



Dear readers,

First of all I would like to emphasise that International Conference on Future of Cohesion Policy, which has been held on 26th and 27 March 2009 in Prague at the Žofín Palace was one of the most important events of Ministry for Regional Development during Czech Presidency of the Council of the EU.

I am happy that Ms Danuta Hübner, Commissioner for Regional Policy, and Mr Vladimír Špidla, Commissioner for Employment, Social Affairs and Equal Opportunities, accepted my invitation. Except speeches by other important guests, there was an open discussion which will contribute with interesting issues to the informal ministerial meeting, held in Mariánské Lázně in April. Agenda of this Conference included the discussion on the past and present of Cohesion Policy, possible orientation of the Cohesion Policy after 2013 and integrated local development.

The conference started with my brief introductory address on “Importance of the discussion of the future Cohesion policy”. Then Commissioner Mr Špidla presented a key-note address on the “Policy lessons from the 2000–2006 period and experiences of human capital investments” followed by the panel discussion chaired by Mr Petr Wostner from Slovenia. Afternoon session, with a motto “The future – What Cohesion Policy will the European Union need after 2013?” started with an introductory key-note address of Commissioner Ms Hübner and an address by Mr Jiří Blažek from the Charles University





followed by the panel discussion chaired by Ms Katarina Mathernova, Deputy Director General, DG Regional Policy, European Commission.



Second day of the conference with the topic "Integrated local development" started with welcome note by Mr Jiří Koliba, Deputy Minister followed by an introductory address by Mr Michel Delebarre, First-Vice President of the Committee of the Regions, and a key-note address of Mr Dirk Ahner, Director-General for Regional Policy aimed at "Local development fostering territorial cohesion". All these interventions were followed by the panel discussion chaired by Mr Oldřich Vlasak, Member of the European Parliament. Last part of the conference was devoted to exchange of good practice and examples of integrated local development.



The Conference was finished with conclusions, prepared by Mr John Bachtler from University of Strathclyde, Glasgowe, as a rapporteur. I believe that all discussions during the Conference have elaborated the debate on Future of Cohesion

policy of EU after 2013 launched by the 4th Cohesion Report. Exchange of views is an inspiration for us – politicians, which way should that policy focus on. I find crucial to continue in the debate on future of cohesion policy, especially on the orientation its future financial instruments – structural funds, in order to effectively reach its objective – harmonious development of European Union territory.

Cyril Svoboda

Minister for Regional Development
of the Czech Republic



Speakers

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International Conference
Future of Cohesion Policy

Prague | Žofín Palace | 26–27 March 2009

SPEAKERS





Dirk Ahner

Born 8th September 1946 in Lippstadt (Germany)

Graduate in Economic Sciences («Diplom-Ökonom») (1972)

Doctorate in Economic Sciences (1976)

Joined the European Commission in 1978

- From 1978 to 1982, Administrator in Directorate General for Agriculture
- From 1982 to 1987, Member of Group of Advisers in the Secretariat General of the European Commission responsible for agricultural, environmental and rural development questions
- From 1987 to 1991, Assistant to the Director-General of DG Agriculture
- From 1991 to 1997, Head of Unit "Studies and overall approach" in DG Agriculture
- From 1997 to 1998, Director a.i. in the Directorate "Economic analysis and prospective" in DG Agriculture
- From 1998 to 2002, Director in the Directorate "Economic Analysis and Evaluation" in DG Agriculture
- From 2003 to 2005, Deputy Director-General responsible for Economic Analysis, Evaluation and Rural Development in DG Agriculture
- In 2006, Deputy Director-General responsible for Rural Development in DG Agriculture
- Since January 2007, Director-General in DG Regional Policy





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Jiří Blažek

Associate Professor in regional development, regional policy and regional economics at the Department of Social Geography and Regional Geography, Faculty of Sciences, Charles University in Prague, The Czech Republic. In 1999–2004 he worked as a member of Policy Advisory Unit and later of Task Force at the Ministry for Regional Development of The Czech Republic where he provided consultation services in the sphere of policy of economic and social cohesion. He was member of teams responsible for performing numerous evaluation studies in line with EU methodology (ex-ante, mid-term and ex-post). He was national coordinator of about a dozen international projects in the sphere of regional development and cohesion policy. Holder or participant in more than a dozen of projects sponsored by Czech Grant Agencies focused on regional development in the Czech Republic in European context, regional policy evaluation, and local government finance. In 2004–2006 he was member of senior expert group on “Constructing Regional Advantage” (DG RESEARCH). Co-author of Ex-ante evaluation of Czech National Strategic Framework for period 2007–2013. Author of about 40 scientific papers on regional development and policy.





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Andreas Faludi

Andreas Faludi (1940) is a graduate and holds a doctorate of Vienna University of Technology and an honorary doctorate of Blekinge Institute of Technology in Karlskrona, Sweden. He is professor of spatial policy systems in Europe at Delft University of Technology. Previous appointments at Radboud University Nijmegen (1999–2004), the University of Amsterdam (1977–1998), Delft University of Technology (1973–77) and at the Oxford Polytechnic (1968–73). Honorary Member of the Royal Town Planning Institute (1993) and the Association of European Schools of Planning (2008). Books on planning theory and Dutch and European planning, the latest ones (with B. Waterhout) on 'The Making of the European Spatial Development Perspective' (2002) and multi-authored volumes on 'European Spatial Planning' (2002); 'Territorial Cohesion and the European Model of Society' (2007) and 'European Spatial Research and Policy' (2008).





Danuta Hübner

Member of the European Commission

Personal Details

Nationality: Polish

Born on April 8, 1948, in Nisko, Poland

Two daughters: Ewa and Karolina

Education and academic career

- 2009 Honorary Doctorate of the Poznań University of Economics
- 2008 Honorary Doctorate in Political Science, Università degli Studi, Camerino, Italy
- 2007 Honorary Doctorate of the University of National and World Economy, Sofia, Bulgaria
- 2005 Honorary Degree in Laws of the Sussex University
- 1992 Scientific title of Professor conferred by the President of the Republic of Poland
- 1991–1994 Deputy Director, Institute for Development and Strategic Studies, Warsaw
- 1988–1990 Fulbright scholar, University of California, Berkeley, lecturer at the California State University in San José
- 1981–1987 Deputy Director of the Research Institute for Developing Countries, Warsaw School of Economics
- 1980 Post-doctoral degree in international trade relations, Warsaw School of Economics
- 1974 Ph. D. in economics, Warsaw School of Economics
- 1974 Visiting scholar at the Centre for European Studies at the University of Sussex
- 1970's Visiting scholar Universidad Autonoma in Madrid
- As of 1971 Scholar at the Warsaw School of Economics (currently on leave)
- 1971 MSc in Economics, Warsaw School of Economics (Central School of Planning and Statistics)

Professional career

As of 1st of May 2004 Member of the European Commission, Brussels

2003–2004 Minister for European Affairs, Poland



- 2001–2003 Head of Office of the Committee for European Integration and Secretary of State, Ministry of Foreign Affairs, Poland
- 2000–2001 United Nations Under Secretary General and Executive Secretary, United Nations Economic Commission for Europe, Geneva
- 1998–2000 Deputy Executive Secretary, United Nations Economic Commission for Europe, Geneva
- 1997–1998 Minister Head of the Chancellery of the President of the Republic of Poland
- 1996–1997 Government Plenipotentiary for establishing the Committee for European Integration (KIE), Secretary of KIE with the rank of Secretary of State and Head of the Office of the Committee for European Integration (UKIE)
- 1995–1996 Chief Negotiator for accession to OECD
- 1994–1996 Under-Secretary of State in the Ministry of Industry and Trade, Poland
- 1991–1994 Deputy Director, Institute for Development and Strategic Studies, Warsaw

Extraprofessional activities (Currently)

- Posts in scientific institutions, foundations or similar bodies currently held
- Member, Commission on Growth and Development, under the auspices of the World Bank
- Member of the Economic Sciences Committee of the Polish Academy of Sciences (2007-2010)
- Member of the Advisory Council of BELA Foundation, Berlin
- Member of the Advisory Board, Global Public Policy Institute, Berlin
- Member of the International College of the Scientific Council of Terra Nova Foundation
- Member of the Scientific Board of the “Bank and Credit” Polish monthly magazine
- Member of the Programme Council of “Nowe Życie Gospodarcze”, Polish economic bi-weekly magazine
- Honorary Chairperson of the Programming Board of the “Euroregiony”, Polish magazine, Katowice, Poland



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- Member of the association for counteracting social exclusion of persons suffering from psychiatric disorders "MOST", Bydgoszcz, Poland
- Honorary member of "Soroptimist International Poland — Dom Polski" Association, Warsaw
- Member of the Programme Board of the Polish Institute of Oncology, Warsaw
- Member of the Programme Council of the European Business Academy for Enterprises, Warsaw

Posts held in the past

- 2004–2008 Member of the Scientific Council of the Central Mining Institute, Katowice
- 2004–2008 Member of the Scientific Council of the State Veterinary Institute in Puławy
- 2004–2008 Member of the Council of Policy Network and Communications
- 1998–2001 Economic Advisor to the President of the Republic of Poland
- 1996–1998 Member of the Scientific Board of Economic Sciences Institute of the Polish Academy of Science
- 1995–1997 Member of the National Statistics Council of Poland
- 1994–1997 Editor-in-Chief of "Gospodarka Narodowa", Polish monthly
- 1994–1995 Advisor to the Deputy Prime Minister and Minister of Finance
Co-author of the Government Programme "Strategy for Poland"
- 1992–1996 Chairperson of the Council for Social Planning, Central Office for Planning
- 1991–1997 Deputy Editor-in-Chief of the "Ekonomista", Polish bi-monthly
- 1987–1996 Member of the Executive Committee of the European Association of Development Research and Training Institutes, Geneva





Hanna Jahns

Hanna Jahns was appointed Secretary of State at the Polish Ministry of Regional Development in December 2007. She was born on 3 June 1973 in Poznan. Ms. Hanna Jahns holds a degree from the International Economics and Politics Faculty of the Academy of Economics in Poznan and a PhD in Economics from Warsaw School of Economics. She also studied at the University of Aalborg in Denmark with a scholarship from the EU. She worked at the Economic Trends Research Institute (IKCHZ) from 1998 to 2006 and is the author of several dozen publications and scientific articles.

From 2000 to 2003 she worked at the Ministry of Regional Development as Chief of the EU Accession Negotiation Section in the Department of Structural Policy Coordination. She also gained expertise of regional development programming through work experience at the Government Office for Yorkshire and Humberside in the UK and at the DG REGIO in 2002.

From 2003 to 2007, Hanna Jahns worked as Chief of the Regional and Cohesion Policy Department at the Permanent Representation of the Republic of Poland to the European Union, where she was in charge of monitoring and analysis of policy and legislative work of European institutions dealing with Structural Funds and the Cohesion Fund.

In March 2007, she started working at the European Commission's Directorate General for Regional Policy (DG REGIO), where she led the budget team. She was responsible for annual programming, managing the Directorate's resources to conduct structural policy, and reporting on financial advancements in implementing funds granted to member states. She suspended her work at DG REGIO following her appointment as Secretary of State.





Jiří Koliba

Date of birth: 2. 5. 1958

Place of birth: Hodonín

Education

- 1977–1982 Civil Engineering Faculty, Brno University of Technology, branch: Structural Engineering, specialization: Business and Construction Management
- 1973–1977 Secondary grammar school in Hodonín

Work experience

- from 12. 2. 2009 Ministry for Regional Development, Deputy Minister for Structural Funds and Tourism
1. 2. 2009–11. 02. 2009 Ministry for Regional Development, Deputy Minister for Legislation and Tourism
- 2007–2009 Ministry of Industry and Trade, Deputy Minister – Director of Section for Interministerial Affairs
- 2007 City of Hodonín, Deputy Magistrate of Hodonín
- 1998–2006 City of Hodonín, Magistrate of Hodonín (two election periods)
- 1993–1998 LCS, Technical Director of LCS Group
- 1991–1993 Pozemní stavitelství Hodonín, Superintendent in FRG (1992–1993), Technologist – preparation of constructions in FRG (1991)
- 1982–1991 Jihomoravské lignitové doly, Investment construction executive, general superintendent, plant 04 (1988–1991), CEO's assistant (1985–1988), Land construction designer (1982–1985)

Membership in professional and other organizations (work teams)

- 2005–2006 President of the Voluntary Municipalities Union of Microregion Hodonínsko
- 2003–2007 Chairman of the board of directors of Vodovody a kanalizace Hodonín
- 1999–2003 Vice chairman of the board of directors of Vodovody a kanalizace Hodonín
- 2002–2006 president of the Association of Cities and Municipalities of Southern Moravia





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- 2002–2007 Vice chairman of the board of trustee, the Regional Development Agency of Southern Moravia
1995–2007 Member of the Chamber of Certified Experts
from 2007 Member of the Association of Experts and Appraisers

Other knowledge and skills

- 1998 Certified expert in the field of economy – real estate prices and appraisals and enterprise valuation
1995 Completed the course “Asset Valuation for Banking Purposes”, organized by the Education Centre CEDUK Prague
1995 Final exam of the professional training of real estate agency employees, organized by Association of Real Estate Agencies in Bohemia, Moravia and Silesia
1984 Appointed certified expert in the field of economy – prices and appraisals with real estate specialization





Katarína Mathernová

Katarína Mathernová is Deputy Director-General of the Directorate-General for Regional Policy (DG REGIO) in the European Commission, responsible for Development, Coordination and Communication of Cohesion Policy.

Ms Mathernová joined the European Commission in 2005 as Director in charge of the largest geographic directorate overseeing implementation of Cohesion Policy in 8 Member States and negotiating the new generation of programmes for 2007-2013 financing period.

Prior to joining the Commission, Ms Mathernová managed institutional reform programmes and gave policy advice on competitiveness, development of SME's, property rights and access to credit at the World Bank in Washington DC.

From 1999 to 2002, Ms Mathernová was chief institutional and policy adviser to the Slovak Deputy Prime Minister for Economic Affairs. In this role, she focused on macroeconomic stabilisation, strategies for business restructuring and privatisation, anti-corruption strategy, and improvement of the investment climate.

A lawyer qualified in Civil and Common Law (JUDr from the Comenius University Law Faculty in Bratislava and LL.M. from the University of Michigan Law School, USA, Ms Mathernová worked from 1989 to 1999 at international law firms in New York, Washington and London, and in the legal department of the World Bank.

In 2001 and 2002 she was an Open Society Institute Fellow in public policy and a German Marshall Fund Campus Fellow.

Ms Mathernová has published several articles in US and European journals on structural and institutional reforms. In 2000, she was awarded Slovak Woman of the Year award by the Slovak spectator.





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Nicola De Michelis

Of Italian nationality, Nicola De Michelis joined the European Commission in 1996.

He has been working since on regional matters. He is now head of the unit responsible for economic analysis in the Directorate General for Regional Policy. Before joining the Commission, he worked for 4 years in the Territorial Development Service of the OECD, and few years in the Italian private sector.





Willem T.M. Molle

Willem Molle combines two part-time affiliations, focusing in one on research and advice and in the other on teaching and publication.

Economic Research and Advice

After graduation in economics and a graduate traineeship with the European Commission in Brussels, Willem Molle joined the Netherlands Economic Institute (NEI) in Rotterdam as a junior researcher. In the course of his career he has held several responsibilities. From 1987 to 2004 he was chairman of the Management Board of NEI. Since its creation in 1999 up till end 2004 Willem Molle was Chairman of the Board of Management of ECORYS Holding, and director of ECORYS Nederland, the organisation in which the operations of NEI have been integrated. He now is associate partner/senior advisor for ECORYS NL. He has contributed to a large number of projects, many of which with a European dimension. His contributions are mainly in the fields of research methods and strategic policy advice.

Teaching

Willem Molle teaches 'Economics of Integration' at the Department of Economics of Erasmus University Rotterdam. He has guest lectured at many universities in Europe (e.g. Paris, Padova, Madrid) and in China (e.g. Shanghai, Suzhou, Macao)

Publications

His research and publications concern mostly the economic aspects of the European and worldwide integration processes.

In the field of European integration his publications comprise a handbook on European integration, several specialist works and many articles. His works focus on problems of cohesion (incl. regional development); he has published several books and numerous articles. He has published in 2007 a textbook on European Cohesion Policy and in 2009 has published an edited book (with Julia Djarova) on the enhancing of European innovativeness (to which he has contributed a chapter on innovation and regional competitiveness).

In the field of global integration he has published a textbook and several articles.





