



Contribution from the Confederation of European Local Intermediate Authorities (CEPLI)

**Consultation of European regions and cities
"Your voice on Europe 2020"**

The CEPLI welcomes the consultation launched by the CoR on *Europe 2020 – a strategy for smart, sustainable and inclusive growth*.

There is a need to take full account of the local authorities in the process of constructing European strategies such as those for the 2020 period. Above all, European policies are being primarily rolled out in local areas, which must no longer be ignored. These policies are implemented for the EU's citizens, who are much closer to their local authorities than the EU institutions in terms of understanding and therefore applying these policies.

The Lisbon Treaty which recently came into effect has now given local government a central role in the construction of Europe. It has reaffirmed the need to implement the subsidiarity principle in practice.

The February 2010 Eurobarometer on EU public opinion revealed that the EU public considers local level to be the level with the greatest impact on their living conditions. Moreover, two out of three Europeans (66%) believe that local authorities are not sufficiently taken into account in the process of framing policies within the EU.

For all these reasons, it was appropriate for the CoR, which represents the interests of all tiers of local government, to get involved in the consultation procedure on the EU 2020 strategy.

Nonetheless, the CEPLI regrets that the title of this CoR consultation refers to regions and cities only. There is in fact an urgent need to recognise the vital role played by local intermediate authorities within the various tiers of local government.

It is no longer possible to advocate a role for local government within the system of European governance whilst systematically ignoring a whole political level, that of local intermediate authorities.

In answer to the questions raised in the consultation:

1-1 Is the balance among the three dimensions of the strategy: economic, social and environmental, appropriate? If not, please explain

The CEPLI endorses these three pillars, particularly the fact that they are all given equal priority.

The current crisis has confirmed the fact that it is absolutely necessary to give priority to economic growth and to combating unemployment, as the economic dimension alone is not enough to ensure development. It is vital to take stock of the sustainable aspect of all state policies. Equally, in this year 2010, the European Year for Combating Poverty and Social Exclusion, it is high time to declare that the EU cannot achieve harmonious growth without social cohesion.

.../...

That being said, the European Commission's targets have not devoted enough attention to the territorial dimension of the strategy's implementation. Yet, as was stated in the introduction to this contribution, it is now simply not possible to implement any European policy without the support of local authorities at all levels.

The CEPLI insists that priority should be given to social cohesion, as the competences which relate to this target are primarily implemented by local intermediate authorities: policies for people at risk (children in care, the disabled, people living alone, older people, etc...), education, social insertion, healthcare, etc.

Consequently, the CEPLI asks the Committee of the Regions to bring all its influence to bear to help ensure that the European Commission gives a truly territorial dimension to the future EU 2020 strategy.

We ask that this be accompanied by concrete measures, particularly conditions for the systematic consultation of local authorities, methods of evaluating jointly run policies, etc.

1-2 Is the number of targets appropriate and are they sufficiently focused?

In principle, we cannot criticise the number of five central targets.

Nonetheless, the CEPLI feels that the planned timetable for the adoption of the strategy by the European Council is very tight considering the key sectors which need to contribute to growth and the deadline date set as the June 2010 European Council.

In this context, it will be very difficult to take account of the views of the various stakeholders, including local authorities, which would normally be taken into consideration.

While the identification of a number of central targets – a process which is already at an advanced stage – has provided numerous advantages, it also implies a number of risks. Identifying quantifiable targets can also help establish indicators for the strategy's implementation and thus lead to more stringent transposition.

Nonetheless, these specific central targets must not undermine the division of competences between the European Union and the Member States.

This danger is particularly apparent in the case of the targets to lower the share of young people without a diploma. On this point, the CEPLI notes that the EU does not have any competences in the area of education, social policy or the labour market.

1-3 What other targets should be proposed by your country as national targets, in order to take into account regional circumstances and different starting points at local and regional level?

The CEPLI believes that the dimension of the large European networks should not be limited to digital networks only.

Mass transportation networks, regardless of whether they are air, maritime, rail or road networks, remain a key issue as much for the EU's economic development as for the protection of the EU public's environment. The same is true for territorial cohesion, the opening up of numerous regions and their economic development.

