Cross-border Planning in Europe – The Case of ULYSSES

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Abstract
ULYSSES is a case study oriented project focussing on the implementation of applied research results produced under the ESPON 2006 and ESPON 2013 Programmes as a yardstick for decentralised cross-border spatial development planning. The main aim is to produce analytical results rather than realising a cross-border harmonisation of quantitative data.
ULYSSES addresses the following cross-border areas: The Upper Rhine area along the land borders between France, Germany and Switzerland; the area along the entire Spanish-French land border (Pyrenees); the area along the land border between Greece and Bulgaria; an area covering parts of the Northern Finland-Russian land border (Karelia), an area along the borders between Poland, Germany (land border) and Sweden (maritime border); the area along the land border of Spain and Portugal (Extremadura/Alentejo).

Out of these six cross-border areas under full research, three will be presented as example for a Northern Europe border area with an EU external border (Karelia), Southern Europe border area with one of the new member states of the EU (Greece-Bulgaria), and a centrally located "old" border area, having an external border, though (Upper Rhine). After giving an overview of each cross-border area, results of the factor analysis are described as basis for the results and lessons learned.

The Transnational Partnership Group of ULYSSES used a multi-scale performance and a cross-border institutional analysis in order to find out to what extent borders influence the economic performance and the social interaction of territories and to reveal if and how the economic performance and social conditions of border regions are affected by the fact that they are generally at the outskirts of their countries.

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1. Introduction

Territorial cohesion is one of the main objectives of European policies, and territorial cooperation is among the key strategies to reach this objective. In this context, cross-border cooperation plays a vital role. It contributes to creating synergies and coordinating actions between different Member States' regions, featuring different governance systems and performance realities. On regional scale, cross-border cooperation is representative of the actual performance of the European territorial cohesion process. This territorial dimension of European policy is also highlighted in the document "Europe 2020: New European strategy" (2010) approved by the European Commission.

1.1 The project ULYSSES[9]

ULYSSES is an experimental and innovative project supported by 18 European border and cross-border areas (hereafter CBA) that aims at using applied research results from ESPON as a yardstick for decentralised cross-border spatial development planning. Within this overall framework, a targeted analysis including high-quality, comprehensive and **multi-thematic territorial analyses** (hereafter MTA), has been performed on six specific CBA across Europe (see Map 1, page 4):

- The Upper Rhine CBA along the land borders between France, Germany and Switzerland
- The CBA along the entire Spanish-French land border (Pyrenees)
- The CBA along the land border between Greece and Bulgaria
- A CBA covering parts of the Northern Finland-Russian land border (Euregio Karelia)
- A CBA along the borders between Poland, Germany (Euroregio Pomerania, land border) and Sweden (maritime border)
- Extremadura/Alentejo (ES/PT)

The **territorial analyses** focused on the main topics mentioned by Territorial Agenda of the European Union (EC 2007; EC 2011b), namely (i) cross-border polycentric development, (ii) patterns of urban/rural relationship, (iii) levels of accessibility and connectivity, (iv) effects of demographic change (*territorial profile*), and (v-vi) level of attainment of Lisbon/Europe 2020 and Gothenburg objectives by the CBA (*territorial performance*). In parallel, an **in-depth statistical analysis** focused on the six MTA areas was performed as well. This analysis included (i) a catching-up analysis; (ii) a principal components analysis, and; (iii) a multiple regression analysis.

Additionally, a comprehensive **cross-border institutional performance analysis** has been included as well in every MTA. This analysis captured the diversity of governance frameworks existing within each CBA by paying regard to both the *structural dimension*, i.e. the overall framework that can hardly be influenced by the partners of cross-border cooperation, as well as the *activity dimension*, i.e. the

[9] Texts and maps stemming from research projects under the ESPON Programme presented in this paper do not necessarily reflect the opinion of the ESPON Monitoring Committee.

intensity and continuity of institutionalised cross-border cooperation on the regional level.

All the abovementioned activities crystallised in a comprehensive diagnosis for each MTA area that was delivered as an annex to the Interim Report of ULYSSES. On that basis, an **integrated analysis** taking account of previous inputs was performed at a later stage of the project. From a methodological perspective, this integrated analysis adopted the form of a two-phase SWOT analysis that included (i) a *status-analysis phase* in which the findings derived from previous research tasks were organised and prioritised as main challenges and opportunities, and; (ii) an action-decision phase in which a response to each one of the challenges and opportunities identified in previous phase was proposed as a potential strategy.

Both the challenges and strategies were discussed and validated by stakeholders of the MTA areas.