Jan Olbrycht

Member of the European Parliament

Doctor of Sociology. Lecturer, expert, politician and social activist
Between 1990 and 1998 Mayor of Cieszyn, founder member of the Euroregion
Śląsk Cieszyński – Tesinske Slezko

Vice-Chairman of the Association of Polish Cities responsible for contacts with
European local and regional government organisations

Vice-Chairman of the Council of European Municipalities and Regions

Chairman of the Polish delegation to the Congress of Local and Regional
Authorities of the Council of Europe

Between 1998 and 2002 Marshal of Silesian Voivodship. Founder member
of the Marshals' Convent

Member of the Management Board of the Assembly of European Regions

Member of the National Council for Regional Policy

Member of the World Council of the United Cities and Local Governments
Since 2002 lecturer at the University of Bielsko-Biala and University
of Economics in Katowice

Participant of numerous international conferences about the role of regions
in the EU

Regional policy expert of the Institute of Public Affairs in Warsaw

Since 2004 Member of the European Parliament on behalf of Civic Platform
(EPP-ED)

Vice-Chairman of the Committee on Regional Development; European
Parliament's rapporteur on the European Grouping of Territorial
Cooperation (EGTC), REGI Committee rapporteur on urban transport

Founder member and Vice-Chairman of the EP Intergroup URBAN-Housing

Member of the Editorial Board of the Parliament Magazine

Winner of the European Prize of Caesar Maximilian for the impact on local and
regional policy development in Europe

Winner of the Golden Ribbon of Association of Polish Cities – a merit award
for outstanding service for territorial self-government

MEP of the year – winner of the 2007 Parliament Magazine's MEP Awards
in the field of regional policy

Winner of the Silesian Quality Prize. Honourable Silesian of the year 2007.





Petr Osvald

Date of Birth: 1966, in Pilsen

Education: West Bohemian University

Family: son Tomáš (15), son Marek (10), wife Alice (young),

Work Experience

City of Pilsen:

Pilsen City Assembly, Mayor's Commissioner for EU Affairs (2002 – up till now)

Committee of the Regions:

Member of the Czech delegation at the Committee of the Regions

1st Vice President of the COTER Commission of the Committee of the Regions
(Commission for Territorial Cohesion Policy)

Rapporteur of the CoR for Green paper on Satellite Navigation Applications

Member of CONST commission of the CoR

Member of the Working Group for Turkey of the CoR

Member of the Working Group for Communication of the CoR

Member of the Bureau of the CoR

Czech Association of the Towns and Communities:

Chair of the Working Group for EU Structural Policy of the Czech Association
of Towns and Communities

National and other level:

Member of the Committee of the Czech Republic
for programs Central Europe, Interreg IV C and Espon

Member of the International Monitoring Committee
of the Central Europe Programme

Alternant of the International Monitoring Committee
of the Interreg IV C Programme





Dr. Michael Schneider

The Envoy of the State of Saxony-Anhalt to the Federal Government

Born 31 July 1954 in Kirchen/Sieg, Rhineland-Palatinate
Married, one child

1974–1983 Studied history, philosophy, German studies, education and comparative literature in Bonn. Awarded MA. Conferred the title Dr. phil.

1980–1986 Taught German and history

1986–1990 Adviser to the CDU/CSU group in the Lower House of the Federal Parliament

1990–2002 Parliamentary secretary of the CDU group in the State Parliament of Saxony-Anhalt

Since May 2002 State Secretary for Federal Affairs and Envoy of the State of Saxony-Anhalt to the Federation

Since Feb 2004 Deputy Chairman of the EPP group in the Committee of the Regions

Since Feb 2006 First Deputy Chairman of the Committee for Territorial Cohesion Policy of the Committee of the Regions

Since Feb 2008 Chairman of the Committee for Territorial Cohesion Policy of the Committee of the Regions, Vice-President of the Committee of the Regions





Vladimír Špidla

Born: 22/04/1951 in Prague, Czech Republic

Married, 2 children

Nationality: Czech

Education

1974 Master Degree at the School of Liberal Arts & Sciences,
Charles University of Prague

1976 PHD. in History & Prehistory – Charles University of Prague

Career

1990 Vice-Chairman of Regional Public Authority in Jindrichuv Hradec

1991 Director of Regional Employment Authority in Jindrichuv Hradec

1996 Member of the Czech Parliament Chamber of Deputies
for the CSSD

Chairman of the Social Policy and Health Care Committee
of the Chamber

1997 Vice-Chairman of the CSSD

1998 First Deputy Prime Minister, Minister of Labour and Social Affairs
of the Czech Republic

2001 Chairman of the Czech Democratic Party (CSSD)

2002 Prime Minister of the Czech Republic

Since 2004 Member of the European Commission, Commissioner in charge
of Employment, Social Affairs and Equal Opportunities



Cyril Svoboda

Minister for Regional Development
 Chairman of the Legislative Council of the Government of the Czech Republic
 Member of the Chamber of Deputies of the Parliament of the Czech Republic
 for KDU-ČSL

Personal Data

Born in Prague on 24 November 1956. Married to wife Věnceslava, a medical doctor. Has four sons – Vojtěch, Václav, Radim, and Norbert.

Education

- 1972–1976 High School, Libeň, Prague
- 1976–1980 Faculty of Law, Charles University, Prague

Employment and Public Activities

- 9/1980–7/1983 Specialist, Transgas, state-owned company
- 7/1983–2/1990 Notary public
- 2/1990–7/1992 Advisor to the Deputy Prime Minister and the Prime Minister of the Czechoslovak Federal Government for issues concerning human rights, restitution, and relations between the church and the state
- 1992–Present Member of the Council of Europe's European Commission for Democracy through Law (Venice Commission)
- 7/1992–7/1998 Deputy Chairman of the Legislative Council of the Czech Government
- 7/1992–12/1992 Deputy Chairman of the Government Task Force for Drafting the New Czech Constitution
- 7/1992–7/1996 Deputy Minister of Justice of the Czech Republic
- 7/1996–1/1998 Deputy Minister of Foreign Affairs, Chief Negotiator for the EU
- 1/1998–7/1998 Minister of Interior of the Czech Republic
- 9/1998–9/2002 Member of the Chamber of Deputies; Member and Chairman of the Petition Committee of the Chamber of Deputies, Member of the Permanent Delegation to the Parliamentary Assembly of the Council of Europe, Member of the Permanent Committee for Monitoring BIS, starting



- in January 2001, Chairman of the Committee for Rules of Procedure and Immunities of the Parliamentary Assembly of the Council of Europe
- 6/1998 – 9/2006 Expert Assistant, Department of Constitutional Law, Faculty of Law, Charles University
- 1996 – 1998 Member of the Scientific Council of the Faculty of Law of Charles University and the Faculty of International Relations of the Prague University of Economics
- 9/2002 – 6/2006 Member of the Chamber of Deputies, Chairman of the Petition Committee
- 2006 – 1/2007 Deputy Chairman of the Foreign Affairs Committee of the Chamber of Deputies
- 7/2006 – 9/2007 Deputy Prime Minister of the Czech Republic (2002–2004), Minister of Foreign Affairs of the Czech Republic
- 6/2006 – Present Member of the Chamber of Deputies
- 1/2007 – Present Minister of the Government of the Czech Republic, Chairman of the Legislative Committee of the Government of the Czech Republic

Political Positions

Joined KDU-ČSL (Christian and Democratic Union-Czechoslovak People's Party) in November 1995. Elected the First Deputy Chairman in May 1999.

28 January 2001 – 31 March 2001 – Leader of the Four-Coalition

26 May 2001 – 8 November 2003 – Chairman of KDU-ČSL

8 November 2003 – 28 August 2006 – Deputy Chairman of KDU-ČSL

Publication Activities

Co-authored „Comments on the Constitution of the Czech Republic and Textbook of Constitutional Law for the Faculty of Law of Charles University” and authored „Act on Out-of-Court Rehabilitations in Questions and Answers”. Has published numerous studies in the area of legislation and foreign policy.

Interests

Literature, sport – running, skiing, swimming, biking





Oldřich Vlasák

Oldřich Vlasák, deputy to the European Parliament, is conservative politician who advocates for the interests of self-governing municipalities, cities and regions. In the European Parliament he has a function of vice-coordinator of the largest political fraction EPP-ED in the Committee for Regional Development and is a member of the Intergroup Urban/Logement Bureau.

Oldřich Vlasák was born on 26th of November 1955 in Hradec Králové. He has studied at the Czech Technical University in Prague. After his university studies he worked in science as a technical professional in the field of environment; in his following management career he worked for the private sector. He fully entered local politics as a candidate of Civic Democratic Party in 1994, when he was elected member of the Board of Representatives of the City of Hradec Králové. Between 1998 and 2004 he was elected a mayor of the City. In 1999 he was a president of NUTS II – Northeast region and vice-chairman of Euroregion Glacensis. In 2001 he has also been elected the President of the Union of Towns and Municipalities of the Czech Republic. Since 2000 he was active in the European politics when he has become a delegate to the Congress of Local and Regional Authorities of Europe (CLRAE). He also represented the Czech Republic as an observer in the Committee of the Regions of the EU. After his active work in the Policy Committee of the Council of European Municipalities and Regions (CEMR) he has been elected as an executive president of this organisation that represents more than 100,000 European local and regional authorities. Since 2007 he is also member of the World Council of United Cities and Local Governments (UCLG).





Thomas Wobben

Thomas Wobben was born in 30. 04. 1965 in Rheine/Westfalen in Germany. After studying Economics and Politics in Cologne he began his professional career as a lobby co-ordinator for social sector organisations and youth organisations in 1992 to work on a European Voluntary Service Programme.

He joined the services of the Land Saxony-Anhalt in 1993 where he was responsible for business co-operation within the European Union and interregional co-operation.

In 1995 he was sent to the Liaison Office of Saxony-Anhalt in Brussels mainly in charge for regional policy and the developing European co-operation projects. He also was responsible for co-ordinating the Presidency of Saxony-Anhalt within the European Network of Industrial Regions (RETI) and from 2003 onwards within the European Chemical Regions Network (ECRN).

Between September 2007 and February 2009 he was the sherpa for the ECRN President in the High Level Group on the Competitiveness of the Chemical industry in the European Union.

Since September 1999 he is the director of the Representation of Saxony-Anhalt to the European Union and is in this function involved in the policy development of the region on European affairs.

In September 2007 he joined – as part of the EU/China structured dialogue on regional policy – a researcher team for a comparative analysis of regional policy in Europe and China.

He has written many Articles on the role of regions in EU decision making, interregional co-operation and regional policy development.

Mr. Wobben is married and has three children.





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Speakers

Peter Wostner

Peter Wostner is a deputy director at the managing authority for structural funds and Cohesion Fund in Slovenia. He has ten years of experience in the field of cohesion policy as well as regional development. Apart from having direct experience of cohesion policy implementation, he has been the Slovene negotiator of the cohesion policy regulation package and a member of negotiating team for the 2007-2013 financial perspective. He has also negotiated two rounds of programming documents with the European Commission. He is the author of a number of articles on EU funds, while, currently, he is preparing a PhD on the rationale and effectiveness of cohesion policy at the Ljubljana Faculty of Economics.





José Antonio Zamora

Nationality: Spanish, born in Madrid in 1953.

Academic qualifications: Degree in Economics (Complutense Univ., Madrid)
and Master in Public Administration (Harvard Univ., Cambridge Mass.)

Professional career

Civil servant specialized in economic issues and management of public policies

Current position

Director General for European Community Funds (Ministry of Economy and Finance), this Unit is responsible for ERDF, Cohesion Fund, INTERREG, and other European programs, Spain contribution to the EU budget, and domestic regional policy

Main Former Positions in the Public Administration

Deputy Director General in charge of the Cohesion Fund and domestic regional policy.

Counsellor in the Spanish Representation to the European Union (based in Brussels) representative in several Council Groups dealing with WTO and cooperation policy

Technical Secretary General for trade in the Ministry of Trade and Tourism

Director General for External Investment in the Ministry of Industry and Trade

Private Sector

Economist , Research Department, Banco Urquijo



Johannes Rossbacher

Born on 2 February 1960 in Graz / Austria
 Nationality: Austria
 Civil status: married

Professional Experience Report

- Since 7/2001 Österreichische Raumordnungskonferenz (ÖROK) / Austrian Conference on Spatial Planning: Director
- Since 9/1994 Federal Chancellery IV/4 (Co-ordination Spatial Planning & Regional Policy): Tasks: EU-Cohesion Policy – Austrian representative on EU-level
- 7/2005–8/2006 Permanent Representation of Austria to the EU / Brussels: main task (during the Austrian Presidency of the EU in 2006): Finalisation of the Cohesion Policy Reform for the period 2007/13
- 2/2000–4/2001 Ministerstvo regionálneho rozvoja Slovenskej republiky (Slovak Ministry for Regional Development) / Bratislava: long-term expert in the framework of the Twinning-project „Special Preparatory Program for Structural Funds“
- 9/1997–12/1999 Permanent Representation of Austria to the EU / Brussels: main task (during the Austrian Presidency of the EU in 1998): AGENDA 2000 – focus on Cohesion Policy Reform 2000/06 and EU-enlargement
- 9/1995–12/1995 European Commission (DG AGRI) / Brussels: National Expert (END)
- 2/1991–6/1994 Regional Development Agency „Niederösterreichische Eisenstraße“ / Ybbsitz (Lower Austria) – Director
- 3/1988–12/1990 Steirisches Volksbildungswerk“ / Graz – desk officer; mainly dealing with „village renewal“

Education

- 1981–1989 Karl-Franzens-University / Graz (Austria): Studies on „European Ethnology“ / master’s degree (master thesis: „Sustainable Tourism– new approaches towards a humanisation of the tourism industry“)
- 1978–1981 Federal Teacher Training College / Graz (Austria): teaching-degree for secondary modern school (“Hauptschule“) in “German, history, social and economic issues“
- 1966–1978 Primary & secondary school in Graz (Austria)





Indhira Vanessa Santos Echavarria

Date of Birth: June 28, 1978

Citizenship: Dominican

Education

- 2004–2007 HARVARD UNIVERSITY, John F. Kennedy School of Government and Graduate School of Arts and Sciences (Cambridge, MA). PhD in Public Policy. Fields of specialization: economic development and public economics
- 2002–2004 HARVARD UNIVERSITY, John F. Kennedy School of Government (Cambridge, MA) Master in Public Administration in International Development (MPA/ID). Graduated June 2004
- 1997–2001 PONTIFICIA UNIVERSIDAD CATÓLICA MADRE Y MAESTRA (S.D., Dom. Rep.) B.A. with summa cum laude in Economics, GPA 4.00. May 2001
- 1996–1997 STAED GYMNASIUM OCHTRUP (Ochtrup, Germany). Exchange Program

Honors & Awards

- First Place Research Competition, Central Bank of the Dominican Republic, 2006
- Allyn Young Award – for excellence in teaching Ec-10, 2006
- First & Second Place Research Competition, Central Bank of Nicaragua, 2005
- Fellowship from the Kennedy School of Government, Harvard University, 2002–2007
- Levenson Memorial Teaching Prize – for excellence in teaching in Harvard College, 2004, 2005, 2006
- Fulbright Scholarship – 2002–2004
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Experience

- 2007 BRUEGEL (Brussels, Belgium) – Research Fellow
- 2003–2007 HARVARD UNIVERSITY (Cambridge, MA) – Section and Group Leader. Section Leader. Teaching Fellow





- Fall 2006 BRUEGEL (Brussels, Belgium) – Research Assistant,
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2001–2002 ECONOMIC RESEARCH CENTER OF THE ANTILLES
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2000–2001 MINISTRY OF FINANCE, National Office (S.D., Dom. Rep.)
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2001 PONTIFICIA UNIVERSIDAD CATÓLICA MADRE MAESTRA
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Publications

- “Impact of Natural Disasters on Household Welfare: Applications in Central America” in Natural Disasters:
- “Do they cost the Earth?” edited by Borde, A.; Guha-Sapir, D. and Santos, I. [forthcoming]
- “The Effects of Earthquakes on Children and Human Development in El Salvador” in Impacts of Risk and Vulnerability in the Short and Long Term Perspectives of Human Development, UNDP [forthcoming]
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- "Children's Vulnerability to Weather Shocks: A Natural Disaster as a Natural Experiment" (with Javier Baez). June, 2007 (resubmission invited by the Journal of Development Economics)
- "Risk-Sharing and the Role of Inter-Household Transfers: Evidence from Hurricane Mitch in Nicaragua". April, 2006
- "Is It Always Smart to Pursue the "Integrationist" Dream? Evidence of Trade Diversion in Central America Trade Agreement" (with Carmen Lazo). May, 2005
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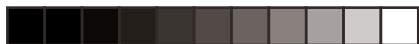




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Minister Svoboda,
Distinguished guests,
Ladies and gentlemen,

It is a pleasure for me to be here in Prague today to address you on the subject of local development strategies fostering territorial cohesion. The theme of this two-day conference is the future of the Cohesion Policy and integrated local development. This title clearly shows that integrated local development is part of the future of the Cohesion Policy and in my intervention I will explain the reasons why this is the case.

