism and residential economy). In the Russian Federation, housing policies and the promotion of public-private partnerships are also considered as significant for strengthening territorial competitiveness.

Prevention and mitigation of impacts of climate change

Territorial policy aspects related to climate change can be divided into two broad categories: those which aim at the limitation and reduction of greenhouse gas emissions and those which aim at preventing and limiting the damages caused by natural hazards and other structural impacts related to climate change.

It must first be acknowledged that a number of countries have elaborated a national strategy or a communication addressing the issues of climate change (Czech Republic, “the former Yugoslav Republic of Macedonia”, Germany, France, Slovakia). In the French Strategy adopted

in 2007, it is foreseen that the elaboration of territorial plans “energy-climate change” will become compulsory for all agglomerations with more than 50,000 inhabitants. Germany has adopted in 2008 a national strategy for adaptation to climate change, which is to be followed in 2011 by an action plan on adaptation. Within this strategy, territorial development is considered as having a coordinating role in protecting, ensuring and sustainably developing the settlement, transport and open space structures as well as natural resources and an important role in terms of concrete measures to be taken in regions and cities.

Strategies and measures aiming at reducing greenhouse gas emissions concentrate mainly on energy savings, the promotion of renewable energy sources, the development of environmentally friendly transport systems. A number of other measures are however mentioned, such as the restoration of forests cut during the 1990s (Armenia), the use of the Agendas 21 for addressing issues related to climate change (France), the model regions (MORO) “Spatial development strategies to combat climate change” and “Climate change oriented urban development” (Germany), the “climate change financial instrument” (sale of emission quotas) developed in Latvia to finance measures aimed at the reduction of greenhouse gas emissions (improvement of energy efficiency, reduction of emissions in transport etc).

Measures aimed at mitigating and reducing the damages caused by climate change include mainly prevention measures against flood (conception of flood retention areas, construction and strengthening of dykes, non-attribution of building permits in threatened areas etc). In Armenia, anti-hail stations are being constructed. In the Czech Republic, measures have been taken in the field of agriculture and water management (flood prevention combined with water supply). In Hungary, a particularly significant initiative has been the Special Target Programme 2001-2007 for the area between the Danube and the Tisza, which is the most endangered by drought and desertification. Structural changes have been promoted in agriculture, with the cultivation of drought-tolerant plants, the promotion of cooperatives and the use of renewable energy sources.

Measures and policies promoting territorial integration across borders

Territorial integration across national borders, which means normalisation of functional relationships after long periods of historic territorial segmentation, is an important task for public policies. With regard to the intensity of territorial integration across intra-European borders, there are still wide differences, with borders, on the one hand, where functional relationships have strongly developed over the past decades and others, on the other hand, where permeability and functional relationships are very low, with extreme cases of closed borders (between Armenia, Azerbaijan and Turkey). A great variety of cooperation bodies, procedures and practices are at work throughout Europe to promote territorial integration. Cooperation structures at interstate level comprise bilateral and multilateral organisations. The cooperation commissions on spatial planning between Germany, on the one hand, and the Netherlands and Poland, on the other, belong to the first category. Multilateral interstate organisations for cooperation in large-scale geographical areas (Nordic Council for the Nordic region; numerous interstate bodies, such as VASAB for the Baltic Sea Region) or in more limited transnational areas (Upper Rhine, Lake of Constance, Saar-Lor-Lux) belong to the second category. The statutory powers of such interstate bodies vary from case to case. Some of them have only advisory functions, while others are empowered to take or prepare decisions. Interstate cooperation for promoting territorial integration is appropriate for the development and financing of large-scale projects, such as cross-border motorways or high-

speed railways, location of power plants etc. States are also involved in the management and financing of the EU supported cross-border, translational and neighbourhood cooperation programmes.

Cross-border co-operation at regional/local scale has gained tremendous importance and intensity during the past decades, when it comes to develop harmonious cross-border relationships for the daily life of citizens and enterprises. A great deal of activities are carried out at that scale: cooperation in the fields of agriculture, of sustainable socio-economic development, of tourism, of the management of natural resources, of culture, health and social care, of spatial planning, of risk prevention etc. The numerous Euroregions, which have been established along the borders of Western and Eastern Europe, play an important part in this respect. Within the EU, EGTC (European Groupings for Territorial Cooperation) are a more elaborate institutional structure empowered to manage cooperation programmes.

Despite the existence of all these institutions, bodies and structures, territorial integration is still confronted to constraints and obstacles in a number of border areas, which may result from weak accessibility, cultural and social differences, economic competition etc. Promoting territorial integration across borders is a long-lasting task, which will require numerous efforts from the part of public policies in the decades to come.

Re-boosting the economy through the decentralised promotion of endogenous resources and new growth sectors

The economic/financial crisis of 2008/2009 has been a particular challenge for the regional and local authorities confronted to numerous bankruptcies of enterprises and to growing unemployment. A large number of local and regional authorities have taken initiatives, sometimes with the support of the national governments, to safeguard and promote employment and to mobilise the endogenous resources. Various types of initiatives have been taken. The speeding up of the realisation of local infrastructures (education, childcare, health, social welfare, nursing homes, kindergarten etc) aimed at reactivating the construction sector and at offering better opportunities to citizens for combining family life and professional activities. The City of Vienna (Austria), for example, has invested considerable financial amounts in such local infrastructures and also in measures aimed at integrating young people into the labour market through the improvement of skills.

A second important field of local/regional initiatives is the promotion of small businesses, for instance through facilitation of the access to credit (public guarantee; micro-credit schemes) as in Germany and Hungary, in providing real estate to advantageous conditions (Latvia), in developing enterprise and business areas etc. The reactivation of the rural economy is also taken into consideration (for instance through promotion of rural poles of excellence in France). Support to conventional and new forms of tourism is being allocated in Armenia (curing and spa tourism, tours to vineyards etc). The promotion of energy savings and of renewable energy sources is considered important not only for environmental reasons in relation to climate change, but also because such activities are a new source of growth and job creation. Examples are to be found in the Czech Republic (“Green light to energy savings”), in Norway and Slovakia.

The decentralised initiatives of local and regional authorities to overcome the consequences of the crisis bring a valuable complement to those taken at national level, which are of more sectoral character. Such initiatives have however generally substantially increased the level of

public indebtedness of local and regional authorities, a situation which will act as a budgetary constraint in the years to come and will strongly limit the volume of new initiatives.

Conclusions

The survey carried out covers roughly half of the member countries of the Council of Europe. It does not provide exhaustive results, but delivers information, which is sufficiently representative to draw a number of useful conclusions.

Compared with the situation which prevailed in the year 2000, when the Guiding Principles were adopted, it appears that progress has been achieved in a number of fields pertaining to territorial development policies, especially with regard to objectives, approaches and procedures.

Most national reports show that the objective of sustainability in territorial development is high on the agenda. This objective is being implemented in rather different ways, encompassing the elaboration of national strategies for sustainable development, the introduction of additional environmental considerations into the territorial planning documents of the different levels, the development and use in territorial development policies of sustainability indicators etc. A major factor, which has significantly contributed to the promotion of sustainability is the current debate on the reduction of greenhouse gas emissions. Closely related to this, progress has been also achieved in the move towards more comprehensive approaches. Stronger awareness has been developing about interdependencies between a number of factors influencing territorial change and about the need to strengthen coherence and to generate synergies. The “institutional power” of sector planning is being more and more constrained in a significant number of countries to the benefit of more integrated area-based approaches, taking into consideration the peculiarities and potentialities of the territory. In some countries, there is still resistance from the promoters of sector-based approaches, who struggle to maintain their planning and decision of autonomy, but new institutional arrangements are progressively being established, which are likely to eliminate or strongly reduce, in the medium range, the risks of inconsistencies.

Promoting territorial integration across national borders has been pursued constantly and enthusiastically in all countries concerned, through numerous cooperation activities at all levels. It is now widely recognised that national borders should not be any more obstacles to harmonious and competitive territorial development. It remains however true that a number of national borders do have limited permeability, constraining the efforts towards stronger territorial integration.

Progress is also quite general when it comes to mitigate the impacts of climate change and to promote a new energy paradigm. These two issues were hardly addressed in the Guiding Principles. Their importance has been growing in such a way during the past decade that they have become in between prominent fields of activity of territorial development policies. Preventing and mitigating the territorial impacts of natural hazards and calamities (especially floods, landslides, forest fires, excessive drought etc) has become a widely shared priority of public policies at the various levels. Similarly, territorial planning authorities pay considerable attention to the promotion of renewable energy sources, while ensuring the sustainability of their expansion, when the environment is threatened.

There are however a number of fields where territorial changes are not totally in line with the Guiding Principles and where territorial development policies are facing new challenges and

difficulties. With regard to the balance of territorial evolution and especially of settlements, the last decade has confirmed the concentration of economic and population growth in and around large metropolitan areas, involving also numerous small and medium-sized towns in their expansion process. This happens often at the expense of medium-sized and smaller settlements in more remote locations. This process results also in badly controlled urban sprawl in the wider metropolitan regions, endangering nature areas and contributing to the growth of traffic flows. Further densification processes outside metropolitan regions are also taking place in valuable and attractive areas, especially along the coasts, hilly and mountainous areas, often threatening valuable landscapes.

On the opposite, a number of remote rural areas and old industrial districts are still experiencing further outmigration, population ageing and decline and the reduction of jobs opportunities. Maintaining efficient infrastructures and services of general interests in these regions is becoming an ever-growing challenge.

New problems are progressively emerging, which will require appropriate answers from the part of territorial development policies. Population ageing, in addition to growing needs for specific infrastructures and services, will lead to population decline in a number of settlements, sometimes at large-scale, with growing numbers of empty dwellings and houses. Managing urban decline will require new strategies in various European regions.

Promoting territorial competitiveness in the context of accelerating globalisation generates an increasing dilemma: should the strongest regions be more substantially supported, together with their modern clusters, advanced services and performing research institutions? What would be the price in terms of regional disparities and which strategies should be adopted for the less developed regions? Is there sufficient potential outside metropolitan areas to justify such an approach? Can the further expansion of metropolitan regions be realistically combined with a more polycentric settlement strategy in order to avoid over-congestion? The policy responses brought to the recent crisis, aiming at re-boosting the economy, have not elucidated the dilemma, but have rather frequently intensified it.

Social polarisation, especially in cities, driven by the growing knowledge economy and by increasing flows of immigrants, has already given rise to tensions, urban violence and increasing social segregation, with the emergence of a growing number of problematic neighbourhoods, either in the core areas of cities or in their peripheries. Despite numerous efforts carried out by public policies, the issue of social and economic integration of disfavoured population groups, especially in cities, but also in a number of rural areas with ethnic minorities, is likely to remain serious and will require new approaches.

Last but not least, the worldwide debate on climate change, which has generated a constructive but difficult international negotiation process, starting in Copenhagen in 2009 and to be continued in Cancun in 2010, is likely to have significant impacts on territorial structures, both in terms of constraints and opportunities. Reducing drastically greenhouse gas emissions will necessarily change in depth numerous aspects and functions of daily life and of economic organisation (mobility, energy consumption, production processes etc) and of territorial organisation (transport, urban planning, energy production, rural development etc). Not only innovation will be boosted, but also the concrete implementation at wider scale of new systems and techniques. Considerable job creation and added value could be generated by the new "green economy".

APPENDIX

CEMAT - Synthesis of national reports

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Table 1 : Global evolution of territorial structures and imbalances over the past five years (approx. 2005-2010)

	Demographic evolution	Economic evolution	Significant evolutions of the settlement system	Significant evolutions of rural areas	Progress of transnational and cross-border integration
Armenia	The migration balance of the country, which was negative during the 1990s has turned to be positive after 2000 (stabilisation of the socio-economic situation). Slight population increase. Rural-urban migrations continue, mainly from mountain areas to lowland cities.	Significant territorial imbalances and strong growth of the capital city (building activities; knowledge economy). Regions exporting industrial products and mining areas were most affected by the economic crisis. Economic diversification in progress in regions with tourist potential.	Strong development of settlements in and around the capital city. Returning emigrants also favour attractive areas with high recreation and tourist potential (Tsakhadzor; Hanqavan). Decline of small settlements in mountain and border regions.	The economy of rural areas still largely depends upon agriculture. Positive development in irrigated areas and wine growing areas as well as in the areas surrounding Yerevan. Tourism becomes important for several rural regions. Decline of the rural economy in various mountain regions.	The country is particularly landlocked with no direct access to the sea and two out of four land borders, which are closed. Cross-border and inter-state cooperation is developing with Georgia and Iran in various fields.
Austria	Trends and perspectives show further population growth in the country, especially in the Vienna region and in Lower Austria (impacts of strong immigration flows). Western regions show moderate population growth. Southern regions as well as intra-Alpine regions/valleys are threatened by stagnation	Rather strong regional disparities with stronger employment growth in recent years in Upper Austria, Styria, Burgenland and Carinthia, especially in agglomerations. Stronger productivity raise in Upper Austria, Vorarlberg and Carinthia. High concentration of knowledge economy in	City regions are becoming the growth poles of the Austrian economy. Urban settlements in regions with significant tourism and competitive agriculture are also progressing in terms of wealth and population. Highest increase of built up and transport surfaces in Lower Austria and Styria.	Contrasting evolution of rural areas. Least favoured areas are the more peripheral ones in relation to metropolitan areas (northern Lower Austria, southern Burgenland), with higher unemployment rates and outmigration. Rural areas close to Vienna and along main transport corridors are performing better	

	and decline. Population ageing is progressing in numerous regions, but less intensely in the capital city.	the capital city. West-east slope in the tourist economy: Alpine ridge, lake resorts of Carinthia, Upper Austria and Salzburg + major cities (heritage and cultural life)	Suburbanisation has progressed significantly around Vienna, causing increasing car traffic. Development of serious social problems in core cities, although some areas of the core cities benefit from their attractiveness for well-off population groups and are subject to upgrading.	(especially north of Burgenland). Individual approaches and strategies are required for the rural areas.	
Croatia	Croatia is a country with old population and weak demographic potential. This is the result of several decades of insufficient birth rates and outmigration. The migration balance has now become positive, but it cannot compensate for the negative natural balance. Regional demographic disparities are significant, with strong urban-rural polarisation. There are strong differences in population	The country has strong socio-economic regional disparities. The population, economic activities and income are polarised. Depressed regions cover almost half of the surface of the country. The city and county of Zagreb are the most important economic core. Secondary cores are located in the counties of Split-Dalmatia, Primorje-Gorski Kotas and Istria. Depopulation in the periphery leads to	In Croatia, there is a well developed network of medium-sized and small towns relatively evenly distributed throughout the country. The functions of a large part of them are too weak in relation to the functions of the capital Zagreb and of several coastal cities. The issue of access to services of general interest is therefore very topical. A deconcentration and relocation process of activities is taking place	Almost all rural areas of Croatia have been exposed for a while to depopulation and desertification. The war in the 1990s has aggravated the situation, with the exodus from the war-struck areas. An exception are the rural areas surrounding the metropolitan area of Zagreb, but they are more and more affected by urban sprawl. In the rural areas, agriculture is still the main economic activity. Farms	Croatia has borders on land and at sea. On land, its neighbours are Slovenia, Hungary, Serbia, Bosnia and Herzegovina and Montenegro. The maritime border is with Italy. The nature and intensity of cross-border interactions are conditioned by various factors: historical, cultural and traditional links; the specific situation of Croatia in South-East Europe and the EU membership or

	<p>density between the counties. The highest share of aged population is to be found in the counties of Lika-Senj, Karlovac, Sibenik-Knin and Sisak-Moslavina. Demographic forecasts show an accentuation of the ageing process in the coming decades, which could be one of the largest obstacles to future economic prosperity. The areas subject to depopulation and desertification are those with a lack of endogenous resources and potentials.</p>	<p>further decrease in working and development potential, making the present regional disparities even larger. The main development obstacles for a large number of counties lagging behind are: the weak population basis, unfavourable educational structures, the lack of economic power and of funds for development, low regional employment rates, inadequate accessibility and weak functions of medium-sized and small towns. Youth unemployment is high in the country. Entrepreneurship in the SME sector is insufficient. Tourism is one of the most important sources of revenue for Croatia. Although the largest part of tourist revenue originates from the Adriatic coast, continental tourism is ever increasing (agri-tourism, sport,</p>	<p>at the scale of urban agglomerations for reasons of operational costs, which may lead to the devitalisation of core areas. The national settlement system is dominated by the metropolitan area of Zagreb (1.08 million inh.) and the three conurbations of Split, Rijeka and Osijek (together 0.7 million)</p>	<p>are however very small and produce mainly for their own needs. The share in market production is very small. Economic diversification of rural areas depends first upon tourism. Such areas are located not only on the coast. Recently, awareness has been growing about the potential for organic farming. The potentialities of the Slavonian-Baranja region are far from being fully utilised. The third element of key importance for the revitalisation of the rural economy is the development and accessibility of services of common interest as well as the expansion of the networks of transport and telecommunication infrastructures. The rural development policy aims at promoting sustainable development while developing employment</p>	<p>non membership of Croatia's neighbours. Various policies contribute to strengthening the cross-border interactions and integration: participation in various programmes of cross-border and transnational cooperation and the development of pan-European transport corridors.</p>
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		recreation in national and nature parks; culture).		opportunities and improving the living conditions.	
Czech Republic	During the past five years, all regions have experienced modest population growth, with the exception of Olomouc. The highest increase was recorded, in addition to the capital city of Prague and the Central Bohemia region, in the regions of Liberecky, Ustecky and Plzensky. Interregional migrations, which are the most important factor in the regional demographic dynamic, are mainly motivated by labour market considerations. The regions subject to strong population ageing and/or to demographic decline are mainly remote rural areas, distant from urban agglomerations and from major transport networks, often situated in border or peripheral areas. Low accessibility and the lack of	Between 2003 and 2008, the GDP has been growing in all regions. The regions that have most strongly developed are the capital region of Prague as well as the regions of Stredocesky, Plzensky, Jihomoravsky. Prague, Brno and Ostrava belong to natural poles of development and knowledge economy. They have innovation potential in various fields. The are followed by Plzen. Favourable conditions for the knowledge economy and innovation are also present in the regions of Jihoceski, Pardubicky and Kralovehradecky. The economic performance of regions situated far from development poles and out of the development axes is generally weaker. Regions with the weakest economic	The Czech Republic is characterised by a fragmented settlement structure with a high number of municipalities and a dense network of small and medium-sized cities. The country has only three cities larger than 250 000 inh. (Prague, Brno, Ostrava). The weakly urbanised areas of Czech-Moravian Highlands and parts of north Moravia represent a particular challenge. After 1998, there has been a continuous trend of growth of regional cities (above 100 000 inh.). Later on, this process has been concentrating mainly on Prague, Brno and Ostrava at the expense of other regional towns. Suburbanisation around large cities is progressing, affecting the small towns of the surroundings. As	Rural areas are rather diverse and they area subject to different processes of evolution according to their location in relation to urbanised areas and development centres. Three main types of rural areas can be identified. The rural areas around large cities are performing best, but they are subject to suburbanisation. The marginal rural areas are particularly affected by decline and desertification. They are mainly border areas and areas with "internal peripherality". The third category is composed of rural areas with average development level, good accessibility and recreation/tourist potential. This category has specific development potentialities (tourism; agri-food industries; special local products).	

