

# Review of integrated territorial development and challenges in V4+2 countries and Hungary

ESPON 2020 Conference

'Integrated Territorial Development in V4+2 countries: new challenges, new ideas, new responses'

Budapest, 7<sup>th</sup> March 2018

# Outline

## 1. Visegrad countries, Bulgaria and Romania

Key territorial challenges

Integrated territorial development

## 2. Zooming in Hungary

Key territorial challenges

Integrated territorial development

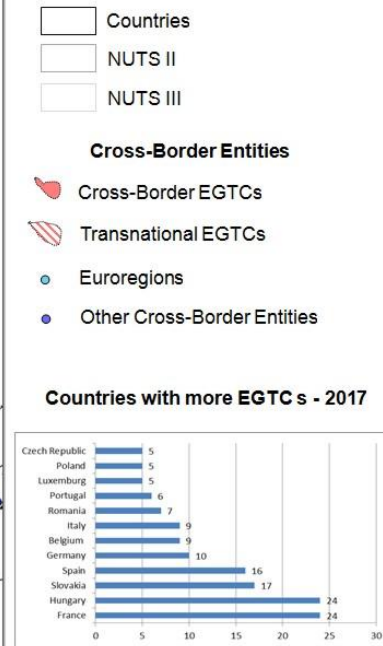
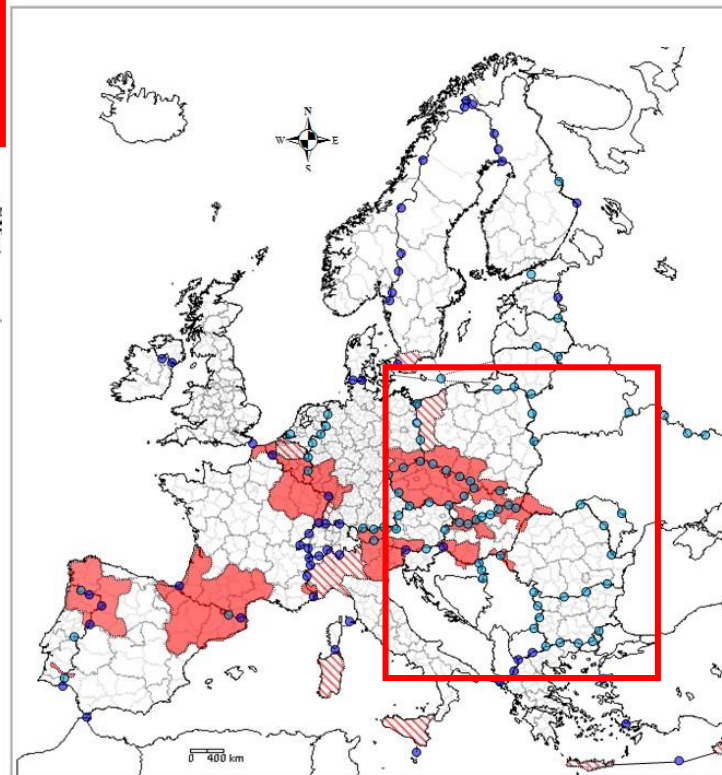
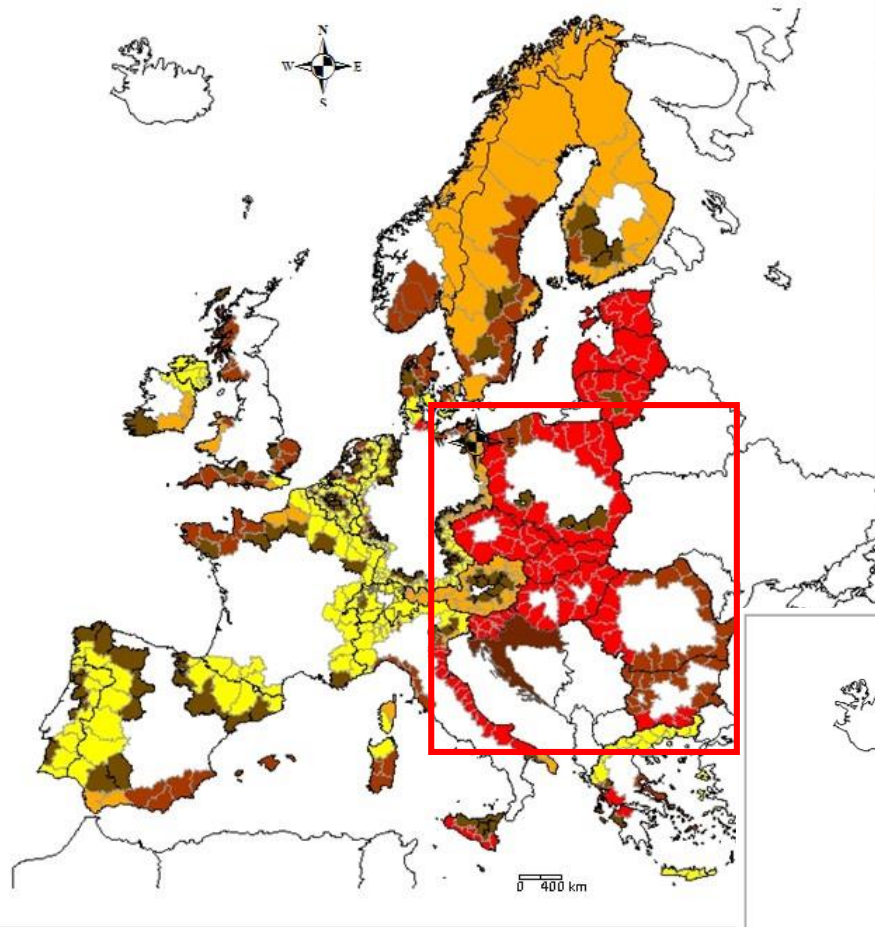
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# Visegrad countries, Bulgaria and Romania

**Review of key  
territorial  
challenges**

**Integrated  
territorial  
development –  
state of play**

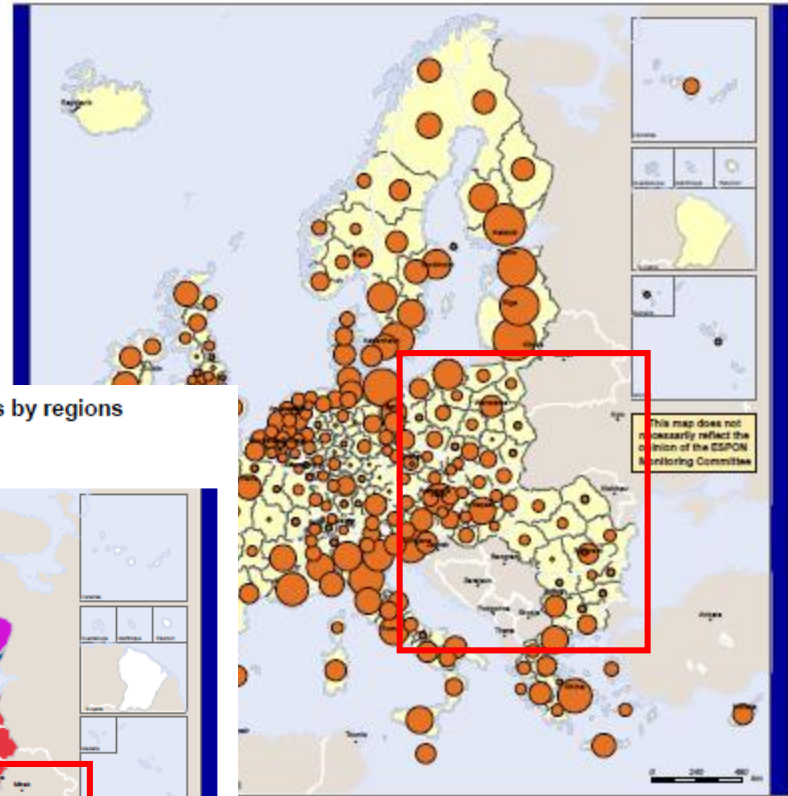
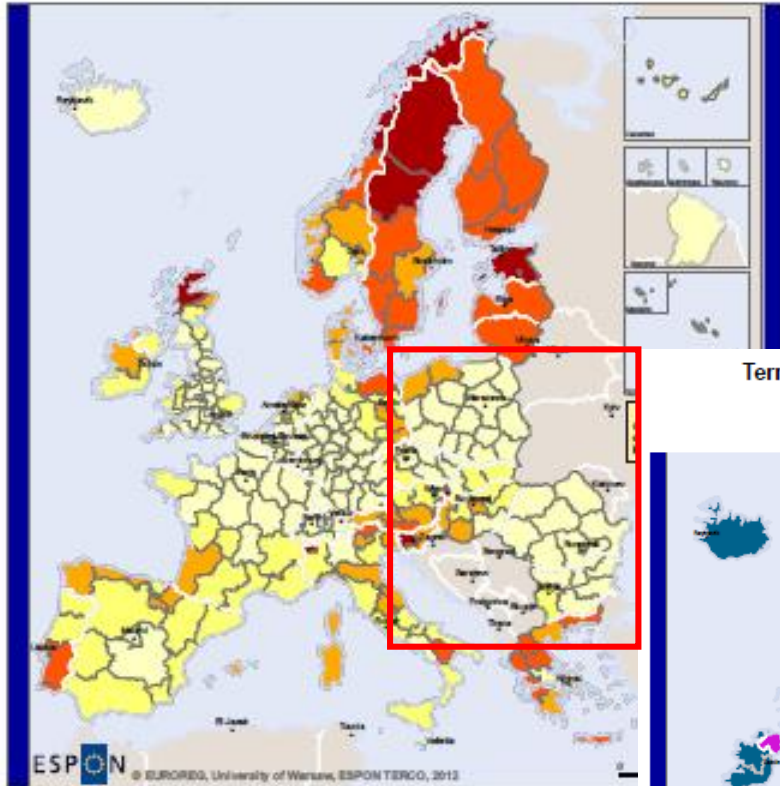
# V4+2 Countries and Territorial Cooperation in Europe



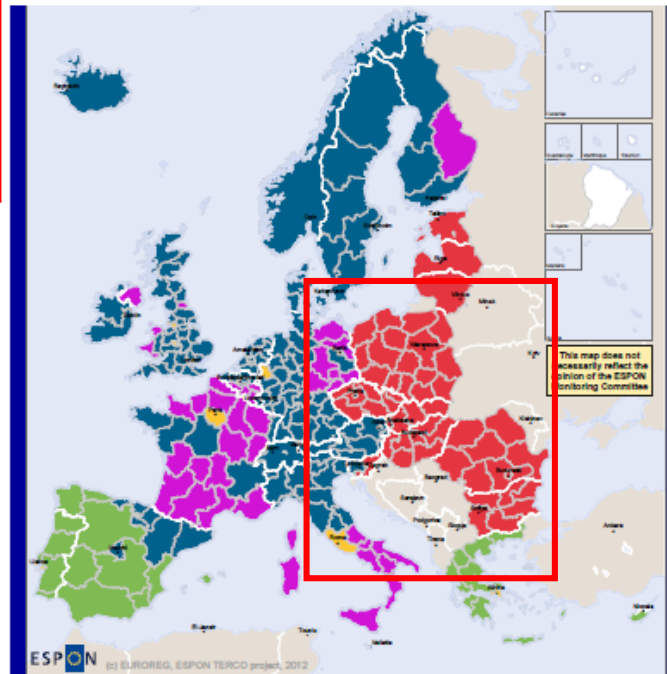
Source: MOT, CoR, AEBR, Nordregio. Author Compilation and Cartography