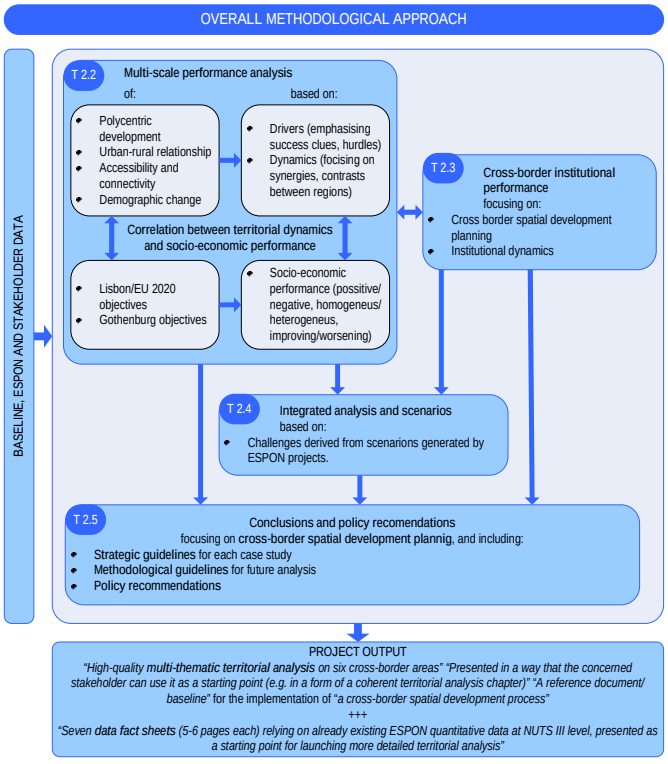
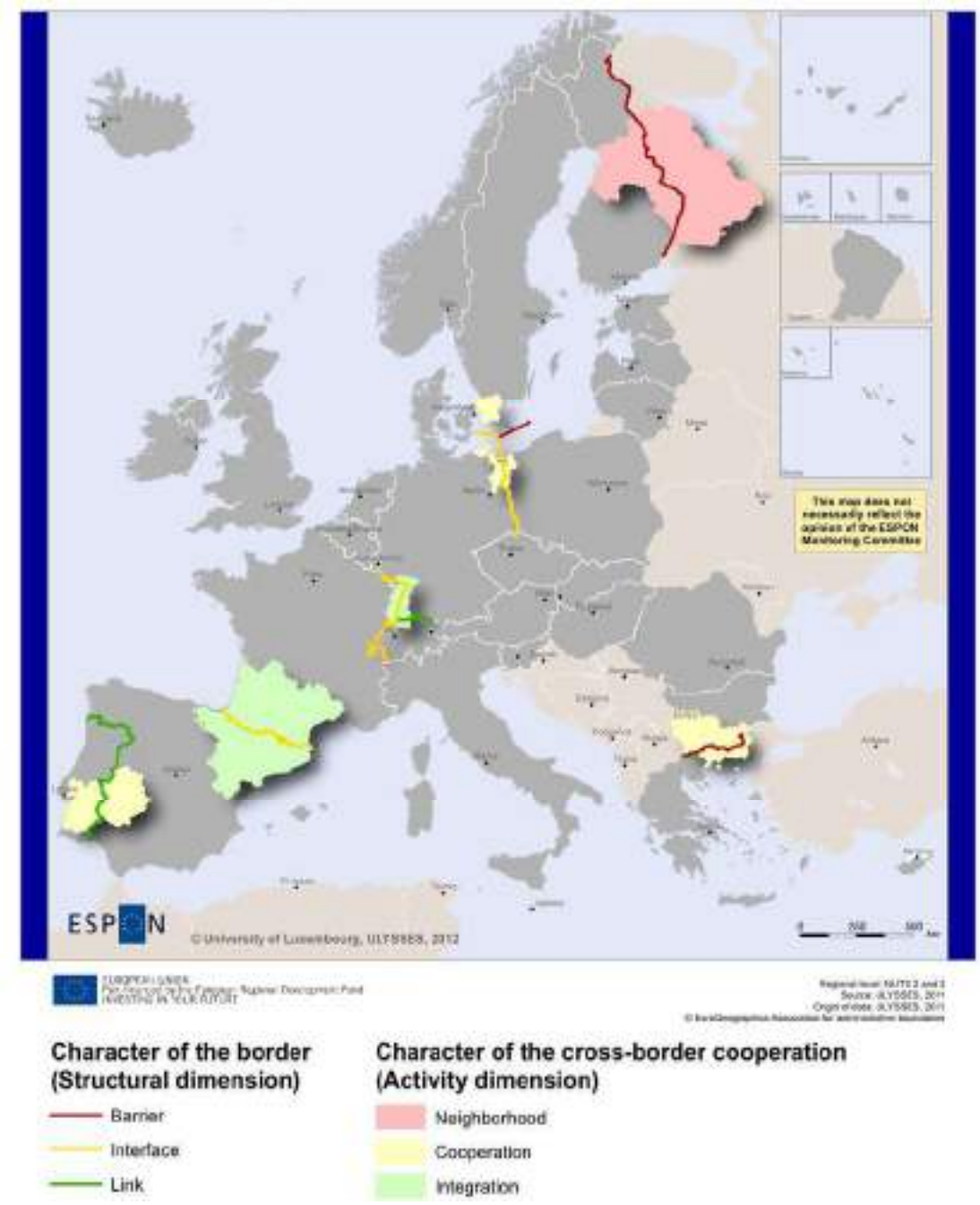


Figure 1: Methodological Approach

2. Key findings of the multi-thematic territorial analyses

Borders are almost synonymous with political, demographic and economic remoteness and they also behave as functional and territorial discontinuities. Consequently, economic activities do not tend to concentrate close to the national borders and public institutions normally have a limited interest in investing in these areas. However, the growing integration of European regions should therefore lead to the development of many border regions that could exploit their formerly hindered potential, as well as to an increase in population and Gross Domestic Product (hereafter GDP) growth along the borders.