	<p>employment opportunities are the main factors leading to depopulation, desertification and ageing of local residents. The regions most affected by population ageing are Moravskoslezsky, Zlinsky, Vysocina, Karlovarsky and Jihocesky. Population ageing is however a widespread process in the country. During the past five years, it has affected all regions with the exception of Prague.</p>	<p>performance are Karlovarsky; Olomoucky, Ustecky and Moravskoslezsky. In addition to peripherality, a number of the areas concerned are handicapped by economic reconversion, insufficient levels of education and outmigration of young population groups. The tourist economy benefits mainly, in addition to the capital city of Prague, to the intermediate countryside, with average level of development, good transport accessibility and high recreation potential. Balneology (West-Bohemian spas) has a significant position in the tourist economy.</p>	<p>opposed to residential suburbanisation which develops mainly around existing settlements, new commercial premises are almost always built on greenfield areas, especially in the surroundings of Prague, Brno, Ostrava, Usti nad Labem, Liberec, Jihlavaz and Olomouc. A negative aspect of suburbanisation is that the built up area, the transportation and technical infrastructure as well as service areas are not rationally used, so that investment and operating costs are growing. The majority of cities do not experiment a massive suburbanisation process comparable to that of Prague. The inner city areas of the large agglomerations are subject to depopulation as a consequence of suburbanisation and withdrawal of the socially stronger young</p>	<p>The potential for economic diversification depends however largely upon the proximity of urban agglomerations.</p>	
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			residents. Commercial suburbanisation often causes the rise of brownfields in the inner city areas, bringing considerable problems.		
Estonia	Population is growing in and around the largest cities. The most intensive population densification has occurred in the closest hinterland areas of the largest cities (Tallinn, Tartu, Pärnu) due to urban sprawl. 40% of the Estonian population lives in the capital region. The most intensive population ageing and decline has taken place in peripheral areas situated far from urban centres, especially in the counties of Jõgeva, Viljandi and Järva.	The main areas of concentration of economic development and employment are the Tallinn and Tartu urban areas. These have been the only two regions where the regional share of GDP has increased between 2000 and 2007. The two largest cities concentrate most of the university education and knowledge economy. There were no regions affected by economic weakness or decline until the economic crisis. The Tallinn city, western Estonia (with the largest islands) and the south-eastern areas are most influenced by the tourist economy. Some progress of tourism can also be observed in the north-eastern region.	During the past decade, only the largest cities of Tallinn, Tartu and Pärnu have retained their population and experienced a relative population growth. The smaller county centres and towns have mostly experienced decline of population during the past two decades, with some exceptions (for example Kuressaare and Haapsalu benefitting from tourist and recreation activities). The agglomerations of the largest cities are influenced by remarkable suburbanisation. No intensive depopulation or densification processes are visible in inner city areas.	Rural areas characterised by more successful economic revival and relatively diversified local economies are basically located nearby the cities (spill-over of urban economies and urban-rural relationships). Rural areas crossed by main transport routes or benefitting from specific advantages (tourism, higher population density, good soil fertility) are also performing well. Rural areas with peripheral location and lower population density suffer most from the relative economic decline. Some settlements with relatively mono-functional economic structures are also declining. The same is	Tallinn is the area with most intense cross-border socio-economic interactions (link with Helsinki via an important transport corridor). Tallinn and Helsinki and their hinterlands have established an Euroregion. The border cities of Valga and Valka (Latvia) have significantly tightened their cross-border interactions at the municipal level in recent years. The EU territorial cooperation programmes have significantly contributed to intensify socio-economic interactions across all borders. Territorial integration intensified also along the international corridors Via Baltica (Tallinn-Pärnu-Riga), Tallinn-

				true for mining areas in the north-eastern region.	Narva-St Petersburg and Tallinn-Tartu-Pskov (RUS)
Finland	Population growth is likely to end at country level in the 2020s. Immigration is expected to continue. In the growth areas (mainly Helsinki, Turku, Tampere) the proportion of young people and birth rates are expected to be higher than the average. Demographic change will generate spatial planning problems with increasing numbers of empty dwellings and business premises in declining area, while new constructions are significant in growth areas. In depopulation areas, problems of maintenance of infrastructure and services will emerge, while urban sprawl problems will intensify in the growth areas.	The national economic performance has been strong, despite the peripheral location of the country, especially driven by innovation systems and high technology. Disparities between regions are increasing. Growth is concentrating in the main urban regions (Helsinki, Turku, Tampere, Oulu), while decline in population and employment is experienced in remoter regions, both urban and rural. Finland exploits efficiently external markets (China, India, Russia) and benefits from the growing multi-national economic area around the Baltic Sea. St Petersburg has the potential to become a global centre, which is significant for Finland. The spatial structure in northern Finland is influenced by the	The winners in population attraction are the urban regions located within the reach of high-speed trains, highways and good flight connections. The advantages of scale are leading urban regions to networking and specialising. Occasional features, such as new industries geared to growing branches or a favourable public image may bring out previously unsuspected success stories. Oulu has been an example of such development. Network relations and regional cooperation gain increasing importance for successful development of urban centres.	The population figures in sparsely populated areas are going down. A specific problem for maintaining the vitality of rural areas is that the urban network does not sufficiently cover the entire country. Problems are less severe for the rural areas in southern Finland and in Ostrobothnia (stronger presence of urban centres) than in the eastern and northern sparsely populated regions. The rural areas close to cities have the best opportunities of attracting businesses and residents. They will also remain strong in primary production, with good diversification potential. In rural development strategies, production based on high-level know-how is being promoted, such as dispersed production of renewable energy,	International transport corridors are essential for territorial integration (Nordic Triangle, Baltic motorway etc.). Because of the long coastline, maritime motorways are also of primary importance. The coastal urban networks between Finland and Sweden are an important integration area (biggest concentration of industry, high-tech know-how and logistics in northernmost Europe). Improved cooperation between the central parts of Norway, Sweden and Finland open up possibilities to connect territorial potentials from the Atlantic coast to Russia. Interactions intensify between Finland and Russia, especially with regard to the development of the Barents region.

		exploitation of natural resources in the Barents region (oil and gas)		mining operations and entrepreneurship based on the natural environment.	
France	Quite significant demographic revival at country level with strong disparities between regional, and especially sub-regional entities. Regions with significant population increase are those of south-west France, the Atlantic and Mediterranean coastal zones and the surroundings of the Paris agglomeration. The less dynamic areas are those of north-east France, the outskirts of the Paris Basin and the central mountainous areas. Regions with decreasing population are those without large agglomeration and with declining rural or industrial economy. Most of them have weak economic diversification and low accessibility. The demographic revival alleviates somewhat the population-ageing trend.	In relation to the national average of GDP evolution, a number of regions performed better in recent years (Languedoc-Roussillon, Midi-Pyrénées, Corsica and Limousin, as well as PACA, Poitou-Charente, Aquitaine, Lorraine, Nord-Pas de Calais), while others achieved less positive results (Ile de France, Champagne-Ardenne, Bourgogne, Franche-Comté, Rhône-Alpes, Pays de Loire, Bretagne, Haute-Normandie, Picardy, Alsace). Disparities are somewhat alleviated by the redistribution of wealth (residential economy) which benefits largely to southern regions. The knowledge economy is concentrated in large metropolitan areas, especially those of Ile de France and Rhône-Alpes.	While large metropolitan areas are attractive for high-skilled people and employees, medium-sized towns also benefit significantly from inter- and intraregional migrations flows. Small, isolated urban entities are by far less favoured by migration flows. The population of large metropolitan areas is growing (Paris, Lille, Lyon, Marseille, Toulouse, Strasbourg). A number of smaller towns have also significant population growth (in various coastal areas and valleys). Suburbanisation progresses significantly in coastal regions of western and southern France, as well as around some large metropolitan areas (Bordeaux, Montpellier, Toulouse) and generates environmental	Rural areas are characterised by contrasting evolutions, according to their location. Those located in the surroundings of agglomerations generally show strong population growth. Remote, badly accessible rural areas with ageing population, are frequently subject to decline (Auvergne, Limousin, parts of Lorraine, Normandy, Bretagne, Burgundy, Pyrenees and Languedoc). A third category are the rural areas subject to economic revitalisation, called the “new countryside” (tourist and residential economy). They can be found in south-east France, along the Atlantic coast and the French-Spanish border as well as in Corsica.	Cross-border interactions are significantly developing, especially along the northern and eastern borders of the country. Such interactions generate the constitution of cross-border agglomerations, as in the case of Lille-Kortrijk-Tournai or of polycentric urban systems, as in the Upper Rhine region (Basel, Freiburg, Mulhouse, Strasbourg, Karlsruhe and several medium-sized towns). The level of territorial integration along national borders depends upon the situations. It is particularly strong in the metropolitan region of Geneva, with strong population increase on the French side of the border. It is much weaker in the region of Dunkirk. Along the

	<p>This is particularly the case in Ile de France with an important increase of young population and the out-migration of retirees towards attractive coastal and mountain areas.</p>	<p>It progresses however more strongly in other regions, such as Midi-Pyrénées, Bretagne and Alsace. The regions most affected by economic difficulties are the industrial regions of northern and eastern France as well as various landlocked rural areas. The regions benefitting most from the residential and tourist economy are those of western and southern France.</p>	<p>problems. Since 1975, core cities have been loosing population at the benefit of surrounding municipalities where a significant number of commuters are living. Densification trends can be observed there and also in some more distant rural areas.</p>	<p>They generally have a positive migration balance. In such areas, tensions may arise between the endogenous population and the newcomers (housing and real estate markets, pressure on agricultural and natural areas, growing demand for services etc.). In numerous cases, the residential and tourist economy is however not sufficient to counterbalance the decline of industrial and agricultural activities.</p>	<p>southern borders, integration is limited by natural obstacles (mountains)</p>
<p>“the former Yugoslav Republic of Macedonia”</p>	<p>The population in the Republic of “the former Yugoslav Republic of Macedonia” is slightly above 2 million people. “the former Yugoslav Republic of Macedonia” has a long tradition of emigration, especially of young people, mainly for economic reasons. It was however positive in 2007. In recent years, birth rates recorded a significant decline, but mortality rates stabilised</p>	<p>Between 2004 and 2008, “the former Yugoslav Republic of Macedonia” had a satisfactory rate of economic growth. The situation of the labour market is however not favourable, with low employment rate and high unemployment. Manufacturing activities are concentrated in urban areas (Skopje, Bitola, Ohrid, Prilep, Tetovo, Gostivar, Kumanovo, Strumica</p>	<p>Urban development is still largely centralised , with the highest concentration of population, of public functions and of infrastructure development in the capital city of Skopje. In the last few years, the state policy has been oriented towards the decentralisation of certain functions in the field of education from the national centre to</p>	<p>There are huge differences in terms of population concentration, economic development, infrastructure equipment and quality of life between urban and rural areas. During the last years of the transition period, important processes have been initiated towards the activation of a number of villages and rural areas through the</p>	<p>The development of cross-border interactions is facilitated by activities of cross-border cooperation with the neighbouring regions of Albania, Bulgaria and Greece, as well as by the construction of cross-border pan-European corridors (corridors 8 and 10). Cooperation in the lake district focused on environmental protection (Lake Ohrid,</p>

	<p>and the death rates of young children diminished. The population is however unevenly distributed in the country and polarisation trends increase. The eastern parts are characterised by demographic stagnation and the western parts with demographic explosion. More than one quarter of the total population is concentrated in the capital city of Skopje.</p>	<p>etc.). In most rural areas, the economy relies solely on agriculture. According to the national Spatial Plan, the establishment of free economic zones and zones for technological industrial development is planned in the regions of Skopje, Pelagonia, Gevgelia, Shtip and Strumica. With regard to productive specialisations, the textile industry has a long tradition in “the former Yougoslav Republic of Macedonia” and is widespread throughout the country. Another important sector is that of food industry (processing of fruits and vegetables, wine production etc.), which is largely developed in the southern part of the country and in the surroundings of Kopje and Kumanovo. Although in progress, the level of FDIs in the country is still modest.</p>	<p>other major urban centres (Tetovo, Stip, Ohrid). Urban sprawl takes place primarily at the expense of productive agricultural land.</p>	<p>development of various economic activities (in particular tourism). Special economic zones are developed in rural areas, outside the settlements. In order to counteract the process of land abandonment (desertification), support is provided to agriculture. An active policy of rural development is being carried out, including also the revitalisation of villages.</p>	<p>Prespa Park Project). Along land borders with Bulgaria, Albania and Greece, cooperation also includes the economic sectors (development of potentials, promotion of tourism).</p>
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		The sector of tourism has significantly progressed until 2008.			
Germany	<p>During the past decades, the demography of the country has been subject to significant changes which will have also strong impacts in future. The drop of fertility rates, combined with increasing life expectancy, is causing rapid population ageing. Such trends are only counteracted by in-migration. Although ageing and internationalisation of the population will concern all regions, population decline will not be general. During the next two decades, there will be a juxtaposition of growing and declining areas. Growing population associated with ageing will take pace in the north-western and southern regions. Population decline, associated to ageing, will characterise the rural</p>	<p>The German regional pattern is characterised by strong economic disparities between East and West. North-south disparities are also noticeable (with the exception of Hamburg). Growth and innovation areas are mainly the metropolitan regions and other agglomerations, especially in the western regions. Employment has been growing in recent years mainly in large agglomerations, but also in urban and rural areas in north-west Germany and Bavaria. Most regions with decline in employment are in Eastern Germany, although some improvements could be observed after 2000. Regional policy measures benefit primarily to the eastern regions as well as to western areas situated</p>	<p>The process of “declining towns” in Germany is closely related to demographic changes. In order to foresee which towns are likely to grow or to decline in future, following indicators are use: total population change, migration balance, employment change, unemployment rate, tax revenue, purchase power. It results that declining cities will most likely be concentrated in the eastern regions, but also in some western regions. It is remarkable that growing and declining cities are frequently located closely to each other.</p>	<p>Due to the presence of a dense network of cities of various dimensions and functionalities, most rural areas in Germany are closely linked to urban areas and to powerful nodes of the settlement system. For that reason, rural areas are not identical to backward areas and many of them possess significant potentials and are multifunctional (productive activities, residential functions, ecological functions, recreation and tourist activities, natural resources and renewable energy, infrastructure). Despite this, some rural areas are facing difficulties, especially in eastern Germany, due to the outmigration of young, especially female, population. Public policies in favour of rural areas are quite</p>	<p>Cross-border and transnational cooperation with neighbouring countries and regions has a long tradition in Germany, especially along the western borders. Territorial integration has therefore significantly progressed with the neighbouring regions of Austria, Switzerland, France, Luxemburg, Belgium, the Netherlands and Denmark. Along the eastern borders (Poland, Czech Republic), territorial integration is less advanced, but cross-border and transnational cooperation are progressing well.</p>

	<p>areas of the Eastern Länder. Population increase with positive migration balance will concern the cities, especially in southern and western regions, including also small towns. In the eastern Länder, population increase based on migration will concern only a few agglomerations. The demographic changes bring with them considerable challenges for various policy fields.</p>	<p>along the eastern border of the former West-Germany</p>		<p>diversified (economic diversification, landscape enhancement, integrated approaches).</p>	
Hungary	<p>Persistent population decline has taken place in the country since 1981. Only minor parts of the country have favourable demographic changes. In recent years, population growth has taken place in the outskirts of major cities in the form of suburbanisation (primarily Budapest) and in the economically prosperous areas (Lake Balaton area, axis Budapest-Győr-</p>	<p>Regional disparities are significant in Hungary and have been growing in the past years. The most developed regions are Central Hungary, Western and Central Transdanubia. They have benefitted most from foreign investments. Two thirds of industrial added value is produced in Central Hungary and in Western and Central Transdanubia. The knowledge-based</p>	<p>The Hungarian settlement network is monocentric. Middle-size towns are missing. On the background of general population decline, the population of new towns has been constantly growing in the last few years. The population of the new cities does not reach 5000 inh. and is not able to fill in management functions. They are located in the suburbs of Budapest. The highest</p>	<p>Rural areas are very diverse in Hungary. Only those which are rich in natural, cultural and landscape values and those with good accessibility had a positive development in the past decade. The more peripheral rural areas with a predominance of small villages and/or ethnic minorities or Romas show declining trends. This is particularly true for the eastern parts of</p>	<p>The revitalisation of natural catchment areas and of traditional socio-economic relations has been strengthened by the EU accession. The intensification of cross-border relations can be observed predominantly at the Austrian-Slovakian-Hungarian and the Romanian-Hungarian border (increase of cross-border interactions and revitalisation of natural</p>