# Intensity of territorial cooperation

# Partners in territorial cooperation



Territorial cooperation preferences by regions



Number of project partners in transnational and inter-regional cooperation projects per 100 000 population

0,0 - 2,0
2,0 - 5,0
5,1 - 10,0
10,1 - 25,0
25,1 - 40,0
No data

Territorial cooperation preferences by regions

- Twinning city oriented territorial cooperation
- High territorial cooperation beyond the ESPON area
- Relatively low range and intensity of territorial cooperation
- Hubs of territorial cooperation (resulting from specific administrative divisions)
- Medium range and intensity of territorial cooperation (constituting the ESPON average)
- No data

This map does not necessarily reflect the opinion of the ESPON Monitoring Committee

Partners in transnational cooperation projects

Source: ESPON

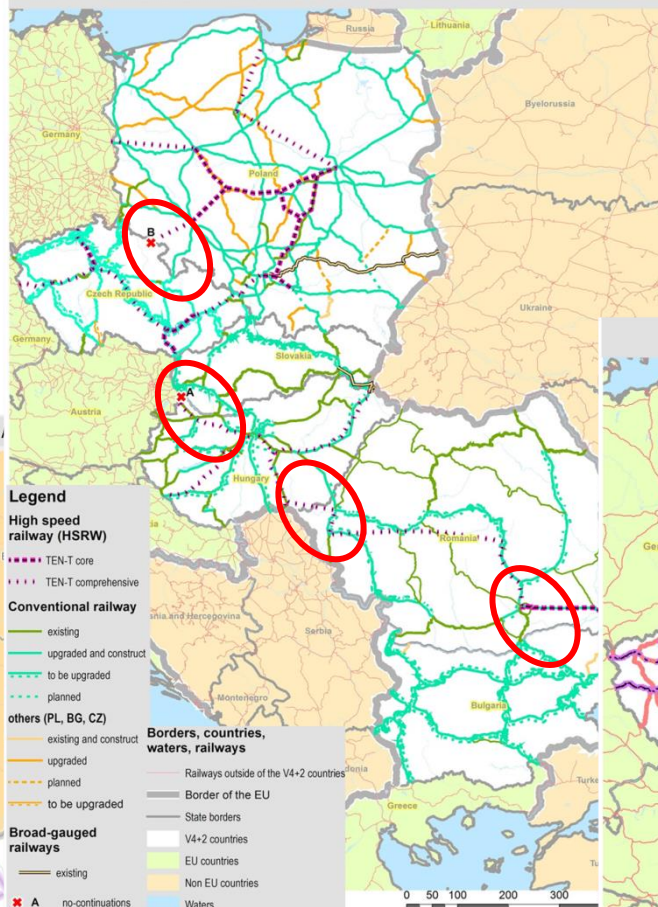
# Main socio-economic indicators

Indicator (2016)	EU28	V4+2 countries	
	value		% of the EU28
<b>Total area (km2)</b>	4 324 782	882 729	20,4
<b>Population on 1 January</b>	510 278 701	90 691 887	17,8
<b>Total population change over a year</b>	1 242 605	-160 990	-13,0
<b>Crude rate of total population change (‰)</b>	2,4	-1,8	
<b>Life expectancy (year)</b>	80,6	76,4	94,8
<b>Tertiary educational attainment, age group 30-34 (%)</b>	39,1	36,9	94,4
<b>Total population having neither a bath, nor a shower, nor indoor flushing toilet in their household (%)</b>	1,9	8,8	463,2
<b>Population who have never used the Internet (%)</b>	14,0	22,8	162,9
<b>GDP at market prices (million PPS)</b>	14 907 852	1 785 227	12,0
<b>GDP per capita (PPS)</b>	29 215,1	19 684,5	67,4
<b>Number of enterprises per 1000 inhabitant</b>	46,0	48,0	104,3
<b>Share of renewable energy in gross final energy consumption (%)</b>	17,0	16,0	94,1
Target 2020 (%)	20,0	15,8	
<b>Financial framework of Cohesion Policy 2014-2020 (million €) *</b>	369 497	175 752	47,6
<b>Financial framework of Cohesion Policy 2014-2020, per capita (€) *</b>	724,1	1 937,9	267,6
<b>Average ranking based on the economic development of NUTS2 regions</b>	sum 276 NUTS2 unit	sum 49 NUTS2 unit; aver.rank.: 218.	

Source of data: Eurostat

\* Source of data: European Commission

### RAILWAY NETWORK incl. NO-CONTINUATIONS



**Legend**

**High speed railway (HSRW)**

- TEN-T core
- TEN-T comprehensive

**Conventional railway**

- existing
- upgraded and construct
- to be upgraded
- planned

**others (PL, BG, CZ)**

- existing and construct
- upgraded
- planned
- to be upgraded

**Broad-gauged railways**

- existing

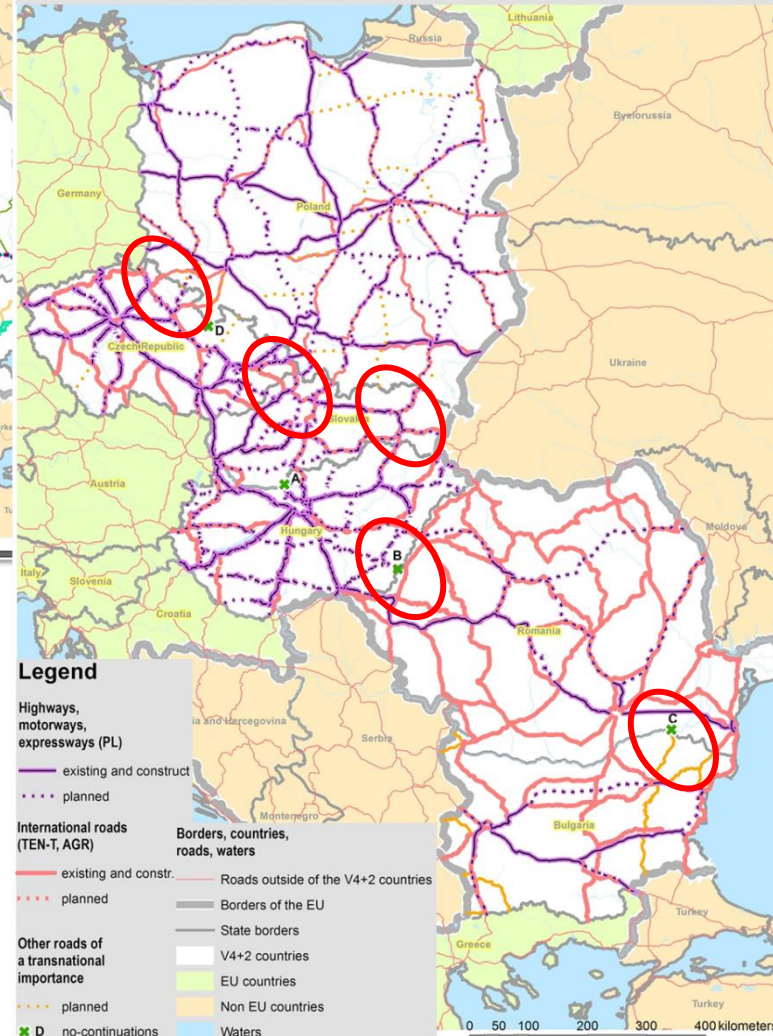
**Borders, countries, waters, railways**

- Railways outside of the V4+2 countries
- Border of the EU
- State borders
- V4+2 countries
- EU countries
- Non EU countries
- Waters

**no-continuations**

- ✕ A

### ROAD NETWORK incl. NO-CONTINUATIONS



**Legend**

**Highways, motorways, expressways (PL)**

- existing and construct
- planned

**International roads (TEN-T, AGR)**

- existing and constr.
- planned

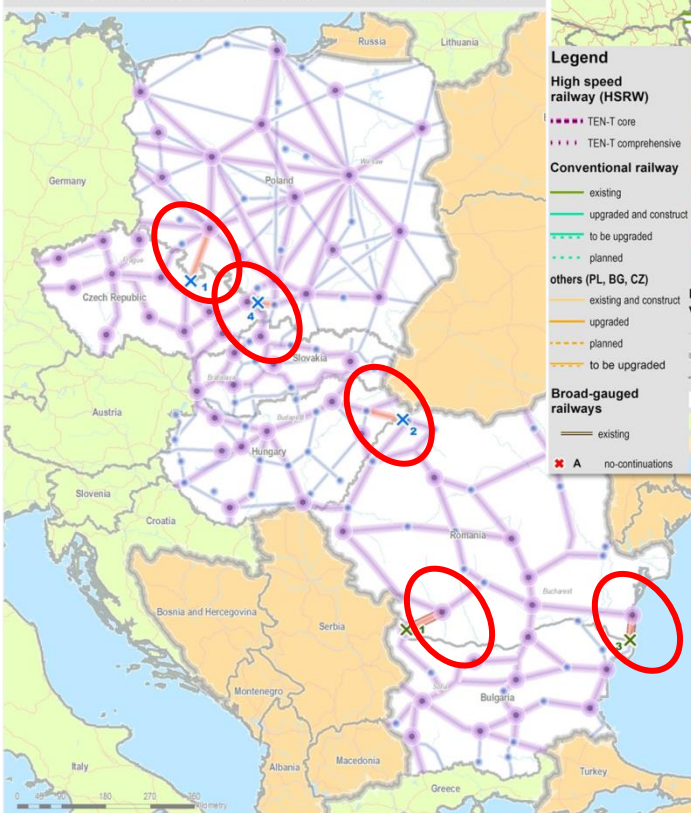
**Other roads of a transnational importance**

- planned
- ✕ D no-continuations

**Borders, countries, roads, waters**

- Roads outside of the V4+2 countries
- Borders of the EU
- State borders
- V4+2 countries
- EU countries
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### DEVELOPMENT POLES AND DEVELOPMENT AXES INCLUDING NO-CONTINUATIONS



