



European Commission
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EU 2020 Strategy

Dear Sirs and Madams!

These days the European Commission launched a working document on the future “EU 2020” Strategy – opening a public consultation at the same time. Hereby the Austrian Association of Cities and Towns delivers its comments on the respective strategy:

The Austrian Association of Cities and Towns welcomes that the new “EU 2020” Strategy – in contrast to the Lisbon Strategy – wants to be a socio-political paper rather than a strategy focusing solely on competitiveness, productivity and economic strength. We believe this might be the more successful way – also to reach the aims pointed out in the Lisbon Strategy: European Member States won’t be able to implement sustainable growth without taking into account social conditions and the basic parameters of our civil society.

Therefore we would like to stimulate a debate on the aims (did we set our strategic objectives correctly?), the process chosen (did we involve and address the right partners?) and the concrete outcome of the Lisbon Strategy – in order to learn our lesson before drafting the new strategy. This **analysis** is missing so far.



The Lisbon Treaty affirmed the principle of **subsidiarity**, as well as local and regional aspects, therefore the municipal dimension is therein decidedly adhered. This should be reason enough to strongly accentuate the local, regional and - in particular- the urban level in the “EU 2020” Strategy.

Without taking the regional, local and particularly urban level into consideration, there's no way for the European Union to handle existing challenges as well as challenges of the future. And here we are not only talking about **cities and towns as Europe's main economic drivers**.

Most of our major challenges (climate change, scarcity of resources,..) and in particular most of our **socioeconomic challenges** (demographic change, migration and integration,..) will have to be handled by cities and towns.

In the current economic and financial crisis the disparity of income further increased. The **in-homogeneity of income** distribution is first of all an urban problem. For example in Vienna the richest and one of the poorest regions of Austria can be reached within 10 minutes (by subway). This is the reason why cities and towns ask to highlight the issue of **social cohesion as a target on its own** in this new strategy – concretely by having a closer look how to strengthen the **spending capacity** in the future. This will help to stimulate economy again. Further we suggest to pay stronger attention to education-issues. A **low-threshold access to education** is needed in order to provide jobs in the future. In this context cities and towns take over an important role. As headquarters for R & D-facilities and locations for science and education, cities and towns make an essential contribution to build a knowledge-based society, to harmonize the distribution of income and to assure social peace in the longer term.

In our point of view, more attention should also be paid to **climate change** - as one of the essential (social and economic) challenges of our future – in this new strategy. So far climate change is only mentioned once on p. 8 “3. creating a competitive, connected and greener economy”.

Framework conditions of the free market economy must be adopted – for example by internalisation of external costs (higher taxing of energy) – to create a sustainable, ecologically and environmentally balanced economy.



Innovation is a basic pillar of the “EU 2020” Strategy – but in the paper innovation solely refers to high-tech-industry. Here we would like to stimulate a broader understanding of innovation:

Regarding the economic sector, small and medium sized enterprises (SME´s) have to improve their innovation capacity. Therefore they will ask for support, which should be offered by a network of public/private institutions. But innovation can and should also take place by the exchange of best practises and experiences among regions and local administrations. A basic condition to take advantage of the EU´s diversity and to establish a “culture of cultural exchange” - is the willingness to open our minds and learn from one another. This way the European Union could really benefit from its “uniqueness of diversity” and foster innovation.

In our point of view this is the meaning of the new, third pillar “**territorial cohesion**”- pointed out in the Lisbon Treaty. But building a knowledge-based, open minded society is a task, which needs to be taken “back to the ground”. We won´t reach this aim without involving the people and the very local level.

The Austrian Association of cities and towns strongly advises to **explicitly mention the local and urban level** with regard to the “partnership approach” (mentioned on page 11).

Finally a “EU 2020” Strategy will only be successful when locally implemented. Therefore the regional, local and especially urban level need to be cooperatively involved in designing and realizing the new strategy. The local level is the crucial level to translate the aims of the “EU 2020” Strategy to Europe´s civic society. Thus identification and understanding can be created .

The Austrian Association of Cities and Towns kindly asks to take our comments in consideration.

Best Regards,

Thomas Weninger
Secretary General