



Institute for Development

**RECOMMENDATIONS FOR APPLYING
TERRITORIAL COHESION CONCEPT FOR
CONDUCTING DEVELOPMENT POLICY IN
POLAND**

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Wnioski i rekomendacje dla prowadzenia polityki rozwoju w Polsce uwzględniającej spójność terytorialną

Sierpień 2015

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Abstrakt

Artykuł ten podsumowuje prowadzone do grudnia 2015 roku badania Instytutu Rozwoju nad wprowadzaniem do polityki rozwoju, w kontekście wzrostu gospodarczego, koncepcji i kategorii przestrzennych, głównie spójności terytorialnej. Polska jest pod tym względem zaawansowana na tle innych krajów europejskich. Jednak wiele aspektów programowania i realizacji polityk wspierających rozwój w jego wymiarze terytorialnym wymaga wzmocnienia. Najważniejsze sugestie w tym względzie są zaprezentowane w niniejszym artykule. Artykuł ten stanowi rozbudowaną wersję wcześniejszego artykułu zatytułowanego „Wnioski i rekomendacje dla prowadzenia polityki rozwoju uwzględniającej spójność terytorialną. Terytorialne aspekty polityk publicznych” prezentujące wyniki badań prowadzonych do początków 2015 roku.

Artykuł prezentuje wyniki badań Instytutu, które prowadzone były w ramach projektu finansowanego przez Narodowe Centrum Nauki (numer 2012/05/B/HS4/04212) „Kategoria spójność terytorialna w polityce spójności. Implikacje dla wzrostu gospodarczego”.

Kody JEL : R11, R12, R58

Słowa kluczowe: spójność terytorialna, terytorializacja polityki, polityka rozwoju.

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Recommendations for applying territorial cohesion concept for conducting development policy in Poland

August 2015

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Abstract

This article summarizes the results of the research conducted by the Institute for Development focused on the introduction of the spatial concept, mainly territorial cohesion, to development policy, in the context of growth, concepts. The results are valid as for December 2015. Poland in the respect of territorialization of its development policy has outpaced other European countries. However, many aspects of programming and implementation of policies enhancing growth in the territorial context need strengthening. The most important challenges and solutions are presented in this paper. This is an update of the previous paper entitled "Recommendations for applying territorial cohesion concept for conducting development policy. Territorial aspects of public policies" presenting the research completed till the beginning of 2015.

The paper presents the research conducted by the Institute, financed by the Polish National Science Centre under the project "Concept of the territorial cohesion in cohesion policy. Implications for Economic Growth" (no. 2012/05/B/HS4/04212).

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Keywords: territorial cohesion, policy territorialisation, development policy

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The results of the research conducted by the Institute for Development (e.g. Szlachta, Zaucha 2010; 2012; 2014; Zaucha Ciołek 2014; Zaucha et al. 2013; 2014; Böhme et al. 2011) indicate a significant causal link between the territorialization of public intervention on the one hand, and development and economic growth on the other. High quality directing of the structural intervention is not only important in sector systems, but also in territorial cross sections. Thus far there has already been a lot of success, but there are also many barriers. On the asset side, there is the following:

- at the national level (Poland):
 - a) an architecture of development policy in Poland that allows for the integration of the spatial approach and the traditional socio-economic approach (with emphasis on the existing legislation, government documents, and large strategic role of voivodeship governments in development)
 - b) accumulated, and, what is important, verified experience and know-how on how to implement policies aimed territorially, i.e. place-based policies (including new tools, e.g. territorial contracts, ITIs)
 - c) growing and systematically collected information and data about the spatial context of development (through the operation of the Regional Territorial Observatories and the National Territorial Observatory), although it is still a challenge to incorporate all this potential into the implementation of development policy, not to mention the standardization of information, maintaining long and comparable time series, ensuring their proper spatial disaggregation, and the problems arising from the excessive delay in the publication of information on territorial disaggregation which makes them less useful for policy implementation¹,
 - d) support for the concept of place-based policy by central administration in the domain of research and international projects (place-based policy leadership)
 - e) an active approach of the scientific community and of central government to undertaking territorial analyses and approaches. (at the level of the entire country, empirically oriented research was generated by the National Territorial Observatory – NTO --

¹ e.g. the emergence of the key categories of economic development and distribution of national income with a two-year delay

and at the level of voivodeships that role was played by individual Regional Territorial Observatories - RTO).