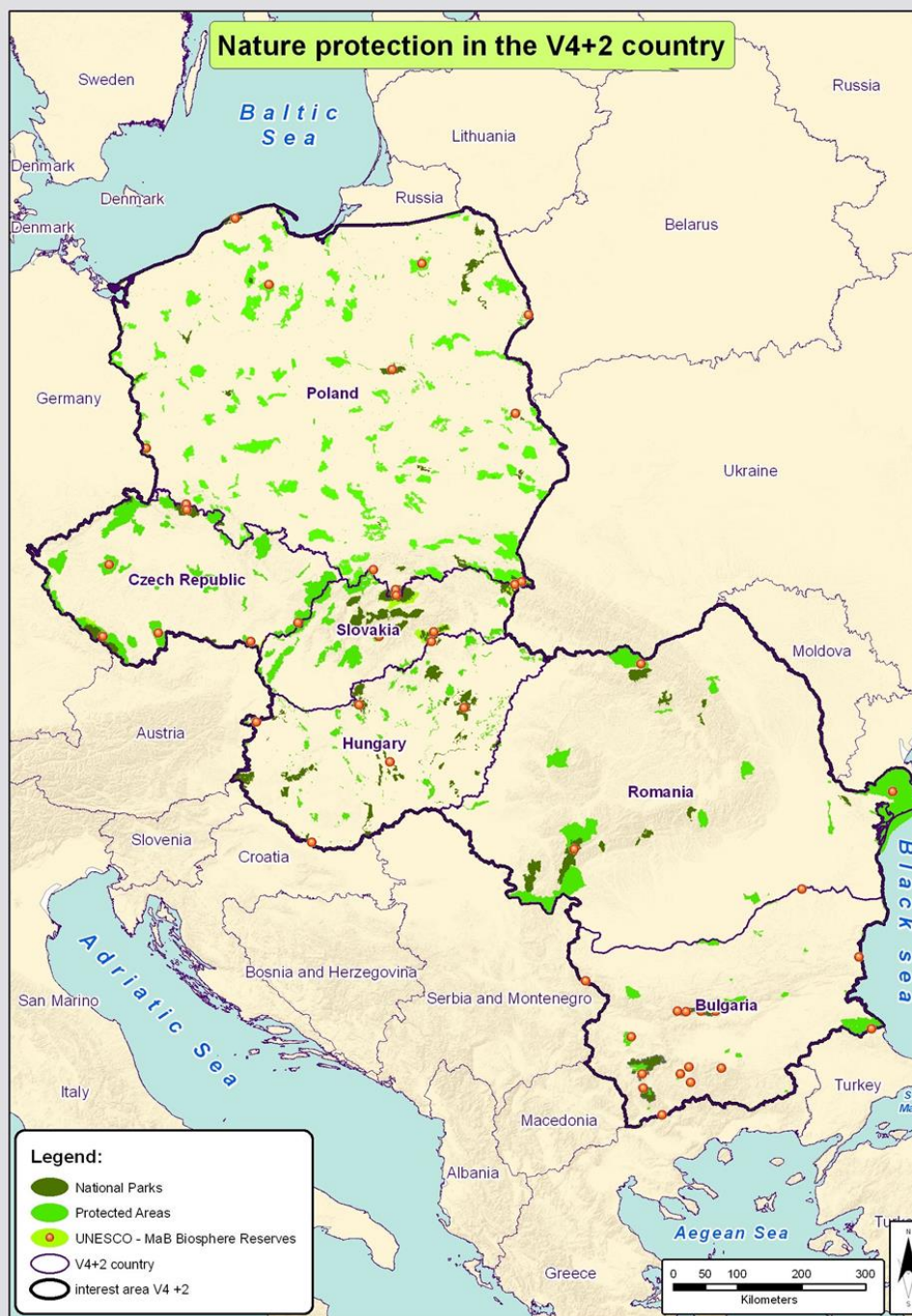
**Legend**

- main development poles
- secondary development poles
- main development axes
- secondary development axes
- new proposals on development axes not begin discussed with a neighbouring state
- new proposals on development axes discussed with a neighbouring state
- absence of a development axis on one side of national border
- ✕ identification of new no-continuations arising from new/updated documents

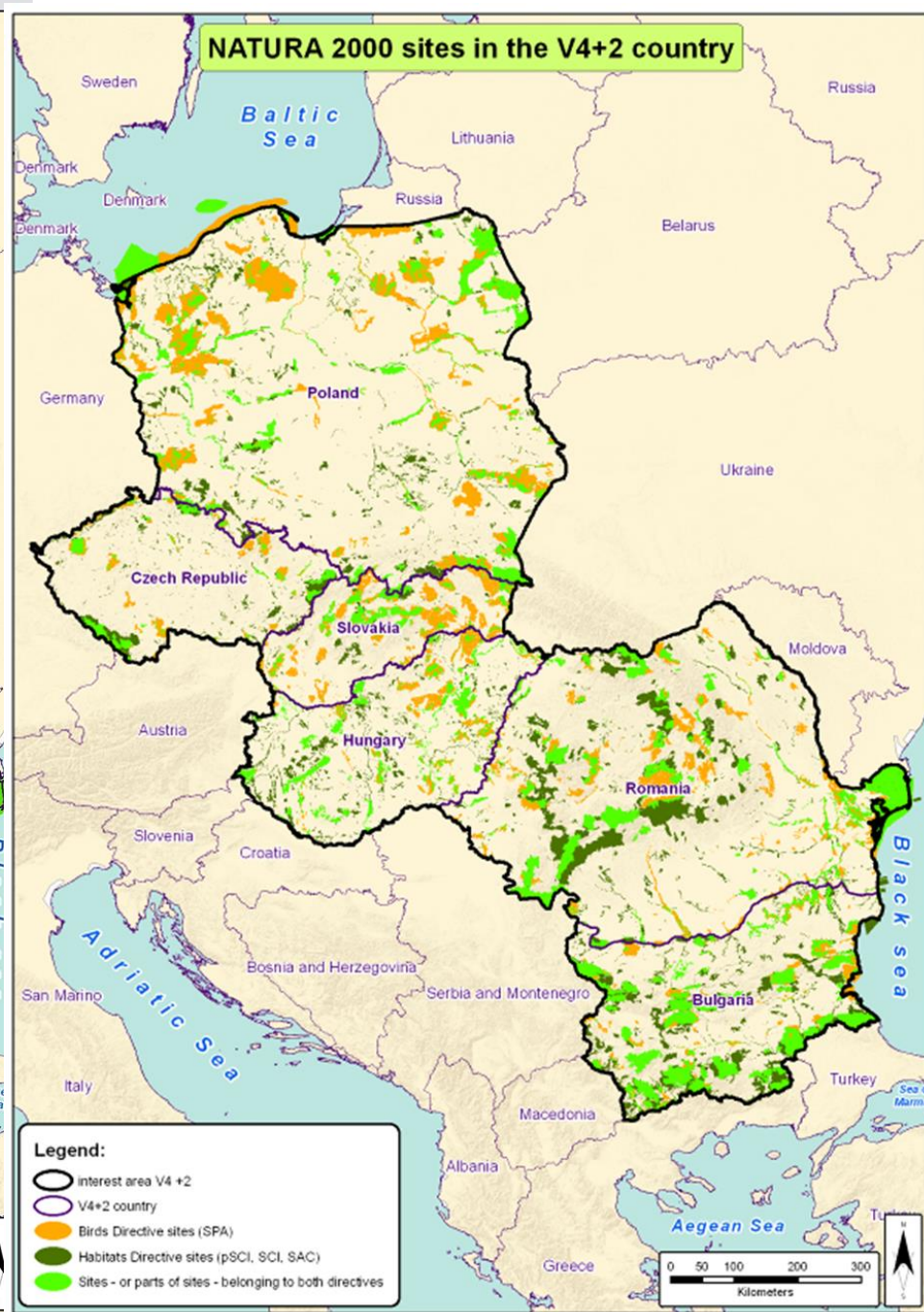
**road network outside of V4+2 countries**

- national borders
- EU borders
- V4+2 countries
- EU countries
- non EU countries
- waters

## Nature protection in the V4+2 country



## NATURA 2000 sites in the V4+2 country



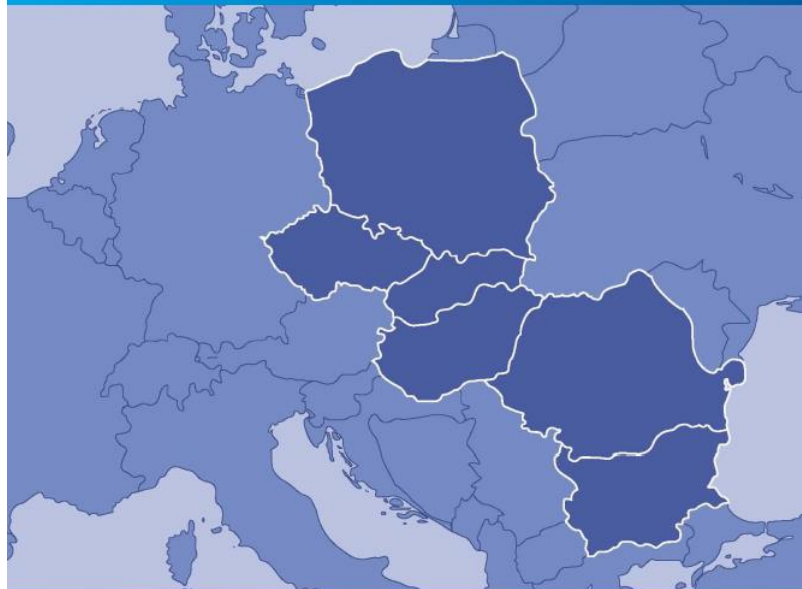


# Addressed topics and main challenges in the V4+2 strategy

1. **Development poles** and axes and their no-continuations
2. Transport **networks** and solutions to their no-continuations
3. Technical **infrastructure**
4. **Socio-economic conditions** of the V4+2 countries
5. **Environmental** conditions
6. **Spatial development barriers** and possibilities of their elimination

# Common spatial development strategy of the V4+2 countries

## COMMON SPATIAL DEVELOPMENT STRATEGY OF THE V4+2 COUNTRIES



Cooperation proposed by CZ (2008)

### **Ministerial Conclusion (2010)**

- Accepted the **Common Spatial Development Document** of the V4+2
- Invited the Steering Group to formulate the Common Spatial Development Strategy

### **Ministerial Conclusion (2014)**

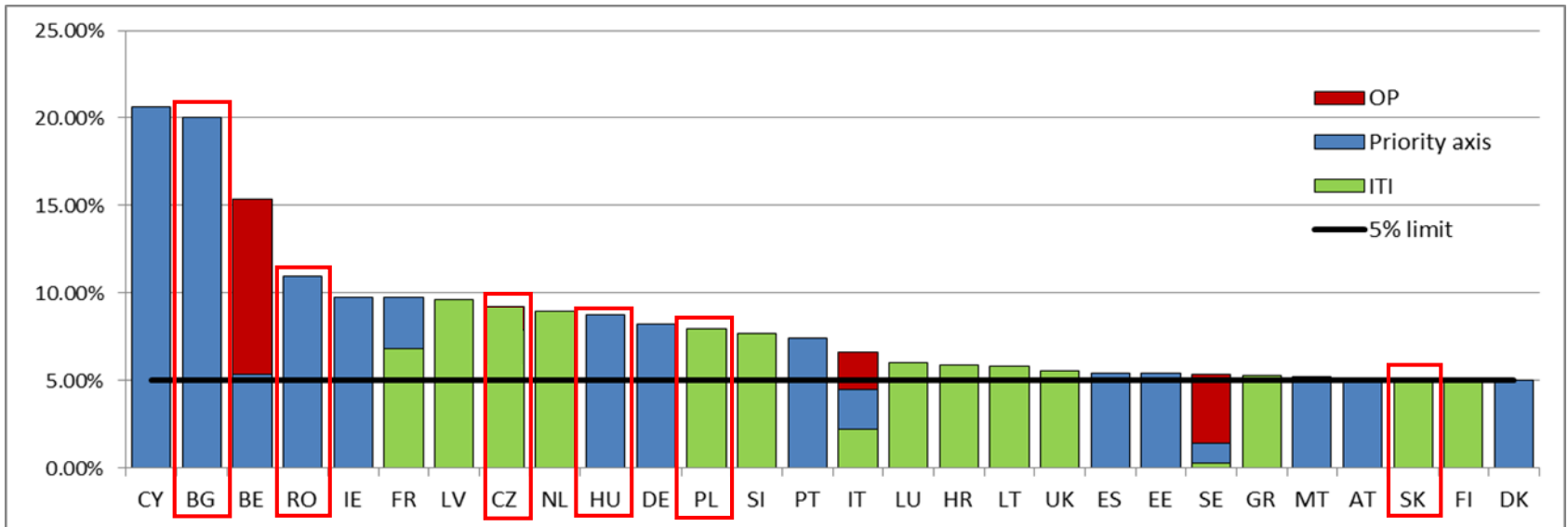
- Accepted the **Common Spatial Development Strategy** of the V4+2
- Recommended the SG to consider updating the strategy by 31 December 2018, taking into account, among others, the results of the cooperation among the countries