Let me however start with a few words on the challenges lying ahead of our European regions. As many of you will be aware, in November 2008 the Commission issued a Staff Working Document with the title "Regions 2020" – an assessment of future challenges for EU regions". With a focus on globalisation, demographic change, climate change and the secure supply of energy this document sets out the key challenges European regions will face in the years to come.

No doubt these challenges will impact on the development of Europe's economies and societies. Issues as complex as globalisation, demographic change, climate change and the supply of energy need a concerted effort and significant investments across the board. How and by which methods we respond to them is crucial in this respect. A successful response must rely on the best possible use of the territorial and social capital of all European regions. This also includes the potential of local development initiatives based on a holistic approach.

The Green Paper on territorial cohesion presented by the Commission in October last year firmly underlines the importance of place-based policy approaches. In fact, methods for capitalising on local assets and complementarities is one of the cornerstones of territorial cohesion and the local dimension is important in designing responses to the complex challenges of trade-offs between economic, social and environmental concerns.

However, in this respect I see three key issues that need specific attention:

- First, we have to reflect on what kind of local development we would like to promote. This is closely linked to what we actually mean by local development.
- Second, we have to see how the integrated approach to local development could be addressed within Cohesion Policy. This method of delivery has been successfully developed over the years and is now widely recognized as key in delivering sustainable development at local level.





- Third, we need to reflect on whether there is scope to widen the support for integrated local development within Cohesion Policy. The current policy provides for certain mechanisms but we may need to introduce new and stronger provisions.

Starting with the first question, I think it is fair to say that local development can have different meanings depending on the context and who is talking. It may comprise everything from sector-based initiatives initiated at national level but for the benefit of local communities to integrated initiatives based on partnership targeted to a specific geographical area.

However, what I have in mind when talking about local development is area-based local initiatives built on local partnerships between a broad selection of stakeholders from the public, private and voluntary sector.

Such local development is built on a few key elements. But before we come to them let us look at the very meaning of the words local development:

- “Local” is in fact a **very heterogeneous** concept and can mean very different things in different national contexts. Just look at what we refer to as the municipal level. Depending on national contexts it may or may not correspond to the “local” level as the number and size of municipalities varies considerably between Member States. The Czech Republic and Sweden have both approximately 10 million inhabitants, but while the Czech Republic has more than 6 000 local authorities Sweden has 290. To this should be added that national contexts are not static and that we observe both merging of municipalities and the creation of new ones. This means that while the local administrative level may be a relevant entry point for the implementation of integrated local development for some, alternatives are needed for others.
- As a consequence it seems we have to move away from a strict focus on administrative areas when looking at the issue of local development. **Functional territories** such as urban-rural areas, metropolitan regions, cross-border regions, mountain ranges and coastal plains provide an alternative.
- Since local development refers to a territory, it needs to be based on a **strong sense of identity**. This means that actors identify themselves to a specific local community which may or may not cross administrative borders. From this follows that areas without a strong sense of identity may be less suited for the local development process.

After this introduction, let me move to the second issue I would like to highlight today. Local development is characterized by a set of key elements. It implies a working method based





on a bottom-up process and a broad partnership between public, private and civil society actors. Moreover, in order to disseminate best practice and to foster European integration at local level, local development initiatives need to be complemented by networking facilities which allow for the exchange of experience between different partnerships across Europe.

At the heart however lies the integrated approach by which the broad partnership develops an integrated local development strategy based on the needs and potential of the area.

The strength of such an integrated approach across Europe can be illustrated by the URBAN Community Initiative (although LEADER serves as an equally good example). On the way from a small-scaled pilot-action to an element of major EU funding streams, a common European methodology for sustainable urban development, characterized by a holistic approach and the integration of all relevant sectoral policies has developed. Elements such as cross-sectoral coordination of actions, strong horizontal partnerships, increased local responsibilities, concentration of funding on selected target areas and networking activities through URBACT constitute key success factors of the URBAN Community Initiative, and form a common European "Urban Acquis".

To illustrate the necessity of an integrated approach to local development, let us take the example of social exclusion in a deprived neighbourhood. It could be an urban neighbourhood but it could also be a rural one or one somewhere in between. In order to effectively tackle the problems experienced in this neighbourhood an upgrading of the immediate environment – for example through the renovation of the housing stock - is not enough to get out of the vicious circle. There must also be jobs for the inhabitants and people must be given the chance to obtain the qualifications necessary to take these jobs. And there must also be schools and child care facilities for the families, adequate public transport, provision of public and private services and the area must be reasonably safe to live in.

This clearly calls for an integrated approach to be taken. However – and now I take the example of local integrated urban development - when we prepared our working document "Fostering the urban dimension - analysis of the Operational Programmes co-financed by the European Regional Development Fund (2007-2013)" we found that many Operational Programmes – and in particular in new Member States – tend to address local development through a sectoral approach.

Exceptions to the rule do exist however, and since we are in the Czech Republic, let me say that the concept developed within the Czech Regional Operational Programmes with Integrated Urban Development Plans to be developed by 23 cities – and possibly more – looks very promising. From the side of the Commission we look forward to follow the implementation on the ground of these plans with great interest.





Some have called for the integrated approach to be made compulsory in the next funding period. This is one possibility. Another would be to make better use of existing possibilities for capacity building directed to local administrations specifically focused on the implementation of integrated approaches.

This leads us to the third question I wanted to touch upon today, the role of integrated local development within the Cohesion Policy of the European Union. Contrary to other funds such as EAFRD (European Agricultural Fund for Rural development) and EFF (European Fisheries Fund), current provisions for the support of integrated local development within the ERDF are relatively modest **and have not** been taken up to any significant extent by Member States. Now the time has come to reflect on what we can do in order to improve the current system in such a way that it provides for the effective support of integrated local development. Together with Member States we will need to encourage Managing Authorities to pay more attention to the need for a more holistic way to address local development.

Looking to the future we may have to consider a stronger focus on local development within the ERDF. Some argue in favour of making local development an obligatory element in Cohesion Policy programming. This is one option we may have to look at. However, the example of the EFF and their Coastal Action Groups shows that even without being compulsory, local development is taken up in one or the other form by all Member States that have a coast (exception: Malta).

Whatever mechanisms we develop the most important is that:

- all types of territories – including functional areas – are covered,
- initiatives are built on a broad partnership, and
- that these partnerships follow an integrated approach to local development.





Ladies and gentlemen,

Let's be clear, local development is not a panacea and its role is complementary rather than an alternative to mainstream programmes and traditional approaches. Furthermore, in order to be effective integrated local development must be in line with the broader regional and national framework. Local development carried out in isolation without proper links to strategies at regional and national level can lead to conflicts and may even have negative impacts on the development of the area as a whole.

However, we also have to acknowledge that with initiatives such as **LEADER and URBAN** integrated methods were developed based on active partnership and networking. Actors were brought together which had a highly mobilising effect. Through these initiatives the human capital - and thereby also the territorial capital - was considerably increased. It has also been shown that despite limited EU-funding the impact can be high through the concentration of funding and the leverage of private funds. Additionally, small-scale interventions can be very effective in experimenting with new ideas and development paths.

One field where local development could play an important role is in the development of **urban-rural linkages**. At the core is the need to coordinate and integrate a set of policy actions at a given territory. In order to do so, integrated approaches need to be developed and implemented. Here I would like to quote the Leipzig Charter which refers to "an equal partnership between cities and rural areas as well as between small-, medium-sized and large towns and cities within city-regions and metropolitan regions is the aim". To this we have to add the specific role of small and medium-sized towns in remote rural areas. Such towns are key in offering infrastructure and services for economic activities to surrounding areas and need particular attention.

Current Commission activities on urban-rural linkages aim at further exploring this challenge. Many of you are no doubt aware of the series of seminars we have initiated and may have attended the seminars in September last year on urban-rural linkages enhancing European territorial competitiveness and in January this year on urban-rural linkages fostering sustainable development. Let me just take the opportunity to inform that a third seminar on urban-rural linkages and social inclusion will be held on 16 June in Brussels.

Additionally, the development of **Action 1.1a of the First Action Programme for the Implementation of the Territorial Agenda of the European Union** will provide further input to the discussion on urban-rural relations. This point is followed by the Czech Presidency and I welcome the analysis and suggestions made by the Czech colleagues to take this point further.





Dirk Ahner

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Ladies and gentlemen, the implementation of area-based, bottom-up, participative and integrated delivery methods across Europe has been a success. Now the time has come to consolidate this experience and to develop it further. And we have to make sure that the current financial crisis is not taken as a reason to step down and abandon the concept of integrated local development in favour of sectoral investment programmes.

To conclude ladies and gentlemen, I strongly believe there is a case for integrated local development within Cohesion Policy. However, we still have a lot of work to do in order to strengthen its role and better place local development as a tool in its own right within the Cohesion Policy framework. In this respect we are not short of challenges and I am sure many of them will be further addressed during today's discussion.

I look very forward to hear your views and questions.

Thank you very much for the attention!

Dirk Ahner

DIRECTOR GENERAL DG REGIO



INTRODUCTION

1. On 26–27 March 2009, the Czech Presidency organised an international conference on the future of Cohesion policy and integrated local development. Its aim was to discuss the past performance of the policy and to consider its future development in the light of pressures and ideas for reform. The Conference was attended by over 150 participants from European institutions, Member States and neighbouring countries. The following paper provides a summary of the discussions.

THE FUTURE OF COHESION POLICY

2. The Conference began by considering **the justifications for the policy**. Although the objective of cohesion is enshrined in the Treaty, the role of the policy is sometimes disputed. It is important to be clear why the policy exists before discussing how the policy should be implemented and funded. Participants were reminded of the original rationales for EU intervention: the need to avoid disenchantment with European unity; the mutual interests shared by both rich and poor regions in the ‘harmonious development’ of the EU; and the economic goal of helping poor regions to utilise production factors and exploit their potential. A modern interpretation is that it is a development policy aiming to raise the growth potential of each **region**; and to ensure that each **citizen** is not disadvantaged by where they live. It was stressed that the policy is not an equalisation fund and does not aim at income support, unconditional convergence or redistribution, although it does have redistributive effects.

3. The evidence for **the past performance of the policy is mixed**. It was noted that a key problem is causality – identifying the impact on growth attributable to Structural and Cohesion Funds. Another is the opportunity cost: could the money have been spent better through other EU or Member State policies? Further, it was argued that the redistributive role of Structural Funds channels resources away from economic centres – reducing growth potential – instead of focusing first on the efficient use of funds. Other participants considered that there is compelling evidence for the positive impact of Cohesion policy – for example in Spain and eastern Germany – where economic research demonstrates the effects of the Funds on growth, convergence and productivity. On the issue of convergence, recent OECD work sheds new light on the sources of growth, with 70 percent of EU growth being explained by growth in lagging regions. Speakers also cited important policy and institutional benefits associated with policy in areas such as strategic planning, integrated development, institutional cooperation (partnership) and the spread of an evaluation culture. Given that the performance of the policy differs between countries and regions, a key question is: what are the policy or institutional pre-conditions/requirements that are associated with effective and efficient use of the Funds?



Currently, we have too little information on what policies work best at different levels, and in different circumstances.

4. Turning to the future, **the maps of regional need and potential in Europe are changing**, with the challenges faced by regions becoming more complex. For the medium/long term, the DG REGIO **Regions 2020** paper reveals the varied vulnerability of European regions to globalisation, demographic trends, climate change and energy use and supply. The reported work of the European Spatial Observatory Network (ESPON) also shows the different growth dynamics and performance of the regions and the different spatial development scenarios depending on whether EU policies focus on competitiveness and cohesion. Speakers highlighted the more immediate effects of the current economic crisis, observing that there will be regional winners and losers, and that the maps of regional disadvantage could be quite different in five years time. In this context, the question is whether referring to 'poor' and 'non-poor' regions is appropriate as a basis for policy intervention.

5. This led on to the question: **where should Cohesion policy intervene?** Here, the issue was not about the rationale for a regional policy **per se**, but about where the EU role was justified. Different arguments were put forward in favour of Cohesion policy focusing on lagging regions, focusing support at national level, or providing support for all regions throughout the EU. The arguments reflected the different views (economic vs. political) on the justification for the policy, and also different conceptions of European integration and the role of the Commission. It was noted that these are 'legitimate differences' which should be debated now and not left to the budget negotiations.

6. A topical issue is **the Cohesion policy response to the current economic crisis**. The consensus among speakers was that the Funds are not a crisis instrument but can contribute to a policy response – indeed, the policy is making a powerful contribution to the European Economic Recovery Plan (accelerating implementation of the Funds, 'smart investments' etc). However, the causes and effects of the crisis vary greatly; some Member States have created national or regional recovery packages, others have needed support from the IMF and have national budgets under pressure. The policy needs to retain its focus on addressing long-term structural weaknesses and promoting growth and competitiveness.

7. **Does the policy need to change? If so, how?** In the face of varied and complex challenges, it was noted that the solutions needed to be tailored to the needs of places/regions, with policy responses at different spatial scales. Success depends on whether regions are able to exploit their potential by mobilising local assets and also strengthening the interconnections between regions. A place-based policy approach provides a way of responding, conceived (using an OECD definition) as a 'timely, transparent and responsive





framework for integrated projects, combining knowledge at sub-national levels with national and EU strategies'. A panel discussion identified several issues for the reform debate.

- The current policy has too many objectives – there is a need to concentrate resources more on specific objectives and priorities, although some questioned whether Member States would have the 'courage' to agree to tighter thematic concentration (which was not the case during the negotiations for the 2007–13 period).
- There is also a need for clarity in how the implementation of objectives is to be achieved and assessed. Some objectives associated with the Lisbon Strategy are vague. This applies even more to territorial cohesion: how will we know whether progress has been made with this objective?
- The eligibility criteria need to be reconsidered, potentially with modulated Convergence support for regions immediately above the 75% threshold. This would help address the needs of those Regional Competitiveness & Employment (RCE) regions 'falling behind' – currently they need to fall below 75% of EU GDP per head before the policy responds. A gradation of support levels would also help address the 'boundary effect' between contiguous Convergence and RCE regions in some Member States.
- The scope of the Cohesion Fund should be broadened to include science and research infrastructure. It would allow focused investment to qualitatively enhance the European Science and Research infrastructure, and it would strengthen links between Cohesion Policy and the Lisbon Strategy at the same time.
- The potential for new geographies should be exploited in responding to new challenges. Territorial cohesion means thinking more about 'functional regions'.
- A place-based policy demands the mobilisation of local resources, yet many programmes are designed from the top down, whether at national or regional level. The roles of local authorities and civil society need to be strengthened.
- A new approach to the 'shared management' (between Commission and Member States) of the policy is required. The spirit of positive partnership has been lost in favour of a controlling/audit-centred role for the Commission.
- The management of the policy on the ground needs to become more professional. Better training is required for those delivering programmes in the regions in the face of more complex challenges.





8. Reforming policy implementation: evolution or revolution? There is widespread discontent with the implementation system; it was argued that problems arise because a single set of rules cannot accommodate the different institutional arrangements of 27 Member States. While some participants advocated simplification, others asked whether a differentiated approach to the rules would be politically acceptable. Arguments were put forward for radical reform of the implementation system, but others favoured continuity on the basis that every set of changes causes implementation adjustments and delays for those administering the policy on the ground – the implications for the large number of implementing bodies was said to be analogous to ‘trying to change the course of a flotilla of hundreds of ships of different sizes’. A different relationship between the Commission and Member States is also needed. It was felt that the Commission should develop the competence and expertise to take on more of an advisory role and promote experimentation and learning.

INTEGRATED LOCAL DEVELOPMENT

9. The importance of local development starts from the premise that **European challenges have an important local dimension**. Integrated local development is a way of combining different measures at local level, and building appropriate institutions to respond to local problems. Several speakers cited examples of effective EU, national and sub-national initiatives to promote integrated local development. Often, such initiatives do not provide the whole solution to problems, but they are a complementary (possibly essential) part of wider strategies. The question is whether the successful examples of local action can be developed into wider frameworks of integrated development.

