AER Study on Regional Policy 2014+
The regions show the way forward for Europe!

The future development of European Regions is currently under discussion at both the national and European levels. What roles do European Structural Funds and national regional policies play in helping our regions to develop in a sustainable way? Do we have the right tools to meet the new challenges facing EU regions, in particular the challenges of demographic change and migration? Does the regional level have enough authority to shape the policies which create the political reality for local and regional politicians? These are some of the questions which have been tackled by the AER reflection group on future cohesion policy during its first year of work.

The reflection group, which I am honoured to chair, asked AER member regions to take part in a consultation on regional development and the EU Structural Funds. The questionnaire also asked regions to describe their current work and to share their views on how future regional policy should support their work on regional development. Many regions provided us with invaluable examples of their experiences, as well as with best practice case studies on how they work together with different levels to shape economic and social development. They also contributed with their views on the future of regional policy.

I would like to take this opportunity to thank the member regions of the AER reflection group on the future Cohesion Policy post-2013, as well as the 60 regions that took the time to participate in the consultation, share their experiences and provide the insight and reflection which have fed into our discussion.

As a regional politician in Jämtland, my personal experiences in Sweden is that, if regional politicians do not have an active role, the development of the region will not be successful. As an example, we have been working on rural development initiatives through small scale food production and regional branding. The support to this project was regularly discussed and debated, as was the region’s role. Nevertheless, the county council of Jämtland believed in this concept and gave it its full support; we recently set up a national centre to deal with these issues in our county. Consequently, the needs of the consumers have increasingly been met. If the regional politicians had not supported this business, I believe the initiative would not have been as successful.

The present report is a first step in the long term discussion on future cohesion policy. Our ambition is to provide useful input to the political debate about European regional development policy. We believe that the regions are at the best level to meet the challenges of ensuring sustainable development in Europe, and even in a global context. The regions are ready to play an active part in creating a better future for our citizens, but must be provided with adequate support from the national and European levels.

Thomas Andersson
Chairman
AER reflection group on future cohesion policy
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Abbreviations

AER Assembly of European Regions
CAP Common Agriculture Policy
CIP Competitiveness and Innovation Framework Programme
CP Cohesion Policy
DG Directorate General
DIACT Délégation à l’aménagement et à la compétitivité des territoires
EARDF European Agriculture and Rural Development Fund
EC European Commission
EGTC European Grouping for Territorial Cooperation
EP European Parliament
EPRC European Policy Research Centre
ERDF European Regional Development Fund
ESF European Social Fund
ESPON European Spatial Planning Observation Network
EU European Union
FP7 Seventh Framework Programme
FUA Functional Urban Area
GDP Gross Domestic Product
ICT Information and Communication Technology
ISPA Instrument for Structural Policies for Pre-Accession
LAG Local Action Group
LEADER Liaison entre actions de développement de l'économie rurale
MA Managing Authority
MEP Member of the European Parliament
Mio. Million
MS Member State
NGO Non Governmental Organisation
NSPA Northern Sparsely Populated Area Network
NSRF National Strategic Reference Framework
NUTS Nomenclature des unités territoriales statistiques
OECD Organisation for Economic Co-operation and Development
OP Operational Programme
ÖROK Austrian Spatial Planning Conference
PPS Purchasing Power Standard
PRDF Regional plan for the formation and training development
PSC Professional Service Centre
R&D Research and Development
ROP Regional Operational Programme
SF Structural Funds
SME Small and Medium Sized Enterprise
SRADDT Regional Scheme for the Management and the Sustainable Development of the Territory
SRDE Regional Scheme for Economic Development
SWOT Strengths, Weaknesses, Opportunities, Threats
VAT Value Added Tax
1 Summary and Hot Spots

Summary

You will find below the main outcomes of the AER public consultation on future cohesion policy post-2013, which will be expanded in the following chapters.