# National territorial development and spatial planning strategies

- **Bulgaria:** “National Regional Development Strategy of the Republic of Bulgaria” for the period 2012-2022 (EN) and “National Concept for Spatial Development” for the period 2013 – 2025 (EN): <http://sharelink.mrrb.government.bg:8080/share.cgi?ssid=0Qa9v3y>
- **Czech Republic:** “Spatial Development Policy of the Czech republic – Updated Version 1” (EN): <http://www.uur.cz/images/1-uzemni-planovani-a-stavebni-rad/politika-uzemniho-rozvoje-aktualizace-1-2015/publikace-apur-cr-2015-en.pdf> and its Czech version: <http://www.uur.cz/images/1-uzemni-planovani-a-stavebni-rad/politika-uzemniho-rozvoje-aktualizace-1-2015/publikace-apur-cr-2015-cz.pdf>
- **Hungary:** National Development and Territorial Development Concept of Hungary (EN): [https://regionalispolitika.kormany.hu/download/b/c9/e0000/OFTK\\_vegleges\\_EN.pdf](https://regionalispolitika.kormany.hu/download/b/c9/e0000/OFTK_vegleges_EN.pdf)
- **Poland:** The Strategy of Responsible Development (PL): <https://rio.jrc.ec.europa.eu/en/library/strategy-responsible-development>, + summary in English attached
- **Romania:** The national territorial development strategy is currently in Parliament procedure for approval by law. Current version in Romanian: <https://senat.ro/legis/PDF/2017/17b274FG.pdf>
- **Slovak Republic:** Slovak Spatial Development Perspective(EN): <http://www.telecom.gov.sk/index/index.php?ids=172817>

# ERDF support to Sustainable Urban Development (Article 7)

Share of ERDF budget (%) by MS and delivery mechanism



## Half of MS spend more than 7.5%

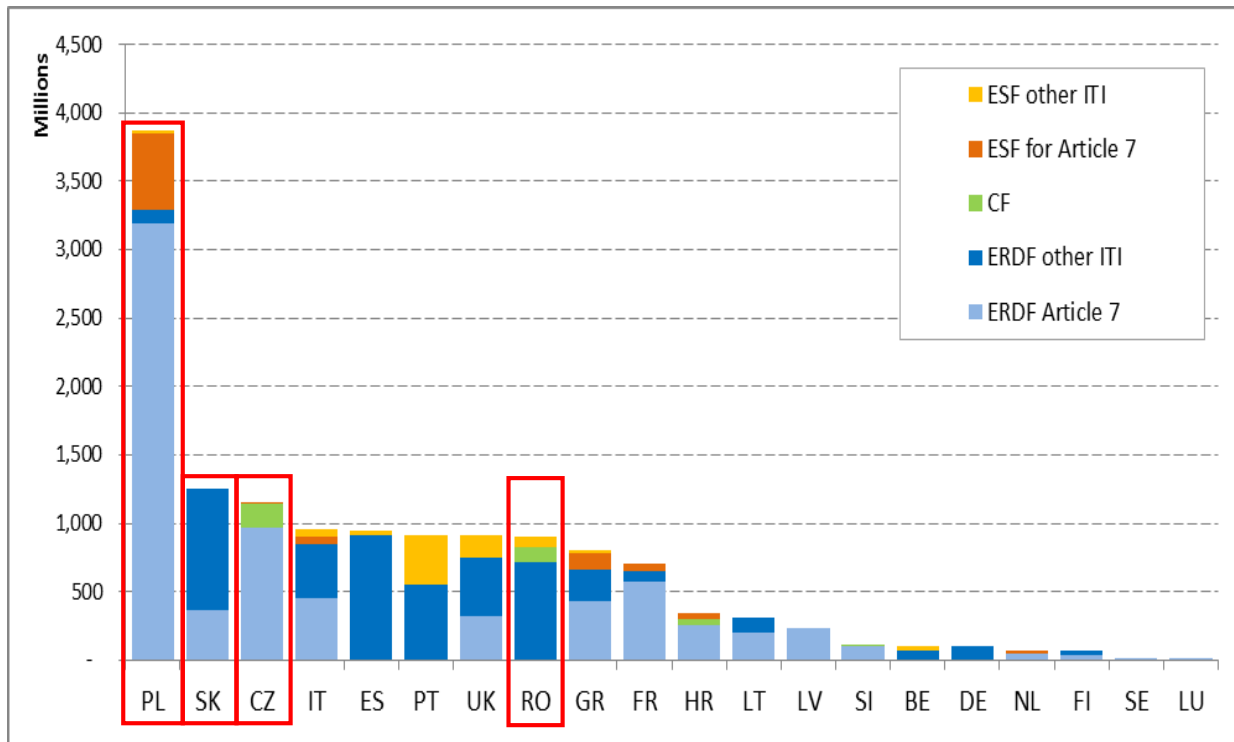
- CY and **BG** 20%+
- BE 15%+
- **RO** 11%
- IE, FR, LV, **CZ**, NL, **HU**, DE 8-10%

## Main arrangements under Article 7

- A specific priority axis of an OP dedicated to SUD: **BG, RO, HU**
- Integrated Territorial Investments (ITI): **CZ, PL, SK**

# Cohesion policy support delivered via ITI

## ERDF, ESF and CF allocation by MS



### Programming results

**20 MS** use ITI (**PL, SK, CZ, RO** from V4+2)  
 15 MS to deliver SUD  
 13 MS for other territories

Total of **EUR 13.8 billion**  
 ERDF 11.8 bn  
 ESF 1.7 bn  
 CF 0.3 bn

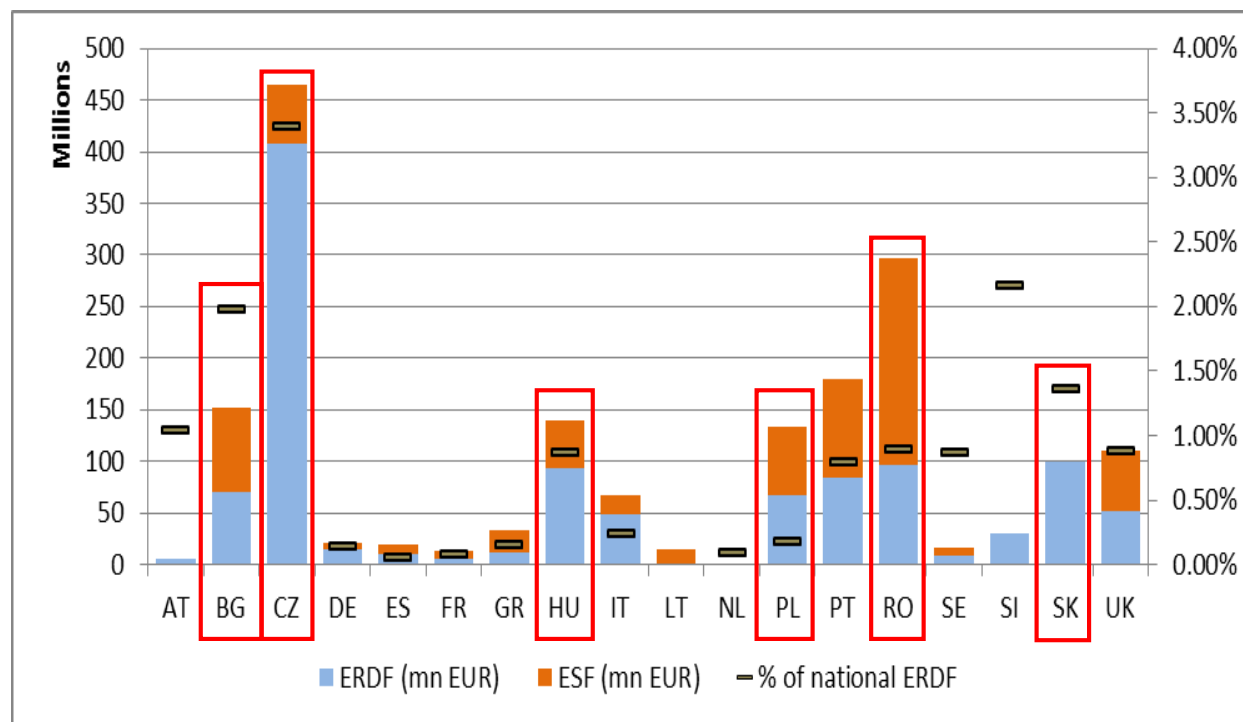
**12 MS** use both funds

**Concentration**  
 80% by 9 MS  
 28% by **PL** alone

60% for SUD Article 7

# Cohesion policy support to CLLD

## ERDF and ESF allocation by MS



### Programming results

**18 MS** apply CLLD in CP  
**All V4+2 Countries**

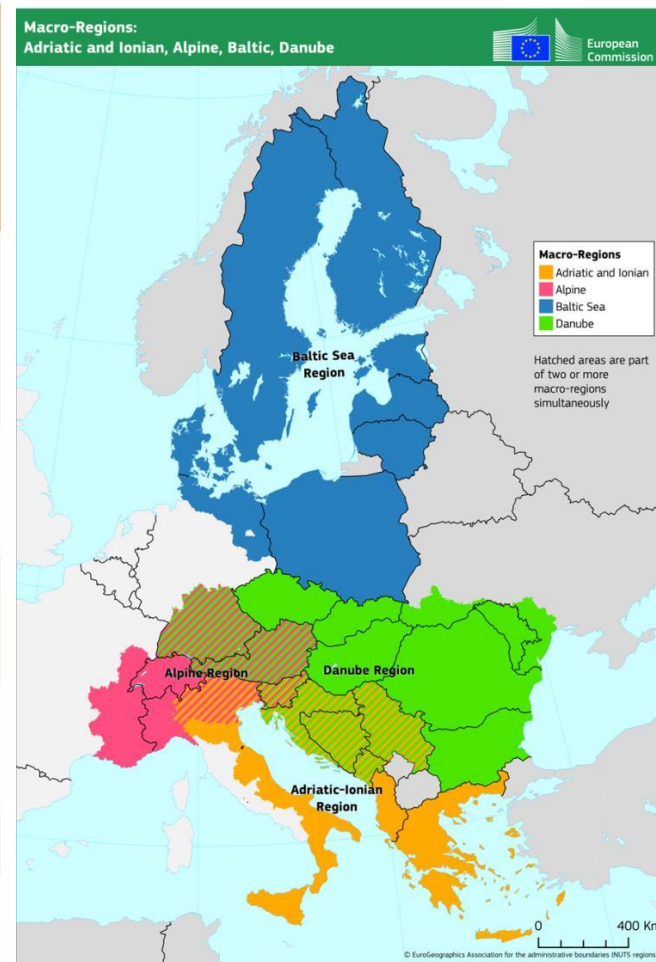
**EUR 1.8 billion**  
 ERDF 1.1 bn (0.6%)  
 ESF 0.7 bn (0.8%)  
*For comparison:*  
 EAFRD 6.9 bn (7%)  
 EMFF 0.5 bn (9%)

**14 MS** use both funds  
 ➤ GR, **HU**, **PL**, PT, SE via multi-fund OP

**Concentration**  
 92% by 9 MS  
**25% by CZ alone**

# European territorial cooperation

	CBC Programmes		Transnational Programmes	Macro-regional Strategy
	ERDF	IPA+ENI		
<b>BG</b>	2	4	Danube, Balkan-Mediterranean	EUSDR
<b>CZ</b>	5	0	Interreg CE, Danube	EUSDR
<b>HU</b>	5	2	Interreg CE Danube	EUSDR
<b>PL</b>	7	2	Interreg CE, Baltic Sea	EUSBSR
<b>RO</b>	2	5	Danube	EUSDR
<b>SK</b>	4	1	Interreg CE, Danube	EUSDR