	<p>Szekesfehervar). This results from both internal migrations and natural population growth. West-Transdanubia has also a positive migration balance. During the past five years, population has been declining in northern Hungary, southern Transdanubia, south-western parts of the Great Plain. The emitters of internal migration are dominantly the backward areas of north-eastern and south-western Hungary. Population ageing has been constantly rising since 1990 and further increase is expected in the next decades. It is particularly high in Budapest and in other major cities and has significantly increased in central Transdanubia and in the Great Plain.</p>	<p>economy is strongly concentrated in the capital city as well as in university centres and regional poles. Progress can however be observed in Western Transdanubia, in northern Hungary and in the northern Great Plain. The economically backward regions are southern Transdanubia, northern Hungary and the two regions of the Great Plain. Disparities have been increasing in recent years (investments, employment rate, GDP). Hungary has a long tradition in Tourism. However, out of Budapest and the Lake Balaton, Hungary has no significant internationally competitive destinations.</p>	<p>population increase has taken place in the towns located around the Budapest agglomeration. The population of economically prosperous cities has also increased. On the contrary, a significant population loss has taken place in numerous former agricultural market towns of the Great Plain and in the disfavoured old industrial cities of north-eastern Hungary.</p>	<p>the country, together with the territories of small villages of southern Transdanubia and northern Hungary as well as the eastern and southern border areas. The number of deprives and continuously depriving rural settlements has more than tripled between 1995 and 2005, despite EU and national subsidies. The main handicaps to the development of rural areas are the lack of qualified manpower and the weak commuting facilities. The transformation of their economic structure is slow. The traditional productive sectors – industry and agriculture – is gradually decreasing. Rural tourism is also progressively developing. Rural areas with small towns providing services perform better. The location in the country</p>	<p>catchment areas). Cross-border accessibility has improved (Schengen border with three states, simplified border crossing with Romania) and the use of urban services has become easier.. The main cross-border catchment areas are: The Budapest-Vienna-Bratislava metropolitan area; The area Miskolc-Kosice at the Slovakian-Hungarian border; The area of Zahony-Nyiregyhaza at the Ukrainian-Hungarian border (still the most difficult to cross); The areas of Debrecen-Oradea, Szeged-Timisoara, Bekescsaba-Arad at the Romanian-Hungarian border; The area Nagykanizsa-Zalaegerszeg-Szombathely-Graz at the Austrian-Hungarian border.</p>
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				remains however the most determining factor. Western Transdanubia is more favoured in this respect than the eastern rural areas.	
Ireland	Population growth has been taking place across all the regions and at a high level in the Mid East and Midland regions due largely to growth driven by Dublin over spilling into these neighbouring regions. Relatively slower growth has taken place in the mid West and South West regions while the other regions have grown at rates which have approximately matched the overall national average. Two main broad areas have experienced decline: the most western areas along or near the seaboard and a broad central band running from Dungarvan in the south through Roscommon and Leitrim and into south and west Donegal.	The decade up to 2007 was a period of rapid national increase in employment terms. However, the distribution of this expansion was not balanced between regions. The slowest rates of growth occurred in the Dublin region. However, the adjacent Mid East region, which has experienced significant commuting and other links to the Dublin region, had high growth. Slow growth took place in the Mid West region, while the West region has relatively high growth, showing that growth is not confined to the eastern side of Ireland. Growth in the South-West region corresponded to the national average.	In the recent past, population growth has occurred most strongly in areas lower down the urban hierarchy, with slower growth taking place in the highest levels. The population share of the five gateway cities (Dublin, Cork, Limerick, Galway and Waterford) has been declining. In absolute terms, they have been however growing. The population growth of the four non-city gateways (Sligo, Dundalk, Letterkenny, Athone-Tullamore-Mullingar) was significantly higher than that of the gateway cities. This is due to the move of population from the large cities towards very large catchment areas.	The share of population living in rural areas has slightly declined over the past two decades. The differential of growth between urban and rural areas has however increased during the period 2002-2006. The regional variation of growth patterns between rural areas is less significant than between urban areas. The South-East region stands out as having population growth in the countryside at a rate which is considerably higher than in other regions. Relatively low regional countryside growth rates were recorded for the Dublin region and the Mid East region.	The level of connectivity between Ireland and Northern Ireland (cross-border commuters, trade flows, freight traffic) is relatively low. This low level of economic interaction suggests that there is considerable scope for developing new economic relationships and expanding existing linkages on an island of Ireland basis. Broadening and deepening such links would have benefits not just for the Border region, but also for the rest of Ireland and Northern Ireland, by building larger local markets and creating a framework for the more efficient allocation of productive resources. In spatial terms, there is a momentum for

					enhancing the Dublin-Belfast corridor, strengthening the Dundalk/Newry link, building up the Letterkenny-Derry Gateway and improving markets and other economic linkages in the central sections of the Border region.
Latvia	The total population of the country has been decreasing since 1991, mainly through negative natural balance. The main demographic trend in Latvia remains the decrease of population due to ageing and outmigration. In recent years, the negative migration balance has been growing. This trend should continue because of rising unemployment. During the period 2003-2008, the population decline was highest in the Latgale Region (bordering Russia and Belarus) and smallest in the Riga Region. In 2007, the population declined in all regions, except	The Riga Region concentrates more than 70% of the national GDP. At the beginning of 2008, the highest unemployment rate was in the Latgale Region and the lowest in the Riga Region. Latvia is lagging behind in the field of the knowledge economy, which is essentially concentrated in Riga (connectivity, adequate infrastructure and critical mass of human resources, presence of universities and research institutions). Other cities, such as Valmiera, Liepāja and Daugavpils also possess incubators, universities and	The population of Latvian cities varied considerably during the period 2003-2008. Various towns (Balozi, Ikskile) had growth rates above 20%, while others (Viesīte, Līgatne, Ape, Vilaka, Aināzi) had a decline above 10%. Urban sprawl can be observed around the cities of Riga, Daugavpils, Jekabpils, Jelgava, Jūrmala, Liepāja, Rēzekne, Valmiera and Ventspils. Suburbanisation started in the early 1990s and accelerated after 2000. Developments occurred outside the administrative borders of cities and towns up to	With regard to population change, there are significant differences among the various rural areas. Over the period 2003-2008, some had considerable population growth (Garkaine, Marupe, Olaine) while others showed significant population decline (Kalncempils, Ukri, Kēpova). Generally, the decline of the rural population has been slowing down over the period 2003-2008.	Significant efforts are made to strengthen the territorial integration among the Baltic States and, more generally, within the Baltic Sea Region (VASAB). Cross-border and transnational cooperation favours also the integration across the external borders (Pskov and Leningrad Oblasts). Along the Latvian-Estonian border, integration is significant between the twin cities Valka-Valga. Efforts are developed to promote the integration between the border areas of Latgale and Vitebsk (Belarus)

	Riga which had a slight increase. Population ageing is rapidly progressing.	research institutions. The decline of the Latgale Region is closely associated to the lack of employment and the weak accessibility. During the past five years, the regional disparities have increased in terms of employment, but the disparities in terms of welfare were reduced. The main regions benefitting from the residential and tourist economy is the Riga Region (cities of Riga and Jurmala), followed by the Latgale, Kurzeme and Vidzeme Regions. There is unused tourist potential in the rural and coastal areas.	2009 in the form of uncontrolled sprawl. The economic recession has temporarily halted this trend. In the capital city, a double trend can be observed: movements to the core city (concentration) and towards the suburban areas. However, the core city is subject to strong depopulation to the benefit of peripheries. Suburban areas frequently lack the required infrastructure and the associated services. They are characterised by increasing commuting to the city. Interregional commuter flows are also intense throughout the country. The development policy of the capital city favours compact urbanisation, the revitalisation of the degraded areas and the protection of natural areas.		
Norway	An overall population growth can be observed in all parts of the	The regional economic disparities are diminishing in Norway.	The major cities of Oslo, Bergen, Stavanger and Trondheim are growing	Only along the south coast (Aust- and Vest-Agder), there is a slight	Territorial integration across the borders of the country is constrained

	<p>country, mainly due to net migration from abroad. The general trend is an increase of population in the centrally located municipalities, while more peripheral areas combine negative migration balance and birth deficit. The concentration of population does not seem tragic in a European perspective. Norway has managed to maintain viable communities of varying size throughout the national territory. The largest population growth takes place in the central areas of South-East Norway (Oslo and Akershus) and West Norway (Rogaland and Hordaland). The strong growth is caused by both immigration and high birth rates. Relatively young population is to be found in and around the regional centres and along the coast in the South and West of</p>	<p>The counties of Oslo and Rogaland had in 2006 the highest level of GDP per employed person and per inhabitant. Compared to previous year, most of the counties converged towards the national average, including the most peripheral ones of North Norway. Regional disparities exist also in the field of household disposable income and consumption, but they remain modest. The knowledge economy is concentrated in the metropolitan areas of Oslo and Bergen as well as in other cities with universities and research centres (Kristiansand, Stavanger, Trondheim and Tromsø). A few counties are performing less (North Norway, Nord-Trøndelag, Inland counties and Aust-Agder) but are not affected by general decline. Migration of retirees is not a</p>	<p>more rapidly. This growth is spreading also to small and medium-sized towns in central locations, while peripheral towns, urban centres and rural districts are declining. Previously, migration from the surrounding municipalities enabled urban regions in peripheral districts to maintain their population, despite migration to more central parts of the country. As the population and birth rates of the surrounding municipalities are now decreasing, numerous small and medium-sized urban regions in the periphery are experiencing stagnation and decline. Suburbanisation is widespread around major cities as well as small and medium-sized towns in centrally located regions. The city growth is absorbing the towns and villages,</p>	<p>increase in the rural population. Rural decline is strongest in the counties of North and West Norway, in the peripheral parts of south-East Norway and in the Inland. Decline affects most villages and rural areas without urban centre of some size that are too far away for commuting and where the endogenous development factors are weak. North Norway faces particular challenges resulting from its sparse population, long distances between settlements and small labour markets. The economic diversification of rural areas results from numerous factors. Already in the early 1900s, the development of hydro-electricity made possible the development of heavy metal and chemical industries. The coastal areas benefit from the</p>	<p>by several factors (mountains, sparsely populated area, maritime borders). Integration is most advanced along the major corridors, especially in the region of Oslo with the adjacent Swedish region (Götaland, Värmland). Other transnational corridors link Trøndelag with Jämtland in Sweden, Nordland with Norrbotten (Sweden), Narvik with Kiruna (Sweden), Finnmark with Lappland (Finland) and Murmansk (Russia). The southern regions are connected by sea to Denmark, Sweden and Germany</p>
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	Norway. Some counties have had a domestic migration deficit (in North, West and Inland Norway). Population ageing is limited by the high birth rates and by immigration.	widespread phenomenon in Norway. There is a slight migration towards the south coast. Retirees do rather move to Mediterranean countries like Spain. In the fjord and coastal areas, the tourist economy is important, particularly in rural areas.	transforming them into suburban centres. The development is producing extensive housing and labour markets that are scattered over wide areas and generating large commuter volumes. This is particularly the case in the Oslo conurbation, around the cities of Stavanger-Sandness (Rogaland) , Bergen (Hordaland) and Trondheim. The mechanisms for governing the inter-municipal growth (urban sprawl) are not sufficiently applied.	maritime industry (shipyards, oil, fishing). Fisheries and aquaculture are most developed and their products are one of the largest export commodities of the country, in addition to oil and natural gas. Norway also has a rich tourist potential well spread over the country. It is particularly important for the rural economy of the fjord and coastal regions of West and North Norway.	
Poland	The depopulation, the population ageing and the migrations mainly condition the demographic evolution of the country. In recent years, the population of Poland has tended to decrease, with significant differences between areas. Cities have generally lost inhabitants outmigration	The economic diversification of Polish regions has been increasing in recent years. Regional disparities have however been increasing, especially between urban and rural and reconversion regions. With regard to capital expenditure per head, the contrast is	The inherited settlement system of Poland is characterised by a quite balanced polycentrism, although the western regions have a greater density of urban units than the eastern ones. The most important Polish cities that combine a high level of development, rapid growth and strong,	The gap between rural and urban areas is getting wider, particularly with regard to GDP and productivity growth. The rural economy is still dominated by agriculture, especially in eastern Poland. In some regions, agriculture becomes competitive (North Mazovia, /	Territorial integration is handicapped along the southern border by the mountains and along the northern border by the sea. Along the eastern border (with Russia, Belarus and Ukraine), integration is much more limited than along the western and south-western by the low permeability. In the

	<p>abroad, negative natural balance), while the population of the countryside has increased (positive natural balance and low migration volume). International mobility fastens the process of internal mobility. Interregional migration flows have been intense from the less developed regions of eastern Poland towards the more developed regions of central and western Poland, in particular towards large urban centres (Warsaw, Cracow, Wroclaw, Poznan, Lodz, Katowice). Intra-regional mobility is highest in West Poland. Foreign immigration has started and favours the large cities and their functional areas, mainly Warsaw and Poznan. The largest decrease of population has affected the peripheral regions, especially the south-east of the country, where it has reached 20 to 25%</p>	<p>highest between eastern Poland with the lowest values and central and southern Poland with the highest. The period 2004-2008 has been characterised by a significant increase of the employment rate, however with strong regional disparities. Poland is still backward in the knowledge economy (R&D expenditures). The largest part of R&D expenditures concentrates in several centres situated in the economically strongest regions. Foreign investments, which largely contribute to technological innovations, are also concentrated in the most developed regions. The regions of Eastern Poland, despite a significant improvement of the socio-economic situation in recent years, are still characterised by a low level of development, population</p>	<p>positive influence on their regional surroundings are, beside Warsaw, Cracow, Wroclaw, Poznan, the Gornolaska conurbation, Gdansk-Sopot-Gdynia and Lodz. Some urban areas (especially Szczecin) have developed more slowly in recent years. The cities composing the group mostly affected by various problems are mainly situated in the northern and central part of the Slaskie voivodship and in the southern part of the Lodzkie voivodship. The process of suburbanisation in Poland is mainly caused by the decline and degradation of city-centres which remain an attractive place to work, but not enough to live in. Concentration of population at metropolitan scale generating suburbanisation trends concern the largest</p>	<p>Podlasie). Economic diversification is however progressing, especially in the rural areas linked to cities, as it is the case in western Poland. Rural areas in eastern Poland, with their scattered agrarian structure, low productivity agriculture and larger distance to large cities, face the risk of depopulation. They have however a development potential resulting from the quality of their natural environment (agro-tourism, organic farming). Mountainous rural areas in south-eastern and south-western Poland as well as the seaside areas in the north benefit from substantial tourist income. In these areas, sustainable territorial development is a significant challenge.</p>	<p>western regions, integration is facilitated by the high accessibility of Berlin and of other German cities, while the western Polish border regions are generally distant and weakly connected to the national capital and to other large Polish cities. In these areas, there are tight everyday cross-border relations of individuals. The potential of economic development represented by the vicinity of German regions is however not fully exploited. Along the eastern borders, cooperation is starting with Lithuania and, with some difficulty, with Ukraine. The only Polish agglomeration close to the western border is Szczecin. Its economic development is however handicapped by its peripherality in the national context and by the proximity of Berlin.</p>
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	<p>of the local population. Rural areas of this part of Poland are affected by depopulation, resulting also in population ageing. The regions where population ageing is highest are eastern and central Poland. The young population groups tend to leave the rural areas. This may contribute, in the long run, to increasing the regional disparities, especially at the expense of the eastern regions.</p>	<p>ageing, lower education level, infrastructural backwardness, weak access to goods and services. These regions are however heterogeneous, with areas performing well (Bialystok, Kielce, Lublin, Olsztyn). Polish regions have a large share of areas of great natural value with significant tourist potential. The most attractive regions for tourism are the mountainous areas in the south as well as the seaside and the lake areas in the north. Agro-tourism is also developing. The relatively low level of retirees' income, the short life expectancy and the low mobility of retired people inhibit the development of the residential economy</p>	<p>cities: Warsaw, Gdansk, Poznan, Wroclaw, Cracow as well as cities in eastern Poland: Rzeszow, Lublin, Bialystok and Olsztyn. Suburbs are diversified and gain new functions. Commuter flows and environmental pressures are however significantly growing. In the western part of the country, urbanisation is undergoing a more rapid process of suburbanisation, shaping a network of towns of medium dimensions, intense migration from smaller towns to larger ones. In eastern Poland, a classic form of urbanisation is dominant, consisting in migrations from rural to urban areas. Suburbanisation is accompanied by a decrease of population in inner-city areas, but only on a small scale.</p>		
Russian Federation	Between 2004 and 2009, the total population of the Russian Federation	Socio-economic disparities between Russian regions are	The share of population living in small towns has remained stable in	There are marked differences in the level and dynamism of socio-	There are wide disparities in the transnational integration