The level of cooperation already achieved is shown in Map 1, p. 4, which gives also an overview of the cross-border areas under full research in the project ULYSSES.



Map 1: Structural Dimension and activity dimension of the ULYSSES regions' institutional setting

The following chapters give an overview of three out of the six cross-border areas under full research in the project ULYSSES: the centrally located Upper Rhine along the land borders between France, Germany and Switzerland, the rather remote

Euregio Karelia covering parts at the Northern Finland-Russian land border, and a Southern-Europe CBA, the land border between Greece and Bulgaria.
After giving an overview of each cross-border area, results of the factor analysis are described as basis for the results lessons learned.

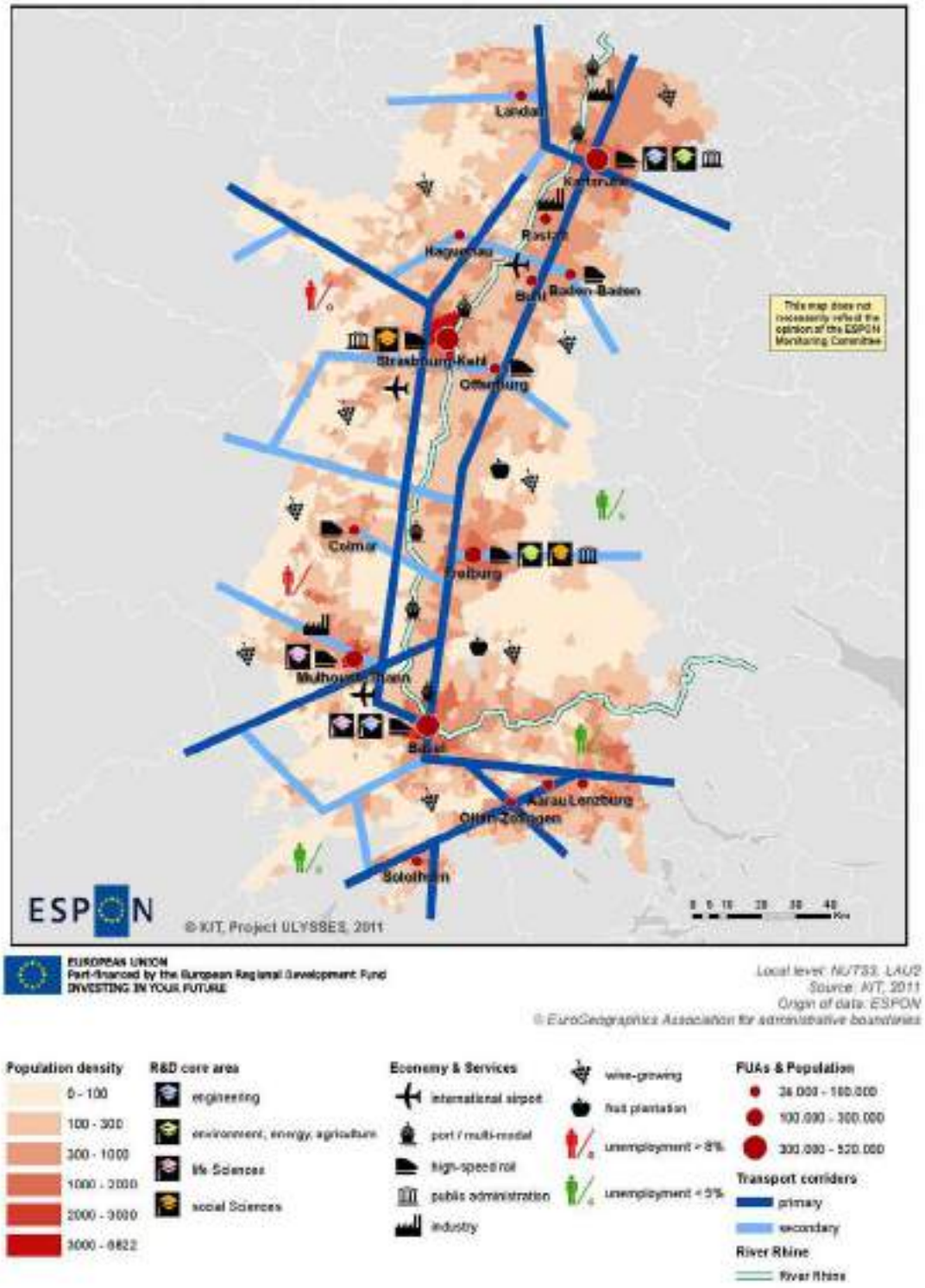
2.1 Upper Rhine

2.1.1 Overall situation

The Trinational Metropolitan Area Upper Rhine is a peripheral and at the same time central region in Europe: it is peripheral as it is located in the northern part of Switzerland, eastern part of France and south-western part of Germany with the River Rhine as its natural border between these three countries. And it is at the same time centrally located within Europe, being part of the "Blue Banana" respectively the "Pentagon". With its central position in Europe and the existence of a variety of small, medium und larger cities and conurbations, the CBA hosts a quite strong economy, administrative centres (e.g. the European Parliament), and research centres, resulting in rather low unemployment rates and high GDP respectively GVA.
There is a dense network of larger and medium sized cities in the CBA, though advantages of the development following the principle of decentralised concentration cannot not fully be exploited, as the network does not quite work in a cross border way. While the Rhine Valley is place of various land-use conflicts of environment, settlement, economy and transport, the more rural areas of the low mountain ranges suffer from losses of population and functions.
The Rhine Valley is one of the European main corridors for passenger and freight transport. There are excessive networks of road and rail, but the interconnections between those are still insufficient. The expected increases in traffic all over Europe – especially freight traffic – and new connections through the Alps like the Gotthard will put pressure on the transport networks in this important part of the North-South connection within Europe.
Also the public transport of the CBA is quite comprehensive in all national parts. The existing transport network is focused on national needs and institutions and a shared use is seldom aspired. The interconnections and qualities of service in-between are hence still an important issue of cross-border cooperation, as a real cross-border network does not exist.

Cross-border cooperation in the region has a long tradition. Even though the affiliation to national spaces is still dominant, the region disposes of a diverse and differentiated governance structure, with several cross-border institutions on different scales with different tasks coexisting complementarily. This causes a twofold situation, as stakeholders pointed out: On the hand institutional simultaneities hinder the regional ability for marketing, lobbying and strategy building, as it is often criticized. Also time consumption due to engagement in multiple institutions is an issue. On the other hand, stakeholders reminded, that institutional differentiation and redundancy provide for a plurality of arenas and levels on which cross-border cooperation can be achieved. Also, the density of regional stakeholder networks is

positively affected by this, as well as the regional governance system is less prone to stagnation due to institutional blockades or dependency on charismatic leaders.



Map 2: Territorial synthesis of the Upper Rhine CBA

2.1.2 Centrality

This factor has its highest values in central European countries, especially in the Ruhr, Belgium and Southern England, in a pattern that clearly lines out the „Blue Banana“. In the less central regions, the higher values tend to be concentrated around capitals and other major urban agglomerations. The factor centrality has high positive correlations with all the indicators expressing potential accessibility and, to a lesser extent, with the share of employment in the financial intermediation and real estate, the employment in high and medium tech manufacturing activities and with commuting to other regions. It also has a strong negative correlation with the share of employment and GVA in agriculture and fishing.