# 2

## Zooming in Hungary

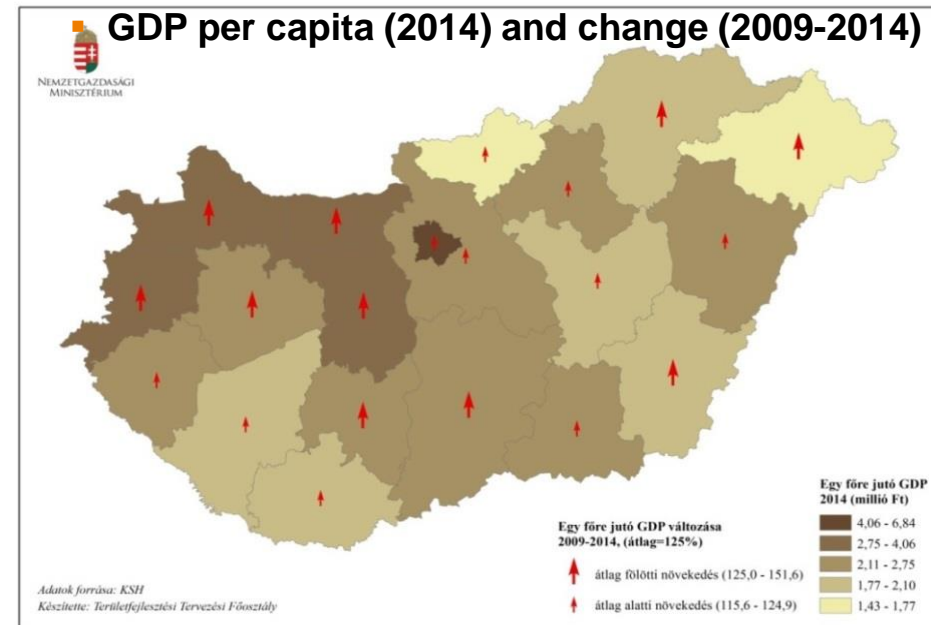
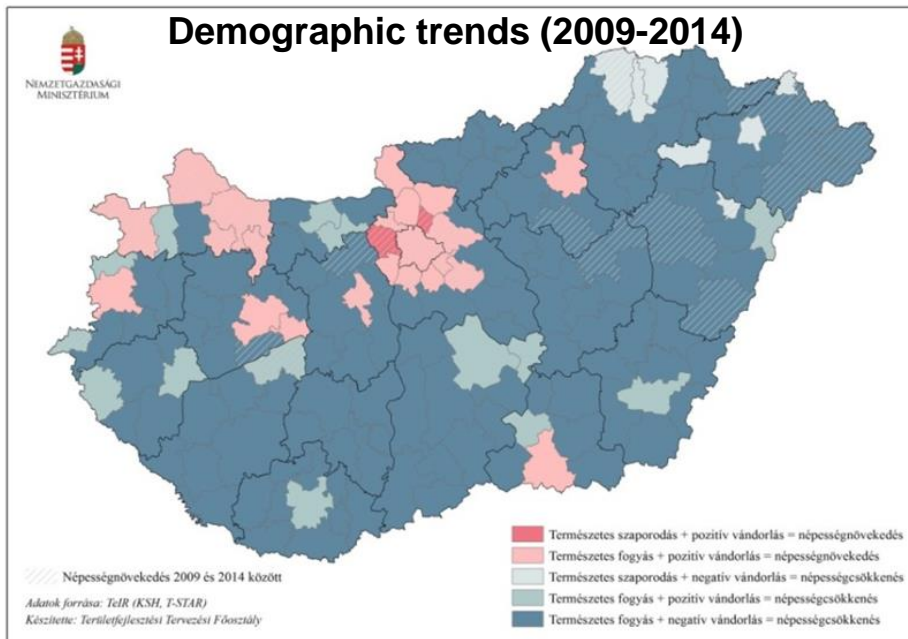
**Review of key territorial challenges**

**Integrated territorial development – state of play**

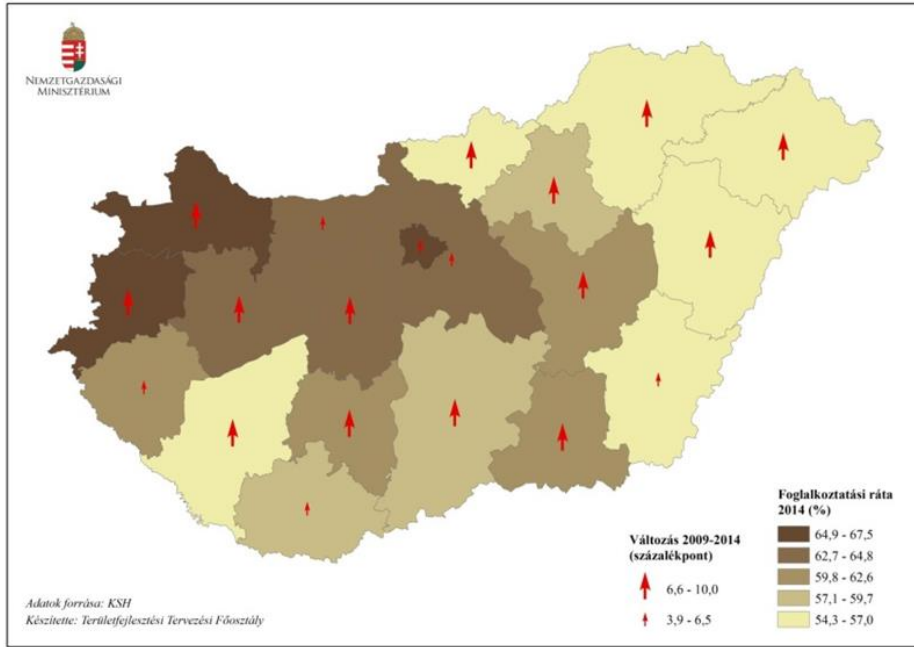


# Main territorial trends in Hungary

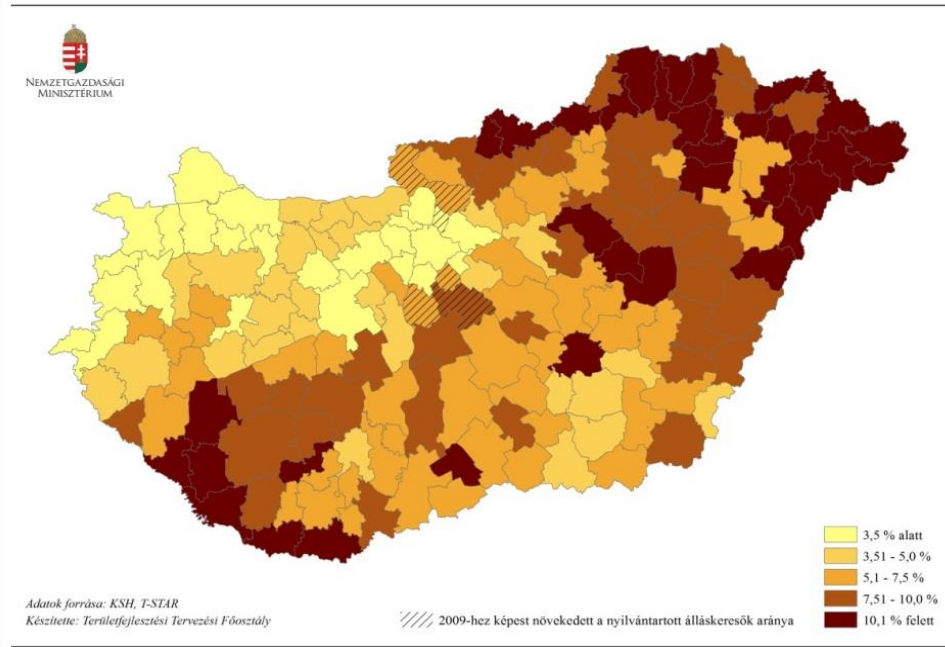
- Economic and social disparities did not decrease between regions
- The economic and social role of Budapest is dominant, the agglomeration is sprawling
- Greater economic performance in North-West Transdanubia with better accessibility to Western Europe
- Bigger cities are attracting labour force
- Low competitiveness of rural areas, labour market tensions and depopulation
- Territorial concentration of deprived population



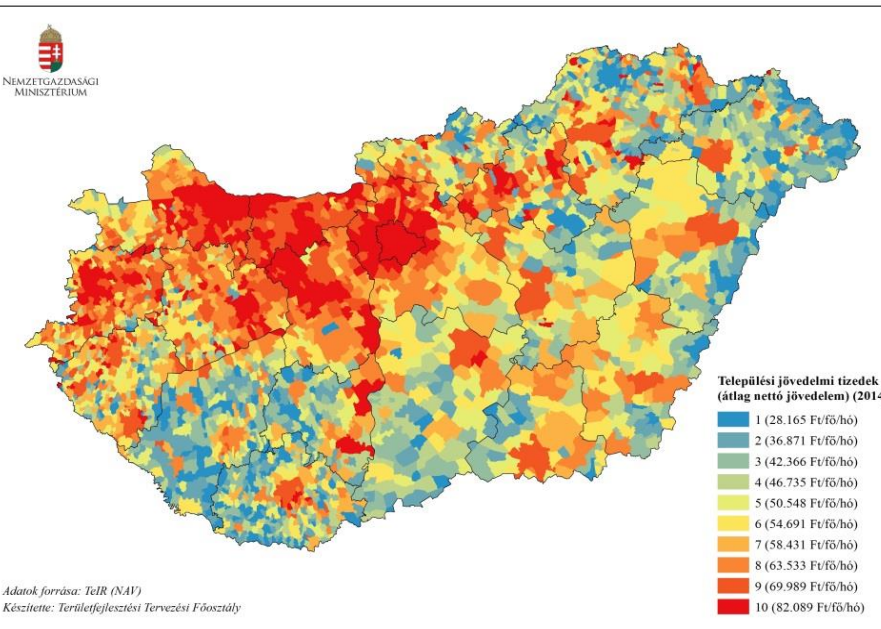
## Employment rate (2014) and change (2009-2014)



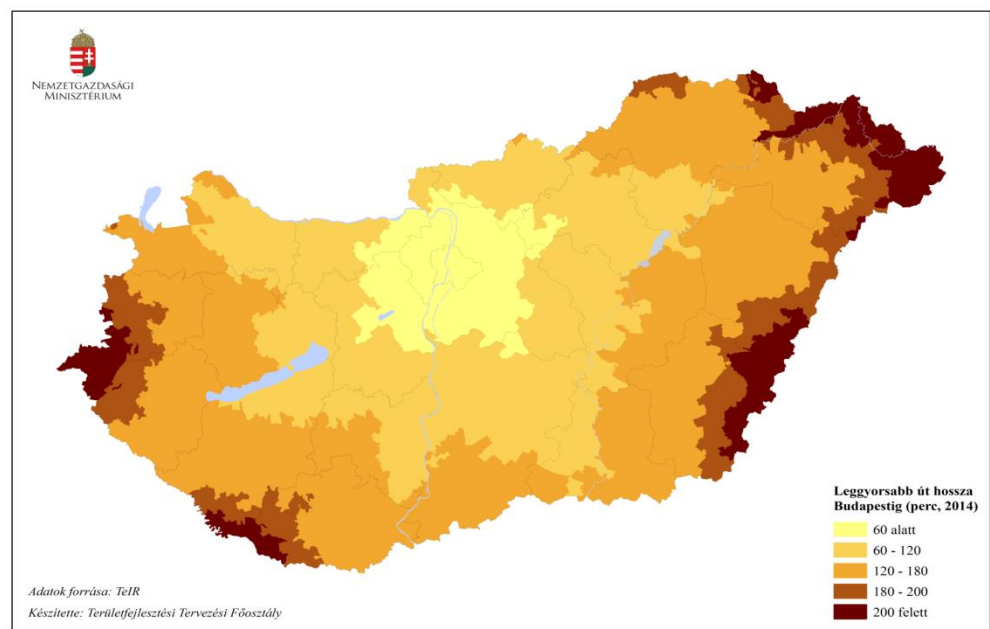
## Unemployment rate (2014, pop. of 15-64 years)