- at the European level
 - a) a treaty dimension of territorial cohesion creating more understanding for this category among decision-makers and politicians,
 - b) increasing awareness of the territorial dimension of development by, for example, the ESPON program and the activities of EUROSTAT, even though here, too, similar problems arise as at the national level,
 - c) experimental tools for the territorialization of policies (e.g. ITI and CLLD, URBACT), which, however, are on the margins of the EU financial intervention.

The main barriers are:

- at the national level:
 - a) elitism, i.e. understanding the need for territorialization of development policy is limited to a small group of leaders
 - b) lack of implementation of some provisions of strategic documents and an incomplete use of the opportunities offered by the existing legal provisions (limited recognition of the territorial aspects of policies, the weakness of territorial contracts, sometimes only formal territorialization of voivodeship development strategy, lack of implementation of the NSDC to the medium-term strategy of national development, lack of implementation of many demands of the NSRD, etc.),
 - c) lack of systemic thinking about territorial issues in the context of growth and development (no deposit in development policy of concepts such as territorial utility, territorial optimum, etc.),
 - d) lack of certain skills (tools) in implementing this type of development policy, i.e. place-based, such as the following:
 - the sharing of knowledge and information as a way of conducting development policy
 - assessment of the impact and effects of spatial development policy and its decisions on different spatial scales (e.g., spill-over in space of the effects of urban policy and transport policy)

- consideration of territorial capital as a factor of development, including its definition and measurement,
- measures to enable the inclusion into territorial (place-based) policy of entities with a weak formal mandate (currently focus on local governments and government agencies, and the interactions between them, which is not conducive to legitimacy in a network society (Faludi 2015))
- e) lack of experience in implementing development policy in its place-based dimension above and beyond the borders of formal jurisdiction (in terms of the creation of so-called *place governance* - Faludi 2015); for example the territorialisation of contracting is recognized in the Polish law on the implementation of development only at the level of voivodeships,
- at the European level:
 - a) lack of clear political ownership of territorial cohesion and thus lack of political commitment regarding territorial issues; a manifestation of this is that the mainstream of development policy is divided between the Member States and the responsibility of the European Commission - the result is, on part of the Commission, a mix of the territorial approach (ITI, urban policy) and the sectoral, e.g. 11 thematic objectives, and on the part of the Member States, the Territorial Agenda is poorly translated into EU policy
 - b) divergence of intentions and of the reality of the programming process, in which the concept of integrated development has thus far failed to take root; superimposed over this is a hard sectoral policies system (many EU policies offer a limited recognition of the territorial aspects, which may be due to e.g. ministerial and not issue-based structure of the Commission itself and too little influence on the policy of the European Parliament), a similar problem arises at the level of member states,
 - c) programming based on the level of GDP and not taking into account other reasons for differentiation of intervention; for instance, such important elements for policy territorialization as the structural characteristics of the regions, their geographical location, existing developmental trajectories, resistance to the crisis phenomena, etc. are ignored
 - d) lack of understanding of the need for territorial cohesion by the general public (The problem in efforts to enhance the status of the social perception of EU intervention is that a

number of the benefits of territorialization of public policies is recorded with a significant delay and in different spatial scales than the intervention itself, as well as the fact that the benefits are present in a significant proportion outside the realm of the dynamics of the gross domestic product (ESPON 2005)).

It seems that the European Union has created the necessary democratic and market institutions to support economic growth. Yet the European project is experiencing some turbulence. Perhaps one of the reasons is the uniformity of those institutions and not taking into account of the territorial context. We must therefore consider whether the time has not come to abandon the exclusive top-down approach in favor of that of the network, and then the local, regional, and national institutions in such networks can provide added value in relation to the present state of affairs. Thus, place-based approach is valid and important in this context.