All NUTS3 units of the CBA fall into the two highest percentiles of all European NUTS3 units, expressing the high centrality of this region. The CBA Upper Rhine can be seen as part of the Blue Banana with slightly less centrality indices than the highest scores of Rhine-Ruhr or Belgium. This could also derive from excluding Switzerland as the data is missing here, which could in the analysis lower the centrality index for South-West, Germany and North-West Italy.

2.1.3 Economy

The factors regarding economic development appear to represent the proximity of NUTS3 areas to public administration centres, as the indicators positively correlated with this factor are the share of employment and the GVA in public administration, community services and activities of household and the indicators negatively correlated with this factors are the share of employment and the GVA in industry. The regions with the highest scores of this factor are majorly depressed regions in which, because of their poor economic performance, the public sector assumes an important position. It is interesting to see that most of the borders NUTS3 areas in Spain and Portugal have very high scores in this factor, as well as Karelia.

In some border areas, the involved regions seem to have higher scores in the indicator unemployment than the more centrally located regions. This is the case in Portugal, on the northern border of France and Bulgaria, Finnish Karelia or the Czech Republic where it borders Eastern Germany. The coefficients indicate that high levels of unemployment have a strong negative correlation to a high investment in R&D, demographic dynamism, central locations and high levels of immigration. As expected, the factor referring to administrative centres has a significant and positive impact.
The CBA Upper Rhine has quite low scores regarding this factor, as unemployment rates are significant lower than the national and EU averages (exceptions are DEB37 Pirmasens and FR422 Haut-Rhin). Including data from Switzerland (data is missing here) would have highlighted to good conditions for workers and employees in the CBA.

2.1.4 Research and Development

This factor represents the innovation dynamic and the scientific development of each NUTS3 area of the EU27 space. This factor appears mostly related to R&D

investment of the different sectors and, to a lesser extent, to EPO patent application and the tertiary educated active population. Mapping the spatial distribution of factor scores, it is interesting to note that, besides the capital cities, it is possible to identify specific innovation strongholds such as important university towns or high tech industries (Airbus in the Toulouse area, Volkswagen around Wolfsburg, Cambridge or the Silicon Glen). The Scandinavian countries also have a very favourable position in this factor.

The CBA shows high values of the R&D indices, all but the two French NUTS3 units above the national averages and within the highest percentiles in Europe showing the high capacity of R&D of this region within Europe and in comparison to the average. This accounts especially for the German parts of the CBA, where a common German prejudice comes true about the people of the state of Baden-Wuerttemberg being "Tueftler" (tinkerers – like Walt Disney's Gyro Gearloose) and hence having the highest amount of patents per inhabitants.

2.1.5 Demographics

This factor seems to express the demographic dynamism of NUTS3 areas, as the indicators positively correlated with this factor are the young age dependency rate, the crude rate of natural population increase and the total fertility rate. This factor depicts negative correlation to the old age dependency rate parameter. Mapping the spatial distribution of factor scores, it occurs that the regions with the lowest scores of this factor are in the Mediterranean countries, such as Portugal, Spain and Greece, as well as Germany. On the contrary, the northern parts of France, Ireland, central Great Britain, Scandinavia and Eastern Europe are the regions with the highest positive scores.