10. The boundaries for policy action are becoming fluid. The differentiated territorial incidence of the challenges means thinking about policy responses at different spatial scales and over different timescales. Different indicators for defining the ‘spaces’ for policy action may be needed. One presentation drew a distinction between the ‘hard spaces’ – which comprise territorial government units such as local authority areas or administrative regions – and ‘soft spaces’, which are defined by the development challenges and involve different types of interaction and interrelationship between places. ‘Soft spaces’ such as functional regions, macro-regions and networks often cut across or transcend administrative boundaries. It is, though, important for new territories to be meaningful to people; one of the disadvantages of using NUTS II for policy implementation is that it sometimes creates administrative capacity for regions which people cannot identify with. An issue for Cohesion policy is how it can accommodate, or actively facilitate, new spaces and forms of institutional relationship. The Baltic Sea Strategy is an example of a new space; can this approach be replicated elsewhere?





11. How can integrated local development best be promoted? Effective local development was said to have three main requirements: it needs to be regarded as a long-term process; it requires appropriate management capacity to mobilise local actors and resources; and it needs commitment from all parties. A panel discussion identified a further set of important factors, based on experience of local development initiatives:

- a **sustainable development** approach, combining the economic, social and environmental dimensions of development;
- **tailored measures**, with a sophisticated, place-specific mix of hard and soft measures;
- **cooperation between local actors**, involving not just the 'standard' organisations but a wide range of bodies and groups to generate new ideas – especially at a time of crisis when new sources of growth and new ways of doing things are needed;
- **subsidiarity** – areas need the right responsibilities and incentives to exploit local potential;
- **connectivity** – between territories is important to ensure that places/regions are outward looking and exploit interactions with other places;
- **inspiration** – leadership/motivation is needed as a stimulus to act and to change – which can come from within regions but may need impetus or intervention from outside; and
- a **supportive policy framework**, which is partly an issue of funding, but also a question of having the right instruments, flexible institutions and a strategic planning framework to ensure coherence of interventions at different levels.

12. The final question concerned **the role of Cohesion policy in integrated local development**: should all regions be required to mainstream integrated local development in programmes, or should the Commission act as a facilitator/animator for those wanting to promote integrated local development? Four main issues were highlighted during the discussion.

- Integrated local development is complex and requires appropriate knowledge to avoid 'reinventing the wheel'. The differences between Member States and regions mean that there is no 'best practice', but there is scope for learning and exchange of experience. The role of the Commission could be developed further to support the mobilisation of knowledge flows and provision of advice.
- New or adapted instruments could be considered to make financial support more accessible, especially using more commercial instruments such as venture capital and revolving funds and other experimental instruments currently being considered by the EIB and DG REGIO – but these need to be adapted for local development needs. It is also important to simplify access, such as through 'one-stop-shops' or a rationalisation/simplification of the Funds.





John Bachtler

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- Cohesion policy needs to become more generally accessible to local communities. Experience of local development initiatives has shown the difficulties of engaging local communities – first in understanding the policy system, then in designing and implementing projects, and then in complying with the financial management and audit requirements.
- Evaluation and feedback loops are important to ensure good understanding of what is being done. This will require further research on the appropriate mix of quantitative and qualitative indicators capable of monitoring and evaluating the progress and effects of integrated local development initiatives.

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EVOLUTION OR REVOLUTION?

Some Dilemmas for Future Cohesion Policy After 2013

Introduction – Policy of Economic and Social Cohesion is a great but not fully exploited opportunity for Europe

As shown in the discussion on the future of Policy of Economic and Social Cohesion (PESC), there has recently been comparatively wide agreement about the needs of EU cohesion policy, both for achieving convergence and for increasing competitiveness. At the same time it should be stressed that convergence and competitiveness need not be seen as opposing concepts as they sometimes are, since even support for the traditional core of cohesion policy, i.e. infrastructure, human resources and the business environment, unquestionably contribute to increasing competitiveness in less developed regions. Moreover, cohesion policy has been distinctly “Lisbonized” in the current programming period, particularly in the case of the EU 15, and so its contribution to competitiveness is indisputable. However, it is clear that in the case of less developed regions “the building cannot be built from the second storey up”, i.e. we must first lay down the foundations and only then build further competitiveness in those regions.

While evaluation of cohesion policy is predominately positive, there is a similarly wide consensus that PESC should function better and reform is needed – see for instance the Fifth Progress Report on Economic and Social Cohesion. In current debates issues are being raised at many levels. Even the strategic direction of PESC itself is being considered as it is obvious that the sources allocated to cohesion policy are not capable of relieving all the difficulties of Member States. We have to select those kinds of interventions which will be meaningful from the EU level and will have the highest added value. Other significant issues are the relation of this policy to other policies, the issues concerning programming, partnerships, questions of implementation, of financial management, auditing, monitoring and evaluation.

Therefore, in this contribution I will try to choose several themes which in my opinion merit somewhat deeper discussion.

1) “Flexible concentration” or “One size does not fit all”

The clear problem of cohesion policy is its relatively broad coverage as for example indicated also by the existence of three funds: ERDF, ESF and CF. According to some studies PESC has up to several dozen different priorities, for example, according to the relevant regulation “Under the Convergence objective, the ERDF shall focus its assistance on supporting sustainable integrated regional and local economic development and





employment by mobilising and strengthening endogenous capacity through operational programmes aimed at the modernisation and diversification of economic structures and at the creation and safeguarding of sustainable jobs. **This shall be achieved primarily through the following priorities, the precise policy mix depending on the specificities of each Member State:**"

1. research and technological development (R&TD), innovation and entrepreneurship
2. information society
3. local development initiatives
4. environment
5. prevention of risks
6. tourism
7. investments in culture
8. transport investments
9. energy investments
10. education investments
11. investments in health and social infrastructure

The purpose of the ERDF fund and the supported priorities are thus rather broad, but there are constant proposals to scale up PESC support for further priorities.

Would not one possible solution be to provide Member States or possibly eligible regions with a greater scope for the selection of specific priorities which they would like to support with the help of PESC sources, needless to say, in harmony with the rules of economic competition?

However, the essential condition would be that each state is encouraged to choose only a limited number of priorities on which support from PESC would be concentrated. This option would be justified by each state in their programming document like NSRR. Such an approach would make it possible for Member States to formulate coherent strategies and not just formally merge various spheres into a single "strategy". Strategic concentration would naturally require strong leadership, which is unquestionably the responsibility of the Member States. This "flexible concentration" would also facilitate the evaluation and monitoring of new programmes and projects as they would be more focused.

● **Would "flexible concentration" be one possible way to increase the efficiency of PESC in a diverse Europe?**





2) New challenges?

The question of the strategic orientation of cohesion policy is also related to the so-called new challenges (particularly demographic changes, energy problems, climate change, globalization, and possibly also security issues). First of all, the question must be asked whether these new challenges really represent the common interest of Member States and if there would be clear added value to solving these issues at the European level. If so (although this is far from given!), then it is necessary to evaluate whether it is realistic and desirable to establish a new policy to respond to these “new challenges”. Up to the present this does not seem to be the case.

The other possibility is to incorporate the new challenges into cohesion policy. In this context it is appropriate to refer to the relevant conclusion of the public debate as summed up in the Fifth Progress Report on Economic and Social Cohesion (from 18th June, 2008):

“While it is widely admitted that cohesion policy should also address such challenges, most of the contributions point out that cohesion policy cannot be the only instrument, not even the principal one.”

This conclusion is ambiguous since it does not answer either “yes” or “no”, it does not say which activities to support and which not, and so it opens the way for various interpretations from various states and other partners.

If the new challenges were integrated into PESC, as has already been proposed more than once, at least two points must be stressed:

- a) the incorporation of new challenges would lead to further weakening of PESC goals;
- b) if any significant financial allocation within the framework of PESC were given to the “new challenges” there would be a justified demand that this should not be at the expense of the traditional core of PESC support which is infrastructure, the development of human resources and support for entrepreneurship.

Next we have to ask whether the current PESC priorities (see above for an example of ERDF) are not already sufficiently wide for regions facing urgent problems from the new challenges to be able to respond to these challenges without any substantial need for special legislative amendments on the EU level. Relevant decisions could be accepted at the MS level according to the specific situation in MSs or regions. The point thus would be a real “tailor made” country/regional approach.





Finally it has to be considered that about 0.33% of EU GDP is given to the current PESC and it is probably not possible to expect this sum of money to allow us to achieve the convergence goals, the Lisbon strategy and, even more significantly, resolve problems in the spheres of energy, demographic ageing, climate change, globalization etc. The simple addition of new challenges to the priorities supported by PESC would thus lead to even more complex manifestation of the impacts of cohesion policy and could reinforce calls to dispute the justification for PESC itself. The alternative could lie in the above mentioned principle of "flexible concentration" even on (some) new challenges, i.e. each state could choose only those priorities which allow it to create a coherent strategy.

- **Thus the fundamental questions are whether to accept the new challenges or not and if so, then in what form and whether there is really no possibility to respond to new challenges within the framework of current PESC.**

3) Should future cohesion policy cover all European regions or only some of them?

In this context there are basically two main options for the possible inclusion of EU regions in the future cohesion policy. The first possibility is the preservation of the existing principle that all EU regions are supported, but with significantly differing intensity depending on the level of socio-economic development measured by per capita GDP.

The second possibility is the stricter application of the concentration principle, i.e. to concentrate support from EU sources only on the lagging regions.

Both these alternatives have their merits and drawbacks. The current system is more politically achievable (every region gets at least some funding) and it helps to spread best practice, mutual collaboration etc.

Its drawback is, however, that the limited volume of resources given to the developed regions restricts the possibility of achieving noticeable results. There may also be criticism from the part of developed states/regions about recycling their money and their returns conditioned by the demanding administrative procedures. Another apparent drawback is that the resources given under the Competitiveness Objective are subtracted from the available sum for the basic and priority Objective of PESC, which is the Convergence. Thus support for "Competitiveness" is far from unambiguous.

Again in this context we quote the relevant conclusion of the public discussion as summed up in the Fifth Progress Report on Economic and Social Cohesion (from June 18th, 2008):





“All contributions agree that the main objective of cohesion policy is the reduction of economic and social disparities between the levels of development of European regions. Lagging regions must thus remain the focus of the policy.

Yet, a majority of contributions – along with the European Parliament – argues that the policy should cover the whole territory of the EU, considering that cohesion policy is not a simple mechanism of solidarity, but also aims at fostering the endogenous development potential of European regions.”

This conclusion of the Fifth Report is also rather ambiguous. The main goal is thus understood as the support of lagging regions but at the same time this support should be given to all regions.

In view of political issues and also of a certain tradition, it could be difficult to implement the variant of concentrating support only on some, i.e. lagging, regions. However, it is then necessary to consider whether or not to change the strategic focus of the Competitiveness Objective in order that European support may achieve significant added value.

Another problem that is being discussed is the significant jump in the level of support once the critical threshold for the eligibility of a region for the Convergence Objective is passed (i.e. 75 % of the EU average GDP/per capita).

A possible solution could be to provide all regions included in the Convergence Objective the same amount of money per inhabitant. With different price levels among countries the same amount of money could be used to achieve more in the less developed regions and thus convergence would also be strengthened among the regions included in the Convergence Objective. Although this solution would not eliminate the “jumps” mentioned above it would reduce their size.

Another solution would be to differentiate the level of co-financing in regions included in the Convergence Objective in such a way that the co-financing level would be highest in the least developed regions and lowest in the case of the most developed regions under the Convergence Objective. Thus the dependency on “Brussels support” would decrease gradually for actors in regions approaching the critical 75 % limit.

Another solution to this sudden jump in the level of support following the crossing of the 75% threshold could be provision for “medium level support” (i.e. less than under the Convergence Objective but more than under the Competitiveness Objective) to those regions whose GDP(per capita is higher than 75% but lower than the EU average.

- **Could some of these solutions be accepted or is it possible to suggest other ones?**





- Is it necessary to change the current concept of the Convergence Goal or is the current design basically satisfactory?

4) In what way could coherence of PESG with other policies be achieved?

One way to increase the efficiency of PESG is to link this policy together with significant sectoral policies, on both European and national levels. Though these problems have been discussed for a considerable period of time and the methodology is gradually developing (Territorial Impact Assessment), existing results are still rather limited. However, some sectoral policies in some Member States have already been "regionalized", i.e. the regional dimension has been incorporated in such a way that, for instance, the level or form of support respects the specific needs of some categories of regions. The problems are naturally rather complex, with a range of legislative, competence and other aspects. The apparent potential is offered for instance in a link between FP 7 (8) and PESG:

- What actual steps is it possible to suggest in this sphere?

5) Lisbon and the Cohesion Fund. How to proceed further?

With the Lisbon Strategy the EU has laid claim to a vision of a globally competitive Europe. At the same time the EU has many initiatives and projects supporting innovation and competitiveness in those of its regions that are less prosperous in terms of innovations and their implementation. These programmes and projects include the European Research Area, Innovating Regions of Europe, Regions of Knowledge, Constructing Regional Advantage, etc. These initiatives or projects are motivated by the goal of supporting collaboration between regions in science and research and innovation and, primarily, of supporting the creation and application of innovation in the less prosperous European regions.

The linking of Cohesion Policy with the Lisbon Strategy is already under way in the present programming period (requirement for allocation of 60 % of resources in the 2007–2013 programming period to Lisbon priorities in Convergence Objective, then 75 % within the Competitiveness Objective, compulsorily for the EU 15 and with pressure also on the new MSs) while some space has been given to individual MSs as to which activities should be considered as "Lisbonian".

However, this concerns primarily the SF and only partly the CF. Thus the question is whether to widen the opportunity to finance any infrastructure of state-wide significance from the CF, i.e. not only transport and the environment but also scientific and research infrastructure. This step would allow focused investment to qualitatively enhance European





Science and Research infrastructure to the level required for the 21st century. Thus CF would not support “only” the construction of basic infrastructure (in transport and the environment) but also sophisticated projects in the R&D field. In this way CF would distinctly contribute to the goals of the Lisbon Strategy on the EU level.

Such a modernization of FS orientation would also eliminate the undesirable situation in some cohesion countries where large scientific and research projects are localized and intentionally sited directly beyond the borders of the Competitiveness region and inside the Convergence regions, because the level of resources from the Structural Funds in the Competitiveness Objective is considerably lower than within the framework of the Convergence Objective, and to date there has been no possibility of financing these projects from CF. “Pulling out” potentially top scientific and research activities from metropolitan cities into greenfield localities in their hinterlands also has a significant urban dimension with many negative effects on the cities themselves (growth of traffic, urban sprawl, which contrasts with empty brownfield sites in inner cities).

This issue is likely to become even more topical in the next programming period, as it can be assumed that in many cohesion countries the most developed regions would not be eligible for support under the Convergence Objective. At the same time, the most developed regions in those countries have the greatest potential to decrease the vast lag behind the world and European cutting edge in R&D and to operate as a gateway for creating and spreading innovation for the whole country.

Concentration of resources in the field of R&D would also be in harmony with the Green Paper on Territorial Cohesion from October 2008, where the need for concentration of some activities is explicitly emphasized, in view of the agglomeration effects and the need for intensive cooperation with other partners (networking/clustering).

● **Thus, why not open CF up to the scientific and research infrastructure of the national or even of European significance?**

6) From Absorption to Efficiency?

There is also a gap between strategic visions of cohesion policy and the form in which it is delivered on the ground. The need to simplify the implementation and the whole administrative complexity is at the same time apparent on at least the following three levels:





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- i) on the level of relations between EC and MSs (this is where perhaps the greatest improvement has been achieved);
- ii) on the level of the management and implementation systems of individual MSs;
- iii) on the level of projects – i.e. in the framework of the whole project cycle.

The problems of simplifying administrative procedures are particularly pressing but there are as yet few tangible suggestions (an exception being for instance the Estonian suggestion to shift from financial control to control of outputs/results, but this approach is also not free of problems as shown by the recent discussions). The difficulty in simplifying implementation and administration is naturally linked to the need to respect transparency and to secure or increase efficiency in the use of these European resources.

Some experience shows that a smaller number of wider operational programmes reduces the problem of orientation of project applicants and at the same time limits the diversity of management and implementation structures (MIS) and decreases the fragmentation of overall MIS. Thus it seems that a smaller number of OPs would be an advantage, even in spite of the drawback of greater inner heterogeneity within a more widely framed OP.