The main problems in the context of projects funded by structural funds in 2000-2006 are the following:

- Problems in the payment process
- Financial problems
- Changing guidelines
- Administrative complexity and bureaucracy
- Lack of experience and guidance
- Lack of knowledge and know-how
- Implementation problems
- Too many priorities and subjects
- Coordination problems
- Lack skilled human resources
- Lack of organizational capacity
- Different categories of objective areas
- Lack of incitements for cooperation
- Lack of regional dimension
- Different levels of regulation
- Cultural problems

The following lessons can be drawn from the experience of preparing the 2007-2013 programmes:

- Lisbon and Gothenburg agenda as basis for cohesion policy
- Orientation of objective 3 to the regional needs
- Cohesion policy should focus more on demographic change, climate change and migration
- Specific needs for specific regions
- Prior completion of financial foresight
- Reduction of territorial disparities
- Decentralization of ESF
- Better preparation through gaining experience
- Importance of regional partnerships
- Structural funds have doubled the access to financial resources for regional development
- Programming demands participation of regions
- Good regional cooperation in the definition of OPs
- Missing links between ERDF and rural development
- Spatial dimension has been degraded
- Structural funds must be focussed more on competitiveness goals
- Too little focus of cohesion policy on infrastructure
The major problems during the preparation of the programmes for the current period are the following:

- Short time for preparation, delays
- Lack of coordination among different EU policies and programmes
- Lack of communication
- New objective status
- New regulations for structural funds
- Difficult process of defining a joint strategy among regions
- Political instability
- Stress ratio between Lisbon agenda and national conceptions
- Limited partnership with the national state
- Lack of a bottom-up approach
- Limited flexibility
- Reduction of financial resources

Regions are facing the following problems at the moment with regards to structural funds and their implementation:

- Administrative challenges
- Problems with operational programme
- Lack of financial resources
- Delays
- Lack of experience
- Lack of regional dimension
- Lack of staff
- Lack of democratic input
- Lack of regulations concerning the state aid
- Lack of updated statistical data

Principle of Subsidiarity should be further supported:

- Solidarity is the core of the ideology of an integrated Europe
- The reduction of income and property differences between poorer and richer regions is beneficial for everyone
- Investing in regions lagging behind brings economic values to the other developed regions and pays off to the whole EU (including social stability)
- Due to the last enlargements and therewith affiliated increasing disparities, subsidiarity is even more justified now than ever before

An integrated and more flexible approach to development/growth and jobs could be developed as follows:

- Through harmoniously and balanced development of the regions
- More decision-making power to the local and regional authorities
- Competitiveness—centred regional policy
- Renewal of the Lisbon strategy
- The structure of expenditure in the EU budget has to be reformed
- Need for returning to a pluri-funds programme management
- Less and more precise strategic objectives
- Including more prosperous regions—wider eligibility to encourage exchange of experience
Regionalisation of ESF  
Flexibility in the implementation  
Sustain speedy economic growth  
Closer collaboration and consultation  
Defining development programmes regarding employment

What connections should the new Cohesion Policy have with other EU policies?

- Coordination between different policy areas
- Better adjustment with rural development
- Best value for money principle
- Better relations between CP and other space relevant EU policies
- Sectoral European policies must follow the line proposed by the CP
- Holistic policies should not be constrained through a huge amount of funding programmes
- EU external actions and EU CP should be complementary
- Links need to be made at sub-regional level with ESF

Involvement of regions in the definition of priorities of future regional policy

- A policy made for regions, by regions
- Regional policy aims at reducing regional disparities, it has a direct regional impact
- They are in the best position to name their needs, potentials, grass-root challenges, strengths and weaknesses
- A new kind of multi-level, tripartite joint regional policy is needed

The following mechanisms of delivery could make the policy more performance-based and more user-friendly:

- Simplifying procedures and self-responsibility through back-sourcing of regional political competences to member states
- Transition of EU state aid
- Further development of Community initiatives in the framework of deepening interregional cooperation in border-areas
- Reduction of administrative burdens
- Operational Programmes should include interventions financed by the ordinary policies at the regional and national level
- Synergy among policies
- Flexible programming policy
- Bigger financial resources
- Communication plan
- Effective system of evaluation and monitoring
- Reducing annual membership fee to non-developed regions
- Involvement of the regions and citizens

The following critical competencies should be developed at the regional level to make regions globally competitive:

- Human resources
- Regional innovation strategy
- Learning from other regions, cooperation and networking
Hot spots

You can find below the main lessons learned from the AER public consultation on future cohesion policy post-2013, which will be expanded in the next chapters.

Could the current structure improve the efficiency of EU cohesion policy?