The factor analysis reflects the different natural population development especially in comparison between France and Germany with a big difference in fertility rates and hence dependency ratios. While the German parts of the CBA still grow due to migration, the natural development of the population is negative, while the French NUTS3 units still have a slight natural increase. Although the CBA has continuous immigration, scores compared to the national averages are relatively low, i.e. the EU average of all NUTS units is higher than the rates of the CBA.
Although being a border region, the indicators used show a high attractiveness of the CBA by steady immigration. Despite low fertility rates, the CBA is slow but steadily growing by immigration. This indicates a strong labour market, especially in the Swiss NUTS3 units of the CBA, with a high share of incoming commuters from France and Germany.

2.2 Karelia

2.2.1 Overall situation

Euregio Karelia is a cross-border region situated on the Finnish-Russian border area. It is formed out of three Finnish regions; North Karelia, Kainuu and Northern Ostrobothnia and the Republic of Karelia in the Russian Federation. The borderline dividing these regions is an external border of the European Union and it is approximately 700 kilometres long with only three international border crossing points between Finland and Russia. In contrast to EU internal borders, there exists no visa-free entry on the Finnish-Russian border, and the visa regulations are determined by EU-Russian visa agreement and the Schengen-regime.

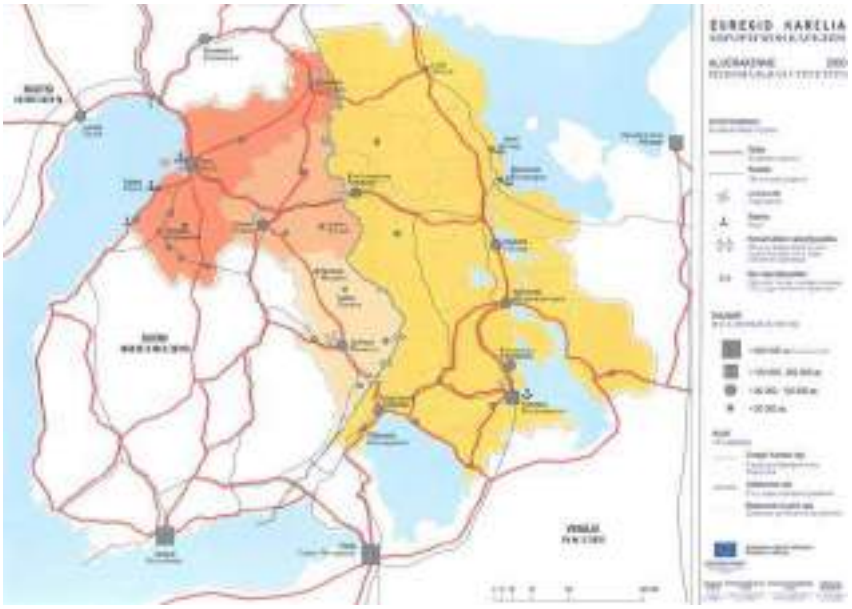
In demographic terms Euregio Karelia is struggling from negative population change. Accordingly the population density in the CBA has been declining. Net migration has not been able to compensate for decrease of population, because it has been moderate and below the national averages. Urban structure in Euregio Karelia is not dominated by one big city, but it is relatively polycentric. However, the urban structure of the CBA could be fragile, because there is a fairly small total amount of Functional Urban Areas (9) in the CBA compared to the European average. On the Russian side of Euregio Karelia there is only one FUA, which is Petrozavodsk. The FUAs are dependent on traditional manufacturing and thus very vulnerable to effects of globalisation.

Euregio Karelia is in the European context classified as a CBA with low urban influence and low human intervention. Eurostat classification considers the CBA as a predominantly rural region. The Euregio thus appears rural from the European perspective. However, the share of agricultural areas in the region's total area is significantly lower than the European average. This is partly explained by the large share of forests in the total area.

Euregio Karelia is located far from central European road and rail infrastructure and thus has low accessibility and connectivity.

All the Finnish regions of Euregio Karelia (except for Northern Ostrobothnia) have been in economic terms identified as less developed non converging regions. There are also large differences in GDP per capita between the Finnish and Russian regions of the CBA. The Finnish-Russian border has had positive effects on trade in the regions located in close proximity of the border. There is a strong variance between regions of Euregio Karelia concerning performance in research and innovation and social cohesion, Eastern Finland and the Republic of Karelia performing the weakest.

Euregio Karelia is located on the EU external border, which creates a relatively difficult structural context for cross-border governance and institutionalized spatial planning. Cross-border cooperation does take place in Euregio Karelia in a multi-faceted and increasing way. Still, the difference to internal EU cooperation is very obvious and a spatial planning or a transport policy has not been institutionalized on a cross-border level yet.



Map 3: Transport infrastructure in Euregio Karelia (2000)

2.2.2 Centrality

Euregio Karelia scores very low in the centrality factor. All the regions of the CBA are below national average and the average of all the studied countries.