	<p>has declined by 1.6%. During that period, population increased in 14 regions, remained stable in one region and decreased by more than 5% in 10 constituent entities of the Russian Federation. However, during the years 2007 and 2008, the rates of decline have slowed down. High natural growth of the population is observed in the North Caucasus and Southern Siberia, as well as in the oil and gas producing areas of western Siberia (high proportion of young people). Natural population decline and ageing are being observed in a number of regions of the European part of Russia (Central and North-West federal districts). These regions have also a negative migration balance. The most attractive regions for migrants are the "capital regions" of Moscow and St Petersburg, as well as</p>	<p>extremely wide, but begin to narrow. At the top of the ranking in terms of GDP per head are the regions dominated by raw material sectors geared to export (oil, gas, iron and steel, non ferrous metal industries), as well as Moscow and St Petersburg the economy of which is based on the sector of services. The sector of the knowledge economy is most dynamic in these as well as in other large cities. The development of the knowledge economy is linked to the so-called "science towns". The Moscow region has the most science towns and the North Caucasus and Far East have the smallest number. High-tech development will be fostered, beside the science towns, in four special economic zones for technological development (in Moscow, St Petersburg, the town of Dubna in the</p>	<p>recent years. The number of cities with over one million inhabitants is falling (13 in 2003; 11 in 2005). Only Moscow has remained unaffected by this population decline. Population in the capital has been steadily growing. In recent years, the share of population living in large cities above 0.5 million has been growing. In a large number of regions, the regional capitals stand out in terms of dynamism and level of socio-economic development. However, 40% of Russian towns have a single economic mainstay and are therefore vulnerable. Suburbanisation is still modest in Russia, owing to insufficient development of transport and social infrastructure, low living standards and comparatively harsh environmental and climatic conditions.</p>	<p>economic developments of rural areas in Russia. One important factor of differentiation is their location within the region: urban greenbelt or outlying. The situation has proved to be more favourable for agricultural production in urban greenbelt areas, especially around cities, with the development of better production and of economic sectors linked with the servicing of dacha residents and city-dwellers having moved out for continuous summer residence. The second important factor of differentiation is that agricultural activity is carried out in all environmental and climatic zones, ranging from those with highly favourable conditions to those with conditions that are utterly unfavourable to its development. The situation in key agricultural regions is</p>	<p>of Russian regions into the world economy. On top of the scale, there are highly developed regions with diversified and significant volumes of external trade. Beside Moscow and St Petersburg, this applies to the republics of Tatarstan, Bashkortostan and Sakka, Rostov, Samara, Novgorod, Nizhnyi Novgorod, the oblast of Sverdlovsk and the kray of Khabarovsk. At the opposite, there are regions with poorly developed international trade and weak export potential. These are the kray of Zabaykalskyi, the oblast of Ulyanovsk and Penza and the republics of North Caucasus.</p>
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	<p>the oblast of Belgorod, the kray of Krasnodar. Regions with strongly negative migration balance are the Far East federal districts, although the rate of outmigration has been slowing down in recent years. Outmigration is also characteristic for a number of Siberian regions and northern regions of the European part of Russia.</p>	<p>region of Moscow and Tomsk) and in a series of science parks. The ethnic republics of the southern federal district show markedly lower level of socio-economic development. New job creation cannot keep up with the population growth. A federal programme "south of Russia" has been set up to tackle these problems. An additional federal programme has been adopted for the Far East. Problem regions are turning their attention towards the potential of tourism. Seven tourism- and leisure-oriented economic zones are being created in Russia, four of which will be established in less developed regions (republics of Altay and Buriatya and Altay and Stavropol kraya), the other ones being created in the regions of Kaliningrad, Irkutsk and Krasnodar. In addition, good conditions for</p>	<p>People prefer to live in the city and to benefit from dachas. Nevertheless, in the largest cities (above all Moscow and St Petersburg) an upward trend can be observed in the number of villa communities intended for permanent residence. Another significant factor in urban sprawl is the encouragement of low-eight construction. The changing face of towns will also be linked with the elimination of run-down and dilapidated housing stock. Its replacement in in town centres with new upmarket residential districts, apartment block developments of office block districts will depend upon specific situations. The state policy is supporting the building up by private companies of new satellite development near cities. Twenty-two projects have already</p>	<p>distinctly better than in the territories where agriculture plays a secondary role, in many cases limited to small-time selling or home-grown produce for personal consumption.</p>	
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		developing tourism also exist in well developed regions (Moscow, St Petersburg)	been selected on a competitive tender basis. These will be towns with a new quality of life and new architectural approaches. The hope is to curb down the rapid rise of house prices in regional capitals.		
Slovak Republic	The population is slowly growing at national scale as a result of natural demographic growth, but mainly of the positive migration balance. Between 2004 and 2008, population growth was highest in the county of Bratislava, followed by the counties of Presov, Trnava, Kosice and Zilina. Three counties (Banska Bystrica, Nitra and Trencin) have registered a population decrease. In the counties of Bratislava and Trnava, the most growing in the country despite natural population decline, the positive migration balance is significant. The process of	Economic growth has been particularly strong in Slovakia between 2000 and 2008. Because the economy of the country is small and extremely open, it was seriously hit by the economic crisis. In terms of economic performance and employment, the key region is the Bratislava-Trnava core area with Bratislava city as its centre. On the opposite, Eastern Slovakia is the poorest region of the country. There is a clear west-east economic slope throughout the country (economic output, investments, productivity, unemployment etc.). The	During the past decade, there has been a continuous decline in the population of cities, while the rural population has been slightly increasing? Following a dynamic growth phase and concentration of population from rural into central urban areas which was typical to all cities before 1990, stagnation persisted throughout the 1990s, accompanied by a gradual diffusion of cities within their agglomeration spaces, the most well-off groups leaving the core city for the suburbs where single family houses, enterprises and	There are significant regional disparities among the rural areas with regard to economic performance and attractiveness for the population. Paradoxically, the region of Bratislava has the most performing agriculture in terms of direct outputs and of agri-food industries. Eastern Slovakia, although more rural in character, has a weakly performing agriculture and declining agro-food industries. The most rural regions are the counties of Banska Bystrica and Nitra. Smaller municipalities are especially unable to secure the living	The accession of Slovakia to the EU and, more importantly, its inclusion into the Schengen space, have strengthened cross-border interactions. From the point of view of settlement and agglomerative tendencies, cross-border activities are more evident near the city of Bratislava. In addition to the intense relationships with Vienna, suburbs of Bratislava have been developing more recently on the neighbouring territories of Austria and Hungary. A natural cross-border agglomeration is emerging. Mutual interactions also emerge

	<p>population ageing, now typical for the general Slovak population, varies however from county to county. It is strongest in the county of Bratislava, followed by the counties of Trencin and Nitra. These counties also exhibit the highest median age (almost 40 years). The ageing process is weakest in the county of Presov. It is a long term trend for all Slovak counties.</p>	<p>knowledge economy is mainly concentrated in the Bratislava region. The housing sector develops also most in the Bratislava-Trnava conurbation. It is weakest in the counties of Trencin and Presov. Slovakia has a significant tourist potential (mountains, spas) which is insufficiently exploited. The tourist sector has been most affected by the economic crisis in the poorest areas of the country (Presov, Zilina)</p>	<p>commercial centres were built. During recent years, the urban agglomerations showed evidence of concentrated deconcentration: inflow of dwellers and activities from other areas and suburbanisation within the vicinity of the largest cities. Relocated urban functions are concentrated mostly along motorway corridors. The quality of the residential environment in suburbs is endangered by the development of warehouses, logistic centres and service businesses. The development of transport systems (public and private) is considerably lagging behind the needs resulting from the development of settlements. Suburbanisation is strongest around the two largest agglomerations: Bratislava and Kosice. In</p>	<p>standard of their population and the required employment opportunities. Young people are continuously migrating out of rural areas, while there has been a decline in birth rates and a growing population ageing. A particular constraint for rural areas is the low accessibility caused by insufficient development of transport infrastructure. The significant tourist potential is mainly used in rural areas located in peripheral parts of rural settlements and in the vicinity of major transport corridors. The sustainable long-term development of rural areas is closely related to the diversification of traditional and prevailing agricultural production.</p>	<p>between cities on both sides of the borders with Poland, Austria and Hungary (Komarno-Komarom; Sturovo-Ostrihom; Kralovsky Chimec-Cierne nad Tatou; Visoke Tatri-Zakopane; Skalica/holic-Hodonin etc.)</p>
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			the case of Bratislava, suburbanisation trends are also polarised around smaller towns in the surroundings of the agglomeration. A continuous decline of population takes place in the smaller rural settlement as well as in the core areas of large cities, while intermediate urban entities and the surroundings of large cities are slightly growing.		
Ukraine	Ukraine has been characterised by a long period of population decline (low birth rates and outmigration). In 2007, for the first time since 1990, five Ukrainian regions (the Oblasts of Zakarpattia, Rivne, Volyn, Lviv and Kiev) experienced more births than deaths. This demonstrates a positive trend of increasing birth rates in the last couple of years. With the exception of Kiev, all regions with a positive	Regional disparities in Ukraine are not extremely high, but they have been increasing in recent years. The most developed regions (Oblazsts) are Kiev, Zaporizhzhya, Odessa and Dnipropetrovsk. The weakest regions are Zakarpattia, Crimea, Zhytomyr, Cherkasy; Vymytsia and Khreson. The large dispersion among regions is observed on the business sophistication pillar and the smallest	Since the beginning of the independence period, the country has lost 5 million people. The increase of the urban population at the expense of the rural population has been practically impossible. During the period 2001-2008, only five regional agglomerations showed positive demographic trends (Kiev, Vinnytsia, Khmelnnitsky, Chernivtsi and Ivano-Frankivsk). The strongest demographic	Rural settlements are very diverse in nature (dispersed, grouped, linear, autonomous and included in urbanised territories). The population of rural settlements has continuously declined. The share of large villages in the rural population has declined, while that of small villages has increased. The distribution of villages by size groups is not homogenous. Large villages dominate the	Territorial integration across national borders is favoured by both the constitution of Euroregions (Bug, Karpaty, Nyzhnii Dunai, Yaroslavivna, Dnipro, Slobozhanschyna, Verhnii Prut, Donbas) and by activities of cross-border cooperation along the 7 national borders with Poland, Slovakia, Hungary, Romania, Belarus, Russia and Moldova. The Ukrainian-Romanian border

	<p>natural demographic balance were however in the western parts of the country, which shows the existence of regional differences in birth rates. Outmigration has been significant since the beginning of the transition period. It is estimated at roughly 3 million people.</p>	<p>one is on health and primary education pillar. The region of Zaporizhzhya is the best performer on “innovation and sophistication “factors.</p>	<p>decline affected the regional agglomerations of Ternopil, Sumy and Kherson. The reserve of human potential for increasing the population of cities is almost exhausted in the villages. Living in cities has become less attractive. The population of cities, even of large ones, has strongly declined. Present urban policy aims at developing compact cities, so as to stop the loss of population, while integrating the requirements for sustainable development (energy-saving and environmentally-friendly approaches). The increase of car traffic in cities has become a serious problem.</p>	<p>settlements of rural areas in the regions of Zakarpattia, Chernivtsi and Ivano-Frankivsk. The largest share of small villages can be found in the regions of Dnipropetrovsk, Poltava, Sumy, Kharkiv and Chernigiv.</p>	<p>consists of two separate sectors: the Carpathian and the Lower-Danube zones. The territorial planning legislation contains provisions for joint projects of city planning development in cross-border regions.</p>
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Table 2: Territorial impacts of emerging and growing challenges and related driving forces

	Territorial impacts of climate change (examples)	Territorial impacts of globalisation (examples)	Territorial aspects of changing energy paradigm (examples)	Territorial aspects of immigration and social polarisation (examples)	Territorial impacts of the economic/ financial crisis
Armenia	<p>During the past 80 years, the average annual temperature has been growing by 0.85°C and the annual precipitations have decreased by 6%. The northern and central (Ararat valley) regions of the country are becoming dryer, while in the southern and north-western parts and in the Sevan Lake basin, precipitations have increased during the last 70 years, causing an activation of crawling processes in the northern regions. Drought has significant impacts on the fertility of soil and on the productivity of agriculture, limiting substantially the possibilities of irrigation. Various types of natural hazards have intensified</p>	<p>Investments are more and more concentrated on the metropolitan area of Yerevan. In order to ensure a stable and more balanced development in the country, it is necessary to increase the level of investments in other regions. Considerable investments are needed in rural areas (irrigation, road network, horticulture, cattle breeding)</p>	<p>The main source of renewable energy is hydropower, due to the very mountainous character of the country. It is envisaged to construct three new large hydropower plants and to exploit the potential for smaller ones. Numerous efforts are made to promote the other renewable energy sources: wind energy (high potential in the mountain areas; the construction of wind power plants started in 2005 and is accelerating); solar energy (significant potential; the production of solar thermal collectors has started); geothermal energy (possible sites for power stations were identified), biogas (a project is</p>	<p>Poverty is significant in most Armenian towns (except Yerevan). The growth process tends to strengthen territorial and social polarisation.</p>	<p>The economic crisis had a considerable impact on the construction and industry sectors (mining, machinery, textile) as well as in the sectors of education and communication. The cities most affected by the crisis are those of the Kotayk region (large industrial potential) as well as the cities of Tsakhadzor, Garni and Goght (tourism).</p>

	in recent years: flooding (especially in the Ararat and Artashat regions), frostbit and hail (which damaged the Kapan, Meghri, Sisian and Goris regions in 2008); fires in pastures (Yerenos mountain in 2008; Geghii area in 2008).		already being implemented in Nubarashen); bio-ethanol (investigations are being carried out to estimate the potential).		
Austria			The development of renewable energy is a priority in Austria. A striking example is that of the region of Güssing in southern Burgenland which used to be one of the poorest Austrian regions. Güssing has become an energy-self sufficient region (biomass, biogas, photovoltaic systems), resulting in 1000 newly created jobs and 50 new businesses. The city is aiming at becoming the first Austrian centre for further education in the field of renewable energy. Another significant example is that of the Parndorfer Platte (Burgenland) in the field of wind energy.		After a period of significant economic boom during the years 2004-2008, the crisis has accelerated the economic restructuring process. Cost pressures and the pressure to relocate production into countries with lower wage levels will accelerate. Current value chains will have to be reorganised. The existing pressure on achieving a transition towards the knowledge-based economy has further increased. It can be expected that high-ranking locations near urban regions, high-quality educational and research institutions will continue to increase in

			190 wind turbines have been constructed, the energy of which covers some 50% of the electricity requirements of Burgenland		value, which would lead to an increased focus on agglomeration areas.
Croatia	Croatia is exposed to the impacts of drought, floods, forest fires and rising of the sea level. Fires cause most damages during summer months, which endangers human life and the environment. Drought affects the coast as well as the lowlands with intensive agriculture (Slavonia, Baranja) and is additionally aggravated by an inadequate and insufficient irrigation system. Floods represent a threat to hilly lowlands, valleys of the rivers Drava, Sava, Danube and Mura	In Croatia, globalisation had the strongest impacts on the banking and trade sectors which are considered as vital. Efforts are made to promote the entrepreneurial sector through the development of business incubators in large agglomerations. Foreign direct Investments started later than in other east-European countries. FDIs were mainly concentrated on the financial and trade sectors, as well as in a few industrial sectors (chemical industry, petroleum products). There is a shortcoming of FDIs in the production sector. FDIs favour the most developed regions: 75% of FDIs go to the region of Zagreb	The modified energy paradigm is leading to several basic policy objectives (Energy Strategy of the Republic of Croatia): to increase the energy efficiency of existing systems, as well as the share of renewable energy sources, in particular wind, solar and biomass energy. The Strategy envisages, beside the construction of thermal power plants, the construction of new large hydropower plants as well as the construction of a nuclear power plant. Solar energy is being promoted as well as the production of wind energy on the coastal hinterland. The construction of gas pipelines is also underway.	Croatia has been subject to significant migration flows, but these were mainly related to internal migrations (caused by the war and then by the rural-urban disparities). Mainly large cities benefitted from such migration flows: Zagreb, Osijek, Rijeka, Split and Zadar.	Industrial production has been significantly decreasing as a result of the crisis. On the opposite, the sector of tourism proved to be stable and did not follow the anticipated negative trends. The problems of the Croatian economy are mainly of a structural nature.