The conclusions and recommendations presented in this book relate principally to three administrative levels: the European Union (European policy), its Member States (interregional policy) and regions (intraregional policy). Both in the case of the European Union and of Poland it is one of the most important provisions of development, especially significant in the conditions of deep economic crisis that has affected the European Union since 2008. The conclusions and recommendations presented in this chapter cover a very wide range of activities which are necessary for the utilization of the territorial dimension and concern the following: political and legal aspects of European and Polish bases of programming, territorial elements within the European cohesion policy, including urban policy and regional policy in the Member States, the current territorial aspects of sectoral policies, research and evaluation, basic information, as well as promotion of the topic.

1. Political and legal basis of programming at the level of the European Union

The analyses show that the EU has a problem with an authentic harmonizing of spatial scales in development policy - the dominant approach remains top-down against the idea of territorially based policy. The multi-level governance of development processes in the EU resembles an upside down pyramid. The main objectives formulated at the European level (top of the pyramid) are transferred to countries and regions and their sub-areas (the base of the pyramid). This is not a stable system, also in the context of building resilience to crises. It conflicts with a strictly territorial approach, which should, by definition, grow out of

the specificity and regional and local needs. The implementation of the meta-strategy Europe 2020 by inserting national and regional development policies into a corset of top-down guidelines and restrictions (e.g. in the form of investment ceilings - so-called ring fencing, or specific 11 thematic objectives) may be subject to various assessments, but should not be considered a manifestation of the territorial approach. The systemic error lies in the fact that the push to achieve the largely legitimate goals at the EU level or individual country level is forcibly linked with the place-based approach (see regional operational programs for the years 2014-2020), which may be impossible or counterproductive. Without denying the importance of community or national purposes (as reflected in documents such as the Europe 2020 Strategy and Medium-term Development National Strategy), the following is recommended:

- **Establish a bottom-up channel of the EU development policy creation, where the needs, resources, and goals of individual regions and their subdivisions would indicate a natural vector of development of the EU** (the traditional pyramid scheme).

Despite the obvious efforts to territorialize the EU development policy, including an increasingly wider application of the integrated approach, this process has not reached the critical mass necessary to change the EU architecture supporting development. An example can be the case of Europe 2020 Strategy, broadly described in this monograph, which was developed as an a-spatial document parallel to the Territorial Agenda of the EU. Keeping only the purest place-based policies will certainly interfere with community or national objectives. Therefore, in the final result, multi-level governance of development should be the outcome of a top-down approach (sectoral) and bottom-up (spatially rooted). For this to happen, however, grassroots creation of place-based policies must go beyond the realm of the declarative. The following would therefore be recommended:

- **The holding -- in different scales and cross-sections in which development policy is implemented -- of a public debate on the subject of territorial cohesion, i.e. what purpose is this cohesion to serve, how to understand it, how to use in programming practice and what benefits it might have. It is about creating an integrated understanding of the concept of development policy while preserving the diversity of understanding of the concept of territorial cohesion. The operational definitions of this category may vary, e.g. within the framework of the EU macro-regions.**

- **At the EU level, taking action to provide political ownership and political commitment to territorial cohesion as it happened in the case of sustainable development. Without this, the existing experimental instruments for territorialization of policies (e.g. ITI) will remain on the fringes of development policy. This type of process should include not only strictly political activities (committees, strategic documents, etc.), but changes in educational programs for schools educating future decision-makers and experts that would allow for the mental combining of the sectoral approach with the spatial and socio-economic approach in development policies. Only on this canvas would it be possible to work in order to introduce the category of territorial utility into the development policy of the EU.**
- **Intensify work on the extension of the intervention on grounds other than national income evidence (beyond GDP), it's about taking better account of the mechanisms of development, territorial assets, etc., and then use the results to substantially broaden the foundations of the European cohesion policy intervention of a government.**
- **Systematic continuation of evaluation studies regarding long-term prospects of the EU regional development, and the subsequent efficient translation of these records to determine medium-term program documents (this is important because of the complexity of the European Union in its social, economic, territorial, cultural and political aspects, as well as because of the changes in the near and the more distant environment).**
- **The introduction in the next multiannual financial perspective of EU i.e. after 2020, of a new generation of medium-term program document dedicated to the European cohesion policy of the European Union, based on territorial considerations of the structural intervention of the European Union, located high in the hierarchy of multi-annual programming of European policies.**