When we look at the location and accessibility of Euregio Karelia from the perspective of services and transport factor, we can see that in the European context Euregio Karelia scores low in these aspects as well: Euregio Karelia is located far from central European road and rail infrastructure and thus has low accessibility and connectivity. Despite its remote location, air connections make the CBA better accessible to the European countries. Considering connectivity within the CBA, the Finnish-Russian border, being an external border of the European Union, does not allow free movement of people and goods. Cross-border traffic has been steadily increasing and the border crossing infrastructure has been developed. Thus the Finnish and Russian regions of the CBA have become better accessible to each other.

2.2.3 Economy

The factor of economic development has a high correlation with GDP per capita, share of Natura 2000 areas and soil sealed area. It is a factor, which expresses high degrees of development and urbanization. In Euregio Karelia Northern Ostrobothnia has the highest score in this factor. North Karelia and Kainuu score significantly lower than Northern Ostrobothnia and the Finnish and European average. In Europe regions with the highest scores for this factor are concentrated in Central Europe, Scandinavia and in capital cities of more marginal countries. Regarding the economic catching-up, a factor that relates GDP level and growth between 1997 and 2008 of a given region to the pattern evidenced by the leading region, Northern Ostrobothnia is again the best performing region of Euregio Karelia. The overall pattern of the border regions is to follow the national tendency.

Concerning the factor of unemployment the situation is similar to the performance of Northern Ostrobothnia being more positive. The unemployment factor correlates

with variables such as unemployment, long-term unemployment and youth unemployment. The geographical distribution of this factor's scores shows a concentration of highest values in the more depressed areas of Europe and countries with a structurally high unemployment.

2.2.4 Research and development

Total intramural R&D expenditure in Karelia in 2007 was higher in Finland than in EU countries in average. Expenditure was even higher than the Finnish average in Northern Finland while in Eastern Finland R&D expenditure was below Finnish and EU average. When looking at the sectoral R&D expenditure it is obvious that expenditure in Northern Finland and Finland in general has been greatest in the business sector. Northern Finland shows stronger performance than Eastern Finland both in the amount of EPO (European Patent Office) patent applications and the amount of persons employed in high and medium tech manufacturing activities.
In Euregio Karelia Northern Ostrobothnia is the only region performing better than national or EU average, while North Karelia and Kainuu are performing weaker in respect to this factor.

2.2.5 Demographics

The factor of demographic dynamism correlates with the young age dependency ratio, crude rate of natural population increase, total fertility rate and old age dependency rate (this last one has a negative correlation). In Euregio Karelia the regions are performing very differently in demographic terms and the only region that is performing better than the European average is Northern Ostrobothnia. In the European context, regions with the lowest scores in demographic dynamism are in the Mediterranean countries.
Concerning the factor of immigration that correlates with the indicators of population growth and net migration ratio, Northern Ostrobothnia is the only region in Euregio Karelia that is performing better than European average.

2.3 Greece-Bulgaria

2.3.1 Overall situation

The Greece – Bulgaria CBA is considered as a region distanced from the central parts of Europe, facing population reduction, over-ageing and low fertility rates. Although fertility rate gradually increases over the latest decade, its value appears significantly lower than the corresponding EU27 rate. Population distribution shows strong disparities, with higher population densities near urban conglomerates. Along the well-established transportation axes, the border seems to attract population and economic activities, affecting population density and growth patterns. On the contrary, newly opened crossings do not seem to affect settlements near the border.

Population density decreases over the latest decade, due to strong depopulation, although the CBA may still be characterized as a 'strongly rural area'. Over the last decade a gradual increase in urbanisation has occurred in the CBA, mostly shown by the sharp decrease of population employed in the primary sector and the respective

GVA produced. This urbanisation tendency of the CBA is also accompanied by a subsequent transformation of agricultural areas into artificial areas.
The accessibility and connectivity infrastructure has improved in the CBA during the latest years, especially by the construction of motorways and the expansion of airports. However, more development in the cross-border transportation infrastructure is needed to integrate CBA's economy and improve its performance.