<table>
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<tr>
<td>Improvement of previous practices</td>
<td>Loss of experience</td>
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<tr>
<td>Strategic objectives</td>
<td>Lack of general framework</td>
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<tr>
<td>New objective areas</td>
<td>Increased bureaucracy</td>
</tr>
<tr>
<td>Technical assistance, trained staff</td>
<td>Lack of regional orientation</td>
</tr>
<tr>
<td>Coherent legal framework</td>
<td>No coherence of cohesion policy with other EU policies</td>
</tr>
<tr>
<td>Competence shift, regionalisation</td>
<td>Financial burdens</td>
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Objectives focus on Lisbon agenda: advantages and drawbacks

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<tr>
<td>Faster economic growth and bigger competitiveness</td>
<td>Focussing on Gothenburg agenda</td>
</tr>
<tr>
<td>Maintainance of a certain level of progress and prosperity</td>
<td>Support of EU-15</td>
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<tr>
<td>Focussing on the regional strenghts</td>
<td>Not directed to changes resulted from globalisation</td>
</tr>
<tr>
<td>Boosting economic development</td>
<td>Not directed to face infrastructural needs</td>
</tr>
<tr>
<td>Creation of jobs</td>
<td></td>
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<td>Improvement of information technology</td>
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Integration of rural development pillar on CAP into the future regional policy: advantages and drawbacks

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<td>Better guarantee of coordination of these areas</td>
<td>By integrating all angles, none is recognisable</td>
</tr>
<tr>
<td>Better adjustment of strategy</td>
<td>Different financial structures</td>
</tr>
<tr>
<td>Rural development as an aspect of regional development</td>
<td>Different institutional and legal frameworks</td>
</tr>
<tr>
<td>Rural development as part of</td>
<td>More difficult coordination</td>
</tr>
<tr>
<td><strong>comparitiveness</strong></td>
<td></td>
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<tr>
<td>---------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>◇ Ensuring sustainable economic development</td>
<td>◇ Spoil of institutional transparency</td>
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### Regionalisation of ESF and EARDF: advantages and drawbacks

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<tr>
<td>◇ Better possibilities to direct those funds</td>
<td>◇ Different economic situation of rural areas in different EU regions</td>
</tr>
<tr>
<td>◇ Increased efficiency</td>
<td>◇ Labour market has no borders</td>
</tr>
<tr>
<td>◇ Identification of regions with the funds</td>
<td>◇ Labour market is not linked with territorial conditions</td>
</tr>
<tr>
<td>◇ Improved coordination between funds</td>
<td>◇ Leader already is a regional differentiated element</td>
</tr>
<tr>
<td>◇ Building up of strong cooperation between different sectors in the region</td>
<td>◇ EARDF should be horizontal</td>
</tr>
<tr>
<td>◇ Better development of policies</td>
<td></td>
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<tr>
<td>◇ More specific needs of the regions</td>
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### Changing programming period to a 5+5 cycle

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<td>◇ Avoidance of simultaneous conclusion of all programmes</td>
<td>◇ Considerable gap between the goals set at the macro level and the instruments to achieve it</td>
</tr>
<tr>
<td>◇ Avoidance of the wrong kind of cycle of political decision-making</td>
<td>◇ Variables are constantly changing</td>
</tr>
<tr>
<td>◇ Avoidance of lack of a role in the process for one term of parliament in two</td>
<td>◇ Unavoidable necessity to adapt the means and operations instruments to permanent changes</td>
</tr>
<tr>
<td>◇ Avoidance of difficulties to changes in the operating environment</td>
<td>◇ Implication of obsolete programming</td>
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<tr>
<td>◇ Enhanced continuity</td>
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<tr>
<td>◇ Increasing of dialogues between the EP and EC</td>
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<tr>
<td>◇ Increasing commitment of MS and regions</td>
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2 Introduction

Since 2003 and the Sapir report, talks of re-nationalisation of EU regional policy have surfaced at EU level, pushed by some of the more EU-sceptical member states and the net-contributors to the budget. The biggest parts of the community budget - the Common Agriculture Policy (CAP) and Cohesion Policy - have been questioned during negotiations on the current programming period. Among the main criticisms heard about EU regional policy, have been the following:

- Some people question the necessity and added-value of an EU intervention in fields other than structural sectors (such as the ones addressed in convergence regions): some even think that EU regional policy should concentrate on convergence at national level, leaving domestic cohesion policies to deal with intra member state disparities (Begg);
- Many of the criticisms of EU regional policy are linked more to a general debate about whether economic development policies per se are worthwhile than about whether the EU is the appropriate level at which to offer them (Begg);
- The net contributors to the budget think they do not get enough out of it;
- Doubts have been raised about the efficient use made of the money, in particular with regard to interregional projects, which have been accused of lacking sustainability and true added-value. The failure to spend money allocated has been another problem that has beset the structural funds (Begg, p. 8).

