

Regional Development Policy in Belgium



General policy approach

Regional development in Belgium is decentralised to the three regions: the Brussels-Capital Region, Flanders and Wallonia. Flanders has a somewhat more spatial planning-focused approach to its overarching strategy that addresses broad-based economic, social and environmental considerations. Around half of its European Regional Development Fund is dedicated to research and innovation potential. Wallonia's Marshall Plan is more focused on industrial and innovation policy, including through clusters (competitiveness poles). The regions also have a social cohesion focus to their urban strategies. In terms of rural development, Flanders has a focus on protecting open space with rural-urban linkages, while Wallonia prioritises service delivery. The federal government maintains a national policy for urban development, focused on social cohesion and housing.

Recent policy changes

- Flanders has had a Spatial Planning Code since 1996, which was updated in 2018. In July 2018, the Flemish government approved a spatial development strategy as the first part of the Spatial Policy Plan for Flanders.
- In December 2018, the Walloon government updated the "Digital Wallonia" strategy for 2019-24. The strategy sets out the framework defining the guidelines to seize the socio-economic opportunities of the digital transformation for the next five years.
- Wallonia has adopted an investment plan which aims to increase investment expenditure by EUR 5 billion between 2019 and 2024 in order to meet regional infrastructure needs, particularly in the areas of mobility, energy, and research and innovation. In addition, the government has chosen to maintain or renew existing policies through investments under the Marshall Plan 4.0 (2015-19) and the Infrastructure Plan (2016-19).
- The three regions have received increased fiscal autonomy through sharing of personal income tax, which entered into force in 2015.

Institutional arrangements to prepare for global megatrends

Team transversal, a centre-of-government unit within the Chancellery of the Flemish administration, is responsible for developing a long-term framework for Flanders. Currently, the framework includes two strategic documents: Focus 2030, which implements the Sustainable Development Goals; and Vision 2050, which sets out a long-term vision for Flanders. Vision 2050 aims to build an inclusive, open, resilient and internationally connected region that creates prosperity and well-being for its citizens in a smart, innovative and sustainable manner. In order to achieve that, it outlines seven transition priorities: 1) continuing the transition to a circular economy; 2) smart living; 3) Industry 4.0; 4) lifelong learning and dynamic professional careers; 5) caring and living together in 2050; 6) transport and mobility; 7) sustainable energy. Foresight activities are part of the development of these transition priorities, and their implementation is cross-sectoral and in collaboration with innovators, entrepreneurs and other stakeholders.



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Moreover, the Flemish government approved a spatial development strategy in July 2018 as the first part of the Spatial Policy Plan for Flanders. The goal is to reduce the current land take rate in Flanders from 6 ha/day to 3 ha/day in 2025, in order to achieve net zero land take by 2040. To achieve this goal the policy follows a dual-pronged approach: 1) facilitating the development of new urban functions within the existing land take by increasing spatial efficiency; 2) preserving open and unbuilt space by, among other things, neutralising building opportunities deriving from an oversupply in zoning plans. The following actions are being prepared: encouraging early adopters; increasing renovation, renewal, rebuild after demolition; transformations; instrumental changes; enhancing awareness; increasing spatial efficiency in government projects; dealing with poorly situated zoning reserves; improving regulations and building prescriptions.

The second Walloon Sustainable Development Strategy (SWDD) was adopted by the Walloon government in July 2016. Its purpose is to meet Belgium's international commitments. The strategy was conceived as "a guidance document and actions aimed at encouraging initiative and coherence in sustainable development in the Walloon Region's public policies". The SWDD includes four parts: 1) a long-term vision describing the desired future for Wallonia; 2) a diagnosis of the region's achievements and weaknesses in terms of sustainable development; 3) intermediate objectives in the short and medium term; 4) an action plan with concrete measures.

In addition to the SWDD, which is conceived as a transversal instrument, other programmes contribute to preparing the Walloon Region for megatrends. The Air-Climate-Energy Plan (PACE) for 2016-22, adopted in April 2016, has the objective to integrate all measures to be adopted to reduce greenhouse gas emissions and other atmospheric pollutants. It contains 142 measures concerning sectors of activity like agriculture, forestry, industry, transport, energy, residential and tertiary sectors. The Walloon Energy Climate Plan 2030, approved by the Walloon government in July 2018, includes three main measures: 1) mobility (FAST plan); 2) renewable energy production; and 3) the long-term sustainable retrofitting strategy for buildings. The Action Plan on Responsible Public Procurement (2017-19) aims to ensure that by 2020 all of public procurement in Wallonia is socially responsible. It targets three priorities: 1) the fight against social dumping; 2) strengthening access to public procurement for small and medium-sized enterprises; 3) efficient resource management.

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the *OECD Regional Outlook* examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles on line: https://oe.cd/pub/2vg.