Experience also shows that in growing numbers of spheres of interventions it is possible to define minimum qualitative standards for projects, and thus on-going open calls for projects could be used on a larger scale instead of periodic calls. The wait for a projects call would be reduced and the burden on Intermediate Bodies would be reduced in comparison to the periodic calls for proposals. The periodic calls for proposals also distort the market for grant management and for consulting.

It is also obvious that the potential of e-government to simplify administration processes is far from fully exploited. Certificates from various state authorities are still being required instead of automatic controls through relevant databases.

- **Thus it is apparent that any suggestions in this field are more than welcome.**

To end I would like to take the liberty of expressing my personal belief that the strategic orientation of PESG calls for evolution, while its implementation requires revolution.

Jiří Blažek





Minister Svoboda,
MEP Vlasák,
Director-General Ahner,
Ladies and gentlemen,

On behalf of the Committee of the Regions, I should like to thank the Czech Presidency and particularly the Minister, Mr Jiří Koliba, for organising this conference on the future of cohesion policy. As elected representatives of Europe's regions and cities, this is an issue that concerns us greatly, since cohesion policy has a considerable impact on the areas we govern.

I should like to begin with some general comments

In this period of economic and financial crisis, which may well continue for several years, it is vital to underscore our deep commitment to this policy:

Firstly, because it is the quintessential expression of the European project, based on solidarity between States, regions and territories. As José Manuel Barroso said, on 6 March, in this same room, at the European Summit of Regions and Cities, without solidarity there can be no European Union. I believe this statement to be particularly apposite in the context of the current crisis. We must not delude ourselves: this crisis is a moment of truth for European integration, and its very legitimacy is at stake. We will either come through this crisis richer, with more integration and European solidarity, or it will be the crisis which will undermine the legitimacy of European integration in the very long term. From this perspective, cohesion policy is one of the most important vehicles for legitimacy, integration and solidarity at European level.

We should also remind ourselves of our deep commitment to this policy, because regional policy has now been demonstrating its effectiveness for over 20 years. We have seen ample proof of its effectiveness on the ground and its capacity to adapt to an increasingly diverse range of socio-economic and geographic situations as the Union has expanded. There can be no doubt that the beneficial "leverage effect" that cohesion policy exerts on all Europe's regions makes it a policy of European interest. Since Mr Dirk Ahner, the Director-General of DG REGIO is here with us today, I should also like to take this opportunity to draw attention to the results of the Committee of the Regions' study on the leverage effect of regional policy, which illustrates perfectly that it transcends the financial multiplier effect traditionally fuelled by public co-financing systems. Since it creates synergies between the different levels of governance – European, national, regional and local – cohesion policy complements, strengthens and boosts the action of other levels, in the interest of local development. Cohesion policy is a model for other, more partnership-based European policies.





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As we have stated in an opinion which focuses specifically on the leverage effect, our institution believes that there is now a wealth of evidence regarding the impact of regional policy. Whilst - as the experts say - it may still be difficult to make fine measurements of the purely quantitative impact of regional policy on economic development (in terms of increases in GDP, or reductions in unemployment rates), the indicators do demonstrate that the old cohesion countries (Greece, Spain, Portugal and Ireland) have caught up rapidly in the areas where they were lagging behind, from GDP to unemployment rates, labour productivity and human development.

Furthermore, the experts are unanimous that the impact of cohesion policy is predominantly qualitative: it has enabled Member States and regions to strengthen their administrative capacity and obliged them to draw up long-term territorial development strategies; it has encouraged the various players to conduct their policies in partnership with each other; and, lastly, it has played an undeniable role in increasing the efficiency of public spending, by introducing systematic controls, not only accounting and financial control of spending, but above all, qualitative controls, through performance audits of local development policies.

Another issue I would like to draw attention to is the governance of cohesion policy and local and regional authorities' part in shaping it. From its creation in 1994, the Committee of the Regions has supported greater involvement of local and regional elected representatives in the preparation of Community guidelines, so as to ensure that they are sufficiently responsive to the specificities of Europe's different regions, which are all developing within different national administrative frameworks. I am well aware that this is a considerable challenge. For, Community guidelines - which we value, since it is they that guarantee the European added value of this policy - must give local and regional authorities sufficient room for manoeuvre to benefit local development, or in other words, to respect the diversity and particularity of each area. In our view, genuine multi-level governance is the only way of meeting this challenge.

Turning to the future after 2013, which is the subject of this conference, I should like to share with you some of the lines of enquiry the Committee of the Regions has pursued:

1. A no to any form of renationalisation

In view of our commitment to cohesion policy, both to its values of solidarity and equity and to its **modus operandi** of partnership, we are resolutely opposed to any form of renationalisation of this policy, which expresses the very essence of the European project. I think it is useful to recall, in anticipation of what are likely to be difficult discussions on





the budget, that this policy must not – and cannot – be conducted solely at national level, since at this level, the lack of policy cooperation would cause it to lose all its effectiveness and capacity for integration and the European Union would lose out in terms of visibility, legitimacy and solidity of its partnerships. For cohesion policy is the “visible hand of the European Union” on the ground, and plays a major role in people’s commitment to the European project as a whole.

There must therefore be no question of transferring responsibility for regional policy to the Member States, leaving them with total control over the allocation of the structural funds within their territories. Likewise, there must be no question of diminishing cohesion policy in order to strengthen a so-called competitiveness policy based essentially on a juxtaposition of sectoral policies such as research, SMEs, entrepreneurship and education.

2. Focusing the political objective more closely on the original purpose of cohesion policy

I should now like to turn to the question of the political objectives that European cohesion policy ought to be pursuing. As we have stated in our opinion on the 5th cohesion report and in the conclusions of our working group on the future of cohesion policy, we would like to see regional policy focusing on its original purpose of reducing disparities, whether they be economic, social or territorial.

Not only because, over recent years, these disparities have deepened within the European Union and will continue to do so as a result of the economic and financial crisis we are now experiencing: to my mind, the increase in social inequality is particularly worrying, since it endangers the Union’s overall cohesion. But also because I believe that there are risks in overburdening cohesion policy with too many contradictory objectives. If we assign too many objectives to cohesion policy, it will lose its coherence and **raison d’être**. The challenges our regions need to address – globalisation, climate change, ageing populations, migration – have already been identified, but the responses can be guided by appropriate sectoral policies: economic policy coordinated at European level, environmental policy, policy on asylum and immigration...

At the Committee of the Regions, we have begun to explore the question of earmarking the structural funds. We feel that it is necessary to rethink the relationship between the search for cohesion and the search for competitiveness. These two objectives, which are often presented as complementary, can sometimes lead to contradictions on the ground, as for example when competitiveness turns into competition between regions or various localities within the same region. Territorial competition will not lead us to territorial cohesion, but territorial cooperation will.





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Moreover, the CoR shares the view of the European Parliament, as set out in Ambroise Guellec's report on the Fourth Report on Economic and Social Cohesion, that the considerable budget constraints on cohesion policy in a Union of 27 Member States make it impossible for the primary objective of that policy to be enabling the EU to develop the most competitive knowledge-based economy in the world.

Furthermore, I must draw attention to the political gamble being taken behind the scenes with regard to the "lisbonisation" of the cohesion policy. It is inconceivable that one of the most integrated policies we have at Community level should be thrown back into the ring of the Lisbon method, which operates outside an integrated framework and is, in its current configuration - as the CoR's analysis for the Lisbon Strategy Monitoring Platform has shown - an all too exclusively intergovernmental exercise.

We therefore need to leave behind this rather futile opposition between competitiveness and cohesion, by finding a better balance between competition policies aimed at promoting economic growth and the objective of cohesion itself. We are therefore calling on the Commission to analyse the impact of earmarking, both on regional competitiveness and territorial cohesion, in order to provide answers to the two following questions:

1. has earmarking made our regions more competitive? And
2. has it strengthened territorial cohesion or has it been a factor in hastening the phenomenon of intensifying competitiveness?

The answers to these questions will tell us whether we should continue along this route after 2013, or whether - **as I believe** - we should reorient the structural funds towards the main goal we have set for the cohesion policy, i.e. reducing disparities, so as to build our economy and increase our competitiveness on solid and lasting foundations and to enable every region to use its own potential.

3. A policy for all the Union's regions and territories

In fact, one of the conclusions we have reached is that there is a need to maintain a regional policy for ALL our territories. This is a message we have always conveyed, but it is all the more apposite in the light of the current economic crisis.

Each local or regional authority experiences the effects of the crisis at its own level. Each local or regional authority is a microcosm of the crisis. Though they may be more or less well armed to face it, more or less affected by it, each one must deal with the impact of the crisis: the business closures, the staff cuts, the partial or total unemployment and





their social consequences, the thinning of budgetary and financial resources. Moreover, they are all, whether more or less successfully, introducing urgent measures to respond to the crisis in the short term and to contain the crisis at their own level.

Buttressed by EU and national recovery plans, each one is, according to its competences, budget and organisation, complementing these plans with its own urgent measures to address the social crisis, combat vulnerability, support jobs, provide direct help to businesses and strengthen access to credit. These immediate responses, designed to address current concerns, are vital.

However, they must be part of a new vision for the future, framed as part of a new phase of regional development, or they will become counterproductive, making it more difficult to set out again on the right foot once the crisis is over. Therefore, although local and regional authorities are no more able than States or international organisations to control all the parameters of the crisis or its repercussions within their territory, each must continue to think, simultaneously, about its political action in the medium and long-term.

And this is another reason why we need to make a commitment, today, to maintain a **STRONG** regional policy for the post-2013 period, accessible to every region that needs European leverage. Whilst they cannot all be engines of economic growth, or attract cutting edge activities, they should ALL feel that they have a part to play in competitiveness and growth, in their own different ways, or in other words, according to their individual potential.

How can this be achieved? One thing we will need to do is to adapt our territorial indicators so that we have better ways of assessing the issues that can arise in relation to territorial cohesion at the level of regions, states or European macro-regions. We therefore need to think about developing indicators that are more “advanced” or sensitive than GDP per inhabitant. I know the arguments of the “experts” who claim that this is the only solid and reliable economic indicator, but we still wish work to continue on developing new indicators – at the very least, indicators that can help us draw a more detailed and exact picture of the development of specific regions, taking account of aspects other than the creation of wealth, such as access to infrastructure, public services and an environment of good quality. In turn, these indicators will then enable political decision-makers, whether at European, national, regional or local level, to draw up strategies that are more in keeping with the needs of their specific constituencies.





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4. Greater coherence between the various Community sectoral policies

Lastly, we believe that the objective of territorial cohesion applies to ALL Community sectoral policies, since it is a CROSSCUTTING objective, that goes beyond regional policy alone.

We are therefore calling for sectoral policies and regional policy to be consistent with each other and made to complement each other still further, so that they all serve the objective of territorial cohesion. There would be no sense at all in using regional policy to strengthen territorial cohesion that has already been undermined by other Community policies. The CoR's opinion therefore proposes that **ex ante** territorial impact studies be conducted for every legislative proposal that will have an impact at local and regional level. This will mainly concern the CAP and rural development, transport policy, energy and environment policy, competition policy and also maritime policy since, just as territorial cohesion does not stop at the EU's borders, it does not end at its coastlines either. We need an integrated approach to territorial cohesion and public policies.

Conclusion

Minister, MEPs, Director-General,

This is, in outline, the Committee of the Regions' position on the future of cohesion policy. I hope we will find echoes of it in the preliminary proposals set out in Mr Barca and Mr Bachtler's report on the architecture of regional policy after 2013 that we have been waiting for with some impatience.

To respond to our ambitions, we will clearly need a European budget worthy of the political ambitions we have set ourselves – and when I say “we”, I am thinking of the European Union as a whole. This is particularly true when it comes to the objective of territorial cohesion, which aims to achieve harmonious, balanced and therefore SUSTAINABLE development throughout Europe. Without going into detail regarding the coming budget debate, I believe that Europe's regions and cities will largely call for a higher budget than the one we obtained for 2007–2013, especially since the crisis has reminded us of the important role played by public policies in the functioning of our market economies.

Michel Delebarre

FIRST VICE-PRESIDENT OF THE COMMITTEE OF THE REGIONS





WHERE IS THE LOCAL IN LOCAL DEVELOPMENT?

Minister Svoboda, Ladies and gentlemen,

I am honoured to be allowed to speak to you as an academic who has made it his business, as a spatial planner, to study EU regional and cohesion policy, and in particular territorial cohesion policy. The **difference** between regional and cohesion policy has everything to do with my theme:

Where is the **local in local development**?

I start with the **rise of the local** and local initiatives. In the 1970s, French state funds earmarked for the Bretagne were **reduced** because the new **European Regional Development Fund** gave Community support to this region. The logic behind this was that EU regional policy was there to subsidise **national** budgets. This against a view of the EU as a **club of member states** where other authorities were not at the negotiating table.

The change came with **Integrated Mediterranean Programmes** involving local stakeholders in programming, based on the argument that development is **inevitably local** in that actors have **addresses**; they live in **places** which they **know** and generally **love**.

It follows that **opportunities and constraints** are best identified and dealt with locally, and this is the philosophy also behind cohesion policy. The **Lisbon Strategy**, too, is in the end **local development**.

In fact though, it was **local authorities** as the proxies of 'the local' that were the winners. However, a local administration within its given jurisdiction **may, or may not**, be the relevant **reference point** for identifying 'the local'. In other words, there is a danger of merely replacing a **large box** – the nation-state – with **many small** containers.

More generally speaking, the danger is thinking exclusively in terms of administrative **containers**.

Evidence from Germany shows, however, the **conditions of success in local development** to be networking and cooperation in **clusters** involving **private stakeholders**, and **place-branding**. Why? Because ultimately the success of local development hinges on an **orientation to external markets**. So casting a clear image is important. Where, however, does this locate the local?





Let me give another, more personal example. I am a proud citizen of the lovely ancient city of Delft, but the emotions are not evoked by the abstract jurisdiction, but by the **city centre**, where I live, and also the **university campus** where I walk to on my way to work. There are also the railway and the motorway giving me access to my **extended network**. Not living at Delft, other university staff have even **less affinity** with the jurisdiction. So, is Delft University of Technology **of Delft**? Is it local development. The spin-offs are **not contained by the Delft boundaries**, and the competitors are **other universities** worldwide. So, **where is the local in local development?**

The answer is: the local is **not a given**, but the outcome of **process**, of forming coalitions around **projects**. Local development may relate to **parts of**, or it may be **criss-crossing** bounded jurisdictions.

But for government, and for democratic legitimacy, we need **containers**. The problem is that, from within them, we face a world of **networks**. To put it differently:

- local development takes place in **soft** spaces formed ad-hoc by whoever comes on board;
- local authorities operate in fixed, **hard** spaces as containers.

In fact, government and administration at all levels, and not just the local one is boxed in.

Again an example: When Dutch parliament discussed the Green Paper on Territorial Cohesion, the issue raised by parliamentarians was generally **not** Community value. It was: **what's in it for the electorate?** They were boxed in by the conditions of democratic elections.

Asking for the local in local development thus makes us face a **dilemma: How to face a world of networks from within boxes.**

Replacing the boxes with larger ones, **or splitting them up** – government reorganisation – is ultimately no answer. It's merely reshuffling the boxes.

Nor is creating **one large EU box** as a depository of all our problems. It would be a very large box indeed!

So the problem is being boxed in.





Indeed, we need to recognise that we are **born between**

- dealing in ad-hoc manner with the **soft spaces of projects** and
- **hard regulations** and **budgets** administered by jurisdictions.

The problem is particularly virulent in **cross-border** and **transnational** situations. **European Groupings of Territorial Cooperation** and, on a different level, the **EU Strategy for the Baltic Sea Region** are interesting attempts to deal with this problem outside the box.

More **experiments** of this kind, involving **territorial cooperation** and **mutual learning** are needed.

Why? Because of uncertainty, reflecting the **condition we are in**. This condition is characterised by a three-fold dilemma:

- we have a **controversial EU** trying to cope with **globalisation**;
- we have **nation-states** that are changing, but in which direction we don't know;
- **boundaries** around jurisdictions no longer give protection.

Indeed, we need to re-think how to deal with **development in soft spaces**. Authorities dealing in regulations and budgets – **hard** measures relating to **hard spaces** for which they have a clear responsibility – are but one element of the equation. What is needed are **soft methods: qualitative analyses** and **joint strategies**. Indeed, there can and should be **many such strategies** for the **many hard and soft spaces** in our **splintering world**.

The outcome will be confusing, but we should not resist complexity. At the same time, we should continue to promote coherence and cooperation.