The mid-term review of the EU budget in 2008-2009, together with the so-called ‘health check’ of CAP will certainly fuel the debate again about whether or not there should be an EU policy and how it should look. It is therefore time for the regions to start thinking now about how EU regional policy post-2013 should be conceived, so that they are prepared for this debate and ensure that their voices are heard. The Assembly of European Regions (AER) is already contributing to this reflection. An ad hoc group of regional representatives has been established – comprising both civil servants and politicians – to produce initial considerations and recommendations for EU regional policy post-2013.

In view of the experiences gained during the last two enlargements and possible future enlargements, it is clear that a continuation of structural policy in its current form will not be possible. At present, an increase of economic and social imbalance within the EU as well as a shift of cohesion policy to the East can be recognized. Moreover, the disparities within EU 15 continue despite years of endeavour. A study from the European Parliament entitled «Future Enlargements and Cohesion Policy» from November 2006 underlines the need for a new orientation of structural policy.

The present document is the result of AER’s public consultation on future cohesion policy post-2013. This 7-week consultation, conducted between 17th September and 31st October 2007, gathered data and opinions from 60 regions across 22 countries.

The first part of the study provides an overview of the respondent regions’ profile, especially on the legislative bodies and decision-making processes. It also provides information on which department is responsible for cohesion policy within each region.

1 Reference see section 7 (indicative literature)
The second part of the study is an evaluation of the answers received from the regions. This section is divided into three main parts, namely programming period 2000-2006, preparing and implementation of the programme 2007-2013 and future cohesion policy. The section refers to the scope, beneficiaries, objectives and implementation of future cohesion policy.

The third part refers to the added value of European cohesion policy and examples of interregional best practices.

Finally, the study concludes with the AER Resolution on Regional Policy Post 2013.

### 3 Profile of respondents

On the basis of the questionnaires received, AER was able to take note of the view on cohesion policy of sixty regions from twenty-two countries. AER also received a questionnaire from the Northern Sparsely Populated Areas network which gathers the four northern regions of Sweden (Norrbotten, Västerbotten, Jämtland, Västernorrland) and the seven northern and eastern regions of Finland (Lapland, Oulu, Central Ostrobothnia, Kainuu, North Karelia, North Savo and South Savo). The following graph illustrates the number of respondent regions per country.

**Figure 1: List of Regions per country**

![Number of respondent regions per country](chart.png)

The respondent regions do not all belong to EU member states. This brings a broader basis of analysis to the present study since it allows analysis of how the European cohesion policy is perceived beyond EU borders.

The next graph represents the number of respondent countries according to their EU membership.

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2 Hereafter the Northern Sparsely Populated Areas Network will be considered as a region.
Fifty-one out of the sixty respondent regions are currently members of the Assembly of European Regions and one region, namely Lodz, has an observer status. The following graph illustrates the number of the respondent regions according to their EU membership and to their AER membership:

Figure 3: EU / AER Members

The profiles of the regions taken into account in the present study vary according to several factors: the geographical position, the population, the gross domestic product and the level of autonomy that the regions have acquired vis-à-vis the central state. The disparity among the sixty analyzed regions represents a good sample for investigating the European regions point of view regarding Cohesion Policy since various realities expressing different levels of development and therefore different needs are taken into account.

The purpose of this section is to provide an overview of the respondent regions profiles. To this end, each region will be analyzed starting from its own national framework and looking at the role it plays in the legislative bodies and decision-making processes of the state. Moreover, basic data such as the geographical position, the number of inhabitants, the gross national product will be provided. Finally, we will consider the status of each region during the last and current programming period and the department from which we received the information. In this regard, we have started a research aimed at identifying,
within each regional administrative structure, the department dealing on a daily basis with matters related to European cohesion policy. The partial information we have collected so far is also presented.

3.1 **Austria**

Austria is a federal state. It is divided into nine Länder which have their own distinctive identity. All the Austrian Länder are currently members of the AER.