The question of public health must also be taken into account under the social cohesion target. It is an issue which lies within the remit of local intermediate authorities and one where they can testify to the strong expectations of the European public. Preventive policies, for instance, could be recognised as EU social cohesion objectives.

Lastly, the CEPLI suggests that the cultural dimension of European social cohesion be recognised in all its diversity. Culture must be included as one of the EU's ambitions alongside education and innovation. If we have no history, heritage or artistic creativity, there will be no policies in the future.

2-1 What kind of indicators should be used to monitor progress towards the targets set at European level?

The European Commission would like the results of the strategy to be the subject of an annual review, which would seem a very reasonable suggestion. GDP is a stable and reliable indicator. In the case of the annual review, there is perhaps a need to introduce a series of indicators to measure all the progress made towards achieving the targets, however, no details of these indicators are given.

While it is true that figures remain useful indicators, particularly for economic issues, they are not the only or even the best indicators to describe how social cohesion is being maintained or the progress in people's wellbeing and quality of life.

Indicators may be borrowed from democratic systems of territorial governance. Polls among the public on specific issues can give a good idea of how a particular policy is perceived.

It is also possible to use methods of participatory democracy e.g. by bringing together users of public services and management and assessment bodies.

2-2 What kind of challenges do you foresee in the use of those indicators?

The challenges regarding the use and relevance of these indicators are strategic in nature.

They must make it possible to modify certain targets during the process.

They identify whether the means of their implementation, their geographical distribution, by target, for instance, are correct.

They must help choose the right level of intervention and the type of stakeholders needed to implement a given policy.

3-1 Is there in your country any institutional mechanisms that could help to effectively involving regions and cities in the elaboration of the strategy (defining national targets and reform programmes) as well as its implementation? How can regions and cities be sure that the strategy be more focused and adapted to local and regional differences?

No country currently has a body capable of conducting this type of assessment of local policies at national level. This has a negative impact not only on local policies but on national and European level policies as well. Accordingly, the CEPLI endorses the CoR's proposal to set up in all EU countries and at European level forums for consultation, as well as assessment, which are permanent and structured, and open to representatives of all levels of local government

3-2 How do you perceive your role in the implementation of EUROPE 2020 (in general, and, in particular, in the design of flagship initiatives)?

National and European policies can no longer be implemented without the support of local government. Local authorities need to draw up their own local strategies in their local region, within their competences in this field, taking into account local economic and social circumstances, as well as European targets. It must be possible to translate these targets over the medium and long-term when defining local policies developed by local authorities.

4-1 How, and under which conditions, could cohesion policy deliver on its key Treaty objective of "reducing disparities" while contributing to the Europe 2020 priorities of smart, sustainable and inclusive growth?

Cohesion policy is one of the EU's most distributive policies. It has already proven itself to be effective by ensuring the joint development of all EU areas, and by helping guarantee that those regions lagging behind the average EU growth rate are able to catch up.

It is well known that structural funds have already significantly contributed to the implementation of the Lisbon Strategy for the period 2007-2013 by strengthening the role of the local authorities in this process.

It is therefore necessary to maintain a European cohesion policy which is linked to the Lisbon Strategy and focused on the new objectives of this renewed strategy while at the same time promoting economic conditions which can encourage competitiveness and growth across Europe. This can also be the key for achieving economic growth across all regions.

Cohesion policy is more than a matter of solidarity. It is the most important instrument for boosting the competitiveness of EU regions which are lagging behind the most.

These regions often harbour underused resources which could contribute to the EU's overall growth. Against this background, European structural funds are an essential instrument for giving every region the opportunity to make the most of its development potential and to increase its prosperity, sustainable development and employment.

The promotion of research and innovation should be seen as a particularly important aspect of cohesion policy.

Previous planning periods saw the implementation of a number of important projects in this area such as innovative employment policies, both in regions that were lagging behind and in other areas of Europe. This was all possible thanks to European structural funds, thereby proving the added value which these funds can provide.

