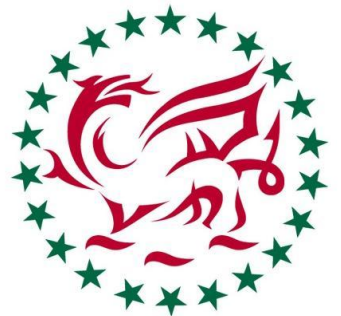




Consultation Response to
European Commission Working
Document on the
Future “EU 2020” Strategy

21 December 2009



WLGA • CLILC

INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities. The three fire and rescue authorities and four police authorities are associate members.
 2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
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3. The Lisbon Strategy, and the objectives promoted within it, is a key driver for economic and social development in Europe, and the WLGA welcomes this discussion paper and the development of a successor strategy post-2010.
 4. However, we would like to express our **profound disappointment at the very tight deadline** for responses to this consultation. This is an extremely important strategy that could have a long term effect on the sustainable development of our communities. The limited time to respond and contribute meaningfully to the debate we feel is inconsistent with the European Commission's apparent general desire to be more inclusive.
 5. The WLGA **supports the priorities identified in the proposal**. That is to say, we fully endorse the need for a clear and credible strategy to exit the current financial and economic crisis, but emphasise the need for this to be based on a clear vision of where Europe wants to go after the crisis. In this respect we fully support the EU 2020 proposal of a more sustainable, greener, and strong knowledge-based economy.
 6. Indeed, the desire to achieve an integrated approach to competition, social inclusion, and environmental sustainability are difficult to argue against. However, the critical issue is how this integration will be achieved.
 7. The WLGA has **concerns regarding the delivery of the strategy**. The principle aims of local and regional authorities and what they are trying to achieve at local level is mirrored at the EU level in this strategy, in terms of promoting local enterprise, jobs,

and prosperity. There are already existing multi-level governance structures in place within Cohesion Policy where local level partners take direct responsibility for implementing the Structural Funds Programmes. Therefore, the new Strategy should use the existing partnership structures to address the current weaknesses in governance structures and to achieve successful delivery of the new Strategy.

Multi-level governance and a bottom-up approach

8. The consultation document appears to call for wider participation in and ownership of the strategy by different levels of government (EU, national, regional and local), in fact it states that “the challenge of becoming a sustainable social market economy, i.e. an inclusive, smarter, greener economy, will require increased policy coordination, better synergies through **effective subsidiarity** . .” (Page 9). However, it does not follow through with an explicit recognition of the key role of local and regional governments in modernising the economy, and it is generally vague about how greater coordination might be brought about.
9. We call for a **stronger regional dimension** to the new Strategy that explicitly recognises the necessity of local and regional governments in the shaping, delivery and evaluation of the Strategy. Closer working at local and regional level leading to a coordinated bottom-up approach will in this way also lead to better value for money. Indeed, economically, it is increasingly recognised that public action is more effective when it tries to integrate rather than separate investment decisions.
10. As outlined above, the WLGA supports the broad priorities defined in the proposal and the need for sustainable solutions to exit the crisis. However, the proposal fails to recognise the **importance of local and regional governments in taking a lead role in responding to the economic and financial crisis on the ground**. The only way to deliver real change on the ground, and therefore to achieve successful recovery from the crisis, is through bottom-up initiatives.
11. Indeed, the Conclusions of the European Council of 10-11 December 2009 stressed the importance of ensuring economic, social and **territorial cohesion** within the context of achieving the priorities of the new strategy¹.

Greater Coordination through Cohesion Policy

12. The European Commission should build on the delivery mechanisms that already exist, **building on the existing knowledge and best practice available under the**

¹ European Council Conclusions 10-11 December 2009, Paragraph 18, <http://www.consilium.europa.eu/uedocs/cmsUpload/st00006.en09.pdf>

Structural Funds and the wider Cohesion Policy. The Structural Funds should be adapted to respond better to the new focus as outlined in the new strategy. Thus, developing the necessary **synergies between the Lisbon Agenda and Cohesion Policy.** We support the view expressed by Committee of the Regions Member, Christine Chapman AM, in her Opinion on 'The Future of the Lisbon Strategy post-2010', in calling for a "well-financed, EU-wide Cohesion Policy to support delivery of the new Strategy"².

13. We would stress that crucial to the success of a future strategy is the explicit recognition of the **essential role played by local and regional authorities in implementing and communicating the strategy on the ground.** The Strategy must reflect and support local level delivery of EU objectives.
14. The European Council of 10-11 December called for a new reflection of the methodology to be used in terms of a more efficient and transparent governance structure that would "enhance national ownership through more active involvement of social partners, as well as of **regional and local authorities**"³.

Measuring the impact of the new Strategy

15. The EU 2020 Strategy lacks detail on the indicators and targets to measure achievement against the objectives. The Strategy should be about achieving **well-being for all EU citizens**, as a wider, more all encompassing objective. This would require aligning it more closely to EU policy in the areas of sustainable development, climate change, social policy, and territorial cohesion. Employment and financial prosperity are key elements of a high quality of living. However, to achieve a fuller picture of well-being and an overall high quality of life, the strategy must deliver on wider societal and environmental aspects of citizens' lives.
16. The Lisbon and Gothenburg Agendas have been heavily criticized for the little involvement of sub-national actors in their design and implementation. In fact, it can be reasonably argued that part of the limited effect of those agendas is due to the absence of ownership on the ground. **Local and regional governments must be involved in setting specific local and regional targets to encourage greater 'buy-in' and participation in the design and delivery of the EU 2020 Strategy at local and regional level.**

² Committee of the Regions own initiative Opinion, Christine Chapman AM, Paragraph 23, COR/09/106, ECOS-IV-032

³ European Council Conclusions, 10-11 December 2009, Paragraph 19, <http://www.consilium.europa.eu/uedocs/cmsUpload/st00006.en09.pdf>

17. As outlined in the WLGA's response to the Green Paper on the future of Cohesion Policy (February 2009)⁴, there is a growing dissatisfaction of the use of GDP as the sole indicator to measure economic development. We again call for a **more comprehensive and meaningful set of indicators to measure prosperity, well-being, and quality of life**. In order to build an accurate picture of regional and territorial development across the EU, the new Strategy must include measures that take into account wider societal and environmental challenges, such as air quality, access to services (eg, transport, energy, ICT, etc.), and demographic change.
18. The WLGA would also take a cautious view of placing such a strong emphasis on growth. There is a rising school of thought that says a return to growth is not the right approach, particularly when the EU's ambitions are not just economic, but also social and environmental and include living within ecological limits. Such comments in the new Strategy as "growing fast and sustainably" (Page 4) are inconsistent with this idea, and with the Strategy's aims to create a sustainable, greener, knowledge-based economy. A move to a wider measure of well-being, other than GDP, would be a significant step towards achieving this.
19. Underlying many of the arguments for 'no growth' is an **increased emphasis on localism** and a reduction in transport in terms of supplies of food, water, and labour, etc. This would further support the WLGA argument for local and regional government to have a key role in the design and delivery of the new strategy.

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⁴ WLGA response to Commission consultation on the Green Paper on Territorial Cohesion, February 2009, <http://www.wlga.gov.uk/uploads/publications/5219.pdf>