Being a federal country, Länder represents a key foundation upon which the state is built and they are able to play a decisive role in national decision-making processes. An important clause in favour of the Länder is enshrined in Article 15 of the Constitution: as far as a matter is not expressly assigned to the Federation for legislation and also execution, it remains within the Länder's autonomous sphere of competence. With no doubts, Austrian Länder are characterised by extensive executive functions. A special feature of the Austrian federal system is the "Indirect federal administration": in so far as no Federal authorities exist, the Landeshauptmann and the Land authorities subordinated to him exercise the executive power of the Bund. The organs created as regional authorities will thus functionally act as federal authorities. As part of their duties in the context of indirect federal administration, the Länder implement federal laws in the following areas: trade and industry regulations, railway, air and waterway transport, hazardous waste, certain areas of environmental protection, water management, etc. On the other hand, Länder have few legislative powers. Länder’s legislative competences consist of Land constitution, Land's budget laws, electoral laws, organisation of local authorities, physical planning, building matters, protection of nature and landscape, protection of animals, tourism, hunting and fishing, sports, housing promotion, some professional laws, service code for and staff representation rules of civil servants and employees of Land and local authorities. However, Article 10 of the Federal Constitution assigns more - and the most important - legislative powers to the federation.

As far as the international relations are concerned, the Länder can conclude treaties with states and they can conclude international or interregional agreements not subject to public law. The Länder are represented in international organisations within the Austrian delegation.

The Austrian regions for which we have available information are: Steiermark, Kärnten, Tirol, Burgenland and Niederösterreich. All of them are AER members.

3.1.1 **Steiermark**

**Geographical position:** South-East  
**Surface:** 16,391,93 km²  
**Inhabitants:** 1,197,527 (2005)  
**GDP per inhabitant:** 23,779 EUR (2003)  
**Administrative division:** 17 Municipalities  
**Status of the Region 2000-2006:** Objective 2  
**Status of the Regions 2007-2013:** Competitiveness and Employment
Department answering: Department for Economic Affairs and Innovation
Department dealing with the European Cohesion Policy within the regional apparatus: Department for Economic Affairs and Innovation

3.1.2 Tirol

Geographical position: South-West
Surface: 12.647,71 km²
Inhabitants: 691 783 (2005)
Administrative division: 8 Municipalities
Status of the Region 2000-2006: Objective 2, Phasing-out Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment

Department answering: Department for Spatial Planning, Regional Development and Statistics
Department dealing with the European Cohesion Policy within the regional apparatus: Department for Spatial Planning, Regional Development and Statistics

3.1.3 Kärnten

Geographical position: South
Surface: 9.535,97 km²
Inhabitants: 559 891 (2005)
Administrative division: 10 Municipalities
Status of the Region 2000-2006: Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment

Department answering: Department for Economic Promotion (KWF)
Department dealing with the European Cohesion Policy within the regional apparatus: Department for Economic Promotion (KWF)

3.1.4 Burgenland

Geographical position: East
Surface: 3.965,46 km²
Inhabitants: 278 215 (2005)
Administrative division: 7 Municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Phasing-out Region
Department answering: Managing Authority of Burgenland
Department dealing with the European Cohesion Policy within the regional apparatus: Managing Authority of Burgenland

3.1.5 Niederösterreich

Geographical position: North-East
Surface: 19,177,78 km²
Inhabitants: 1 569 596 (2005)
GDP: 36 582.9 Mio. EUR (2004)
Administrative division: 21 Municipalities

Department answering: Managing Authority of Burgenland
Department dealing with the European Cohesion Policy within the regional apparatus: Managing Authority of Burgenland

3.2 Belgium

Belgium has a particular physiognomy being a State in which regional and cultural identities are melted in a single federal structure. Belgium has a structure based on three different levels: the upper level includes the federal state, the communities and the regions; the middle level is characterised by the provinces; and the lower level is that of the communes. Belgium is made up of three communities (the Flemish Community, the French Community and the German-speaking Community), three Regions (the Flemish Region, the Brussels-Capital Region and the Walloon Region), 10 Provinces (Antwerp, Flemish Brabant, Walloon Brabant, West Flanders, East Flanders, Hainaut, Liège, Limburg, Luxembourg, Namur) and 589 Communes. The German-speaking Community and the Regions of Brussels-Capital and Walloon are currently members of the Assembly of European Regions.