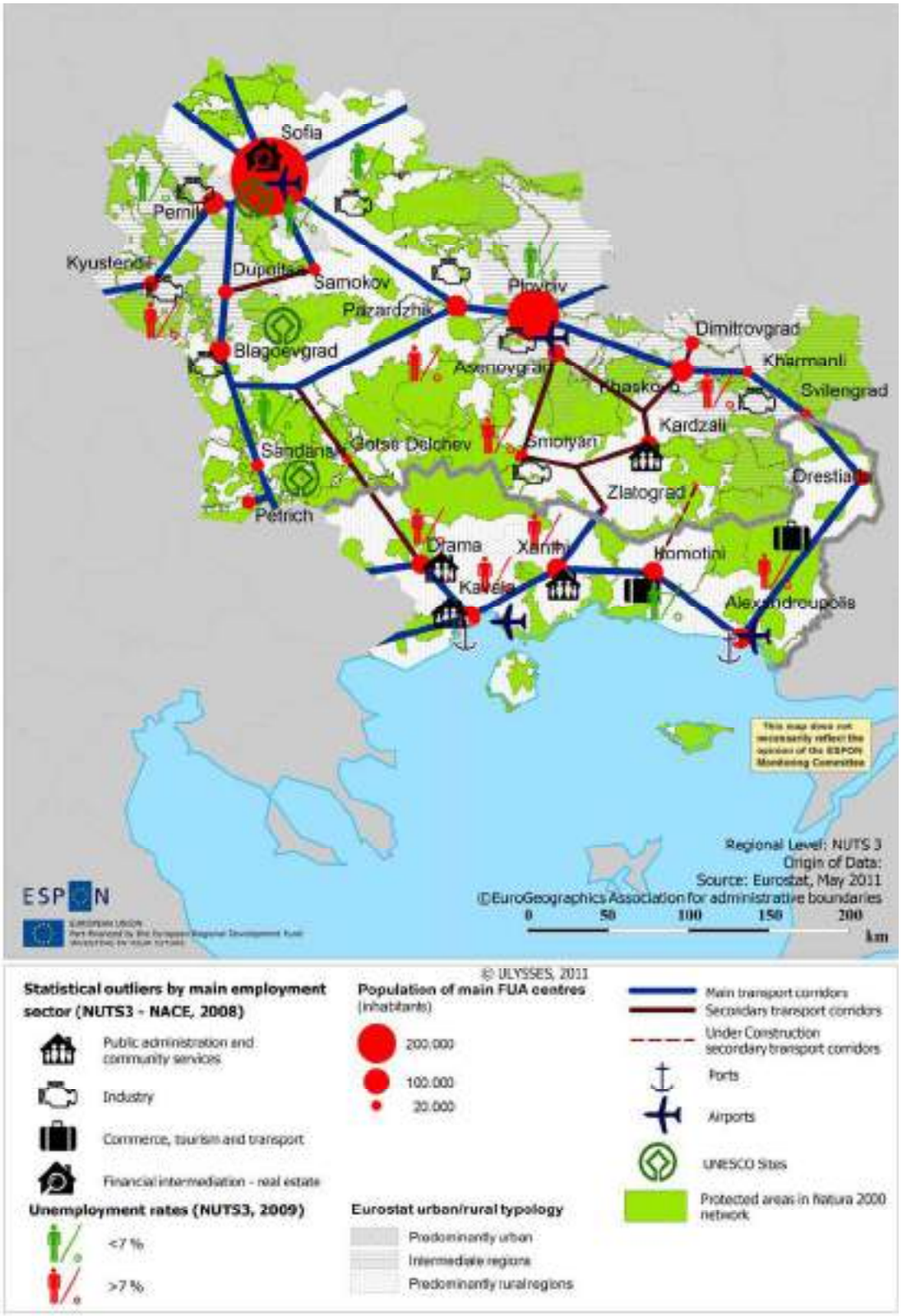
Significant disparities exist in terms of the convergence dynamism of the CBA, as the Bulgarian part exhibit a steady catching-up behaviour, while the Greek areas are characterized by a slow converging pattern. Employment in the CBA seems distributed rather evenly among all economic activities, exhibiting a marginal annual rise over the last decade. This increase seems attributed to construction, the financial and real estate sector. Trade, tourism and transport are the main economic sectors supporting local CBA's economy. The reduction in the employment in the primary sectors is apparent.

2.3.2 Centrality

The Greece – Bulgaria CBA shows very low factor scores in relation to 'centrality' in comparison to central European countries or around capitals and other major urban agglomerations of less central regions. Most NUTS3 areas score at the lowest 5th and 20th percentiles of all EU27 areas. Territorial profile analysis revealed that the lack of central CBA's location over the EU27 space is a major disadvantage: Poor economic convergence seems related to the low centrality of the region and the increased public administration sector. Central location appears a more important factor to support economic development of a region, than the R&D investments.

2.3.3 Economy

Trade, tourism and transport seem to be the main economic sectors supporting local CBA's economy, followed by subsequent reduction in construction and service sectors. The CBA underperforms in all social cohesion indices, although they showed a gradual increasing tendency up to 2008. Thereafter, a sharp decline was noted, increasing unemployment in most economic sectors.
Overall, the poor economic performance (high unemployment, especially at its southern parts, and limited economic development, showing spatial disparities due to the stronger Bulgarian convergence tendency) of the area seems related to its low centrality, the exaggerated public administration sector, the low R&D investments and the limited demographic dynamism.



Map 4: Territorial synthesis of Greece-Bulgaria CBA

2.3.4 Research and development

Bulgaria and Greece are modest innovators exhibiting a below average performance, and the three NUTS2 regions under study present similar characteristics, demonstrating low innovation performance and weak innovation potential that in terms of the number of patents fall well below the EU27 and the USA averages. The Greece – Bulgaria CBA shows relatively low factor scores in relation to 'innovation dynamism'. R&D investments and innovation orientation appear below average, having low contribution to CBA's economic growth.

2.3.5 Demographics

Over the latest decade, the total population of the CBA shows a significant decrease by approximately 4.3%, Based on this trend, the total population of the CBA in 2020 will be diminished at the level of 4,062,969 inhabitants. Excluding Sofia, the CBA's population reaches 2,9 million inhabitants in 2009, exhibiting depopulation with an annual rate of 5.0%. Xanthi (GR113) and Sofia (BG111) are the only NUTS3 areas of the CBA depicting positive population growth rates, even higher than the mean EU27 growth rate.

Net migration is responsible for the population increase in Sofia. In most of the NUTS3 unit levels of the Greece – Bulgaria CBA, population decrease is due to both, natural causes and out-migration.