It is therefore important to note that it is vital to have a cohesion policy which encourages the promotion of innovation and excellence in Europe in order to ensure that innovation policy as such can make the EU's renewed strategy a success.

Thanks to the structural funds, cohesion policy makes it possible to roll out a veritable wealth sharing policy of equalisation.

It also helps guarantee that all of the EU's strategic objectives are achieved across the whole European Union, whilst ensuring territorial and social cohesion, which is now considered to be one of the EU's priorities. It also gives the subsidiarity principle an important role, which has been strengthened further by the Lisbon Treaty.

The CEPLI calls for this policy to be maintained and even strengthened, in support of a reinforced policy of territorial cooperation.

4-2 How should the EU funding contribute to territorial cohesion and to smart, sustainable and inclusive growth, in terms of both (A) its overall size and (B) its distribution between different funding instruments such as the structural funds, agricultural and rural development funds, the research framework programme, and the competitiveness and innovation framework programme (CIP)?

Cohesion policy has had a very important impact on most EU countries in terms of the investments it has made possible and supported. In certain countries, this represents a share of around 4% of GDP.

It has helped reduce inequalities in revenue between rich and poor regions and has enabled the creation of an unprecedented number of jobs and has led to the creation of several hundred businesses, cooperation projects and research and development programmes in many regions and sectors. We should therefore welcome the tangible effects of cohesion policy and maintain them to ensure that these positive effects and the benefits already created are permanent. It is also important to maintain this policy to ensure the continued economic development of the regions and to strengthen their competitiveness.

If the goal of territorial cohesion is to be achieved across Europe, a substantial part of the EU budget must be allocated to cohesion policy after 2013. The debate on the future EU budget must therefore take account of the fact that cohesion policy represents a vital EU instrument for promoting competitiveness and economic growth in the whole European Union.

Under cohesion policy, the majority of available resources must continue to be allocated to the regions experiencing the greatest difficulties in order to reduce disparities and to help ensure that all EU citizens are offered the same opportunities. Structural funds should continue to be at the heart of cohesion policy beyond 2013 as well. It will always be necessary to earmark a larger amount of funding to those regions that are lagging behind the most in order to enable them to progress and move forward.

There is a need to consider the possibility of transferring research and technology funding where management is delegated under the structural funds, thereby strengthening the role of local authorities in promoting innovation.

Multilevel governance, as applied to the management of structural funds, would allow the fair distribution of responsibilities for the various programmes which operate in disadvantaged areas. The authority for managing these funds should be placed at the most appropriate level in order to ensure that stakeholders focus on common objectives. There is a need to improve the efficiency of funds in order to target competitiveness and economic growth.

Given the dramatic consequences of the current financial crisis, there will be a need for a strategy focused on employment in the future. The European Social Fund must be maintained as a separate instrument under cohesion policy. This fund must have sufficient resources to address the challenges which require the implementation of new employment policies.

The CEPLI therefore calls for the methods implemented under this policy, especially those relating to the structural funds, to remain at least at the same level during the next programming period. It stresses the impact which the EARDF has had on all rural development policies. It also stresses the importance of the ESF, which must not become autonomous outside cohesion policy. These funds have already proven in past years just

how effective they can be and this will no doubt also be the case in the context of the 2010 European Year for Combating Poverty and Social Exclusion.

Lastly, given this unprecedented period of economic and social crisis, this budgetary effort, which introduces social and territorial cohesion as well as competitiveness into the EU's regions is more necessary than ever before.

5-1 Do you think that the Europe 2020 proposal can be better communicated to EU citizens than the Lisbon Strategy? In light of the experience of the Lisbon Strategy, what parts of the European society and territory should be the target of a special communication effort?

As is the case for all other areas, local authorities can act as relays and levers for European policies in the field of communication. Local authorities have their own networks and information tools: digital networks, local newspapers but also direct contact with local people, the local press, etc. All these methods can be used to disseminate information on Europe whenever policies are jointly developed by local government and the EU institutions.

Local TV, the local press, websites as well as communications staff in local authorities are equally useful vehicles for the EU.