Czech Republic	The most important threats related to climate change in the Czech Republic concern the more frequent occurrence of extreme meteorological phenomena (floods, snow storms, whirlwinds, long-lasting droughts), the decrease of surface water quality during dry periods, the transformation of ecosystems (destabilisation of pine tree forests, migration of species etc.).	The globalisation process had positive impacts on the Czech economy until the economic crisis, due to the openness of the economy and to the competitive advantages of cheap labour force. FDI's have concentrated mainly in large cities (Prague, Plzen, Brno, Ostrava) and in other regions with significant development. In the new context, the negative aspects of globalisation are now emerging. The competitive advantage of cheap labour force is gradually diminishing. Particular threats are the relocation of manufacturing plants and the extinction of whole manufacturing sectors (shoe and textile industry). Economic restructuring will become necessary. To this aim, support is given to the development of competitive clusters, to overcome the isolation of enterprises.	The priority of the Spatial Development Policy with regard to energy is to create area conditions for the development of decentralised, effective and safe energy production from renewable energy sources. It is however necessary to use them in a sustainable way. There are favourable conditions for the production of wind energy (Ustecky; Krusne Hory), but there is a risk of too intense exploitation, endangering the natural heritage. Further attempts are made to use reclaimed land from mining areas for the production of energy and technical crops and to build further small hydropower plants along main rivers (Elbe, Odra).	Social polarisation occurs and continues to deepen through the emigration of more educated and the immigration of more problematic population groups. It takes place to a greater extent in areas with very unfavourable economic or environmental conditions. The situation is likely to worsen if no specific measures are taken to mitigate the trends. In addition, the Czech Republic has a large proportion of population threatened by poverty. Specific groups are particularly threatened by social and economic exclusion (persons with low qualification, aged people, Gipsy minorities, immigrants etc.). Foreign immigration that was low up to now, tends to increase.	The regions most affected by the economic crisis are mainly those with concentrated State aid (Most, Karvina, Chomutov, Teplice, Ostrava-mesto, Frydek-Mistek, Novy Jicin, Sokolov).
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Estonia		The globalisation process affects mostly the economic development in the largest cities which play a more important international role in economic relationships. The majority of FDIs, foreign labour, knowledge-intensive economies and activities related to participation in international clusters are concentrated in the Tallinn and Tartu cities. Some international investors, which have previously made their investments in Estonia primarily due to low labour costs, have moved their manufacturing away to other countries because of labour cost increase in Estonia.	The majority of investments related to energy production are continuously allocated to the north-eastern region, where the main capacity of electric power generation is located (oil shale burning plants). Green energy production is developing at small scale in a few rural areas. The islands of western Estonia and the coastal areas of the mainland are the most suitable areas for wind energy production and a number of small-scale wind farms have already been established there. In addition, co-generation plants have been built or planned in several cities.	The immigration rate is very low. Still, a remarkable socio-spatial segregation of Russian speaking population can be observed in the north-eastern cities and to a smaller extent also in Tallinn, deriving from historical labour immigration in the Soviet era. Various public policy measures have been implemented to facilitate the integration of Russian speaking people into the Estonian society.	Almost all regions have been more or less affected by the economic/financial crisis. More striking effects have been obvious in northern Estonia and in the Pärnu region. This trend is partly related to the recession in the construction sector. Unemployment growth has been lower in south-eastern Estonia and in the other areas with a higher relative importance of agricultural employment. At local level, the most dramatic impacts can be seen in settlements where one or a few dominant employers have got into difficulties and where enterprises of the regressing sectors (timber, textile etc.) were dominating.
Finland	Further global warming and precipitation increase are expected in Finland. Northern Finland is particularly	Large urban regions benefit from globalisation, while certain cities dominated by a mono-industrial	An important priority is energy saving (transport, urban structure, district heating, promotion of		During the economic turbulence, the prevailing trend of concentration and growth in the biggest

	<p>sensitive to climate change (reindeer husbandry and tourism) Heavily urbanised areas would suffer from forceful floods. Because of dispersed settlements, traffic has to operate almost entirely with fossil fuels.</p>	<p>base, for example wood processing industry, have suffered heavy job losses. The main consequence of globalisation for spatial planning has been the development towards closer networking of cities in order to connect their potentials. Finnish regions and cities have prepared development strategies to deal with globalisation (international cooperation networks and improvement of accessibility)</p>	<p>light traffic and of public modes). There is a move towards the increased use of wind and bio-energy. Specific energy saving norms and diversification of energy sources are being introduced.</p>		<p>urban conglomerations, especially the Helsinki metropolitan region, has continued and even accelerated. Losses of jobs have been observed in traditional centres of heavy industries such as wood processing.</p>
France	<p>The long-term evolution of average temperatures shows some regional differences. Global warming is stronger in the south-western regions and hardly noticeable in the northern regions. Precipitations are increasing slightly more in the north-western regions. The most important threats in terms of natural hazards related to climate change</p>	<p>The French regions are not homogeneous in terms of openness to international trade. The regions of northern and eastern France, which had strategic manufacturing poles have a longer tradition in internal exchanges and have been subject to relocation and externalisation processes of businesses, especially in the automotive industries.</p>	<p>The national objectives in the field of energy are to reduce the external dependency of the country, to promote the renewable energy sources as well as the reduction of greenhouse gas emissions. Nuclear power plants produce a large part of electricity in the country. The endowment of the territory with potential for renewable energy varies from region to</p>	<p>Social polarisation has been increasing in the country. Social deprivation is mainly concentrated in certain urban areas, where immigrants are generally numerous. The flows of immigrants are in progress in large agglomerations. The largest part of immigrants are originating from North Africa. The strongest progression concerns</p>	<p>The regions most affected by the crisis are those which are the most open, in terms of international trade and manufacturing activities. These are mainly the regions of the northern half of the country, especially the north-eastern regions, Normandy, Pays de Loire. In the southern half of the country, only a few regions have been seriously affected</p>

	<p>are floods, storms and whirlwinds, and heat waves. The south-eastern regions are the most affected and threatened by floods. The risk of heavy storms is higher in the coastal Atlantic and Channel regions. Climate-related phenomena may have, in addition to the environment, also significant impacts of economic, social and demographic character (tourism, water shortage, risks for agriculture, migrations related to natural risks etc.).</p>	<p>Since 1995, the regions most affected by relocation processes (mainly towards China) are Rhone-Alpes, north-eastern France, Normandy, Bretagne and Pays de Loire. The service sector is becoming more and more internationalised. Regions with significant business and financial services (Ile de France, PACA, Languedoc-Roussillon) are most concerned. Employment related to FDIs is mainly concentrated in the Paris region and in Rhône-Alpes, as well as in some border regions. Another impact of globalisation is the constitution of clusters of enterprises, supported by public policies.</p>	<p>region. The main priorities are solar and wind energy, biofuels, heat pumps and geothermal energy. Solar energy is progressing rapidly, especially in Alsace and Rhône-Alpes. Power plants fuelled by biomass are also progressing in numerous regions. Energy issues are systematically considered in the territorial development policies at local level.</p>	<p>however the flows of immigrants originating from sub-Saharan Africa and from Asia. The immigrants are facing significant difficulties in terms of economic and social integration. Growing poverty and unstable social situations are also progressing outside urban agglomerations, in the surrounding areas as well as in remote rural areas in decline.</p>	<p>(Rhône-Alpes and the region of Toulouse). On the opposite, the regions with a large share of employment in public or people-related services, like numerous regions of southern France, were less affected.</p>
<p>“the former Yugoslav Republic of Macedonia”</p>	<p>Particular attention is paid to the occurrence of floods as a consequence of climate change and appropriate protection systems are established. Floods cause major problems and damage</p>	<p>“the former Yugoslav Republic of Macedonia” has a small, open economy with relatively limited resources and it is promoting an export-oriented strategy for development. In order to</p>	<p>A strategy for the development of the energy sector for the period 2008-2030 is in preparation. Significant investment are foreseen in the field of hydropower plants and</p>		

	<p>agricultural areas, infrastructure, industrial facilities, houses etc. These problems result from defective drainage systems in the country and from the lack of erosion control in the upper streams of rivers and torrents. Large control systems are built for flood protection in the following areas: Skopje, Pelagonia, Strumica and Struga.</p>	<p>overcome the chronic trade deficit and the overall balance sheet, it is necessary to devote special attention to the increase of exports, to the improvement of economic relations and to the enhancement of the competitiveness of the export sector. Efforts are made to increase the flows of FDIs, to modernise the infrastructures, to enhance local production, to promote tourism.</p>	<p>co-generation plants. With regard to energy transportation networks, a cross-border electricity connection is planned between Stip and Nis (Serbia). A feasibility study is made about a gas pipeline system throughout the country.</p>		
Germany	<p>The regions most affected and threatened by climate change are the mountain and coastal regions as well as the Rhine valley and the north-eastern regions. Floods, storms and heat waves have so far been the most frequent natural hazards related to climate change. The Federal Government has adopted in 2008 a national adaptation strategy to the challenges of climate</p>	<p>Globalisation is a particular challenge for metropolitan areas in relation to their activities in the field of innovation. In order to increase the exploitation of the territorial potentials, the Federal Government has developed guiding principles aiming at promoting partnerships between the various metropolitan areas and other towns in their surroundings. This</p>	<p>In Germany, the share of renewable energy in the final energy consumption amounts to 9.5%. In 2007, the Federal Government has adopted an integrated programme related to climate and energy which aims at significantly reducing the greenhouse gas emissions, increasing the energy efficiency, increasing the share of renewable energy and developing co-</p>	<p>The social and economic integration of people originating from immigration is a basic priority of the various policy levels. In a total of 550 municipalities, 1500 neighbourhoods were identified in which significant integration needs exist. A high concentration of such areas is to be found in manufacturing regions (especially in Rhine-Ruhr and Stuttgart). Integration needs are</p>	<p>The large manufacturing regions with export-based activities are mainly situated in west-Germany. These have been most affected by the economic crisis, especially those producing steel and iron products, machinery, chemical products, motorcars and electro-technical products. Metropolitan areas are also handicapped by a reduction of activities in the banking sector. The</p>

	change. Territorial development policies will have a key role of coherence and coordination in the implementation of the strategy. Prevention and adaptation are the two main axes of the policy envisaged.	strategy aims also at including large parts of the territory in the areas likely to benefit from the positive aspects of globalisation.	generation plants. In the field of renewable energy, hydropower plants exist mainly in the southern German regions. Wind energy is mainly produced in the northern and eastern regions of the country. Power plants using biomass are to be found in rural regions where large quantities of energy crops can be produced. Photovoltaic solar energy shows a more dispersed pattern, with numerous small facilities in operation. It is recognised that the development of renewable energy, especially wind and biomass, may endanger the environment.	strongly related to ethnic segregation. The development of integration strategies at neighbourhood level is a widespread strategy.	east-German regions are less exposed to international demand and competition and have been less affected. Their unemployment rate increased (in percentage) much less than in the west-German regions.
Hungary	Hungary is considered to be increasingly vulnerable with respect to climate change. More extreme hot and dry summers and gentle but more rainy winters are expected, which might be interrupted occasionally by strong	FDIs have played a significant role in the structural transformation of the Hungarian economy. The territorial concentration of foreign capital has been increasing. It is highest in the Central Hungarian region		Immigration has steadily increased since the Millennium. The proportion of immigrants is however still modest. The main target points of immigrants are the capital city and its surroundings, the lake	The economic impacts of the crisis are still difficult to identify with precision. The crisis in the banking sector has significant impacts on employment and on domestic consumption, mainly in Budapest and in other cities (Győr,

	<p>storms and rainstorms. Altogether, the climate in the Carpathian Basin is expected to become similar to the Mediterranean climate. The lengthening of the drought periods and the intensification of water shortage is a particular threat for the whole territory of the Great Plain and for the southern parts of the Transdanubian region. Forest fires have intensified in the northern and south-eastern regions. More than one third of the Hungarian territory is situated in the floodplains of the Danube and Tisza rivers and their tributaries. This means a serious threat for the socio-economic life of the country. Large floods with tragic impacts occurred in 2001 and 2006. Flood threat is highest in the catchment area of the Tisza, on the bank areas of the</p>	<p>(Budapest) and in central and western Transdanubia. The most important external partner of Hungary is Germany. The export orientation is extremely differentiated spatially. It is highest in the central and western Transdanubian regions. Islands with strong export orientation are also to be found in various parts of the country (depending upon the location of multinational companies). Regional clusters, as territorial patterns of specialisation emerged around the millennium, mainly in the fields of automotive, timber and furniture, electronic, food, textile industries as well as in the construction and tourism sectors. These clusters concentrated mainly in the Transdanubian region. Out of the 100 clusters existing in the countries,</p>		<p>Balaton and the settlements close to the borders. Immigrants belong mainly to ethnic minorities of neighbouring countries (Romania, Ukraine, Serbia). The second significant immigrant group originates from Asia (China, Vietnam). With regard to social polarisation, one third of the Roma population lives in the most disadvantaged regions (near the north-eastern and southern borders) in small villages. The proportion of Romas is increasing in these regions. Social segregation has been progressing in cities. Anti-segregation plans have been prepared for 157 settlements in the country.</p>	<p>Szeged, Pecs) where the real estate economy was strongly developing. The suburbanisation process has been slowing down. Impacts are also significant in export-oriented regions (Western Hungary). Various industrial cities are threatened by the possible relocation of manufacturing plants. In addition, it is likely that FDIs prefer in future the countries of the European Monetary Union instead of Hungary. High public debt will have impacts on the budget of territorial development policies. The economic recovery is expected to re-start in the urban centres, but in those areas where transnational companies are not sufficiently embedded in the local economy, the risk of emergence of a long-term crisis increases.</p>
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	Danube in northern Transdanubia and in the northern mountainous regions.	16 are accredited innovative clusters. They are mainly based in the Central Hungarian region and in the southern part of the Great Plain. They are working in the fields of health industry (biotechnology and medical industry) and information technology.			
Ireland					
Latvia	The impacts of climate change in Latvia concern mainly the coastal erosion caused by storms and by the global warming (lack of ice in winter) and the risks of flooding in the basin of the Daugava river.		Major investments in the sector of renewable energy are concentrated on the hydropower plants on the Daugava river in order to increase their generating capacity and to upgrade their technology. Wind power stations, located in the western parts of the country are being further developed. Biogas and biomass power plants are spread throughout the country, according to the availability of resources. A special solid fuel (coal+biomass) power plant is expected to be implemented in the city		

Norway	Norway is a coastal nation, with most settlements spread along the coast. The climate is rough and exposes the inhabitants to severe risks (gales, heavy rainfalls and snow, landslides and flooding. The climate change seems to be causing more storms. The lowlands of the south-east are threatened by flooding along the main rivers. In summer time, dangerous forest fires occur during dry periods.	FDIs are not widespread in the Norwegian mainland economy. Traditional labour intensive industries moved to low cost countries years ago. The remaining industry is highly specialised and competitive on global markets (petroleum and marine industry, electronic clusters in the south-east and Trøndelag, electrochemical and electrometallurgical process industry mainly in the West). The remaining export industry is affected by falling demand on the global markets, causing serious problems in the communities concerned. The recent years were characterised by growing job-related immigration from Sweden, Poland and Baltic States, concerning the sector of services and construction.	of Liepaja on the coast. Hydro electric power has been the basis for settlements and economy in many municipalities for a century. The oil and gas resources off the Norwegian coast have attracted, since the 1970s, tremendous investments in extraction, transport and technological development. There are also substantial wind resources along the coast of West and North Norway. Some wind power plants have been established. However, in Norway, the wind power is not yet economically competitive with hydropower.	The volume of population originating from immigration amount to more than 10% of the total population. The growth of the immigrant population is going to have profound effects on the country's future development. The immigrant population is however very diverse. Oslo has the largest population group of immigrant origin, followed by the city of Drammen. The polarisation may cause certain problems related to immigration and social coherence. The present housing and social policies are not designed to counteract the market mechanisms.	Norway went through a financial crisis around 1990. The experience from then gave rise to precautions that made the country more robust to the new crisis in terms of financial structure requirements, safeguarding funds etc. Still, industrial communities relying on exports to the global market (such as wood, paper, metals, car parts and shipbuilding) are badly affected. Many such locations do not provide other options for employment. Then, the crisis hits entire communities.
Poland	Poland is a country	The globalisation	Poland's energy supply	Foreign immigration has	With regard to

	<p>characterised by a relatively low level of natural risks. Most serious risks include floods, landslides and, in some regions, hurricanes and rainstorms. In certain years, extreme situations have been occurring throughout the country (drought in the region of Podlasie; flood in the Karpaty mountains; excessive rainfalls in southern and western Poland). A proper protection against threats caused by natural factors and by calamities has so far not been included into the planning policies. Projections related to climate change in Poland show a series of threats (waves of very hot weather; intensive rains; floods and landslides; drought during the vegetation period; strong winds; lack of snow; development of pathogens related to warming; higher sea</p>	<p>process influences most the economically strongest areas, subject to intense investment flows from abroad. Large cities have been growing faster than intermediate ones and rural areas. Qualified workforce and the quality of infrastructure are the most strategic criteria for foreign investors. Cities like Warsaw, Wroclaw, Poznan and Katowice fulfil these criteria best. The concept of economic clusters, especially technologies has been implemented during the past decade. The following Polish regions have got best conditions for the establishment and development of clusters: Mazovia (Warsaw), Malopolska (Krakow), Lower Silesia (Wroclaw), Pomerania (Gdansk). The specialisation of regions depends strongly upon the activities inherited</p>	<p>is still strongly dependent from fossil energy sources (coal, brown coal, oil and gas). The share of renewable energy is very small. The government has decided to strongly develop nuclear energy production and to strengthen the connections of Poland with neighbouring countries in terms of energy transport infrastructure (electricity, gas pipelines, LPG terminals). The construction of new power plants with lower emissions is planned. The development of renewable energy is also foreseen (biogas, biomass, solar and geothermal energy, wind farms). Poland has rich deposits of coal and lignite that may become a competitive advantage in the global market, if the clean coal technologies are applied.</p>	<p>just started in Poland. It will not compensate for the negative demographic trend of population ageing and the country is not prepared to face intense immigration, which would affect the social cohesion. Immigration favours more the large cities as well as the western regions. The social polarisation has been increasing in Poland, especially between the large cities and the rural areas. In large cities, poverty is concentrated on specific neighbourhoods. In rural areas, it concerns mainly the areas of former state-owned farms, where inhabitants are professionally and socially passive. Areas threatened by poverty are like islands: for example the region of Warmia lakes and Masury and the region of the Swietokrzyskie mountains. The social polarisation is reflected</p>	<p>vulnerability to the global crisis, the Warsaw metropolitan area and the relatively less developed regions of eastern Poland should be the least affected by the crisis, while the two old industrial centres (regions of Lodz and Upper Silesia) are the most vulnerable. Since the early 1990s, the restructuring of these two regions has been based on the production of durable consumer goods and many people continue working in traditional industries affected by the recession (textile, foundries). Serious difficulties may also emerge in Lower Silesia (numerous factories were located there during the last decade). In non-metropolitan areas, northern Poland may be particularly affected by the crisis, being the main area of furniture production.</p>
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	level), but also some positive opportunities (higher temperature of water; smaller incidence of diseases / lower mortality in winter; fuel saving)	from the past.		in the access to social services, to health care and higher education.	
Russian Federation	Global warming is having a significant impact on the socio-economic situation in many Russian regions (kraya of Altay, Irkutsk and Zabaykalskiy Republic of Altay in southern Siberia). At the same time, the summer temperature in central Russia has decreased. In the northern regions (4 million km ²), the permafrost is melting; destroying the underlying structure of buildings and facilities. This process is particularly acute in the northern towns of Nadym, Surgut, Vorkuta and many other towns. Rainfall has decreased on nearly 20% of the territory of the Russian Federation and droughts are becoming more	Globalisation has above all affected Russia's largest cities, the mining and oil/gas producing regions and the territories the economic-geographic situation of which favours the development of external trade links. There is a significant concentration of FDIs in Moscow and St Petersburg as well as in the regions with significant raw materials. FDIs play also a significant role in manufacturing activities (new car industries in St Petersburg and in the region of Kaluga). In order to diversify and intensify the exports of oil and gas, new pipelines are being built (Eastern Siberia-Pacific Ocean Pipeline etc.). A significant priority is the	The new energy paradigm, providing for a transition to renewable energy sources and massive energy saving, drawn up in Russia in 2007-2008, has yet to attain the projected scale and, for the time being, is not producing a substantial impact on territorial development.	In the period 2004-2009, migratory influxes into Russia compensated for only 5% of the depopulation. The number of legal labour migrants working in Russia is steadily growing (around 380 000 in 2003; roughly 1 million per year in the period 2006-2008). The proportion of migrant workers within Russia's employed population remains relatively small (1.5%). Migrant workers originate mainly from the CIS countries and from the Far-East (Asia) The biggest supplier has been Ukraine. The main target territory of migrant workers is Central Russia (where 40% of migrant workers are employed), mainly the Moscow	The structural consequences of the economic crisis are most apparent in the regions, which previously stood out in terms of growth (kray of Krasnoyarsk, Republic of Tatarstan, oblasts of Sverdlovsk and Novosibirsk). One of the sectors to have suffered least is the agri-food complex. Accordingly, the lowest rates of decline in production were typically to be found in predominantly agricultural regions. The oil producing regions where large investment projects are underway (oblast of Sakhalin and autonomous okroug of Nenets), production has been growing. At the opposite, the worst rates of recession were in