2.4 Results

The territorial profile and performance analyses conducted in ULYSSES are interested in understanding how the borders function in different contexts and the impacts of the general challenges they pose. From this perspective, there are some aspects that can be highlighted from the different multi-territorial analyses of the border areas as well as from the factor and regression analysis that was performed at the EU27 countries:

- The first one is that the **differences in the CBA seem to be pretty much a consequence of their overall location and not so much of their border position**. This means that the central European CBA are performing at a similar level than other centrally located regions, while border regions in peripheral countries perform similarly as other peripheral regions.
- The second one is that **borders keep playing a major role in explaining the behaviour of the different regions**, by dividing different national realities.
- The third one is that **the border condition seems to be more relevant at the regional than at the local level**. For example, while the position of the total CBA in the national or European context is clearly relevant, the settlement patterns at the LAU 1 or 2 levels seem often to be indifferent to the border.
- A fourth one is that the **cross border commuting still tends to be low**, when compared to the commuting between regions of the same country.
- The fifth is that the **borders seem to keep functioning as a limit for the diffusion effects of development poles**. This essentially indicates that, besides the European effort in promoting territorial cohesion, the national level maintains a prime role in regional development.

From a **governance perspective**, border regions are often called 'laboratories of Europe', and this label is also confirmed by the ULYSSES project: the 'contact zones' of different national systems reveal very clearly the added value and, at the same time, the challenges of European integration. The six regions under full analysis in ULYSSES confirm the diversity of borders and border regions in Europe also from the institutional point of view: The structural and the activity dimension have very different values, and the analysis such diverse conditions lead to some general conclusions:

- **The internal EU 15 borders are, from a structural point of view, still more favourable for cross-border governance** than, for example, external EU borders or borders with transition states.
- At the same time, the structural dimension cannot be explained in a *deterministic* way, that is to say, **the degree of institutionalisation cannot be directly linked to any specific status or socio-economic arrangement**.
- **Socio-economic development alone does not determine cross-border governance**, neither.

Territorial diversity has to come along with different institutional settings, and the involved institutions have to face the respective challenges on the ground. Hence, following the principle of tailor-made strategies, **all regions have to develop their own ways in order to exploit their cross-border potential**. It became obvious though that ongoing deepening of cross-border-cooperation depends strongly on the commitment and effort of leader personalities as well as the great persistence of those efforts.

3. Conclusion/Lessons learnt for policy development

Generalising the crucial findings from the ULYSSES study we have pinpointed some general ideas that might be of relevance for European cross-border policy development:

- **Borders matter**: The evidence collected by ULYSSES project shows as (i) borders keep playing a major role in explaining the behaviour of the different regions; (ii) border effects are clearly perceivable at the national and regional levels; (iii) cross-border commuting between different regions still tends to be low, and; (iv) borders seem to keep functioning as a limit for the diffusion effects.
- **Geography matters**: Local geographic conditions impact on territorial development within cross-border areas in many ways. Indeed, borders are very diverse across Europe and may have different implications depending on the sometimes neglected geographical features that characterise such borders.
- **Regional delimitation matters**: The territorial analyses made evident as the regional statistical units available for statistical purposes across Europe, namely NUTS 2 or 3 regions, have totally different connotations depending on the area.
- **Scale matters**: Evidence have shown that (i) the geographic scale at which data is produced/collected conditions the final results of the analysis in various ways, e.g. the NUTS units are of very uneven sizes in the different Member states and in general, NUTS 3 or even 2 are too rough for analysis; (ii) many of the topics covered would require further analysis based on fine-grained data; (iii) ESPON data is a precious asset in approaching the cross-border issue at the European level, but its reference scale seems somehow inappropriate for designing local strategies.
- **Cohesion matters**: Both the multi-thematic analyses and the governance analysis show clear differences between the different parts of each border region, between the border regions and their domestic hinterland, and amongst the border regions across Europe. The goal of a balanced territorial development remains a challenge.
- **Diversity matters**: The diversity of the involved territories must not be regarded as a barrier to a successful territorial development but as an opportunity for complementary labour markets and cultural richness. The challenge is to enact place based approaches that make use of the territorial potential.
- **Territorial cooperation matters**: All ULYSSES regions have a certain experience with bi- and multi-lateral cross-border institutions. In all regions, the institutional setting shows the overarching importance of the structural funds, in particular with regard to the INTERREG programme. Moreover, the new European tool of the European Grouping for Territorial Cooperation (hereafter EGTC) is broadly tested and adopted within the ULYSSES regions.
- **Spatial development strategies matter**: ULYSSES experience proves that the knowledge basis for cross-border regions is not comparable with the ones of domestic regions, and that most regions have already formulated strategic elements for territorial development, either in form of more analytical studies

or of joint political declarations. However, we see a certain tendency that these documents are often quite abstract and not always institutionalised in a political way.

- **Knowledge matters**: Reciprocal knowledge of current territorial trends by all parties is essential in order to boost successful strategies. This calls for a joint effort for producing focused, complementary and tailor-made analyses within all the CBA.
- **Institutionalisation matters**: Cross-border strategies related to spatial planning will only be able to influence later territorial development if the key messages will be institutionalised in political way. On top of aligning agendas and priorities at regional and local levels, this would allow the CBA to have a shared strategic objective to lobby national or European authorities in support of local actions.

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