## Monthly net income (2014, income tenth)



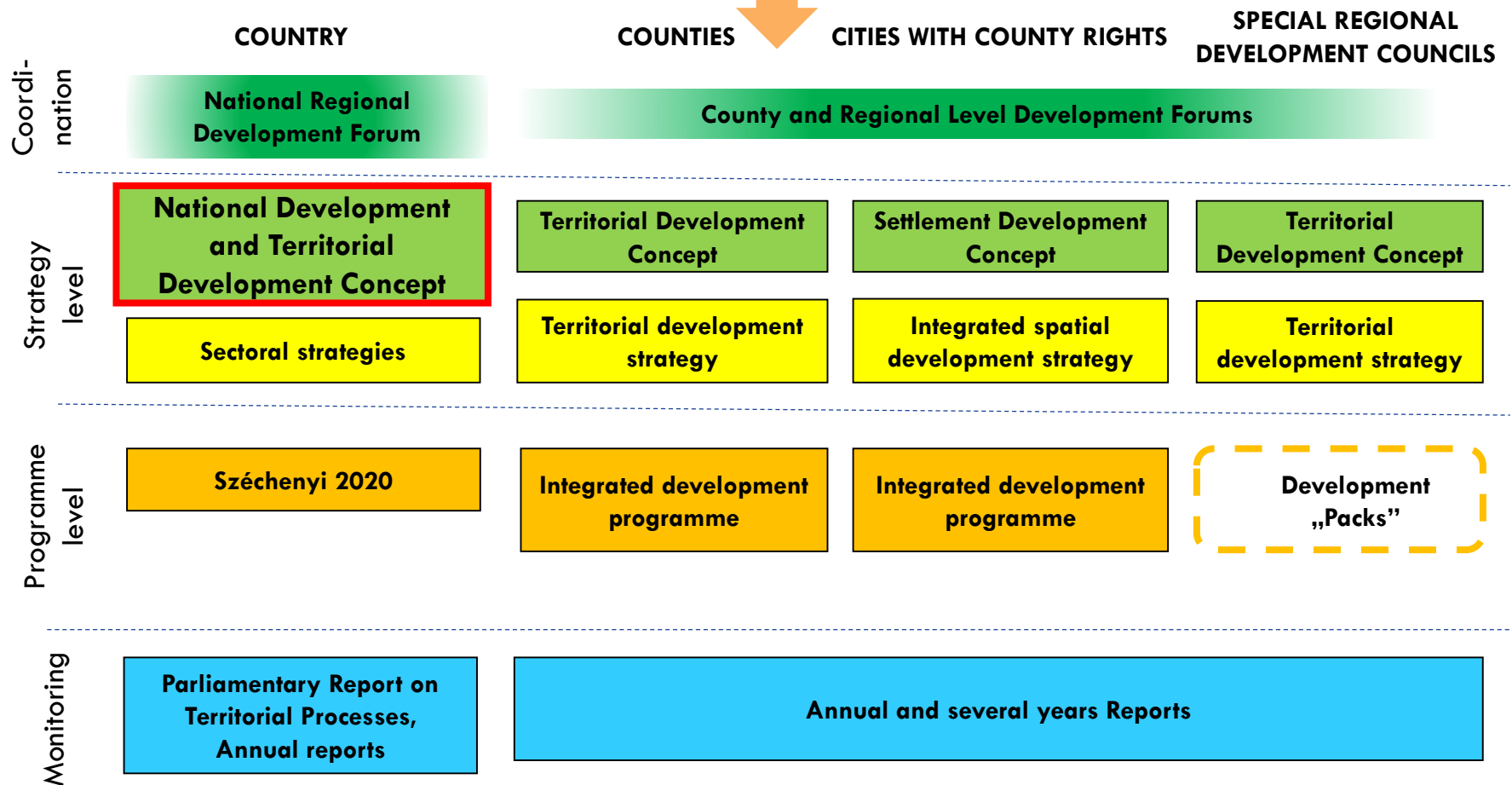
## Accessibility of Budapest (shortest travel)



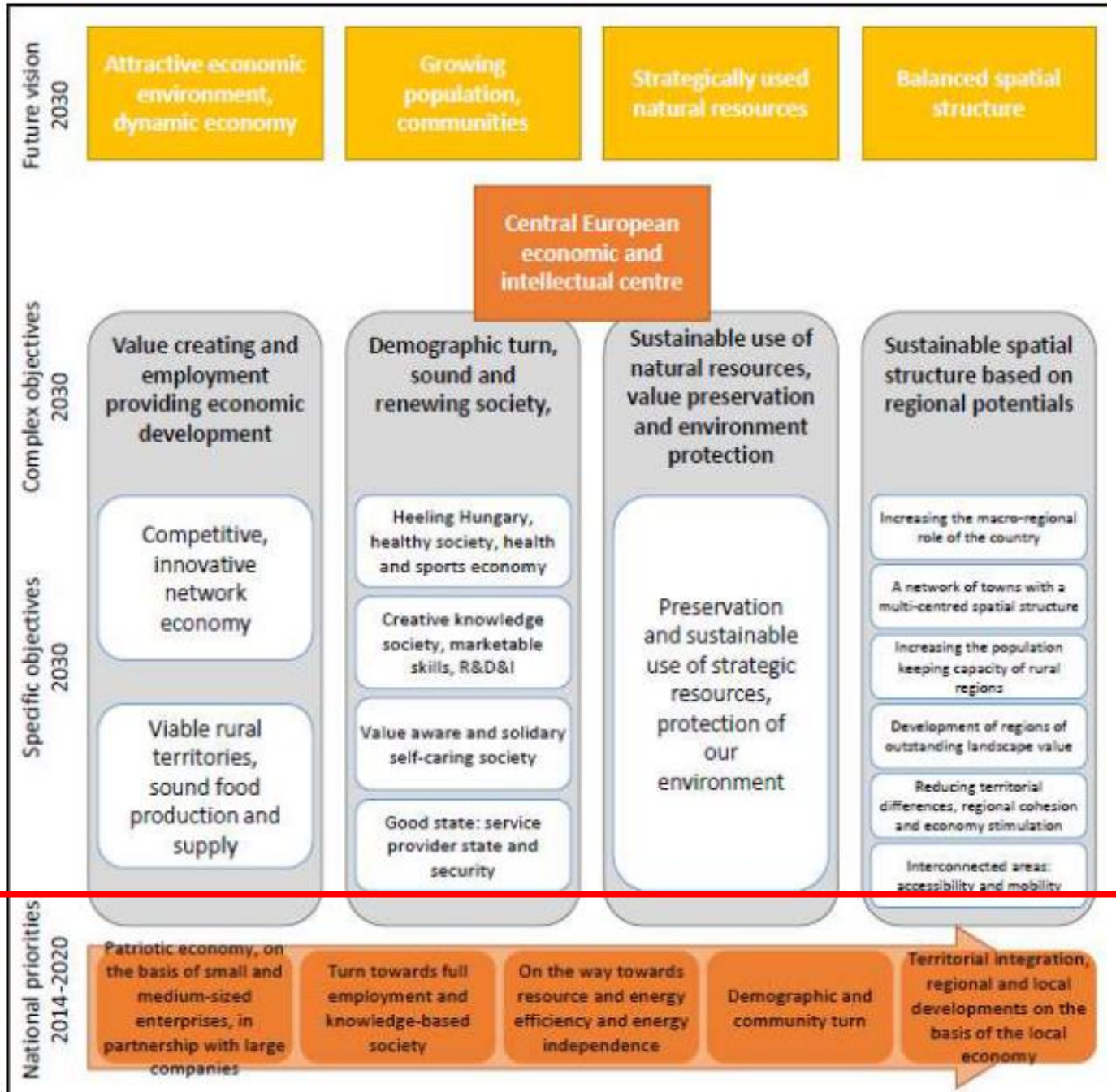
# Planning system of territorial development

## Act on Territorial Development and Spatial Planning

(1996. évi. XXI. tv.)



# Objectives of the National Development and Territorial Development Concept



Subject to be revised for post-2020

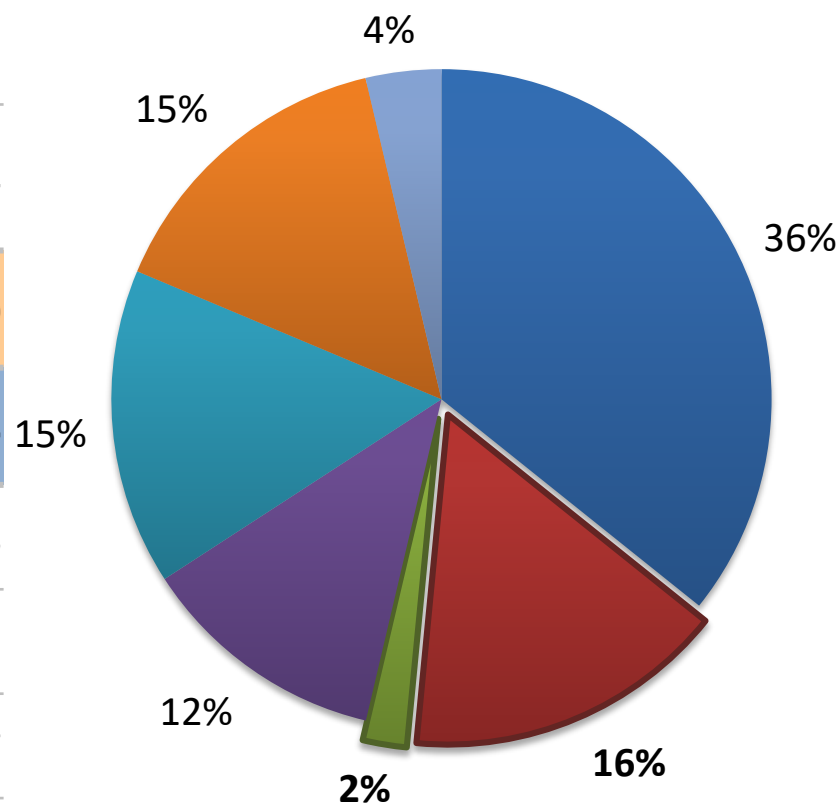
# National Development and Territorial Development Concept

## Specific territorial goals

1. Strengthening the country's **macro-regional role**
2. A city network that creates a **multi-centred spatial structure**
3. Increasing the **capacity of rural areas** to support the population living there
4. Development of **territories with outstanding landscape values**
5. **Decreasing territorial differences; territorial integration** and economic stimulus
6. **Connected spaces**: ensuring accessibility and mobility