However, other activities that can bring results much sooner include:

- **Obligating the European Commission to implement further Territorial Agenda of the EU within the framework of the current provisions of the European cohesion policy as a basis for a fundamental expanding of the scope of its territorial dimension.**
- **Developing a roadmap of territorialisation of policies of the EU and member states beginning with the simplest things (the Polish example shows that it may be good to start by implementing the place-based paradigm through place-based dialogue).**

2. The Legal Basis For Programming in Poland

In Poland, while positively assessing the assumptions of the current law concerning the principles of development policy that potentially strengthens the territorial dimension, it is important to note the less than optimal experience so far in terms of its implementation, starting from the actual degree of integration of strategic documents and ending with the applied mechanisms in contracting, integrating, civilizing.

We propose the following:

- **Substantive (not only verbally) integration of two long-term trends in programming: the socio-economic and the spatial development, which should substantially strengthen the territorial premises.**
- **The introduction of mechanisms to monitor the implementation of this principle (prescribed in Polish legal acts), also with regard to the territorial elements.**
- **In the longer term, the incorporation into the law of the category of territorial utility as a public choice construct carried out on the agreed terms in the dialogue process within the region, as well as between the region and the national authorities.**

The Polish legal basis, in particular existing relationship between long-term strategy, medium-term and integrated strategies can be considered as an appropriate basis and starting point for the development of territorialisation. In this regard, we recommend therefore only the following:

- **The extension of the long-term time horizon of programming in Poland to 2050 in order to create a basis for international dialogue with neighboring countries and throughout the EU**
- **Supplementing the list of integrated strategies (preparing their next generation) with the strategy for public health, as indicated also by the European Commission in connection with the programming documents relating to ESIF for Poland 2014-2020;**
- **Continuing the successful model of pre-defining the necessary scale of the territorial dimension in strategic documents of the integrated strategies.**

As is apparent from the research presented in this monograph, there also exists in Poland a flawed strategic integration at the regional level. A full integration of the main strategic documents (strategy of socio-economic development of the region and the spatial development plan) is probably impossible. Nonetheless we postulate:

- **The introduction of a unified and compatible territorialisation of regional and spatial policy in both these documents.**
- **The future enlargement of urban policy programming by adding the regional level (it is imperative to prepare a medium-term strategy on urban policy in Poland, and perhaps also of urban policy at the level of individual voivodeships, which would be an important element of the state's territorialisation of regional policy (Szlachta 2014).**
- **Beginning in the near future, preparing the next edition of strategies of individual voivodeship development. These strategies should apply to the time horizon of 2030, include further broadening of the scope of territorialisation (including a fuller involvement of territorial capital) and assume a significant shift in development policy funding from the EU funds to domestic sources, as well as the introduction of new statutory instruments, such as territorial contracts (including at the sub-regional level).**

3. The Bases of Cohesion Policy

The current EU regulatory package for 2014-2020 (European Union 2013), addresses the territorial dimension only within a very modest range. Against this background, the following recommendations can be formulated:

- **Conduct an evaluation during the programming period (after the start), to determine if the instruments used in the current programming period actually translate into significant socio-economic effects and whether the necessary territorial logic of the scope of the EU structural intervention was obtained;**
- **The holding of a scientific debate regarding the expansion of the range of territorial instruments that are mobilized under the regulations of the European cohesion policy in the next multiannual programming period, i.e. after 2020;**
- **Achieving the consensus that after 2020, the European Union will expand in important respects the range of territorial instruments, especially hard ones;**
- **Using the potential for territorialisation of policies that stems from the introduction of the practice of a new instrument that assesses territorial impact (Territorial Impact Assessment).**
- **URBACT powered with sufficient financial means should remained as an important part of developing a territorial approach within the European Union. However URBACT in its**

structure should be consistent with the place-based paradigm, which means the need to move away from the current sectoral system of running the program.