Regions have competences in those fields which are related to territorial matters such as economy, employment, agriculture, water policy, housing, public works, energy, transport (except Belgian railways), the environment, town and country planning, etc. The communities, instead, have powers in the fields of culture (theatre, libraries, audiovisual media, etc.), education, the use of languages and scientific research. Even if Belgian communities and regions have jurisdiction on several subjects, the federal state remains the ones responsible for managing everything that affects the interest of all Belgians regardless of any linguistic, cultural or territorial considerations. Furthermore, their competences are subject to numerous exception that, in the political reality, strongly limit the powers of the Belgian Regions and Communities.
The German-speaking Community is the only one for which we have available data and it is an AER member.

### 3.2.1 Deutschsprachige Gemeinschaft (German-speaking Community)

**Geographical position**: East  
**Surface**: 854 km²  
**Inhabitants**: 73,119  
**Status of the Region 2000-2006**: Territorial Cooperation (ERDF)  
**Status of the Region 2007-2013**: Competitiveness and Employment  
**Department answering**: Department of Foreign Affairs  
**Department dealing with the European Cohesion Policy within the regional apparatus**: Department of Foreign Affairs

### 3.3 Bulgaria

Bulgaria does not have democratically elected regional governments. In fact, the 28 oblasti (regions) in which it is divided are, according to the wording of the Constitution, administrative territorial “units” under the administration of a governor who is elected directly from the central government. Only one out of the 28 Bulgarian districts, namely Ruse, is currently member of the Assembly of European Regions. There are also six regions which are groupings of provinces. These are the planning regions of Bulgaria. Among his competences, the district governor is entitled to implement national policy in the region and is responsible for ensuring the administrative territorial reform. Furthermore, he is responsible for harmonising national interests with local interests and for organising the development and implementation of strategies and programmes for regional development.

The Districts considered in the present study are Burgas and Montana.

#### 3.3.1 Burgas

**Geographical position**: South-East  
**Surface**: 7,748 km²  
**Inhabitants**: 417,810 (2006)  
**GDP**: 2,368,029 US $ (South-East Planning Region, 2005)  
**GDP per inhabitant**: 3,051 US $ (South-East Planning Region, 2005)  
**Administrative division**: 13 municipalities (including 257 towns and villages)  
**Status of the Region 2000-2006**:  
**Department answering**: Department for Regional Development  
**Department dealing with the European Cohesion Policy within the regional apparatus**: Department for Regional Development

#### 3.3.2 Montana

**Geographical position**: North-West
3.4 **Czech Republic**

The Czech Republic is made up of fourteen regions with Prague having a special status. Three of them are currently members of the Assembly of European Regions. The relationship between the central government and the regions are regulated by a ‘double track’ system, in which the communes and the regions are both state administration executives and public administration bodies. The own competencies of the regions are the following: to approve concepts of regional development, to establish and dissolve the allowance organizations (education, social care, health service, infrastructure), to set the range of public transport, to decide on international co-operation, to approve the budget of the region and the final account of the region, to decide on the acquisition or transfer of regional movables. It is necessary to differ among the state, public and autonomous administration. Public administration is the sphere, where there are shared competencies among the central government and regions. Within the shared competency, both the state and the autonomous administrative are empowered to act in a clearly defined field of cooperation. Among shared competences in the fields of public administration there are: legislation, social policy, foreign policy, commerce and industry, exchequer, internal affairs, defence and security, infrastructure, education, environment, agriculture, local development, and proposing new centrally approved laws.

As far as the regional financing system is concerned, the Constitution does not grant to regions an explicit fiscal autonomy. An international profile is recognized to Czech regions since they can sign sign treaties with other regions abroad.

The Assembly of European Regions has received a filled questionnaire from one of its member region, Kralovehradecky.

### 3.4.1 Kralovehradecky

**Geographical position:** North-East

**Surface:** 4,758 km²

**Inhabitants:** 548,368

**GDP:** 150 207 Mio. CZK (2006)
GDP per inhabitant: 273 541 CZK (2006)
Administrative division: 448 municipalities
Status of the Region 2000-2006:
Status of the Regions 2007-2013:
Department answering: Department for European Affairs
Department dealing with the European Cohesion Policy within the regional apparatus: Department for European Affairs

3.5 Finland

Finland is made up of nineteen regions, one autonomous province (Åland Islands) and 446 municipalities. Eleven Finnish regions are currently members of the Assembly of European regions.

The municipalities are important structure within the Finnish administrative structure. The nineteen regions, in fact, can be labelled as “federations” of municipalities since they are based on a cooperation between municipalities. This is particularly clear when looking at the composition of the “Regional Council”, which represents the main body governing the region: it comprises members of the municipalities and it is supported by the municipalities that make up the region. Moreover, the regions depend upon the municipalities for all the resources they need.