	frequent on the southern territory of Western Siberia, Rostov oblast and the kraya of Stavropol and Krasnodar, the main cereal producing regions. Risks of forest fires are increasing (south of the European part of the country and south of Western Siberia, Eastern Siberia and Far East.	development of seaports, including in the Far East. New ports are being built (Ust-Luga on the Baltic, huge project in Murmansk).		agglomeration. Estimates indicate that non-registered migrant workers add some 10-20% (1-2 million people) to the city's population. The second pole of attraction for labour migrants is the Urals federal district (oilfields of Yamalo-Nenets and Khanty-Mansi). The Far East also attracts significant amounts of labour migrants, mainly from Asia.	mechanical engineering (regions of Oryol, Ulyanovsk, Novgorod, Samara and Chuvash) The regions specialising in fertiliser manufacturing also suffered. The crisis has exacerbated the problem of narrow specialisation of regions and the problem of towns with a single economic mainstay. Territories with a more diversified economy are finding it easier to survive the crisis.
Slovak Republic	There is evidence for a long-term trend of climate change in Slovakia. The average amount of precipitations has declined, however more strongly in the southern parts of the country. All forecasts indicate that there will be an increase in winter and spring runoffs and a decline in summer and autumn runoffs. The western and southern parts of the country will be most impacted.	The main comparative advantage of Slovakia lies in its relatively low labour costs, well developed infrastructure, political stability and strong GDP growth. FDIs are the engine of the Slovak economy, but they create huge regional disparities in the country. The regions most favoured by FDIs are Bratislava as well as the whole region of western Slovakia and the region of central	The most utilised renewable energy is hydropower. There is still remaining potential in this field. The potentialities of solar energy are also substantial and their exploitation benefits from public support (subsidies). Geothermal energy is available mainly in the counties of Trnava, Nitra and Zilina. Its exploitation is however subject to technological	While Slovakia has been during a long period a country of outmigration, one could observe a changing trend in migration flows in recent years. Immigration prevails on emigration. Immigrants originate mainly from Central and Eastern Europe. The share of immigrants from Asia is however increasing. Economic migrants outweigh the political migrants. The outflow of	As a consequence of the economic crisis, the amount of jobs threatened by mass layoffs is estimated around 40 000 (motor car and electrical/electronic industries). The regions of Banska Bystrica, Presov and Kosice are among the most heavily impacted with regard to their growth rate in unemployment.

	<p>During the period 1996-2000 various strong floods have affected relatively small territories. Forest fires remain an important factor of risk (damaging fires in the period 2004/2005). Substantial changes are expected in ecosystems (mainly forest areas). The environment of large cities is likely to be affected also, with increasing temperature and decreasing humidity, storms and heavy rainfalls.</p>	<p>Povazie and Kosice. Industrial clusters have been either recently established or their establishment is being planned (automotive, electrical engineering, IT, wood processing clusters). They benefit from public support.</p>	<p>constraints. The highest technological potential is to be found in biomass which can be burnt; together with fossil fuels, in thermal power plants as well as in co-generation plants. So far, three wind parks were developed. There is much more exploitable potential (western Slovakia, Low Tatra mountains). In 2009, the government has adopted a Strategy for the Higher Utilisation of renewable Energy Resources.</p>	<p>educated people from Slovakia is still important, causing problems to the Slovak economy.</p>	
Ukraine					

Table 3: Evolution of territorially significant policies (1)

	Intensification of comprehensive approaches (examples)	Promotion of sustainable territorial development (examples)	Policies for strengthening regional competitiveness (examples)	Prevention and mitigation of impacts of climate change (examples)	Promotion of renewable energy resources (examples)
Armenia	In order to strengthen vertical and horizontal coordination, an Interministerial Commission has been established. Examples of vertical cooperation are directed to the fostering of entrepreneurship, the creation of new jobs, the improvement of social conditions of the population and the increase of global competitiveness of local products. The agricultural policy aims at strengthening horizontal connections and cooperation (with transport, machinery, communication, trade, financial institutions etc.).	Sustainable territorial development is being promoted in various fields. A principle of “green urban development” has been adopted (balanced settlements based on polycentricity). The stable development of agriculture, the balanced use of natural resources and the stability of energy systems essentially condition the development of rural areas. In rural and frontier communities, large scale programmes are implemented, also by international organisations, to foster the development of frontier villages which are handicapped by destroyed	The policy to be implemented for increasing the competitiveness of territories (2008-2012) is aimed at subsidising agriculture in non-favourable climate conditions, in order to exploit capacity resources. Training is also an important aspect of the competitiveness policy.	In order to limit greenhouse gas emissions, it has been decided to build a new nuclear power plant and to reduce the use of fossil energy. Action is also taken to restore the forests cut during the 1990s and to plant new forests. Anti-hail stations are being reconstructed and developed. Measures are being implemented to mitigate and prevent the impacts of floods. Adaptive measures are being developed in various other fields in order to limit the negative impacts of climate change.	The main measure to develop the production of renewable energy is the planning of 115 small hydropower plants with a total capacity of 147 MW throughout the country. Other measures aim at promoting the development of wind, solar, and biogas energy.

		infrastructure, high unemployment and strong immigration			
Austria	Inter-municipal cooperation is an important approach in Lower Austria. It is based on the principle of voluntariness. 59 micro-regions have been formed in the last 25 years for this purpose. The Regional Government and Regional Management support them. Inter-municipal cooperation is concretised through the elaboration of “micro-regional development concepts” and “micro-regional framework concepts”. The first category is related to the development of economic, social and cultural diversity in the micro-regions, including visions and strategies for the future developed with the participation of the population. The second category refers to the optimisation of	A significant example of sustainable territorial development in Austria is that of Regional Managements. Since their foundation in the mid 1990s, the Regional Management Bodies (RMBs) are acknowledged as an important innovation throughout the regional development community of Austria. Initiated by the `Federal chancellery, they are institutionally located at the interface between the level of regional administration and the smaller self-governing entities, where strategic planning and cooperation beyond local administrative borders has the highest potential of effectiveness (organisation of networking processes, promotion of development projects). RMBs are the first		Examples related to the prevention and mitigation of climate change impacts can be found at the various administrative levels. At Federal level, the integration of mitigation and adaptation measures related to the impacts of climate change into the National Strategic Reference Framework for EU Structural Policies is explicit. Incentives are provided for involving energy experts in the design and implementation of investment projects. Energy savings and efficiency are a strong priority in large projects supported by the national level. At local level, for the past 10 years, the City of Vienna has implemented a broad climate protection programme, with the	An interesting example is the introduction of “Energy Certificates for Settlements” in Lower Austria. The principle is the calculation of the total cost of energy consumed by residential units (including the initial investment for the construction and maintenance costs of technical utilities and waste disposal infrastructure as well as the transport infrastructure). The determined energy level enables a comparison between various construction possibilities at various locations within a municipality. It is an illustrative way to demonstrate the influence of various construction types and costs and the extent to which the location of a residential area affects

	the spatial structure for a planning horizon of 10 to 15 years, defining best locations and potentials. Both documents are complementary.	contact partners in the regions for citizens and project promoters (support to project implementation and acquisition of funds from different levels, sectors and institutions, including private ones). At the beginning, RMBs focused on rural areas. During the last years, they gained particular importance in urban agglomerations for supporting development and planning processes.		aim of preventing an increase in annual emissions of CO2 equivalents. The follow-up programme will run until 2020. It is related to energy production and use, mobility and city structure.	costs and levels of CO2 emissions.
Croatia	The principles of comprehensive approaches are embedded in various legislations, regulations and strategic policies. This is the case for the Physical Planning and Building Act, the Environmental Protection Act, the National Environmental Strategy, the Strategy for the Sustainable Development of the Republic of Croatia, the Regional Development	The Physical Planning and Building Act foresees, among others, spatial monitoring measures as well as the preparation of mandatory physical planning documents at various levels. Physical planning policy is decentralised. Local authorities are responsible for spatial management and protection. They ensure the conditions for social and economic	Competitiveness of specific regions is covered by the economic and regional policy of the Republic of Croatia. The Ministry of Economy, Labour and Foreign entrepreneurship implements measures through which support is provided to clusters and FDIs. Re-qualification of human resources is jointly dealt with by employment and labour policies and the	The environmental protection policy stipulates, among others, the implementation of Environmental Impact Statements and Strategic Environmental Assessment. A number of other regulations and acts in the field of environmental protection are also in force, the aim of which is the prevention and mitigation of climate change impacts. In addition, the National	The framework for use of renewable energy sources is provided by the Strategy of Energy Development adopted in 2009 and by the environmental policy. Renewable energy sources do not hold an appropriate share and position in the energy sector, although they have great significance and availability (particularly solar, wind and biomass energy). The promotion of the

	Act.	development, environmental protection and rational use of natural and historical resources along the principle of integrated approach to spatial planning.	education policy. At the same time, the regional level (counties) proposes strategies for their endogenous development and coordinates them with the national level. Such a comprehensive two way system (top down and bottom-up) should be further encouraged and linked to European policies and funds. The Regional Competitiveness Operational Programme 2009-2013 is a pre-arrangement for the use of EU Structural Funds.	environmental Strategy and the Environmental Operational Programme 2007-2009 determine priorities and measures in the field of environmental protection.	use of renewable energy benefits however from governmental support (solar energy, wind energy, biomass, small hydropower plants, geothermal energy, tidal energy etc.).
Czech Republic		The Czech Republic cares about the creation of balanced area conditions for favourable environment, economic growth and community cohesion (area sustainable development). The Spatial Development Policy appoints strategies for activities of regions and municipalities and for	The priorities of the Strategy for Regional Development of the Czech Republic are related to the creation of conditions for dynamic economic development of regions, the strengthening of the competitiveness of SMEs, the promotion of innovative business activities and research in regions, the creation of	As follow-up of the National Programme to Abate the Climate Change Impacts in the Czech Republic of 2004, a new Climate Protection Policy is being prepared for adoption in the second half of 2010. In recent years, significant progress was achieved in the reduction of greenhouse gas emissions, thanks to the	The Czech Republic has developed significant efforts to increase the share of renewable energy in the production of electricity. The aim is to achieve a share of 8% in 2010. The government is preparing three policy documents related to energy: the State Energy Conception (for the next 30years), the Territorial Energy

		the process of creation of sectoral concepts. In compliance with this, the planning documentation of regions and municipalities is being procured, the task of which is to create conditions for the balance of three pillars of the area's sustainable development and for an overall stabilisation of the settlement structure.	job opportunities and the promotion of human capital investment.	use of renewable energy sources (wind, solar, biogas power stations). Measures have been taken in the field of agriculture and of water management (flood prevention while ensuring water supply). Difficulties still exist in the transport sector (significant traffic growth).	conception (objectives and principles at regional level) and the State Programme for the Promotion of Energy Saving and the Use of Renewable energy Sources.
Estonia	No significant intensification of vertical and horizontal cooperation in territorially significant policies during the past 5 years. Still, some larger cities (Tallinn, Tartu) and their surrounding municipalities have started special formats of cooperation with the aim to strengthen cooperation and joint planning in larger urban agglomerations (land use planning, public transport, waste management and provision of some other	Since 2008, a special programme "Development of Urban Areas" which is targeted to support investments of 5 larger cities and their surrounding agglomerations in the field of developing public urban space, sustainable urban transport and social services.	Numerous programmes and schemes contribute to the improvement of regional competitiveness in Estonia, such as the Regional Competitiveness Improvement Programme (EU support), the Support Programme for Developing Regional Competence Centres (EU support), the Regional Competitiveness Improvement Grant of Small Projects, the Support Programme for the Development of Regional Colleges and		Investments aimed at increasing the use of renewable energy are supported under the Operational Programme for Developing the Living Environment (EU support): small-scale co-generation plants electric generation plants for balancing wind parks. Investments by farmers into the production of bio-energy (bioelectricity, bio-het, bio-fuels) are supported by the Estonian Rural Development Plan. Wind energy does not benefit to regional development

	public services. Vertical cooperation in territorially significant policies has been in function recurrently at a rather constant level.		various others.		as subsidised investments are made by external investors
Finland	The National Land Use Guidelines are a regularly updated planning instrument which relate to the regional and community structure, the quality of the living environment, communication networks, energy supply, the natural and cultural heritage and the use of natural resources. They may have a horizontal coordination impact.				
France	Comprehensive approaches are those involving all partners and stakeholders of the public and private sector. Examples of such approaches are the joint multi-annual programmes for projects development of the State and the Regional Authorities. They aim at	For the period 2003-2008, a National Strategy for Sustainable Development had been adopted which will have a follow up in a new one to be approved in 2010, including the outcomes of the debate on the "Grenelle de l'Environnement". Concrete initiatives	It is considered that the increase of territorial competitiveness should be based on the support to the more advanced clusters. A national policy was adopted along this line in 2004, which involves large companies and various public and private research institutions. 71	The government has approved in 2007 a national strategy related to climate change. The elaboration of territorial plans "energy-climate" will become compulsory for all agglomerations with more than 50 000 inh. The local Agenda 21 make possible, at local level, to implement the	France targets a share of renewable energy of 20% in the final energy consumption in 2020, against 10.3% in 2005. To this aim, a national plan for the development of renewable energy sources was adopted in 2008. It comprises 50 operational measures, a

	<p>promoting the competitiveness and attractiveness of the territory, sustainable development, territorial and social cohesion. Similar procedures are applied for specific areas subject to economic restructuring, with approaches involving all partners. Comprehensive approaches are also developed in the context of cross-border cooperation.</p>	<p>concern the construction of 2000km of high speed railways, the promotion of public transport in agglomerations (example of Montpellier which is planning the largest tramway network in France)</p>	<p>clusters were so far accredited for support, among which some with worldwide significance (Aerospace valley in Midi-Pyrénées and Aquitaine). In addition, regional innovation strategies are targeting the SMEs and are supported by the regional authorities, the State and the EU. The French Agency for International Investments has the task to increase the attractiveness of French regions for FDIs through a variety of incentives.</p>	<p>principles of sustainable development. It is also envisaged to elaborate at regional level “regional framework concepts of ecological coherence” to be used as reference to assess the various planning and development decisions. The policy in favour of renewable energy sources contributes significantly to the priorities related to climate change.</p>	<p>number of them with specific territorial aspects (rationalisation of wind energy parks, exploitation of geothermal energy etc.). The plan concerns also the overseas territories (example of the GERRI Programme on renewable energy for the Island La Réunion).</p>
<p>“the former Yugoslav Republic of Macedonia”</p>				<p>The government has published a first (2005) and second (2008) National Communications on Climate Change which contain data on greenhouse gas emissions by source, climate scenarios, analyses of the most vulnerable sectors to climate change, draft measures and actions to</p>	

				reduce and adapt to climate change, activities to rise public awareness etc. The National Strategy for Clean Development Mechanism (2008-2012) provides institutional and technical recommendations for the implementation of projects; other strategic documents elaborate the issue of climate change: the national strategy for sustainable development, the second National Environmental Action Plan etc.	
Germany	Vertical and horizontal cooperation procedures have been strengthened since the 1990s. Significant examples are the Demonstration Projects of Spatial Planning (MORO), supported by the Federal Ministry, for testing and realising innovative, spatial planning oriented strategic approaches and instruments involving	Many of the demonstration projects (MORO) serve to realise sustainable spatial development interests. A special strategy to observe the progress but also the setbacks in the field of sustainable spatial development is an indicator system measuring the sustainability deficits. The regional sustainability is	Within the demonstration projects (MORO), examples of supra-regional partnerships strengthening growth and innovation, and thus increasing competitiveness, are concretised and tested in terms of their practical suitability. The thematic focus is on the following fields of action: knowledge and	In 2008, Germany adopted the German Strategy for Adaptation to Climate change, which is to be followed in 2011 by an Action Plan on adaptation. Within the Strategy, territorial development is considered as having a coordinating role in protecting, ensuring and sustainably developing the settlement, transport and open space	The Federal Republic of Germany has a large set of instruments to promote renewable energy sources. They comprise legal provisions, financial incentives, research, awareness raising and various funding approaches. Especially the law on the priority of renewable energy sources aims at promoting increased