In Poland, (because of the deficits outlined above), the following are particularly important:

- **Undertaking work on the territorialisation of development policy instruments through the systematic sharing of knowledge by the development game actors about its territorial context at different spatial scales. The starting point could be a public debate on the sharing of knowledge as an important instrument of development policy.**
- **Undertaking work on the territorialisation instruments of development policy by actors of the development game without jurisdiction and conducting development above the borders of formal jurisdiction areas, for instance on the basis of agreements (network place-based policy carried out on the basis of a contract or agreement such as ITI or CLLD are a good starting point).**
- **Monitoring and possible support for this type of contracts and agreements, so as not to waste the potential of territorial cooperation that results from the administrative border crossing (in particular in the framework of functional areas).**
- **Building a set of tools for the evaluation of development policies carried out in different spatial scales by the development actors that concern them (emphasis not on conflict but on the positives, e.g. creating synergy)**
- **Extending the future possibility of concluding contracts for other territorial units (see the Pomeranian voivodeship as an example of good practices).**

4. Territorial Elements of Regional Policy in Poland

The basic weakness of the National Strategy of Regional Development (NSRD) for the years 2010-2020 was to translate only some of its provisions into actions taken under regional policy and other public policies. It is therefore necessary to

- **Make a comprehensive diagnosis of why some, otherwise correct, NSRD recommendations proved unrealizable;**

The time elapsed since the adoption of the NSRD 2010-2020 and a significant change in the socio-economic and territorial context of Poland means it is necessary to proceed urgently to prepare a new strategy of this type. The relevant recommendations for a new NSRD are for

this document together with National Spatial Development Concept (NSDC) to become the canvas for a continuing territorial dialogue. The following are some of the postulates:

- **Extending the time horizon of the NSRD till 2030,**
- **The verification of the list of types of Strategic Intervention Areas (OSI) proposed in 2010, and then determining the current spatial extent of particular types of OSI.**
- **The actual operationalization of the territorial dimension of public intervention through instrumentation, and not just the theoretical analytics of Strategic Intervention Areas.**
- **The introduction to the NSRD of the algorithm of public funds distribution, including the European ones, among voivodeships.**
- **In the new NSRD, an assumption of the new model of post-funding regional policy in Poland, in anticipation of the reduced scale of transfers from the EU to Poland post-2020;**

Ultimately, after 2020 the Polish regional policy and other development policies will replace the EU Cohesion Policy. It is therefore necessary to incorporate into those policies the set of tools (at the national level) discussed in the previous section.

5. Territorial Aspects of Sectoral Policies

The research presented in this paper indicates that in the Polish conditions sectoral policies that build some elements of the territorial capital are relevant for the economic growth of counties. This also includes:

- **a further expansion of communication infrastructure conditioning availability,**
- **simultaneous large-scale investment in human capital development,**
- **an expansion of knowledge capital (including research and development potential) capable of producing knowledge and of effective absorption of knowledge from the outside,**
- **stimulating the development of central areas that constitute essential Polish growth poles,**
- **creating the potential for the internationalization of the economy and networking of cities.**
- **further implementation of development policies based on clusters.**

Despite this, many policies both in Poland and in the EU (even those defined in the Cohesion Report as having a territorial dimension) offer a limited recognition of territorial aspects. The

problem concerns to a greater extent sectoral policies than cohesion policy. Therefore, the following recommendations can be formulated at the EU level:

- **For each of the European public policies to determine the rational extent of its territorialisation, in order fully to exploit the territorial potential of the European Union, its Member States and regions.**
- **Developing, on that basis, a territorial audit of the EU policies (indicating to which territorial aspects these policies should pay special attention) and of the eleven thematic objectives.**

At the Member States level the question of the territorialisation of policy is even more important. Generally, public funds are allocated either to sectoral policies or to regional policy. In Poland, sectoral policies and interregional policies lie within the competence of the Government, while the intra-regional policy lies within the competence of voivodeship governments. Therefore we propose the following:

