

Malta's comments on Territorial Cohesion during the Meeting of Directors General on Territorial Cohesion, held in Slovenia on 14 May 2008

The exchange of views during the discussion on the territorial cohesion process will focus on four key questions circulated by the Presidency, namely:

- what are the objectives of territorial cohesion?
- what can be a role of territorial cohesion within cohesion policy?
- what can be a role of territorial cohesion in relation to sectoral policies?
- what is the role of spatial planning in territorial cohesion concept?

Indeed the concept of territorial cohesion is bound to have different meanings to different regions. There is no one-size fits all definition. In principle, Malta is of the opinion that territorial cohesion is ensuring that territorial issues impinging on socio-economic cohesion are taken into account when looking at the overall cohesion status. The territorial dimension will make the existing socio-economic dimensions more comprehensive and give a more reliable picture of the development needs of the region.

For Malta, being a small island State located on the periphery of the European Union, territorial cohesion is simply defined by saying that geography matters. With one of the highest population densities in the European Union, our understanding of the concept of territorial cohesion means looking beyond pure economic statistics. Malta's understands that this concept takes into account permanent geographic disadvantages which impinge on its territory socio-economic development, making it more vulnerable to externalities and restricting the benefits that such a small island can reap from the internal market, also in terms of economies of scale. Malta believes that this is the spirit of the inclusion of the concept of territorial cohesion in the Treaty of Lisbon.

In policy terms, the objective is to help achieve a more balanced development by reducing existing disparities, avoiding territorial imbalances and by making both sectoral policies which have a spatial impact and regional policy more coherent.

It should also be recalled that following the agreement of the Treaty of Lisbon in November 2007, Article 158 of the Treaty establishing the European Community identifies island regions as being regions that will receive particular attention under Cohesion Policy. This is of particular importance to Malta, as it ensures that islands belonging to the EU will receive particular attention in view of their inherent weaknesses, regardless of their level of economic development. Malta shares with these islands the same problems and disadvantages which arise from the insularity / peripherality / vulnerability factors brought about by the territorial and geographical realities and which have negative effects on various areas including the economy, energy, environment and climate change.

Consequently, Malta believes that the inclusion of territorial cohesion as the third pillar of Cohesion Policy will translate in supporting all regions to reach their full potential, by lending its tools to better integrate them economically, socially and territorially.

It is a fact that while a region can graduate from economically / socially “disadvantaged” to economically / socially more developed, particular realities of geography, such as insularity, limited natural resources, ecological fragility, small domestic markets, accessibility constraints, are permanent.

Malta believes that all these issues present permanent challenges to Cohesion Policy and as such, warrant a deeper – and more comprehensive - analysis of the territorial implications that impinge on economic indicators.

When it comes to sectoral policies, the function of territorial cohesion is that of ensuring that the distinct and specifics of each Member State can be catered for in order to avoid the one-size fits all approach. Although the EU, as a Union, is facing common challenges, the specificities at the Member State, regional and local level must be taken into account. This should be the rationale applied when drawing up sectoral policies which have an impact on the spatial aspects of the territories. Malta believes that more attention should be taken of the specificities of the Member States/regions which should be accounted for by providing a degree of flexibility within the policy area so that they support sustainable development at national level.

Europe's territorial and cultural diversity should be better utilised through the improved positioning of regions in Europe, both by strengthening their profile and by trans-European cooperation aimed at facilitating their connectivity and territorial integration. Territorial Cohesion as a role of spatial planning therefore implies focusing spatial development policies on better exploiting regional potentials and territorial “assets”. Stronger European territorial cohesion through the promotion of sustained economic growth and the reduction of trans-European bottlenecks through trans-frontier and trans-national cooperation, are key spatial challenges for Malta.