	<p>cooperation between academics and practitioners, i.e; local and regional stakeholders. Examples are the spatial development strategies to combat climate change (KlimaMORO), the supra-regional partnerships in functional interconnected cross-border regions – innovative projects to promote cooperation among city regions, networking and to share responsibility over a large area; Strategic approaches of regional planning to guarantee services of general interest.</p>	<p>evaluated by summing up all indicators. The regions themselves should be able to identify specific sustainability gaps or deficits from which the political need for action can be derived.</p>	<p>education, innovation, clusters, spill-overs, financial networks, joint supra-regional economic development. They aim at producing transferable recommendations for future application in the regions and for specific support by Federal government measures.</p>	<p>structure as well as natural resources and an important role in terms of concrete measures to be taken in regions and cities. Especially the regional level is predestined to implement adaptation strategies while prevention strategies are increasingly realised at local level. Examples of actions being implemented are: the model regions “Spatial development strategies to combat climate change”, climate-change oriented urban development (counteracting causes and consequences of climate change through urban concepts; competition on the energy-efficient refurbishment of large housing estates.</p>	<p>electricity and heat production based on renewable energy sources. It provides among other things for a guaranteed feed-in tariff scheme for electricity from renewable energy sources.</p>
Hungary	<p>One of the main objectives of the Hungarian regional development policy is the territorial</p>	<p>In the past years, the enforcement of sustainability has become an important effort of regional</p>	<p>The New Development Plan for Hungary concentrates EU funds on two fields in order to support the</p>	<p>A particularly significant initiative has been the Special Target Programme 2001-2007 for the Homokhatsag</p>	

	<p>harmonisation of sectoral policies and developments, the establishment of synergy with regional development strategies and programmes. The National Spatial Development concept formulates messages and territorial priorities for the different sectors in this spirit. It can be regarded as a real innovation in development policy that both the New Development Plan for Hungary and the New Rural Development Strategic Plan for Hungary refer to territorial cohesion as a so-called horizontal objective. This means that territorial aspects should be taken into account in all programmes and projects co-financed by European funds. The territorial content of every sectoral strategy varies however significantly. Altogether,</p>	<p>development and of the development policy itself. The real integration of sustainability in the projects is still underway. The National Spatial development concept has introduced the concept of sustainability at a conceptual level into territorial policy. The principles of spatial sustainability can be transposed in a limited way in the lower level development documents. The spatial sustainability principle is for instance taken into account in the Environment and Energy Operational Programme in relation to biomass production. A Handbook on Territorial Cohesion has been produced, presenting, among others, the spatial interpretation of sustainability and the possibilities for its enforcement through practical examples.</p>	<p>international competitiveness of Hungary: increase of employment and promotion of stable growth (R&D and innovation, complex development of enterprises focussing on SMEs, improvement of modern business environment, increase of accessibility, improvement of adaptability of human resources etc.) At a conceptual level, the National Spatial Development concept introduced the concept of spatial competitiveness into the territorial policy (every region should define its own, unique factors of competitiveness). Competitiveness of the territory has also been enhanced through the development of a system of entrepreneurial zones and industrial parks. Clusters are relatively new types of spatial structure of the</p>	<p>area, between the Danube and the Tisza, which is the most endangered by climate change (risk of desertification through drought) The initial programme element was the promotion of structural change in agriculture and experiments promoting such a change and technology transfer of farming knowledge. In the model area, many alternative drought-tolerant plants were planted which produced even in this area good average yields. The programme contained also a rural development part aiming at tourist development, the promotion of cooperatives and renewable energy sources.</p>	
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	the sectoral strategies are not organised on a territorial basis. They take into account territorial aspects to a modest extent. Their territorial content should be enhanced in order to promote synergy effects.	Sustainability is also enforced through spatial plans at regional and local level.	economy. The first clusters were established in 2000 and are strongly supported by EU funds.		
Ireland					
Latvia	A significant example of application of comprehensive approaches is the Sustainable Development Strategy of Latvia up to 2030, which is currently finalised. This strategy will be the highest planning document in the country. The Strategy is seen as a comprehensive and integrated horizontal strategy that does not look at the development of specific policies and sectors, but provides a general framework and sets main principles, targets and implementation		Support to the largest and potentially strongest municipalities in Latvia is carried out with an overall aim to facilitate polycentric development, especially in providing support for developing the competitiveness, accessibility and attractiveness of urban territories and city-regions. In the context of EU structural funds, 17 municipalities are eligible for support to infrastructure development. They are identified as driving forces of national and regional economic	Latvia has established a Climate change financial Instrument (sale of emission quotas). Latvia has signed agreements with the Netherlands and Austria on sales of emission quotas. It is expected to sign more agreements in future. The financial resources should be used for measures aimed at the reduction of greenhouse gas emissions in the country. The activities envisaged are related to the improvement of the energy efficiency of public and private housing, the reduction of emissions in transport,	The most characteristic example concerns the production of electricity from renewables with higher purchase price guaranteed by the government. The largest share is allocated to hydropower electricity, followed by electricity from biogas, wind and biomass.

	directions of social, economic and spatial development. This process has already taken a couple of years of intense analytical work and has included the involvement of the general public and stakeholders (expert discussions, for a etc.). The Strategy is expected to be approved by the national parliament in 2010.		development. Support to assisted territories is of equal importance to ensure the balanced development of the country and to avoid growing disparities. Support to areas lagging behind aims at improving living conditions, accessibility to services and creation of jobs.	electricity savings in the public and private sector, the development and use of technologies based on renewable resources. Financial allocations will be given to municipalities (improvement of heating efficiency) and to universities (improvement of energy efficiency).	
Norway	The intensification of comprehensive approaches takes place in various fields (system of multi-level governance). The regional government reform of 2010 strengthens the regional level of government and creates strong and committing alliances between the regional and the national levels. The spatial planning reform of 2009 makes the regional planning system more efficient and powerful in a	More sustainable forms of territorial development are being widely promoted. In order to avoid a too strong concentration in large urban centres, the government promotes high quality housing, the availability of efficient services and job opportunities in less developed, more rural areas. The multifunctional character of agriculture is being supported. Efforts are made to limit car transport and related	Strengthening the competitiveness of specific regions is an important priority in Norway, which is implemented through various instruments. The government is spreading power and expertise across the country by relocating specific administrations from the capital city of Oslo. The Development Agencies play an important part in facilitating innovation and development of companies, also to the benefit of less developed	Municipal and regional planning authorities are required to address civil protection, including risk and vulnerability analysis for all development areas. In their overall municipal plan or in a separate thematic plan, the municipalities are obliged to include measures and means to reduce emissions of greenhouse gas and to ensure more efficient energy consumption and conversion to environmentally friendly	Hydroelectric power is the major source of energy for both industrial and domestic purposes. The wind energy potential in coastal areas is significant. R&D activities are carried out in the field of tidal power and pressure retarded osmosis. The world's first osmotic plant was opened in 2009. There is significant potential for electricity generation according to this technology, which could

	<p>context of horizontal and vertical coordination. It enables a better enhancement of the specific regional potentials. The government supports community development initiatives. Territorial cooperation across borders is being intensified, with broader participation and improved dissemination.</p>	<p>emissions through better land use and transport planning. Impact assessment and concept choice studies aim at facilitating decision-making processes along more sustainable forms of territorial development. The policy related to protected areas aims at enlarging the areas under protection (archipelagos, specific habitats etc.).</p>	<p>areas. Support is given to investments in businesses that are based on regional resources and potentials, especially to new enterprises started by young people and women. The enhancement of landscapes in urban and rural areas is also considered as important for increasing the attractiveness and competitiveness of the territory. The High North Policy will be an important strategic priority for the years ahead, calling for significant international cooperation.</p>	<p>energy. The county councils are equally responsible within regional planning and their own field of activity.</p>	<p>have great impacts on territorial development in the regions where resources are abundant. The exploitation of bio energy (wood and waste) is also important. The potential for solar energy is more modest, although the solar energy industries are growing fast. The export a large part of their products.</p>
Poland	<p>The objective of the new regional policy is to ensure an increased horizontal and multi-level coordination of activities at the level of the country and of regions. It is recognised that synergy has to develop between the various public</p>	<p>The territorial vision for Poland presented in the draft KPZK 2030 shows an internally coherent and well integrated conception of the Polish territory into the European space. Its backbone is a polycentric metropolitan network, created by</p>	<p>A significant example of initiative aiming at strengthening the territorial competitiveness is the Operational Programme for the Development of Eastern Poland (EU funding), concerning the five most disadvantages voivodships of the</p>	<p>Greenhouse gas emissions have somewhat increased in recent years in relation with the strong economic development of the country. They are however much lower the level of 1988, before the transition period.</p>	<p>Renewable energy sources are still used to a small extend in Poland. The modernisation of the energy supply system will be based on the modernisation of large power stations in order to reduce their environmental impacts. Some 2-3 nuclear power</p>

	<p>investments and that the sector-oriented approach which has dominated up to now, should be given up. Stronger coordination will allow a better coherence between the actions undertaken by the government and by the regional/local authorities and those of public and non-public partners. Simplification of the implementation process is also necessary.</p>	<p>dynamic development centres; an open system of numerous metropolitan areas together with their peripheries and other growth centres which are all interconnected. In this approach, spatial planning is integrated with socio-economic planning. The planning area integrates the sea zone and gives more importance to the trans-border connections on internal and external borders of the EU.</p>	<p>country. This programme is selective in terms of eligible areas and thematic priorities. It favours the knowledge-based economy, the access to broadband Internet, the development of selected metropolitan functions in cities and the enhancement of sustainable tourism. The programme targets supra-regional interests, common public services and goods and a common strategy for cross-border cooperation.</p>		<p>plants and new coal power plants will be built with new technology standard (liquefaction and capture of CO₂). Renewable energy sources will be promoted through support to small power generators (using biomass and biogas, solar energy and geothermal energy. The electricity grid will be adapted to transmit energy from such sources. The high voltage grid will also be adapted to transmit power from wind farms.</p>
Russian Federation	<p>Examples of more comprehensive approaches in territorial planning can be found in various fields. Strengthening horizontal and vertical cooperation takes place in the devising and implementation of national projects (especially in the sectors of health, education and</p>	<p>A major factor of economic unsustainability of individual territories is their low level of economic diversification (too high dependence upon a small number of basic industries). This type of problem is even more acute at the level of individual municipalities. An inter-</p>	<p>A whole range of instruments contributes to increasing the competitiveness of territories, such as the federal development institutes and other federal economic policy instruments. Specific programmes are aiming at supporting the development of backward regions, such</p>		

	<p>housing policies) involving also regional and local authorities. The move towards a system of long-term strategic planning is also reinforcing comprehensive approaches. Strategic planning is being backed up by measures to strengthen interaction between authorities at various levels (vertically) and also develop interaction between regions and coordination of the different ministries and departments (horizontal interaction). A specific department has been created within the Federal Ministry of Regional Development to coordinate long-term sectoral development strategies and federal targeted and departmental programmes.</p>	<p>departmental working group has been set up in the Federal Ministry for Regional Development to tackle the problems. The strategies developed are to make the single enterprises of the municipalities concerned more competitive and to create here new alternative activities. A few years ago, a priority has been adopted to let the economy move from a raw materials economy to an innovative economy. The new policy instruments reach far beyond the framework of regional policy. Different Federal Ministries and Departments are handling the implementation of the corresponding measures. Examples are science parks, special economic areas and a whole host of other federal development institutes.</p>	<p>as the Far East and Zabaykalskij kray, the south of Russia, the North Caucasus and the oblast of Kaliningrad and Kuril islands. The Federal Government supports the development of infrastructures, including the business-related ones. The Russian Federation Investment Fund has been set up to develop public-private partnerships in the regions. The housing policy also contributes to increasing the attractiveness of cities.</p>		
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Slovak Republic	During the period of transition, the Slovak republic has been characterised by growing territorial disparities and increasing social polarisation. The most important approach that has emerged within the last decade to eliminate the causes and mitigate the effects of territorial polarisation concern the support to socially and economically weaker regions, changes in the institutional framework (regional development policy, regional self-governance, decentralisation), support to inter-municipal cooperation aimed at the creation of regional and micro-regional strategic partnerships and attraction of EU funds.	Sustainable forms of territorial development are embedded in the various categories of spatial development plans at the various scales. At national level, the Conception of the Territorial development of Slovakia adopted in 2001 expresses recommendations for the arrangement and structural hierarchy of settlements and settlement nodes, as well as for economic agglomerations in international and national connections. It also evaluates the requirements of sectoral conceptions in terms of spatial organisation and functional utilisation of the territory. Numerous projects of transnational and cross-border cooperation are centred on issues of sustainable territorial development.	Incentives to attract FDIs are among the most important instruments enabling to strengthen the competitiveness of regions. Support to the constitution and consolidation of clusters is acting in the same direction.	The main policies related to the prevention and mitigation of impacts of climate change are contained in following policy documents: the National Climate Programme (estimates of possible impacts; adaptation strategies in the socio-economic area and natural environment protection); the Fourth National Communication on Climate Change and the Report on Demonstrable Progress to Achieve the Commitments of the Kyoto Protocol, the National Forest Programme (2009-2011) and the National Strategic Plan for Rural Development for 2007-2013. Various projects of territorial cooperation also contribute to developing solutions with regard to the impacts of climate change.	In 2006, the government approved a Proposal for the Energy Policy, a priority of which (among others) was to increase the share of renewable energy sources in electricity and heat production in order to create adequate additional sources necessary for the coverage of domestic demand.. A governmental decree made it also mandatory to develop strategies that would allow greater utilisation of renewable sources in the country. Significant potential still exists in various fields. The Act on support to renewable energy sources has been very significant for the development of the use of renewable energy. Efforts are developed to identify the potential of the various sources to outline options for commercial utilisation and to propose targets to be reached by 2015 as
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					well as measures enabling to reach these targets.
Ukraine	<p>New schemes of territorial planning and development are elaborated for the various regions. Four of them are already completed. In this context, a special attention is paid to projects concerning the joint development of several regions and the development of cross-border regions with neighbouring countries. The planning schemes of the Autonomous Republic of Crimea and Odessa oblast are of special importance. They have both been approved at political level. The regional schemes are elaborated on the basis of a new methodology, considering the potential and level of development of each individual region. All aspects of territorial development</p>				

	are investigated. Spatial plans are also elaborated for territories building a common geographic and socio-economic unity, such as the coastal region along the Black and Azov Seas, the Carpathians, Polissya etc.				
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Table 4: Evolution of territorially significant policies (2)

	Measures /policies on territorial impacts of social polarisation (Examples)	Measures / policies promoting territorial integration along borders (Examples)	Probable territorial impacts of policies for re-boosting the economy after the crisis	Re-boosting the economy through decentralised promotion of endogenous resources and new growth sectors (Examples)
Armenia	In the context of growing territorial disparities, social polarisation can be observed at both the inter-regional level (poverty in rural areas) and at the intra-urban level. It is considered that the main tool to reduce social polarisation is the development of employment. Measures are taken to increase the quality of the entrepreneurial and investment environment. In urban areas, attention is being paid to the development of SMEs and to the attraction of foreign investors (long-term loans)	Considering that only two out of four borders are open (with Georgia and Iran), efforts in the field of cross-border cooperation are limited by these circumstances. They concentrate however on the joint management of resources, on the prevention of risks and on the solution of environmental problems. Along the northern and southern borders, close cooperation is carried out in the field of agriculture, favouring territorial integration. Euroregions have been set up in several cross-border areas (Shirak-Kars, Lori-Javakheti)	In order to counteract the sharp economic recession caused by the crisis, the government has adopted measures aiming at strengthening employment and at adapting the qualifications. New growth is expected from the construction and service sectors. It is also envisaged to orient the economy towards production investments and knowledge. The industrial policy aims at the construction of internationally competitive modern industrial complexes, including new technologies and highly qualified human resources. The attraction of foreign investors in this field will be supported by the provision of	In order to achieve a balanced territorial development, support will be given to tourist activities in regions which have potential in this field (curing mineral and spa tourism, Alpine skiing tourism, tour to vineyards, establishment of a gold/diamond jewellery centre.