- **Systematic and systemic verification of the demarcation lines between national policies (sectoral and inter-regional) and the intraregional policy in favor of decentralization, thus potentially expanding the meaning and scope of the territorial dimension;**
- **Speeding up the so-called mapping of each of the sectoral policies providing public services (health care, education, etc.) which will rationalize public intervention at the level of individual sectors, undertaken in territorial systems;**
- **The mapping of territorial impact (i.e. building the territorial capital at the level of counties) of transport, cluster, and urban policies, as well as policies that lead to the formation of human capital and knowledge capital and the internationalization of unit economies.**

6. Research and Evaluation

The territorialisation of policies, the wider introduction of the concept of territorial capital, and therefore the implementation of territorial cohesion requires support from the research sector. Many issues still require solutions. For example, little is known about the territorial impact of public authorities' interventions made in a specific area (i.e. localized), or about spatial interactions between subnational areas (regions), not to mention the impact of territorial capital on economic growth in spatial systems. Despite the publication in the

ESPO program of a number of valuable reports, there has been a lack so far of a translation of their results into the European cohesion policy, and the periodic reports of the European Union Cohesion disregarded almost entirely the results obtained within the framework of the ESPON program (CEC 2010; 2014)

The key conclusions and recommendations are therefore as follows:

- **The continuation in the coming years of the ESPON program and research, while at the same time substantially increasing their impact on the European cohesion policy and other policies of the European Union;**
- **An extension of the territorial scope of these analyses, taking into account not only NUTS type units , but also other territorial cross-sections, such as functional areas or Strategic Intervention Areas - ASI;**
- **An urgent identification of gaps in knowledge in the field of territorial cohesion and directing research to eliminate them. The research results presented in this monograph established that the most serious deficits in knowledge relate to, among other things, territorial utility. Another problem is also the difficulty of measuring the determinants of economic development, e.g. cultural or more largely understood social character and their impact on economic growth units. It is also important to determine the most promising lines of research, which, based on our research project, we believe are as follows: the introduction of territorial capital into growth models (the study of the impact of territorial capital on TFP territorial units) and the use of macroeconomic models to examine the effects of spatial development projects.**

At the level of Member States, including Poland, we postulate:

- **Giving priority to research related to territorial dimension, because of its importance for the socio-economic development of the country and the use of territorial potentials;**
- **In case of applied research (in Poland this concerns research conducted by national territorial observatory and individual regional territorial observatories) directing it in order to obtain comprehensive results concerning territorial dimension, territorial potentials, territorial systems, territorial cohesion, etc.;**
- **Directing research onto the subject of territorial impact evaluation of development policies carried out at different spatial scales and spatial interactions between territorial units;**

- **A wider inclusion in the research of territorial capital in territorial disaggregation, that is at the LAU 1 and LAU 2 levels (in Poland that means municipalities and counties) as a factor in the growth of regions and the whole country.**

The European Union and its Member States conduct a wide range of evaluation studies carried out in the following modes: *ex ante*, during the programming period (*on-going*), and *ex post*. In general, the vast majority of these evaluations is a-spatial. In Poland, even the evaluations of regional operational programs usually treat the given voivodeship as a whole. Therefore, we recommend:

- **A substantial extension of the territorial scope of evaluation in evaluation research, which should be taken into account already at the stage of preparation of the relevant terms of reference.**

Conducting research requires access to information and statistical data in territorial disaggregation, taking into account the demand of the development policy based on functional areas. If this is to be possible, we recommend:

- **An updating of historical data concerning territorial systems, at least since 2004, i.e. from the enlargement of the EU.**
- **In the context of Faludi's (2015) postulates, undertaking the effort of collecting standardized and comparable information in selected functional systems in the European Union, instead of reducing them almost exclusively to the system of regionalization in the combined areas of the Territorial Statistics (NUTS 1, above all, NUTS 2 and NUTS 3, but sometimes also local administrative units - LAU 1 and LAU 2). The first step may be the attempt proposed by TeMo (Damsgaard et al. 2012) to assign territorial typologies to the routinely collected broader statistical information. The main recommendation is, however, to take into account selected (most important) integrated functional areas and the extension of the selected recording to the level of local administrative units LAU 1 and LAU 2 (Local Administration Units 1 and 2).**
- **A significant speeding up of data processing in territorial systems, so that it can be the basis for shaping the current policy and reduce the frequency of changes in the methodology of creating the indicators which in turn causes the incomparability of data compiled for individual years.**