With this I end by recapping my answer to the question: **where is the local in local development?** It is where stakeholders decide to **cooperate on joint projects**, pursuing a **strategy**, or vision, **helping them to find their bearings** in the **complex and confusing world of the 21st Century**.

Thank you very much for your attention!

Andreas Faludi

DELFT UNIVERSITY OF TECHNOLOGY





EU COHESION POLICY: SOME FUNDAMENTAL QUESTIONS

Objective

The main objective of this note is to highlight some of the key issues still left unresolved in the current EU cohesion policy, with the goal of stimulating the debate on future reforms in the framework of the ongoing EU Budget Review and the upcoming negotiations for the next Financial Framework. The questions posed hardly have a right or wrong answer, but are meant to contribute to the debate on the present and future of cohesion policy.

While my focus in this note is mainly on efficiency and redistributive considerations, these questions should be considered in the broader context of other EU policies, competencies and instruments, as well as, of course, existing political and financial constraints.

The note is organized as follows. First, I describe the main features of cohesion policy, focusing on the **de jure** and **de facto** objectives and instruments. Second, I use the information provided by Member States during the EU budget review consultation process to flesh out some of the potential areas of disagreement in future negotiations of cohesion policy. Third, I focus on structural funds, where many of the key issues for discussion lie. Fourth, I highlight two additional dimensions that are critical for the future of EU cohesion policy, namely the Lisbon agenda and crisis coping. Finally, I propose three questions for the conference discussion.

Cohesion Policy: Objectives, instruments and rationale

On objectives and instruments

Reducing welfare differences across regions and countries in the EU has been one of the EU's main objectives since its foundation. EU cohesion policy has three financial arms: the European Fund for Regional Development (ERDF), the European Social Fund (ESF) – in this note grouped as “structural funds” and the Cohesion Fund. While the former two are allocated to **regions**, the latter is targeted towards **countries** that lag behind. Structural Funds (SF) and the Cohesion Fund represent on average 29 % and 7 % of the EU budget in the period 2007–2013, respectively.

- Is unconditional convergence in per capita income across regions a feasible policy objective? Are there better measures of disparity?



The ERDF supports mainly infrastructure development and productive investment; the ESF facilitates the integration of the unemployed and disadvantaged into the labour market; and, finally, the Cohesion Fund targets trans-European transport networks and environmental projects.

These financial instruments are used to accomplish three broad objectives: 1) convergence, which accounts for 81.5 percent of total funds and focuses on the least developed regions; 2) Regional and Competitiveness and Employment, which amounts to 16 percent of total and targets regions outside the Convergence Objective to encourage innovation, entrepreneurship and environmental protection, as well as to accommodate structural changes; and 3) European Territorial Co-operation, amounting to 2.5 % of funds and comprises trans-national programmes (Figure 1).

Figure 1: Cohesion Policy: Objectives Structural Funds and Instruments 2007–2013

Objectives	Structural Funds and Instruments		
Convergence	ERDF	ESF	Cohesion Fund
Regional Competitiveness and Employment	ERDF	ESF	
European Territorial Cooperation	ERDF		

Source: DG Regio

More specifically in terms of objectives, the current Financial Perspective sets boosting growth, jobs and innovation as the major priorities of cohesion policy in the framework of the renewed Lisbon agenda. But, there is really a cacophony of objectives for EU cohesion policy (Annex 1). This makes policy design and assessment a very complex affair.

- How can the overall objective of EU cohesion policies be made more operational?

Moreover, as a result of this structure, all EU regions, rich and poor, are eligible for receiving structural funding and all regions are targeted by all financial instruments. Since there is no one-to-one correspondence between objectives and instruments, growth and redistribution policies are served by the same funding instruments.

- Should all regions be eligible for structural funds?





- Is there a tension between growth and redistributive objectives? How can one best think about possible trade-offs?

On rationale

What types of spending are desirable at the EU level? Economic rationalization of EU-level intervention traditionally points at market failures – notably economies of scale/scope and externalities – since they are associated with the underprovision of public goods in the absence of government intervention. In the case of economies of scale and scope, EU intervention promotes efficiency as a larger scale of production leads to decreases in the long run average unit costs (scale) and as the increase in the number of policies administered at the EU level creates synergies in production and distribution (scope). Similarly, in markets where there are significant externalities, i.e. benefits or costs that accrue not only to the individuals in a country directly involved in the transaction but also to others in the EU, centralization can allow for the appropriate distribution of compensations and costs. For instance, significant economies of scale/scope and externalities are thought to be present in R&D and defence policies.

Over the years, there has been a long debate about the appropriate role of the EU across policy domains, especially in redistribution. On the one hand, redistribution from richer to poorer countries is often seen as an EU public good since it fosters convergence, creating important benefits for the rest of Europe in the form of new and wealthier markets and steadier democracies.

On the other hand, subnational redistribution is more divisive. Subsidiarity, horizontal equity across countries, transaction and information costs and the need for coherence with national macroeconomic policy, all suggest that national governments are best positioned for this task – provided they do not violate competition rules. New member states are a case in point. Given the chance, these countries allocate most SF to thematic programmes i.e. infrastructure, research, not regional ones. This does not rule out the possibility of countries decentralising project implementation and evaluation. It rather emphasises the need for the EU to use country-level criteria for allocation of funds. Moreover, politically, it should be much easier to convince citizens of the desirability of policies that redistribute income across countries in Europe rather than among individuals, groups or regions, since there is likely to be a higher sense of solidarity in the former (Tabellini, 2003).

- What are the advantages of EU involvement in regional policy? Are structural funds the best instrument available?



- In which areas is the tension between cohesion policy and sectoral policies stronger? How can this better be addressed?


Where are some of the disagreements among member states?

If one uses the official positions put forward by member states' during the EU Budget Review as a basis to analyze their views on cohesion policy, some important insights arise. First, views vary widely across countries, not only in terms of cohesion policy, but the overall EU budget and policy priorities.

- What reforms are possible from a political standpoint?

Second, within cohesion policy, most disagreements are related to regional expenditures, in particular, whether funds should go to all regions regardless of the country, only poor regions or – more stricter – to poor regions in poor countries (Table 1).

Table 1: Member States' Positions in EU Budget Review: Structural Funds for which regions?



Poor regions	Poor regions in poor countries	All regions
Finland	Bulgaria	Austria
Latvia	Czech Republic	Cyprus
Lithuania	Denmark	France
Luxembourg	Estonia	Germany
Romania	Hungary	Greece
	Ireland	Italy
	Netherlands	Malta
	Portugal	Spain
	Sweden	Poland (?)
	United Kingdom	
	Slovakia (?)	

Source: Bruegel, based on member states' position papers submitted to DG Budget during EU Budget Review

It is well-known that EU budgetary negotiations involve important cross-country transfers, and that a significant part of these are fundamentally side-payments to get agreements finalized. Structural funds, in particular – given their geographic ex-ante allocation, play a key role here to the detriment of the quality of the policy. Many of the disagreements discussed above, therefore, and those in other EU policy areas, reflect themselves ultimately in the distribution of structural funds. Annex 2, for example, presents the additional allocations of structural funds included in the European Council





agreement of December 2005 for the current Financial Framework. Provisions added only to the final agreement are purely selective and discretionary in nature and have no foundation in the pre-established eligibility criteria. They are a clear example of side-payments needed to ensure unanimous agreement.

Adding up the provisions included only in the final agreement, they account for 1.5 % of total cohesion spending between 2007 and 2013 but have a widely differing impact for individual member states. While Hungary receives 0.6 % of total cohesion spending through the extra money, it represents as much as 7 % of total cohesion spending in Spain, 9 % of total cohesion spending in Sweden and 11 % of total cohesion spending in Austria for the period under consideration.

An additional area of disagreement relates to the flexibility of funds. Funds, for example, cannot be transferred to capital cities, where – for instance, in new member states, national authorities seem keen to direct more resources. Recent measures announced by the European Commission, allowing for more flexibility in the use of structural funds to help member states weather the global economic crisis, give some legitimacy to those concerns.

- Do all countries need the same degree of decentralization in structural funds?
- What is the optimal degree of flexibility in the assignment of structural funds within countries?

Since most discussions relate to the regional dimension of cohesion policies, I focus on this aspect next.

Structural Funds: Efficiency and Redistribution¹

Overall, the evidence on the impact of SF on growth is mixed.² The literature on this topic has three main limitations. First, the effects on growth of these policies may take time. Second, it is difficult to make a causal interpretation of results, as SF are not allocated randomly. Third, SF-associated opportunity costs are not taken account. EU taxpayers finance SF and the money could be used elsewhere. The relevant question from a policy perspective is if SF boost overall growth above what it would be in their absence.

¹ This section comes from Santos (2008).

² See Enderveen, et.al (2002) for a review of this literature.





The SF contribution to growth may be curtailed by several factors. The literature points to the displacement of national regional aid, or to regions' strategic behaviour as they implement projects that have other objectives besides growth, either to pursue rent-seeking activities or to retain their SF eligibility. Similarly, the potential lack of coherence with national policies is also cited as a limitation.

But three other factors should be highlighted. The redistributive role of SF channels resources away from economic centres – reducing growth potential – instead of focusing first on the efficient use of funds. Furthermore, with the EU's eastern enlargement, regional policy resources are thinly spread. The population of regions where GDP per capita is 75 percent or less of the EU average increased from 68 million to 116 million (or from 18 to 25 percent of the EU27 population). Finally, the **nature** of the redistribution that takes place through SF also limits the growth potential of structural policies.

On average, poorer regions receive more SF per inhabitant net of their contribution to the policy. This relationship is stronger among convergence regions but, on average, a regional per capita income increase of €100 euros is associated with a decrease of seven euros in net benefits per capita. Regions in cohesion countries, even if under the same SF objective, benefit more from structural policies, as do regions in countries that have a more unequal per capita income distribution.

In 2000–2006, 27 percent of SF flows were inter-country transfers. But, of the rest, three quarters were intra-regional. With enlargement, inter-country transfers rise for 2007–2013, but intra-regional redistribution is still twice as large as redistribution between regions in the same country. That is, for all countries, SF largely redistribute resources among **individuals within regions**.

Two examples may help interpret the results. For Spain, a net beneficiary of SF during the 2007–2013 period, 19 percent of SF received originates from other EU countries. Of the remaining 80 percent, two thirds of the money spent in each region comes from that region. The UK, meanwhile, is a net contributor to SF. Of the SF received by each British region, 97 percent was simply contributions from local taxpayers.

This exercise reveals two additional points. Two regions with similar per capita income, but located in different countries, can benefit very differently from SF. Take, for example, Hainaut (Belgium) and Galicia (Spain), both under the Convergence Objective. Both have a GDP per capita (PPP) of €17,400, but while Hainaut is a net contributor (€388 per capita), Galicia is a net beneficiary (€949 per capita). This difference arises because, while SF benefits depend on regional income, contributions further depend on how much the country as a whole contributes to the EU policy. If a region is very different





from the country's regional average, there can be a mismatch between what it receives and what it has to contribute to SF.

Moreover, even when similar regions are in countries with comparable income, there is variation in the net benefits they derive from SF. For instance, Guadeloupe (France) and Sicily (Italy) have a GDP per capita of approximately €14,000, yet the former receives – net per capita – 33 percent more funds. An immediate implication of this result relates to the logic behind redistribution in SF.

- If the goal is regional convergence, should **net** benefits (and not only benefits) be determined on a regional basis?
- How should one account for non-income factors that disadvantage one region more than others?

Moreover, even if one were to agree that the EU should play a role in redistribution among regions, the base to decide the amount of structural funds to be received should not depend on the pre-tax and transfer income but rather on the regional disparities that are left after accounting for the national redistribution policies.

One subject discussed above re-emerges here. If most of the funds received by a region originate from that same region, it is hard to imagine that they can have large growth effects. To really measure the impact of SF one needs to show that they generate benefits above and beyond what those resources would have accomplished if there were no SF.

This points to the main difficulty in assessing the real impact of cohesion policy, especially structural funds, on growth. Proper evaluation of the policy remains elusive and one of the most daunting challenges. While policy evaluation of specific projects and programs is possible, that of cohesion policy at a whole is more difficult. One possibility is to move in the direction of randomized experiments, taking advantage of the wide range of initial conditions and programs to test what works and what does not and under which conditions. The difficulty, however, is in generalizing findings.

- What role does randomized experimentation has in evaluating cohesion policy, especially structural funds?

In this note, I have so far focused on those areas of EU cohesion policy where the debate is much heated. I have, therefore, largely ignored other aspects where cohesion policy also plays a role. Improving regions' management culture, fostering





cross-regional and international partnerships, spreading best practices and improving citizens' attitude towards the EU, are often cited as benefits of cohesion policy.

While these contributions have an important value, the question is ultimately if EU cohesion policy is the best instrument to achieve them. While regional policies may be needed to achieve those objectives, it is not evident that this implies a **European** regional policy. The argument must be then that EU involvement improves outcomes in comparison to other delivery and policy alternatives.

- How shall one weigh in "other" benefits of cohesion policy, such as improving regions' management culture, fostering cross-regional and international partnerships or spreading best practices and improving citizens' attitude towards the EU?

Two more issues for the future

Lisbon priorities

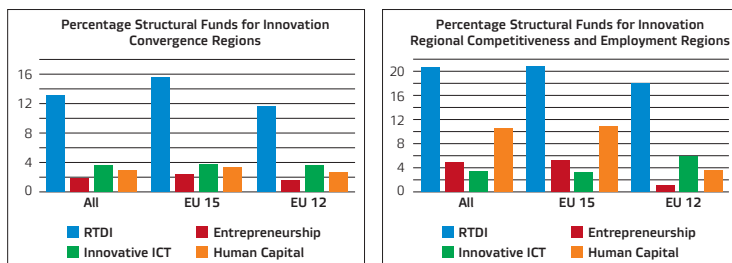
The Lisbon strategy aims at making Europe the most competitive and dynamic knowledge-based economy with sustainable economic growth, more and better jobs and greater social cohesion. The Commission's proposal for the Financial Framework 2007–2013 envisaged increasing the share spent on competitiveness from 7.5 % of the budget in 2006 to 13 % on average between 2007 and 2013. The final agreement, however, lifted this share to a yearly average of only 8.6 %.

In cohesion policy, the strategy followed the same lines, with a desired to make cohesion policies an important instrument for achieving the Lisbon goals. This shift in priorities translated into a quarter of resources in the 2007–2013 financial period being earmarked for research and innovation and about 30 % on environmental infrastructure and measures combating climate change.

Re-orientation of structural policies in line with the Lisbon objectives in the last budgetary negotiations was a step in the right direction. Lisbon policies whose benefits are not limited to the spending country – namely transport and energy networks, as well as research – have a clear EU dimension and are good candidates to boost growth.

The main concern is whether focusing on the Lisbon agenda leaves enough room for regions and countries of different levels of development to focus on the appropriate priorities. There seems to be indication, however, that member states and regions do have different approaches to innovation, for example (Figure 2).



Figure 2: Innovation in Cohesion Policy and economic development

Source: Bruegel, based on SEC (2007) 1547 Commission Staff Working Document, Regions delivering innovation through cohesion policy

- Is concentration on Lisbon goals appropriate for all regions?
- What should and should not count as Lisbon expenditure?

Economic crisis

We have seen that effects of the economic crisis are asymmetrical and that vulnerabilities are heterogeneous both across countries and across regions in the EU. In light of the global economic crisis, the European Commission has recently decided to increase flexibility in the use of structural funds.³ The measures taken include the extension of the deadline for member states to use up their structural funds' allocations from the 2000–2006 financial period. In particular, the Commission has asked regions to concentrate resources in "high-return" projects, especially those that can create green jobs, foster energy efficiency and develop clean technologies. In addition, the proportion of funds that can be reallocated between spending priorities has been increased from two to ten percent, also leading to more flexibility in the use of funds.

- What other alternatives exist for the role of structural and cohesion funds in periods of crisis?
- What does the need for increased flexibility at this time tell us about the desired role and design of structural policies?

³ EC, "Commission increases flexibility of structural funds in response to the financial crisis", IP/09/310, Brussels, 24 February 2009, available at <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/310&format=HTML&aged=0&language=EN&guiLanguage=en>



Boiling it Down: Three broad questions for debate

While the issues are many and varied, three overarching dimensions seem adequate for the debate:

- 1. Impact:** What specific conclusions can one draw from the existing evidence on cohesion policy? What specific policies, in which settings, seem to work best? For which objectives is the policy best fit?
- 2. Subsidiarity:** While there seems to be a consensus on the importance and role of cohesion funds, the same agreement does not exist for structural policies. Who should benefit from structural funds? In what form?
- 3. Evaluation:** How can we better evaluate cohesion policy?