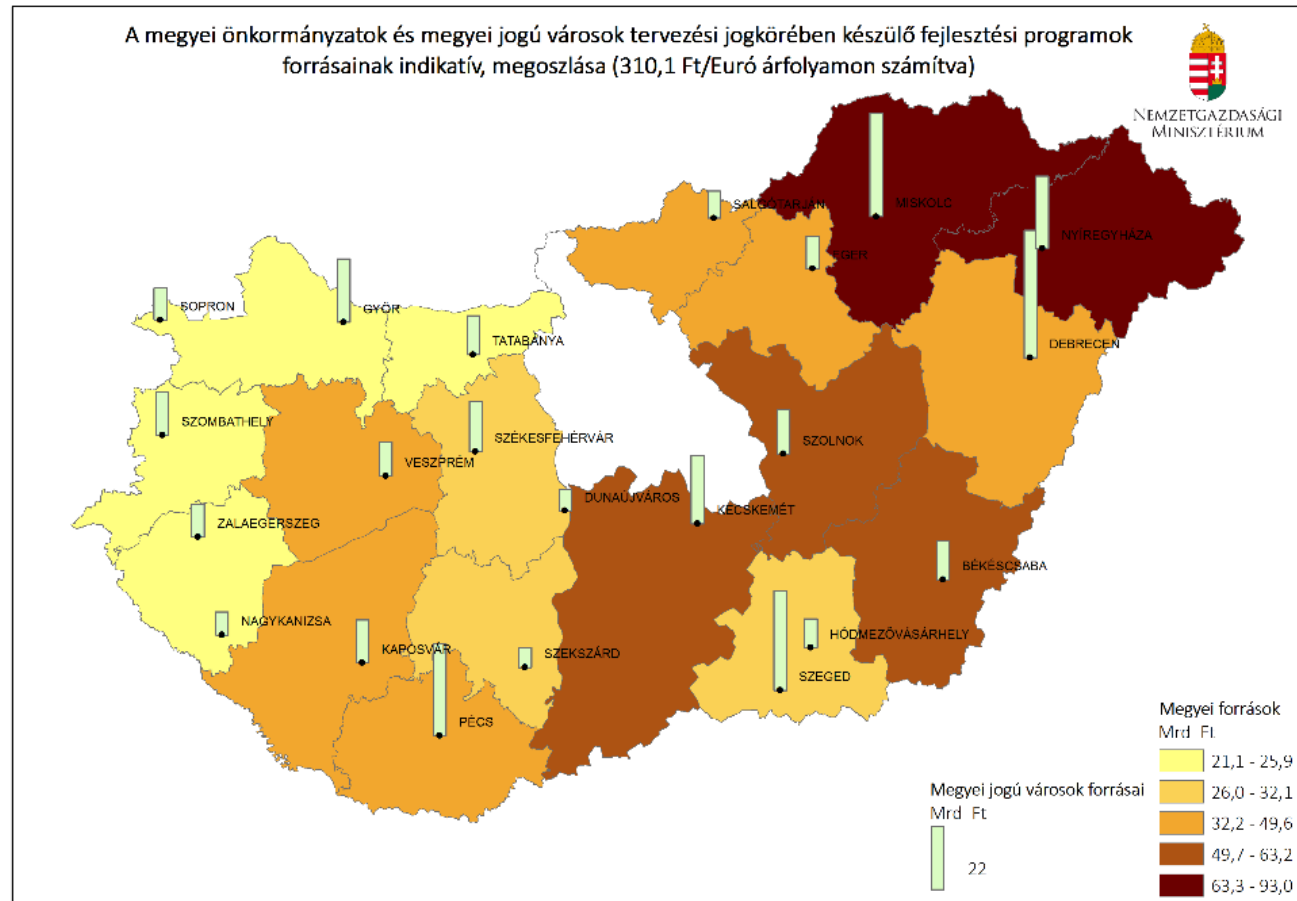
# Territorial operational programmes 2014-2020

Operational programme	ESI Fund	Allocation (mn EUR)
Economic Development and Innovation OP	ERDF, ESF, YEI	7 684
<b>Territorial and Settlement OP</b>	<b>ERDF, ESF</b>	<b>3 390</b>
<b>Competitive Central Hungary OP</b>	<b>ERDF, ESF</b>	<b>464</b>
Human Resources Development OP	ERDF, ESF	2 613
Integrated Transport OP	ERDF, CF	3 332
Environmental and Energy Efficiency OP	ERDF, CF	3 217
Public Administration and Services OP	ESF, CF	795

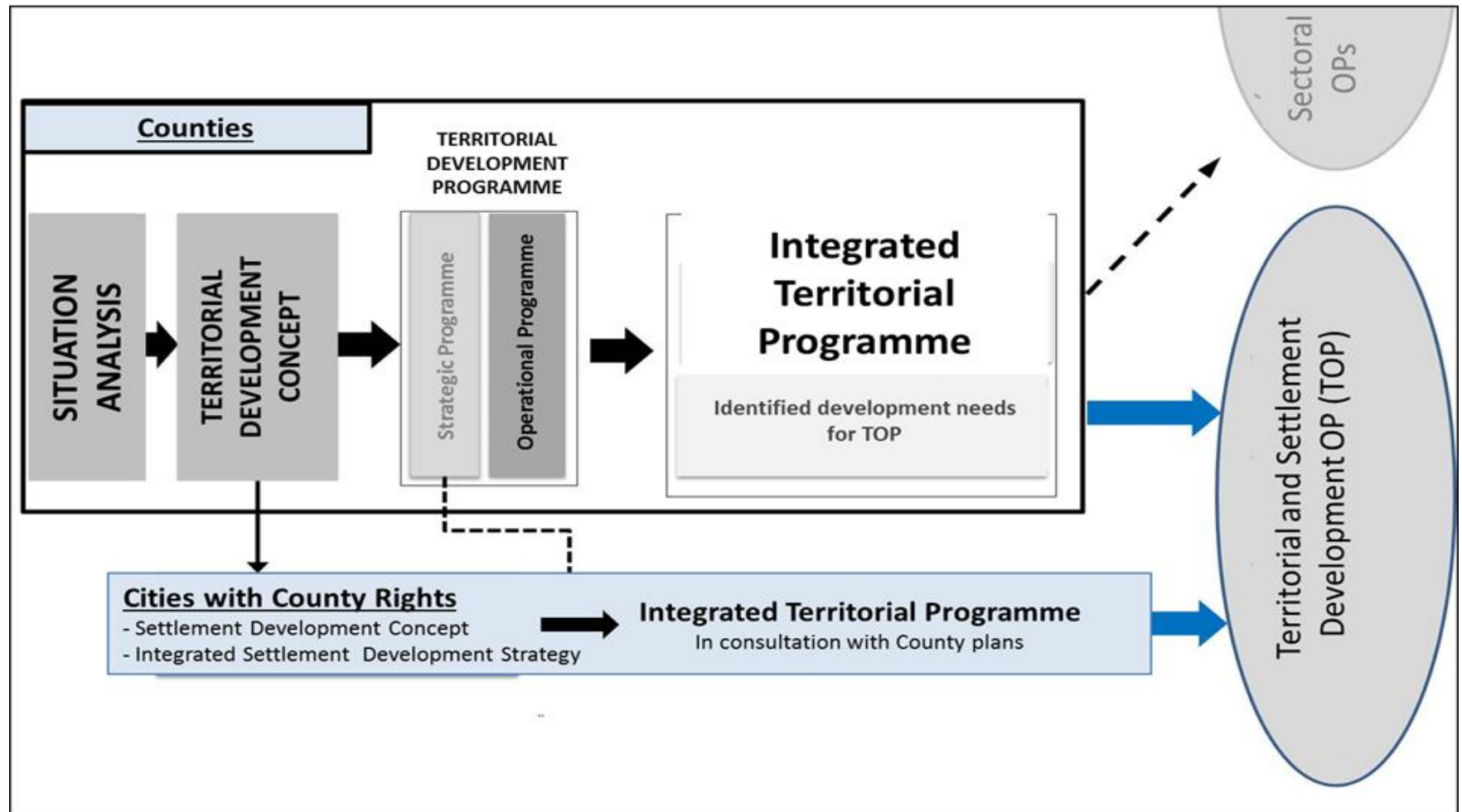


# Territorial and Settlement Development Operational Programme

- Aims to support regional, decentralised economic development and increase employment based on local resources
- Target area: „less developed regions” (18 counties of Hungary, except Budapest & Pest county)