- **Provide a minimum of continuity in the presentation of territorial cohesion changes in Cohesion Reports, as is the case regarding social and economic cohesion.**

All of these shortcomings occur also at the level of Member States and regions, which applies, among others, to Poland and its territorial units (voivodeships and areas of NUTS 3 type), which is why these recommendations can also be applied to our country. Central Statistical Office systematically develops local market statistics, compiled in the system of territorial organization of the state. Individual Provincial Statistical Offices specialize in selected themes, developing statistical method of their registration as territorial systems (for example, the Regional Statistical Office in Katowice specializes in national income, the Regional Statistical Office in Szczecin in innovation, etc.). The special information system STRATEG was established in Poland with the aim of imaging the effects of the EU structural intervention in Poland.

Additional recommendations that we propose with regard to Poland are as follows:

- **Significant broadening of the scope of territorialisation of the data available in the information system STRATEG, at least at the level of voivodeships (NUTS 2), taking into account the information deemed, as a result of research presented in this book, as important territorial determinants of economic growth in Poland;**
- **Due to the special importance of the statistical information on the creation and distribution of national income in territorial systems, developing a methodology of estimating the gross domestic product (GDP), also at the level of counties (Local Administrative Units 1 - LAU 1).**

A certain limitation to the widening of territorialisation of statistical data in the European Union and in Poland is, of course, the associated cost and the need to make certain simplifications in the methodology of information detailing available in spatial cross-sections, as well as statistical confidentiality.

7. Promoting the Importance of Territorial Issues

In general, the particular significance of the territorial dimension in stimulating socio-economic development is underestimated both in the European Union and in Poland. Among economic and social partners there is no awareness of its importance for the dynamics of development processes and to exploit opportunities for civil society. The result

of such simplifications are a-spatial solutions promoted and applied in the context of public policies and paying tribute to the widely criticized doctrine that one approach can fit all territories (*one solution fits all*), which means the unification of the way of public intervention, not only in the context of European cohesion policy in the years 2014 -2020. Therefore, we recommend:

- **Consistent promotion of the importance of better use of territorial potential in the context of building strength of the entire territorial set-up of the European Union, Poland, its regions, as well as individual territories. Territorial approach should be promoted as a synthetic expression of extra-treaty cohesion, such as environmental and climate, spatial, cultural and political cohesion. These activities should be carried out in all spatial scales: European, national, regional, and local, which may be the most understandable and readable for citizens;**
- **Considering the complexity of the territorial dimension, informational and promotional activities must be varied, among others, according to the following target groups: institutions and civil society organizations, businesses, media, politicians, local government officials, targeting each of these groups of stakeholders with appropriate arguments.**

8. Conclusion

The European Union has unique territorial potentials, which, given the erosion of the competitive position of not only the entire organization, but also its Member States and regions, particularly in relation to fast-growing BRICS countries, requires the use of this unique resource for the development of the entire continent. An example is the polycentric settlement network structure and the relative openness of socio-economic development (ESPON 2014). On the other hand, the European cohesion policy has the necessary means to respond successfully to the challenges posed by the global economic crisis occurring since 2008.

In addition, Poland, despite its relatively successful economic transition to market economy after 1990 and its relatively effective dealing with the global economic crisis, and taking into account the benefits of European integration (as well as the consequences of slow economic growth of the old Member States and the financial turbulence in the euro area), increasingly falls into the trap of becoming a country of average level of development. Therefore, a wider

use of territorial potentials and territorialisation of public policies are one way to avoid this trap (Geodecki et al 2012). All this is happening as the next generation of development policy is being shaped, which is potentially the right place for the insertion of territorial dimension (Gawlikowska-Hueckel, Szlachta 2014).

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