			adequate infrastructure and the development of training and high-level education.	
Austria	<p>A particular example of public action for preventing social polarisation is the housing and urban renewal policy in Vienna. Strategic localisation of public and subsidised housing, spread over different city-areas and a comprehensive model of urban renewal are considered as very important. Vienna has a long tradition in social housing and in sustainable urban renewal and the impacts in preventing social polarisation are well known at international level too. Today, social housing includes approx. 220 000 community-owned and 200 000 subsidised rental apartments and also those built by non-profit or commercial building societies. Since 1995, special emphasis has been placed on the comprehensive quality of subsidised housing (instrument of the Property Developer's competition). Experimental projects, such as the free model estate, housing projects designed by and for</p>			<p>The City of Vienna has increased its investments to boost the economy and secure jobs. The main priorities are still in the expansion of the infrastructure, education, childcare, health, social welfare and culture. The City of Vienna has invested 4.4 billion Euros into the recovery of the economy, with a special importance to the backing of SMEs and to the hospitals and nursing homes. Another priority is the integration of young people into the labour market through improvement of skills. Measures for improving the infrastructures concern the R&D and technology sector as well as public transportation. A new programme for the development of social housing has been decided also. The construction of new free kindergartens is being equally promoted.</p>

	women, integration projects and passive houses are important to further improve quality. Around 7000 subsidised new apartments are built each year.			
Croatia	Social polarisation and marginalisation has increased over the past two decades as a result of the deep transformations in the country and also of the war events. It affects both marginal rural areas and cities. Specific programme are targeted towards the development of specific disfavoured regions (for instance islands). In 2007, the Joint Inclusion Memorandum (JIM) has been signed between Croatia and the EU to stimulate social inclusion. The programme comprises housing policy measures, measures in the field of active labour market policy, measures for persons in a disadvantaged social position (disabled people, refugees and homeland veterans, Rama population) as well as measures of health care and social welfare	Almost all counties of the country are situated along borders (with the exception of three). Territorial integration along borders is being promoted through cross-border cooperation programmes, both with EU countries (Adriatic Programme) and with non-EU ones (Programme Croatia-Bosnia and Herzegovina). Cooperation stretches over a wide range of activities and issues: promotion of sustainable socio-economic development, protection of the environment and of the natural and cultural heritage, development of tourism etc.		
Czech Republic	Measures adopted to curb	Cross-border cooperation is		A particular example is the

	down the impacts of social polarisation concern: the solving of problems of long-term unemployment, the support to social integration in the regions, especially of social and ethnic groups; the improvement and development of new forms of social and health services; the support to the complex care of seniors; the optimisation and restructuring of the public health care network.	largely based on the 13 euroregions. The border regions belong to the most underdeveloped areas of the country. The objective is to raise the standard of living of their inhabitants and to promote cooperation in the fields of culture, social care, economy, environment, spatial planning, development of infrastructure. In this way, territorial disparities should be progressively counterbalanced.		programme “Green light to energy savings” concerning better insulation of houses subsidised by the government. The aim is the reduction of energy consumption as well as the creation of job opportunities and the development of small businesses.
Estonia	Not a major issue in Estonia	Territorial integration across borders is promoted by the territorial cooperation programmes of the EU	The top-down policies for re-boosting the economy or mitigating the impacts of the economic crisis comprise wage subsidies for enterprises, free of charge training and retraining programmes for job seekers, increased re-adjusting funds for municipalities etc. There are no visible territorial impacts.	This type of measures has been applied only to the largest cities. The city of Tallinn is implementing a special local support package, including a large variety of measures (social jobs creation by private companies and municipal companies; financial support to entrepreneurs; training programmes and advice for long-term unemployed; financial support to the population for specific purposes such as increasing heating costs etc.).
Finland				
France	It is considered that a mixed policy is necessary to	Territorial integration across national borders is mainly	A national programme for re-boosting the economy after	Public policies emphasise more and more the

	<p>counteract social polarisation, combining local measures and national social policy measures. The national policy in favour of cities, which has a long tradition in France, attempts to counteract social polarisation in favouring access to employment for citizens living in deprived neighbourhoods, in improving the quality of life and in favouring social mix, especially through housing and urban renewal policies. In addition, specific support is provided by the state to agglomerations with acute problems of social polarisation (multi-annual programmes based on global approaches). The containment of urban sprawl is also a possible answer, limiting the social segmentation process, which leads to the location of less privileged groups in the outskirts of large cities. Specific measures are also designed for rural areas, which are more and more confronted with problems of social marginalisation, poverty and deprivation.</p>	<p>favoured by cross-border cooperation. France is involved in 20 programmes of cross-border cooperation. Territorial integration can be increased through the improvement of territorial governance in cross-border areas. The creation of the European Groupings for Territorial Cooperation (EGTC) in the context of the EU has been a significant progress in this respect. The first EGTC was created in the case of the cross-border agglomeration of Lille-Kortrijk-Tournai. Local authorities are in fact the engines of cross-border cooperation. Territorial integration is particularly strong in the region Luxemburg-Lorraine-Saarland, where 140 000 commuters cross the border of Luxemburg every day.</p>	<p>the crisis was adopted in February 2009. The main objective was to maintain employment and economic activities through support to enterprises, fiscal measures and the speeding up of public investments. The strengthening of the attractiveness of territories through the development of infrastructures is one of the main priorities ((high level education and research facilities, enhancement of the cultural heritage. Support to investments by the local and regional authorities is a significant part of the programme. In addition a national fund for the revitalisation of territories was created in April 2009, with the aim to provide loans to enterprises threatened by the crisis, enabling them to maintain employment. It has been estimated that 250 000 jobs were saved in 2009 in the context of the national programme for re-boosting the economy.</p>	<p>development of “territorial excellence” (or territorial outstanding capital) in the context of re-boosting the economy. These can be developed in various sectors: tourism, environment, economy etc. A specific example, in this respect, is the policy of the “rural poles of excellence”, launched in 2006, which aims at developing employment in disfavoured areas. Projects are supported which belong to the following categories: technologies for industries and handicraft in rural areas, services and housing for new inhabitants, exploitation of bio-resources, enhancement of the natural and cultural heritage and tourist development. This initiative has generated the creation of a significant number of jobs.</p>

“the former Yougoslav Republic of Macedonia”				
Germany	<p>The urban development programme “Urban districts with special development needs – the Socially Integrated City” was launched in 1999 with the aim of stopping the downward spiral in depressed urban districts and of significantly improving the living conditions. Today, there are 523 urban areas concerned by the programme in 326 municipalities. The Social city programme adopts an integrated and complex neighbourhood development approach. Measures and projects can be attributed to a catalogue of 13 thematic fields of action. Related demonstration projects mainly focus on the integration of migrants, participation, school and education, community cohesion and other social activities.</p>	<p>Territorial cooperation and integration across national borders has a long tradition in Germany. Since the 1950s, cross-border cooperation structures between local and regional authorities have emerged on the internal and external frontiers of the EU, which are often called Euroregions or Euregios. They involve political, administrative, economic and social stakeholders as well as citizens and other stakeholders, according to the principle of consensus. Some Euregios have a cross-border parliamentary representation. There are also other types of structures and instruments to promote cooperation between national authorities. Apart from bi-national spatial planning commissions (e.g. German-Polish and German Dutch border) they include agreements putting governmental commissions with a larger area of responsibility into force</p>	<p>In order to counteract the effects of the financial crisis, the Federal government has adopted successively to national stimulus programmes (Acts). The first package of measures, adopted in November 2008, promotes investments and orders of companies, private households and local authorities up to an amount of around 50 billion Euros. The programme contains very diversified measures, such as those aimed at safeguarding employment, accelerated depreciations for SMEs, energy-efficient refurbishment of buildings, accelerating transport investments etc. The second programme, adopted in January 2009, includes measures amounting to 50 billion Euros. It focuses first on measures with short and medium-term effects. Secondly, comprehensive investments in the future-oriented areas of education,</p>	<p>Decentralised measures to tackle the depression are mainly taken by the Länder and the regions. Examples are the loan and suretyship programmes of the Länders’ loan and guarantee banks, which were adjusted to the current situation or newly launched. It was decided at Länder level to speed up investments in infrastructure or to launch additional investment programmes.</p>

		(Upper Rhine area; lake of Constance). Other examples are provided by working consortia dealing with cross-border cooperation across a larger area or across several national borders (e.g. ARGE Alp and ARGE Donauländer). In addition, there are also some cross-border urban networks or links such as MONT (Münster-Osnabrück-Netwerstad Twente), Quattro Pole (Luxemburg, Metz, Saarbrücken, Trier) and the double town of Zgorzelec (Gorlitz; Zgorzelec)	infrastructure and climate change mitigation aim at strengthening and modernising these sectors in the long-term. A large part of the programme is also devoted to the development of all kinds of infrastructures (educational, social, health, transport infrastructures, urban renewal)	
Hungary	Measures aiming at counteracting social polarisation are taken at regional and micro-regional level, rather than at urban level. Resources for regional development are allocated, among others, to areas with complex backwardness. The government has also launched an integrated development programme for the most disadvantaged micro-regions (33 in total within the country), which is financed by the New Hungary Development Plan. Project packages are financed in the	Several types of cross-border and transnational cooperation activities are promoting territorial integration. Along the Hungarian borders, 14 Euroregions promote cross-border cooperation. Their fields of activities were enlarged in recent years. In order to improve territorial governance in cross-border areas, two EGTC were created, one along the Hungarian-Slovakian border, the second for the cooperation area along the Slovakian-Hungarian-Ukrainian-Romanian borders. The EU programmes of	Several economic recovery measures were put into force to overcome the financial and economic crisis. In the summer 2009, various action plans were adopted in the automobile industry, logistics, medical and biotechnological industry, information and communication technological industrial policy. The function of these measures is multiple. They have effects in various fields like regulation, public policies (especially education, vocational training and human resource development) and direct transfer measures.	Internal trade was strongly hit by the economic crisis: the turnover of retail trade has significantly decreased. The strategy under work aims at strengthening the market position of small retail enterprises, lowering the administrative burden for commercial enterprises, improving the marketability of domestic products and the widening of cross-border relations in commercial activities. In addition, several financial programmes aim at supporting the enterprises (micro-credit programmes,

	<p>following fields: renovation of nurseries, schools, consultation rooms, development of waste- and rain water collection and implementation of educational, employment and health development programmes with special emphasis on the integration of Romas, according to the needs of the micro-region. Specific incentives to attract enterprises in the most disadvantaged micro-regions are also part of the programme.</p>	<p>territorial cooperation play an important part in the strengthening of territorial integration across Hungarian borders. The cooperation of the Visegrad Four Countries (Czech republic, Poland, Hungary, Slovakia) contributes to territorial integration. Romania and Bulgaria joined also this cooperation. The harmonisation of regional development policies, for instance in the field of transport networks and cross-border development axes, is part of this cooperation.</p>		<p>easing of credit accessibility, New Hungarian Current Assets Credit Programme, SME Investment Credit Programme.</p>
Ireland				
Latvia			<p>In order to mitigate the impact of the economic crisis and to re-boost the economy, the Ministry of Regional development and Local government has elaborated the Latvia's Strategic Development Plan 2010-2013, which focuses government policy on three priorities: renovation of economic development (reduction of regional disparities through targeted investments in local municipalities), social safety (pecuniary aid) and public</p>	<p>Special attention is paid to the activities of the local level (municipalities) for promoting economic development. The range of available support measures at disposal of local municipalities varies from tax rebates on real estate, provision of investments in infrastructure, creation and development of industrial areas, assistance to entrepreneurs in the creation of new products and services and markets. Municipalities can also establish business</p>

			administration and effectiveness of its services (improved availability of services to citizens either in electronic form or in person throughout the whole territory, establishing one-stop agencies)	support centres. The increase of the quality and effectiveness of public services at local level is also a priority.
Norway	It is considered that successful cities and societies of the future will be intercultural. They will be capable of exploring the potential of their cultural diversity to stimulate creativity and innovations and thus generate economic prosperity and a better quality of life. Along these principles, policies aim at developing a creative economy, receptive and supportive to diversity, (enabling immigrants to develop their own activities), at addressing issues of the housing market and social geography (greater ethnic and social mix) and at renewing the public space (accessible and attractive to everyone, (with common meeting grounds for a diversity of citizens). A significant example is the OXLO policy (Oslo Extra Large – A city for All).	A wide range of organisations, policies and programmes contribute to territorial integration across national borders. The Nordic council of Ministers deals with topics that are of common Nordic interest. There are numerous cooperation areas within the fields of environment and nature. Norway is involved in four cross-border Interreg programmes. The Kolarctic European Neighbourhood and Partnership Instrument (ENPI) is promoting cross-border cooperation within a region including the northern parts of Finland, Sweden and Norway and a large part of North-West Russia. The Sami cooperation concerns joint school and kindergarten programmes along the Norwegian-Finnish border. The Arctic Council, active in circumpolar cooperation, was	The Norwegian economy has been affected by the financial crisis and the global recession, but to a lesser extent than in most other industrialised countries.	Beside classical export-oriented activities (marine sector with seafood products; maritime industries with specialised shipyards), other endogenous activities are being promoted (research, technological development and commercialisation of environmentally-friendly energy like wind power stations; development of environmental technologies). Tourism is a very important activity for Norway and has numerous possibilities of further development (northern regions, tourism in Sami areas, coastal tourism, mountain tourism, urban tourism).

<p>Poland</p>	<p>In order to counteract the deepening of social polarisation in cities, redevelopment projects are being carried out. A particular example is that of Warsaw, where the strategy is aiming at coordinating several policies in the areas covered by redevelopment schemes and to support individual city districts in their activities in the field of sustainable urban redevelopment of areas that have lost their previous social and economic functions. The main criteria for selecting redevelopment areas are social ones: high rate of unemployment, social pathologies and inertia. The strategies comprise the activation of the local economy, the redevelopment of buildings, the good management of open spaces, so as to create real conditions for self-development of local communities. The approach is comprehensive. It is not only physical, but also social and includes social projects aiming at professional and social activation.</p>	<p>established in 1996.</p> <p>Along the borders with EU countries, the border areas have benefitted from the elimination of barriers (trade, mobility of people, capital and services) and they have gained new positive incentives (economic growth, international cooperation, exchange of experiences and good practices). The progress of territorial integration in these areas is still affected by some constraints, such as poor accessibility, cultural and social differences, competition from neighbouring regions, especially in the west of Poland. Territorial integration is progressing much less rapidly along the borders with Russia, Belarus and Ukraine.</p>	<p>There is no special survey on the impacts of top-down public policies carried on.</p>	<p>The draft National Regional Development Strategy proposes to convert regional policy understood classically as a tool of financial redistribution, into a policy aiming at using fully the endogenous potential of territories to achieve the goals of national development: growth, employment and cohesion. In the present strategy (National Strategic Reference Framework), one of the most important ways of achieving growth and cohesion is the support given to large cities as regional growth poles. It is expected that their strengths will also benefit to their surroundings (small towns and local territories).</p>
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Russian Federation	<p>The objective of developing human potential and increasing the quality of life of the population have been laid down for all Russian regions. Given the existing imbalances in the level of socio-economic development, it is hardly possible to guarantee equal living conditions throughout the country's territory, but definite steps are taken in this direction. In particular, federal support for regional budgets is a strong focus of attention in Russia, as a significant proportion of socially oriented expenditure is borne by regional and local budgets.</p>	<p>The legal and regulatory basis for implementing inter-regional and transfrontier cooperation in the Russian Federation, is laid down mainly by the European Outline convention on Transfrontier Cooperation between Territorial Communities and authorities. A significant role in the development of transfrontier cooperation is played by the business councils of chambers of trade and industry of transfrontier regions. One example was the setting up of the Business Council of the Chamber of Trade and Industry of the Belarus-Russia-Ukraine border zone. Friendly relations at local level supplement international and external political links between regions.</p>	<p>The programme of the Russian Federation to counteract the economic recession comprises a variety of measures related to social obligations, the development of the industrial and technological potential, the stimulation of domestic demand for Russian products, the stimulation of innovation, the forging of a powerful financial system and the ensuring of macro-economic stability. The federal support has been concentrated in the regions, which have suffered most from the crisis. These are those with a high or medium level of economic development. One example is the car industry. A whole host of measures were taken to stabilise the situation in this sector. Large car industries are located in well-developed cities like St Petersburg Samara, Nizhny Novgorod. Further efforts to create a stimulus for economic growth are concentrated in the best-placed regions, which have the greatest potential for economic development, the best conditions for innovative</p>	<p>Recognising the advantages of decentralised decision-making, the federal authorities empowered the constituent entities of the Russian Federation to independently devise anti-crisis measures, which were partly funded from the federal budget, in the form of subsidies to regional budgets. Examples are the support to measures easing the tensions on the labour market (vocational training of workers in companies, organisation of community work etc.) or measures in favour of SMEs and of self-employment.</p>
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			activity. At the same time, the regional policy aims at creating conditions for socio-economic development in problem areas.	
Slovak Republic	<p>There are no ethnically segregated areas in Slovak cities, but Slovakia has a relatively high representation of Roma population, leading to the existence of segregated Roma settlements exhibiting rather extreme representations of social polarisation, high poverty and social exclusion. These settlements are mostly located in rural areas of eastern and partly central Slovakia. A Roma ghetto also exists in the city of Kosice (Lunik IX). In order to reduce the deepening of polarisation in cities, various types of measures are envisaged, such as the mapping of community resources, support to employment stability, resolving the housing and insecurity problems, development of community financial institutions, enhancing the use of social assistance benefits.</p>	<p>The border regions of Slovakia are still subject to numerous development constraints and territorial integration progresses slowly, with the exception of the south-western part of the country bordering Austria and Hungary. The measures taken to increase integration across borders comprise the promotion of cooperation in the euroregions, at the level of self-governing regional units, the formation of regional and micro-regional associations of municipalities of the cross-border regions and various cross-border initiatives of local self-governments. The self governing counties assume a position of the most significant promoters of integration in marginalised cross-border regions. Municipalities focus generally only on the development of cultural and social cross-border cooperation (bottom-up approach)</p>	<p>Short-term measures adopted by the government to lessen the impacts of the economic crisis are related to the expansive fiscal policy, the use of EU structural funds and investment projects in the area of highways. A second group of measures with medium-term impacts aims at improving the business environment.</p>	<p>In the context of structural policies, measures with medium-term impacts and with regional character, are implemented in the fields of education, employment and energy. It is however not yet possible to assess the territorial impacts of such measures.</p>

Ukraine				
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