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Annex 1: Goal Congestion: 32 Objectives of Cohesion Policy and counting.

- Solidarity
- Convergence (countries)
- Convergence (regions)
- Regional growth
- Regional competitiveness
- European growth
- European competitiveness
- Administrative modernisation
- Institutional development
- Environmental protection
- Climate policy
- EU visibility to citizens
- EU legitimacy
- European identity
- Redistributive justice
- Rural development
- Urban development
- Retraining of the unemployed
- Fighting social exclusion
- Integration of vulnerable groups
- Gender equality in labour market
- Boosting small & medium enterprises
- Inter-regional network-building
- Inter-regional learning
- Linking regional elites to Brussels
- Trans-frontier cooperation
- Compensation for internal market
- Compensation for monetary union
- Making enlargement acceptable in some areas of the old member states
- Making enlargement acceptable in disadvantaged regions of the new member states
- Territorial cohesion
- Cohesion (sense of community)

Source: Tarschys (2008)



Annex 2: Additional Provisions, Subheading Cohesion, Financial Framework 2007–2013

Luxemburg Presidency final negotiating box 15 June 2005	European Council agreement 15 Dec 2005
Special rates of assistance for „phasing-out“ regions in a member state that represent at least one third of the total population of the regions fully eligible for Objective 1 assistance in 2006	Unchanged
Starting point in 2007 for those regions which were not eligible for Objective 1 status in the 2000–2006 period or whose eligibility started in 2004 will be 90 % of their theoretical 2006 per capita aid intensity level ...	Unchanged
Polish NUTS level II regions of Lubelskie, Podkarpackie, Warmińsko-Mazurskie, Podlaskie and Świętokrzyskie: additional funding of 10 euros per inhabitant per year over the period 2007–2013	Additional funding of € 107 per inhabitant over the period 2007–2013
Cyprus will receive “phasing-in” support in 2007–2013	Unchanged
“Phasing out” support for Itä-Suomi and Madeira	Unchanged



Outermost regions will receive additional funding of € 30 per inhabitant per year	Additional funding will amount to € 35 per inhabitant per year
Under the Territorial Cooperation Objective aid intensity for regions along the former external terrestrial borders will be 50 % higher than for the other regions concerned	Unchanged
200 million euros will be allocated for the PEACE Programme in Northern Ireland	Unchanged plus "programme will be implemented in full respect of additivity"
	Közép-Magyarország shall be allocated an additional envelope of €140 million
	Prague shall be allocated an additional envelope of € 200 million
	The NUTS level II region of the Canaries will benefit from an additional envelope of € 100 million over the period 2007–2013
	Swedish regions falling under the Regional Competitiveness and Employment Objective shall be allocated an additional ERDF envelope of € 150 million
	Estonia and Latvia shall each be allocated additional funding of € 35 per capita over the period 2007–2013
	Austrian regions falling under the Regional Competitiveness and Employment Objective situated on the former external borders of the EU shall be allocated an additional ERDF envelope of € 150 million
	Bavaria shall be allocated a similar additional envelope of € 75 million
	Spain shall benefit from an additional allocation of € 2 billion under the ERDF
	Ceuta and Melilla shall be allocated an additional ERDF envelope of € 50m over the period 2007–2013
	Italy will be allocated an additional envelope of € 1.4 billion
	In recognition of the particular circumstances of Corsica (30) and French Hainaut (70), France shall receive an additional allocation of €100m over the period 2007–13 under the regional competitiveness and employment objective
	An additional allocation of EUR 225 m shall be allocated to the Eastern Länder of Germany which are eligible for support under the Convergence objective

Source: Neheider and Santos (2009), based on Council of the European Union (2005): Financial Perspective 2007–2013, Brussels, 15 June 2005, 10090/05, CADREFIN 130; Council of the European Union (2005): Financial Perspective 2007–2013, Brussels, 19 December 2005, 15915/05, CADREFIN 268.



EU Cohesion Policy and its Future Direction

At this time it is already possible to take note of a number of opinions with regard to the shape which EU cohesion policy will take after 2013, as well as to identify the concepts of the various players, actors and stakeholders in this particular area. Debates on the purpose, justification and "philosophy" behind this policy appear to be the most dominant. Conversely, the methodological, technical and procedural details, which are most problematic for applicants and grant recipients, are practically not mentioned at all within the framework of this discussion.

Quite to the contrary, the discussion is characterised by an almost unlimited list of challenges and needs that future cohesion policy should fulfil. For example, emphasis is placed on the need to create a clear and undistorted picture of the actual shape of regions and their real needs, which is necessary in order to ensure that the application of cohesion policy is truly effective, namely that it is used to meet actual priorities.

Within the current contextual focus of the debate, another thought that is loudly voiced pertains to the future of the "regions of tomorrow". These are regions that have been able to overcome their economic backwardness within a relatively short time as a result of significant contributions of cohesion policy. However, due to the level of development they have already attained, they will have only limited access to further support from structural funds during the next period, even though their development potential has not yet been fully met.

At this point, we should be clear in what we want and how to react given the economic crisis at hand: whether, for example, cohesion policy should possibly be redefined for "better times". We should also answer the question of how long a financial perspective we actually need, and what this policy is really about – whether it should help remove existing disparities or if it should serve to eliminate risk and prevent the occurrence of new disparities.

The starting definition of "a cohesion policy for the future" is also of key importance, especially clarification of its newest element – "territorial cohesion", which has been interpreted differently in different languages. As a result, there are various levels of expectations with regard to this concept. This is another reason why it would be worthwhile to determine what territorial cohesion is not. It should not be an anachronistic compensation mechanism for the handicapped. It should also not be a brand new concept or an attempt to amass competence in the hands of the EU executive branch with regard to land use and spatial planning. To the contrary, important elements for territorial cohesion appear to be: overcoming differences for the natural





co-existence of regions and ensuring close ties and cooperation between them, which should become one of the pillars for territorial cohesion in the form of **territorial co-operation** (the Baltic Cooperation programme is an excellent example and the Danube Cooperation Process shows significant potential); taking advantage of more flexible and functional access to **geographically close elements** with an accent on **local development**, including the development of municipalities while respecting rural development as a factor; ensuring **co-ordination between sectoral and territorial policies**; **monitoring** and subsequently **comprehending territorial trends** (with regard to the allocation of finances).

Objectives of Cohesion Policy in 2007–2013

The rationale of the **Convergence objective** is to promote growth-enhancing conditions and factors leading to real convergence for the least-developed Member States and regions. In EU-27, this objective concerns 84 regions with per capita GDP at less than 75 % of the Community average, and – on a “phasing-out” basis – another 16 regions with a GDP only slightly above the threshold, due to the statistical effect of the larger EU. The amount available under the Convergence objective is EUR 282.8 billion, representing 81.5 % of the total.

The **Regional Competitiveness and Employment objective** aims at strengthening competitiveness and attractiveness through a two-fold approach. First, development programmes will help regions to anticipate and promote economic change through innovation and the promotion of the knowledge society, entrepreneurship, the protection of the environment, and the improvement of accessibility. Second, more and better jobs will be supported by adapting the workforce and by investing in HR. In EU-27, a total of 168 regions will be eligible. Within these, 13 regions represent so-called “phasing-in” areas due to their former status as “Objective 1” regions. The amount of EUR 55 billion represents just below 16 % of the total allocation.

The **European Territorial Co-operation objective** will strengthen cross-border co-operation through joint local and regional initiatives, trans-national co-operation aiming at integrated territorial development, and interregional co-operation and exchange of experience. All EU regions and citizens are covered by one of the existing 13 transnational co-operation areas. The allocation is EUR 8.7 billion (2.5 % of the total).





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After 2013, the role of EU institutions in defining cohesion policy should then consist primarily of motivating, informing and providing strategic instructions. Especially valuable would be a guideline provided in the form of uniformly conceived integrated regional strategies, which will allow regions to better recognise themselves and concurrently compare their real, as well as anticipated, productivity in relation to other regions.

A discussion on the form of the general rules that future cohesion policy will apply should be led in a comparable spirit. In which directions, at least for the time being, are the very differing special interest proposals and cohesion policy concepts headed? For example, one of the directions monitors – within the framework of the newly adopted concept of territorial cohesion (and in addition to economic and social cohesion) – the need to eliminate obstacles and complications across national borders, which, in spite of all formal steps, are still visible or perceived. In order to focus cohesion policy in the direction of removing obstacles and barriers to cross-border development, a Green Paper was prepared. A positive example of the removal of real borders between states is the Nisa Euroregion, where no communication or cooperation used to exist, but now – step by step – a systematic approach to overcoming this is underway. This is a good example of applying territorial cohesion in areas where there used to be an “iron curtain”.

The second proposed direction strongly enforces the need to apply cohesion policy at the “urban dimension” level, which is supported mainly by representatives of large municipal areas. As far as the European continent is concerned, a pertinent comparison at the regional level is that of the Île-de-France region, whose population consists primarily of the wider Paris metropolitan area. On the one side, municipal areas display significantly specific social and economic development needs. In addition, in certain regions there are so-called “seams”, i.e., connections between urban and rural zones. To complicate the situation even more, at the outer edges of municipal cadastres – especially in the case of large municipalities – there are areas that have requirements that are rural in nature. The precise definition and support of these needs on the part of cohesion policy are monitored through this direction.

The third direction might seem very suggestive: it offers the possibility of identifying integration and cohesion policy symbols with the course of a river. For this purpose, the Danube has been proposed as a symbol, whereby cohesion procedures based on the Baltic Sea territories example would be applied. (These procedures allowed the territories to come closer together in a mutual manner and develop their historic potential.) Within the framework of Danube cooperation, the concept of cross border aspects of cohesion policy is also proposed. One of the reasons might be that a number of the relevant regions would not have a chance of attaining subsidy support under





the current rules but, under the guise of “Danube territorial cohesion”, they might be successful. Supporters of this channel are very active and industrious, as can be seen in some of their activities (the Danube Conference, the Danube Summit in Ulm and the activities scheduled to take place during the Hungarian presidency in 2011).

The fourth – currently highly accented – channel promotes the priority of monitoring not only economic and business criteria, but primarily ecological issues and the environment. This direction is in line with solutions adopted at both the EU level as a whole, as well as in individual national states for overcoming the economic crisis. The area pertaining to such things as “green factories”, “green jobs” and “green technologies” is also proposed for receiving support within the framework of future cohesion policy.

If we continually follow the direction promoted by the fourth channel, we will reach another general basic and widespread thought with regard to future cohesion policy. This is its need to reflect challenges:

- globalisation,
- energy,
- climate and the environment,

as well as the opinion that cohesion policy should not have only one objective, specifically per capita GDP. The fact that now is the first time in history that the largest proportion of the EU budget, as expressed in percent, has been allocated for cohesion and competitiveness is an indication. It is also proposed that the key criteria for cohesion policy be established as knowledge (in order to protect our position with regard to access to knowledge). Our countries are too small when considered at the global level and can lose their position very quickly. If we do not combine cohesion policy with knowledge, research and development, we will lose our position.. The need for complementarity with the instruments provided by the EIB, EIT, CIP, 7FP and others is also often emphasised, as is the development of clusters and strengthening a horizontal and integrated approach.

Such debates on the future of cohesion policy and its funds are now being heard in the EU under the conductor’s baton of the Czech presidency. The conferences that are being prepared on this theme in March, as well as one other date during this year’s first quarter will also significantly contribute to this debate. This discussion will not come to an end with the presidency, but will continue for at least an additional two years. The ultimate goal is to take this wide channel of opinions, representing the most





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various of interests and motivation, and put it together in a manner whereby it contributes towards removing not only territorial and administrative obstacles, but also those barriers that exist in our minds, and not to prevent the further development of European integration, which seems to be entering a difficult period.

The Dilemma of Discussing the Future of Cohesion Policy

Opinion by Jan Olbrycht, an influential member of European Parliament and specialist on cohesion policy

As far as the theme of the future of cohesion policy in and of itself is concerned, we face two main dilemmas. The first is the need to be aware of what we really mean by cohesion policy. Are we dealing with a political philosophy, of priorities, of primary objectives, of policy results and how to measure them? Or are we speaking of the methods and political technologies? Are we discussing policy effectiveness, problems associated with measuring policy efficiency and ongoing monitoring of policies through their processes? This is a true dilemma. Either we will speak of one or the other. It is extremely important to clarify this in advance. Of course, we will discuss both, but in fact it seems that all of the discussions up until now have been turning around only one of these two levels.

Whenever we start discussing priorities, we realise that, in actuality, the discussion will drift more towards technology. For example, in Parliament, during presentations made by representatives from the Court of Auditors, we hear primarily about errors. This is understandable, as this is the mission of the Court of Auditors. However, the question still remains – what is the error? Does this then mean that goals were poorly defined? Or does it mean that the policy is good, the policy is effective, and simple its implementation is accompanied by unavoidable errors? Therefore, in this case, we are dealing with procedures.

This leads to the question of when is a policy “good”. Is it good if it is effective? Or is it good when all procedural requirements have been met in full? In theory, we can surely find very effective policies which, however, bring along many errors. Their goal and contents are so demanding that errors are simply unavoidable. Let’s take the area of innovation as an example. When we are discussing innovations, we must be aware that the level of errors in this area will be higher. If there were no dangers or risks involved in this area, then it wouldn’t truly be an innovation. These things simply belong together. Conversely, when dealing with technical infrastructure, the error level is lower. Public contracts are implemented; rules are established for them, etc.





We ultimately reach a point where we are able to envision a highly effective policy that also contains a number of errors. At the same time, we can have a policy, which was implemented without a single error, but is fundamentally not very effective. It is solely something traditional and thus it involves nothing more than outlaying further expenses. A key question is: Do we want the effective policy or do we want to prove to statisticians that the number of errors we made is very low? This is something we must ponder. We must decide what we really want to do. How we want to function. If anyone starts on an innovation, the level of risk involved is truly high and there is a danger of failure. Does this mean that the person will give up beforehand or not? Another example from real life can be seen in the recent packages for economic recovery in a time of crisis. We ask ourselves: How should we spend money during a crisis? On the traditional infrastructure or rather on something that has a higher level of associated risk? Commission President Barosso calls it intelligent investing – focusing on innovation. However, we must of course be aware that it is always more risky.

In relation to local and regional authorities, the future of cohesion policy cannot simply pertain only to technology. We must think over this policy as such. We are going through a crisis and a crisis is the appropriate moment for reworking something in full; as the context is changing, the entire situation is different. Paradoxically then, a crisis can help us in that we will define the policy differently – define it for the future.

The question for us as far as the future of cohesion policy is concerned is thus: What is this policy about? Is it about the fact that we want to decrease the differences between regions and the level of per capita GDP? Should cohesion policy be designated for the poorest regions so that they can catch up with the wealthier ones, or should it be designated for all subjects in the EU because, simply stated, challenges and tasks are changing? We are facing new tasks. New disparities are appearing. Cohesion policy is a tool we can use to react to them. These are phenomena that quite possibly we could not even imagine a year ago. The truth is, we don't even know what Europe will look like after 2013 – where the most significant differences between its regions will lie.

Is cohesion policy necessary in order to strengthen administrative bodies, such as the regional authorities and local authorities or should it be focused more on resolving problems? It is not that important who will be implementing the policy. This is why we now have an interesting opportunity to reconsider what cohesion policy should actually look like.

If we enter into a discussion on territorial cohesion, then it looks like something artificial – something along the lines of “Eurobabble”, i.e., speaking about everything and nothing at the same time. However, anyone who understands it knows what lies be-





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find it and sees a very interesting discussion. How can balance between various types of territories be ensured? If we are to take territorial cohesion seriously, we will reach the conclusion that this policy must be designated for all. It cannot pertain to only a part of Europe – it must pertain to all of Europe. The logical result of territorial cohesion is cooperation between various levels of public matters – multilevel governance.

The European Commission supports new regional programmes, such as the Baltic Sea Strategy. What should we make of this? The Commission started defining regional policy for an era of globalised economy. In this case, a region is not considered from the perspective of being an administrative unit, but rather as a territory within Europe – in this specific case, the Baltic Sea region. We see that it does not concern any sort of change in technology or methods for implementing cohesion policy, but that it pertains much more to a change in philosophy. It is truly necessary to promote the administration of public affairs at more levels, in order to resolve a territory's problems. In actuality, it is a return to the traditional regional policy of the 60s and 70s, whereby we are trying to concentrate on a specific problem and not, for example, on individual administrative units. Of course it will not be easy for the Committee of the Regions to accept this perspective. It actually means that local and regional authorities will suddenly become partners in a very complicated game. In a game that is much more complex than just today. It can be expected that future policies will be more flexible, more open and it will not be cast in stone that such-and-such region will receive this or that amount. In reality, it will be money for an entire wider area. It is right now and right here that we are discussing some very interesting proposals put forth by the European Commission, which also pertain to changes in procedures and their simplification. It is truly very interesting. These are proposals that modify cohesion policy from the philosophical perspective.