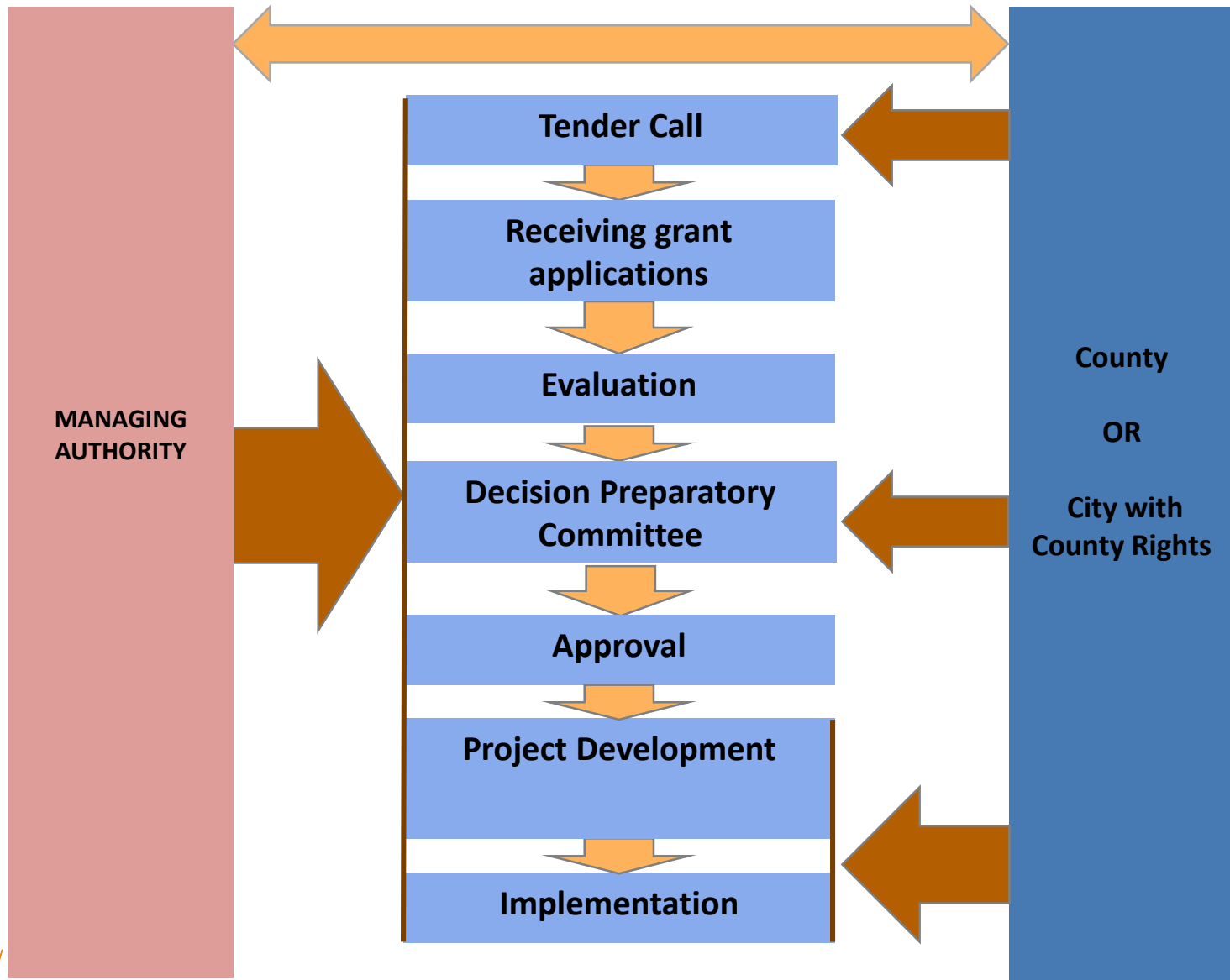


# Integrated Territorial Programmes



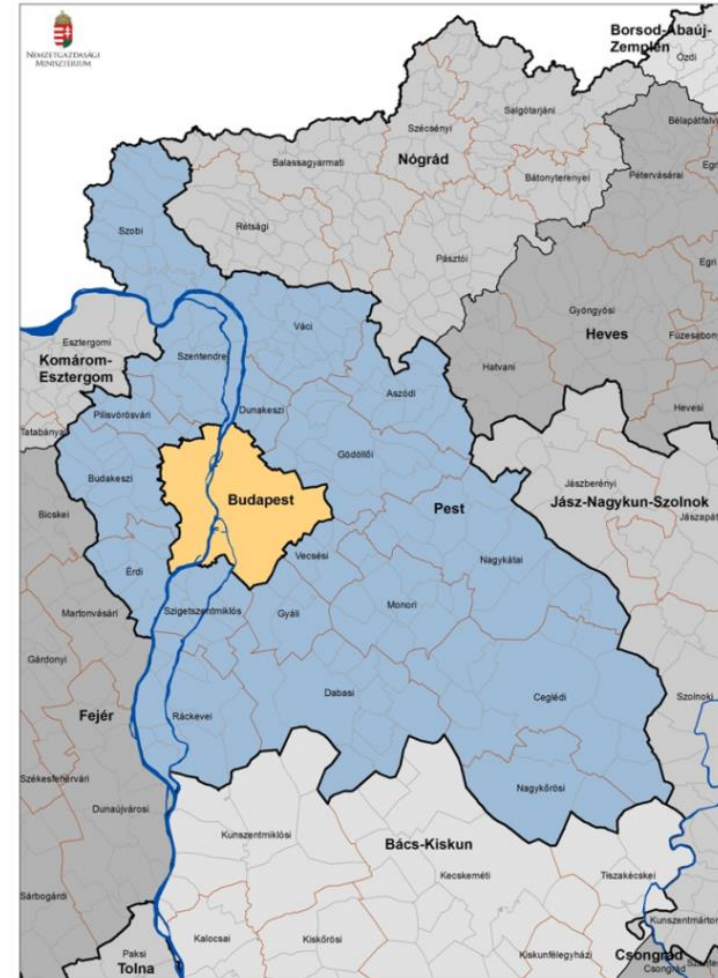


# Territorial Selection System



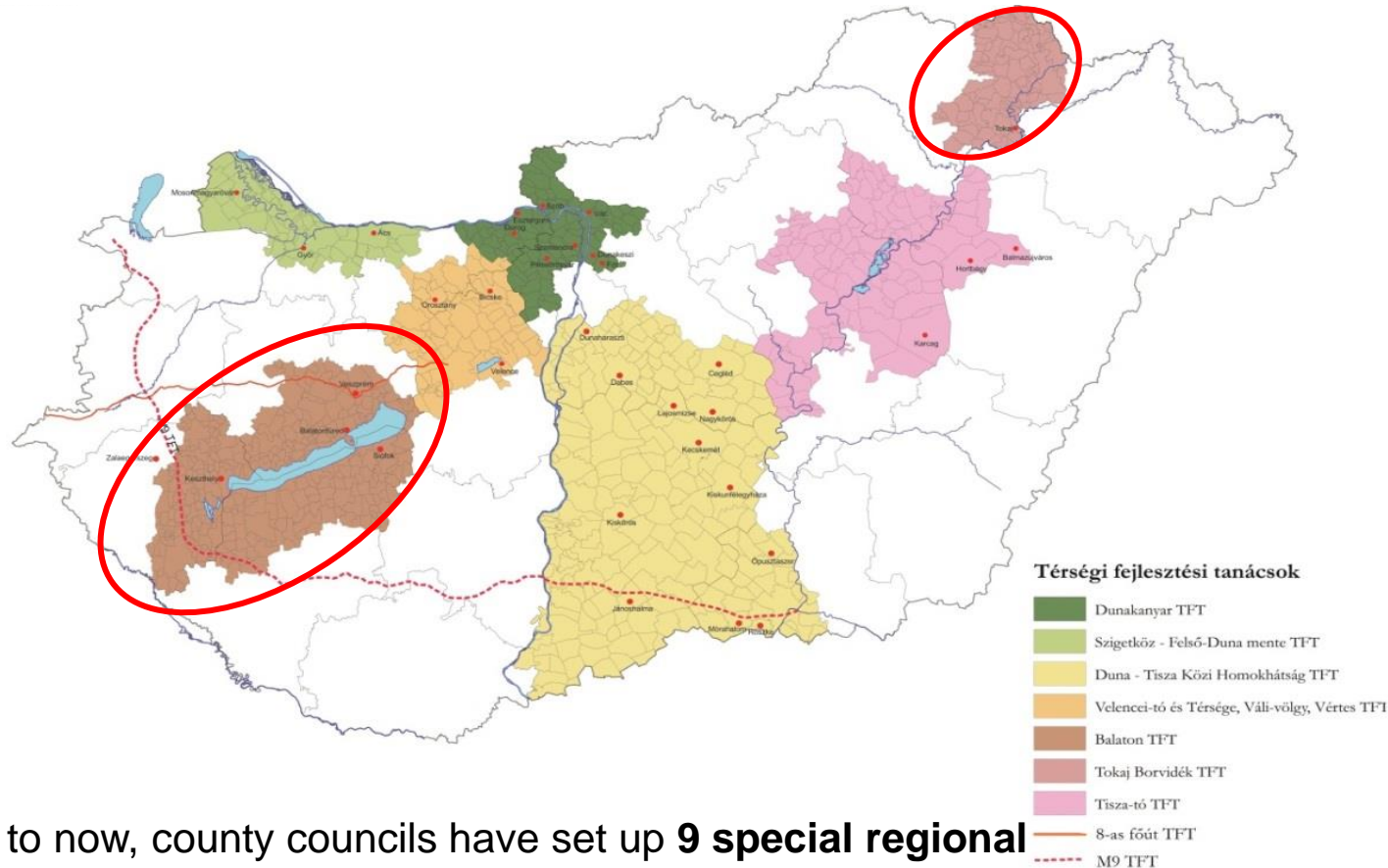
# Pest County Compensation Programme

- Between 2014-2020 Central Hungary (Budapest+Pest county) is the only more developed NUTS2 region due to the high economic performance of the capital.
- In 2016 the Government decided to split Central Hungary into two NUTS2 units: Budapest and Pest county.
- Since **Pest county receives much less EU funds** than other less developed parts of the country, between 2016-2020 **260 million EUR national fund is dedicated to Pest county for compensation.**
- **Priorities of the Compensation Programme** are connected directly to Pest County Regional Development Program 2014-2020 without applying an ITP:
  - Improve conditions and working environment for business development, especially for raising the competitiveness of SMEs;
  - Tourism as a strategic sector;
  - Complex programmes supporting the lagging regions of Pest county,
  - Increase the mobility of workforce by improving transport infrastructure (internal roads, cycle routes);
  - Improve infrastructural conditions of municipal public service.



Készítette: Területfejlesztési Tervezési Főosztály

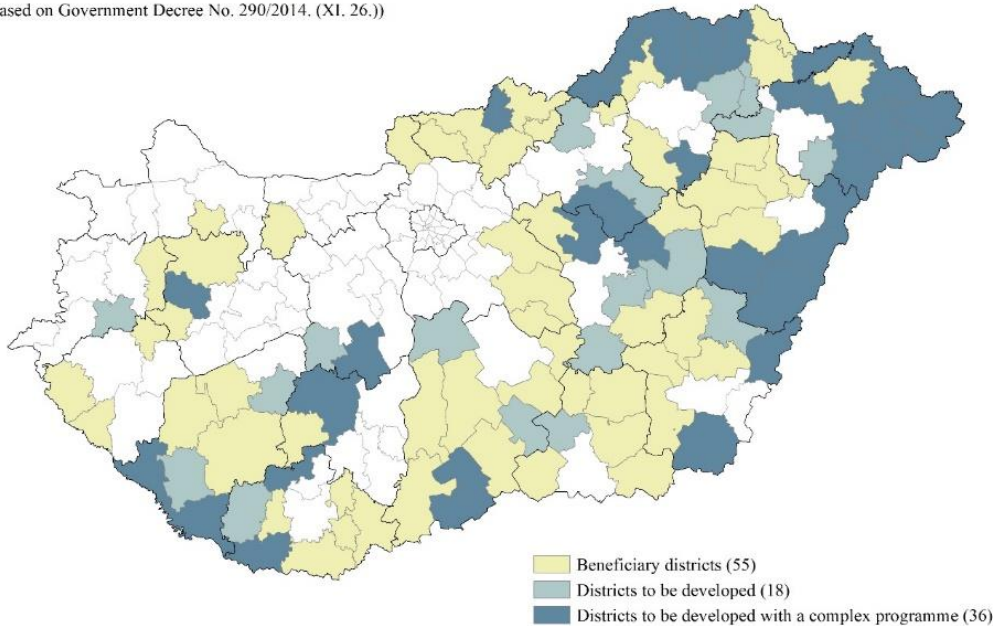
# Special regional development councils



- Up to now, county councils have set up **9 special regional development councils** for supporting their territorial development capacities.
- Have functional, bottom-up characteristics and may extend beyond administrative borders.
- 4 endorsed territorial development concept, 2 have territorial development programmes.
- Financed by founding counties. State-level support only be given to the 2 highlighted ones:
  - 1. 'Balaton' (Lake Balaton) Development Council;**
  - 2. 'Tokaj Borvidék' (Tokaj Wine Region's) Regional Development Council.**

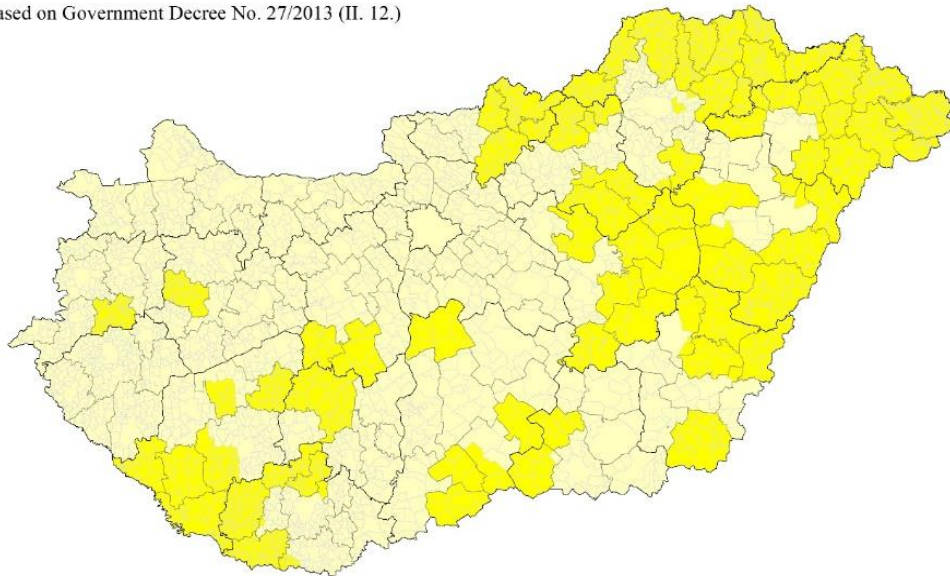
## Beneficiary districts

(Based on Government Decree No. 290/2014. (XI. 26.))



## Free enterprise zones

Based on Government Decree No. 27/2013 (II. 12.)



# Favouring less developed districts

Connecting development measures in 2014-2020:

- **Preferences are given to projects** submitted in beneficiary districts/settlements and in free enterprise zones in the relevant measures of operational programmes.

# // Thank you for your attention

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