The Five Pillars of Territorial Cohesion

Opinion by Katarína Matherňová a high-ranking European Commission employee, focused on the future of Cohesion Policy

The starting point for the discussion is the actual core of territorial cohesion policy and its very definition. In autumn 2008, the European Commission presented a Green Paper on territorial cohesion. As far as territorial cohesion is concerned, there remains one open issue. Thus far, even the Green Paper has not resolved it. The question stands: What does territorial cohesion truly mean? In individual translations, the word "territory" does not mean exactly the same thing. Thus it is very difficult to comprehend this concept in any simple manner. Therefore, we are currently pondering over what territorial cohesion actually is and what factors it encompasses.





The Green Paper is somewhat of an overview of possible definitions. It speaks of territorial cohesion as a concept of how to ensure the harmonised development of locations that have differing characteristics and particulars and how to ensure that inhabitants will be able to take advantage of the characteristics of the applicable territory. Of course, at the same time we support the diversity of territories and want to make it possible to always take advantage of the potential of the territory in question.

We approach this diversity, this variability of territories as an advantage. We also acknowledge that economic growth within a global economy often interconnects various levels and territories. This means that no area can be considered as an isolated island, because the links between European territories are of extreme importance.

What – at least according to the European Commission's opinion – does territorial cohesion not mean? According to the first results, the range of expectations from this concept is truly quite wide and varied. One direction speaks of the fact that territorial cohesion policy should be sort of a compensation mechanism for certain especially disadvantaged territories. This is, however, a perspective with which the Commission does not identify. To the contrary, it believes that cohesion policy as such contains more concepts that allow national and regional authorities to consider the various particulars of different regions within their programmes. A certain anachronism exists in the fact that specific problems of a specific territory would be resolved.

Secondly, with regard to the theme of what territorial cohesion is not: territorial cohesion is not a new concept; it is a concept that, in principle, is closely associated with the primary focus of cohesion policy. If the Lisbon Treaty is adopted, then even territorial cohesion will have a greater legal value together with economic and social cohesion. This particular agenda is truly interlinked with cohesion policy as a whole, even in the manner in which financial resources are allocated, the planning process, programme preparation, etc.

Thirdly, as far as what territorial cohesion is not: it is not an attempt on the part of the Commission or the Union to assume legal powers with regard to land use and spatial planning. In 1999, the process of the European perspective of territorial development, spatial development started. In principle, this pertained to the issue of land use and spatial planning. There were efforts in this area to strengthen co-operation between territories in a manner that is basically the goal of cohesion policy. The excellent research programme ESPON was created. These are all good results of a process that is still underway and will remain at an inter-governmental level. It is thus not considering territorial cohesion from the macro-perspective, as the issues related to land use and spatial planning for some specific smaller area.





Conversely, which aspects are considered to be important for territorial cohesion? Firstly, it includes renewed emphasis on territorial co-operation. This can even be seen from the perspective of overcoming the consequences of the Iron Curtain. This is definitely the case with regard to the areas incorporated within the framework of cross-border cooperation. It can be assumed that in the future, territorial co-operation will be strengthened to an even higher degree. It would then be possible to even implement projects that will make it possible to renew the close ties between European territories.

The first support point for territorial cohesion should thus consist of strengthening territorial co-operation. Some examples of this include the Baltic Sea strategy or the future Danube River strategy, especially as evidence of looking outside the framework of legal borders. It consists of identifying functional territories, functional areas, for which specific themes can be found, specific socio-economic challenges – and then searching for answers to these challenges. The Baltic Sea Strategy and future Danube River strategy have the opportunity of becoming the model paths that will demonstrate the manner in which territorial co-operation in Europe can be strengthened and made better and how mutual ties can be improved.

The third pillar consists of supporting local development, whether in urban or rural areas. There are a number of examples of positive experiences with the URBAN and LEADER community initiatives. Specifically these programmes have entered into the mainstream of cohesion policy. This has however led to the disappearance of certain activities to which we were accustomed. The third pillar of territorial cohesion is specifically emphasis on the local level, whether in urban or rural areas, and the support of initiatives at the local level.

The fourth pillar, or element, of territorial cohesion that is considered to be of significance consists of improved co-ordination between sectoral and territorial policies, whether at the EU level or at national and regional levels. There are a number of examples wherein quite often, in some specific territory, sectoral policies not only do not have a synergetic effect but actually are mutually against each other. Unfortunately, this happens all too often. It is thus necessary to increase awareness of territories at the time policies are created and to ensure a certain level of co-ordination and possibly even the integration of individual sectoral policies that have significant territorial impact. The fifth element that is considered to be very important is monitoring and understanding of the developmental tendencies for a given territory. Cohesion policy has clear numeric keys for determining financial allocations, and these most likely will not disappear in the near future. These included the criterion of per capita GDP in combination with such things as unemployment levels and additional elements such



Allocation of structural actions to the EU member state (EUR, bn, current prices)

	Convergence			Regional Competitiveness and Employment		European Territorial Cooperation	Total
	Cohesion Fund	Convergence	Statistical phasing-out	Phasing-in	Competitiveness		
Belgium			0.638		1.425	0.194	2.258
Bulgaria	2.283	4.391				0.179	6.853
Czech republic	8.819	17.064			0.419	0.389	26.692
Denmark					0.510	0.103	0.613
Estonia	1.152	2.252				0.052	3.456
Finland				0.545	1.051	0.120	1.716
France		3.191			10.257	0.872	14.319
Ireland				0.458	0.293	0.151	0.901
Italy		21.211	0.430	0.972	5.353	0.846	28.812
Cyprus	0.213			0.399		0.028	0.640
Lithuania	2.305	4.470				0.109	6.885
Latvia	1.540	2.991				0.090	4.620
Luxembourg					0.050	0.015	0.065
Hungary	8.642	14.248		2.031		0.386	25.307
Malta	0.284	0.556				0.015	0.855
Netherlands					1.660	0.247	1.907
Germany		11.864	4.215		9.409	0.851	26.340
Poland	22.176	44.377				0.731	67.284
Portugal	3.060	17.133	0.280	0.448	0.490	0.099	21.511
Austria			0.177		1.027	0.257	1.461
Romania	6.552	12.661				0.455	19.668
Greece	3.697	9.420	6.458	0.635		0.210	20.420
Slovakia	3.899	7.013			0.449	0.227	11.588
Slovenia	1.412	2.689				0.104	4.205
Spain	3.543	21.054	1.583	4.955	3.522	0.559	35.217
Sweden					1.626	0.265	1.891
UK		2.738	0.174	0.965	6.014	0.722	10.613
EU-27	69.578	199.322	13.955	11.409	43.556	8.723	347.410

Source: European Commission



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as population density, etc. It is desirable to retain all of this in order to ensure the existence of sufficiently clear keys for determining financial allocations. In addition to this however, it is still necessary to devote quite a bit of hard work toward creating indicators and statistics, which will make it possible to comprehend the developmental tendencies for a given territory and, as a result, be able to create a more detailed developmental map for the given territory that will better help understand its developmental tendencies.

Europe Needs a Strategy to Overcome the Consequences of the Iron Curtain

Opinion by František Štangl, Member of the Council for the South Bohemian Region

Opinion on the future of cohesion policy: After World War II, Europe was torn into two parts. This can be compared to breaking a dish or even amputating a limb. After the fall of the Iron Curtain, this limb was sewn back to the body. Now it is alive and warm, but not yet fully functional. It was possible to reattach the bones and gradually the arteries, veins, muscles, tendons, and main nerves are being connected. However the tissues of small capillaries, blood channels and nerves are still waiting to be joined.

What actually happened at the site of the amputation? In a large part of the Czech border areas, the German-speaking inhabitants were expatriated and the area was subsequently repopulated by Czech families from the country's interior. After that, barbed wire barriers were built along the borders and subsequently Czech citizens were moved out of that protected frontier zone and the settlements destroyed. Two generations on both sides of that border grew up separated by a fence and practically without contact. Today we are facing a situation where, at the point of reattachment, we don't have the required nerves and small capillaries and, in addition, we have to battle other complications, such as a language barrier.

We are all a part of the Euro-Atlantic civilization and acknowledge the same values. We all want a Europe without barriers, with the free movement of goods, capital, people and services. We all want prosperity and especially stability. In order for European integration to succeed, we all have a lot of work to do. For us, this means primarily working at the site of reattachment – the site where the Iron Curtain used to be. The area offers the Commission an opportunity to prepare an EU strategy to help remove the consequences of the Iron Curtain in a manner comparable to that used for preparing the strategies for the Baltic Sea and Danube River regions.





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Regions, Euro-regions and cities in the European Union – at the level of associations, institutions and even individuals – are all prepared to work towards removing the consequences of the Iron Curtain. It is necessary to ensure institutional, as well as the related financial support. It is necessary to ensure the existence of options for support, and that the regions in question acquire the tools necessary for a purposeful and reasonable cohesion policy, primarily at that point of reattachment – in the border areas where the Iron Curtain used to stand.

Petr Zahradník

EU OFFICE OF ČESKÁ SPOŘITELNA





Agenda of the International Conference Future of the Cohesion Policy and Integrated Local Development

26–27 March 2009 | Prague | Žofín Palace

25 March 2009

Arrival of participants, registration, individual programme

26 March 2009

First day of the conference with the topic

Future of the EU Cohesion Policy

Moderator Mr Jakub Železný, Rapporteur of the conference Mr John Bachtler

Up to 9:30 Registration

9:30 Opening of the event

Morning session – motto: „**The Past and the Present**“

(What are the most important experience and lessons learned of the Cohesion Policy up to now?)

9:30–9:45 Introductory address of the Minister for Regional Development, Mr Cyril Svoboda – highlighting of the importance of the discussion on the future Cohesion Policy

9:45–10:00 Key-note address of the Commissioner for Employment, Social Affairs and Equal Opportunities, Mr Vladimír Špidla – policy lessons from the 2000–2006 period, experiences of human capital investments

10:00–11:00 Panel discussion
Chaired by Mr Peter Wostner, Deputy Director, Government Office for Local Self-Government and Regional Policy (Slovenia)
Introduction – Ms Indhira Santos, Research Fellow, Bruegel
Panellists – Mr Jose Antonio Zamora (ES), Mr Thomas Wobben (DE), Mr Nicola de Michelis (EC)

11:00–11:30 Coffee break





- 11:30–12:00** Second run of the panel discussion
- 12:00–12:55** Discussion of participants from the auditorium
- 12:55–13:00** Summary of the panel chair

- 13:00–14:30** Lunch break

Afternoon session – motto: „**The Future**”
(What Cohesion Policy will the EU need beyond 2013?)

- 14:30–14:45** Key-note address of the Commissioner for Regional Policy,
Ms Danuta Hübner
- 14:45–16:00** Panel discussion
Chaired by Ms Katarina Mathernová, Deputy Director General,
DG Regional Policy, European Commission
Introduction – Mr Jiří Blažek, Faculty of Science, Charles
University, Czech Republic
Panellists – Mr Jan Olbrycht (European Parliament),
Ms Hanna Jahns (Poland), Mr Johannes Rossbacher (Austria),
Mr Michael Schneider (Committee of the Regions),
Mr Willem Molle (Erasmus University)

- 16:00–16:30** Coffee break

- 16:30–16:50** Short summary comments of the panellists
(responses on the future of Cohesion Policy)
- 16:50–17:40** Discussion of participants from the auditorium
- 17:40–17:50** Summary of the panel chair
- 17:50–18:00** Rapporteur's wrap-up of the first day of the conference
- 18:00** End of the working part of the first day of the conference

- 18:30–21:30** Dinner
- 21:30** Departure to hotels





27 March 2009

Second day of the conference with the topic

Integrated Local Development

Moderator Mr Jakub Železný

- Up to 9:30** Registration
- 9:30** Opening of the second day – Welcome note by Mr Jiří Koliba, Deputy Minister for Regional Development
- 9:35–9:45** Introductory address by Mr Michel Delebarre, the First-Vice President of the Committee of the Regions
- 9:45–10:00** Key-note address of Mr Dirk Ahner, Director-General for Regional Policy, European Commission – “Local development fostering territorial cohesion”
- 10:00–10:10** Key-note address of Mr Andreas Faludi, Delft University of Technology – “Where is the local in local development?”
- 10:10–10:50** Panel discussion, Chaired by Mr Oldřich Vlasák, Member of the European Parliament
Panellists – Mr Dirk Ahner (European Commission), Mr David Coyne (European Commission), Mr Andreas Faludi (Delft University of Technology), Mr Petr Osvald (Committee of the Regions)
- 10:50–11:25** Discussion of participants from the auditorium
- 11:25–11:30** Summary of the panel chair
- 11:30–11:50** Coffee break
- 11:50–12:50** Presentations related to integrated local development (Eurocities, ESPON, EUKN, AER, CEMR, CPMR, CECODHAS)
- 12:50–13:40** Discussion of participants from the auditorium
- 13:40–13:50** Rapporteur’s wrap-up of the second day of the conference
- 13:50–14:00** **Conclusion of the conference and family photo**
- 14:00–15:00** Lunch
- After 15:00** Departure of participants





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Main European Institutional Partners

The European Parliament

- Role** Political and legislative body elected directly by the European citizens
- Members** 785 Members of Parliament elected from 27 Member Countries
- Term of office** Five years
- Address** Plateau du Kirchberg, B.P. 1601, L-2929 Luxembourg
- Homepage** <http://europarl.europa.eu>
- Head** Hans-Gert Pöttering – President

The European Parliament – REGI Committee

- Role** One of EP Committees – dealing with cohesion policy and territorial cohesion among other issues
- Members** 57 Members and 53 alternate members
- Term of office** Five years
- Address** Plateau du Kirchberg, B.P. 1601, L-2929 Luxembourg
- Homepage** <http://europarl.europa.eu>
- Head** Gerardo Galeote – Chairman
- 

European Commission

- Role** Executive power and initiation of legislative drafts.
- Members** 27 Member Countries
- Term of office** Five years
- Address** B-1049 Brussels
- Homepage** <http://ec.europa.eu>
- Head** José Manuel Barroso – President



European Commission – Directorate General for Regional Policy

Mission To strengthen economic, social and territorial cohesion by reducing disparities in the level of development among regions and Member States.

Address B-1049 Brussels

Homepage http://ec.europa.eu/regional_policy/

Head Danuta Hübner – Commissioner for Regional policy
Dirk Ahner – Director general

European Commission – EUROSTAT

Mission To provide the European Union with a high-quality statistical information service.

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L-2920 Luxembourg
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L-2721 Luxembourg

Homepage <http://epp.eurostat.ec.europa.eu>

Head Joaquín Almunia – Commissioner for Economic
and Monetary Affairs

European Court of Auditors

Role To contribute to improving EU financial management and to act as the independent guardian of the financial interests of the citizens of the Union.

Address 12, rue Alcide De Gasperi
L-1615 Luxembourg

Homepage <http://eca.europa.eu>

Head Víto Manuel da Silva Calidera – President



European Economic and Social Committee

- Role** Consultative body that gives representatives of Europe's socio-occupational interest groups, and others, a formal platform to express their points of views on EU issues.
- Members** 344 Members
- Term of office** Four years
- Address** 99, rue Belliard
B-1040 Brussels
- Homepage** <http://eesc.europa.eu>
- Head** Mario Sepi – President

Committee of the Regions

- Role** Political assembly that provides local and regional authorities with a voice at the heart of the European Union.
- Members** 344 Members
- Term of office** Four years
- Address** 99-101, Rue Belliard
B-1040 Brussels
- Homepage** <http://cor.europa.eu>
- Head** Luc van den Brande – President

European Investment Bank

- Role** To further the objectives of the European Union by making long-term finance available for sound investment and to contribute towards the integration, balanced development and economic and social cohesion of the EU Member States.
- Members** 27 Member States as shareholders
- Address** 100, Boulevard Konrad Adenauer
L-2950 Luxembourg
- Homepage** <http://www.eib.org>
- Head** Charilaos Stavrakis – Chairman of the Board of Governors



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Notes