Finnish Regions, as well as municipalities, have no legislative power. The tasks they carry out are of an administrative nature in the field of regional planning. An important experiment has been implementing since 2003 establishing Kianuu as a pilot region until 2012. This experiment aims at testing new form of regionalism in Finland. Additional powers, in fact, have been granted to the new region of Kianuu which now has a directly elected regional council with administrative competences in fields traditionally under the state administration and a financial autonomy. Furthermore, a high volume of tasks have been transferred from the domain of the municipalities to the domain of the region.

To the aim of the present study we will take into account the data from three Finnish Regions. Two of them, namely Pirkanmaa and Lapland, are AER members regions.

3.5.1 Tampere (Pirkanmaa)

Geographical position: South
Surface: 12 446 km²
GDP per inhabitant: 28 000 EUR (2005)
Administrative division: 28 municipalities
Status of the Region 2000-2006: Objective 1 (partially), Phasing-out Objective 2 (partially)
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for Regional Development Planning
Department dealing with the European Cohesion Policy within the regional apparatus: Department for Regional Development Planning

3.5.2 Lapland

Geographical position: North
Surface: 92 840 km²
Inhabitants: 184 935 (2006)
Administrative division: 21 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department dealing with the European Cohesion Policy within the regional apparatus: Regional Council

3.5.3 Päijät-Hämeen-Liitto

Geographical position:
Surface: 5 127 km²
Status of the Region 2000-2006:
Status of the Regions 2007-2013:
Department answering: Brussels Office
Department dealing with the European Cohesion Policy within the regional apparatus:

3.6 France

France is divided into 26 regions, of which 21 are in continental metropolitan France, one is the island of Corsica, and four lie overseas. Twenty of them are currently members of the Assembly of European regions. The region is defined by the French Constitution as follows: “(The region) may take decisions in all matters that are within powers that can best be exercised at (its) level. In the manner provided by statute, (the region) shall be self-governing through its elected council and shall have the power to make regulations.”

French regions are led by a regional council which is a directly-elected Assembly and they have competences in the following domains: economic development and assistance to companies, spatial planning, vocational training, apprenticeship and culture, building and equipment of high schools. However, in 2004, the competences of the French
regions have been strengthened and extended to the following areas: setting up of economic development plan and definition of aid schemes for enterprises; arrangement and management of non-autonomous harbours and civil airports, regional railway transport; recording of historical heritage and organisation of vocational art education; management of service and specialised staff of the high schools, vocational training.

Regions do not have legislative autonomy and do not dispose of any autonomous decision-making powers since the second French legislative chamber (the Senate) ensures "the representation of the territorial units of the Republic", even if it is not the spokesperson of the territorial authorities. Financially, French regions are autonomous: they levy their own distinct taxes (and receive a part of their budget from the national government which gives them a portion of the taxes it levies) and they can freely use their resources.

Since 1992 French regions have been allowed to sign conventions with foreign local authorities. In 2004, a law on local liberties and responsibilities has passed which allows the creation of European districts. These local groupings of cross-border cooperation are endowed with a legal personality and with financial autonomy. They are created on the initiative of local authorities and their groupings.

Three French regions, namely Alsace, Auvergne and Corse are taken into account in the present study. All of them are AER members.

3.6.1 Alsace

Geographical position: North-East
Surface: 8,280 km²
Inhabitants: 1,792,525 (2004)
GDP per inhabitant: 24,695 (2003)
Administrative division: 2 departments and 904 municipalities
Status of the Region 2000-2006: Objective 2, Phasing-out Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: INTERREG Service Department for Cooperation and International Relations

Department dealing with the European Cohesion Policy within the regional apparatus: INTERREG Service Department for Cooperation and International Relations

3.6.2 Auvergne

Geographical position: Center
Surface: 26,013 km²
Inhabitants: 1,326,530 (2004)
3.6.3 Corse

Geographical position: South-East
Surface: 8.681 km²
Inhabitants: 271,856 (2004)
GDP per inhabitant: 20,142 (2003)
Administrative division: 2 Departments, 360 Municipalities
Status of the Region 2000-2006: Phasing-out Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for European Affairs and Decentralized Cooperation
Department dealing with the European Cohesion Policy within the regional apparatus: Department for European Affairs and Decentralized Cooperation

3.7 Germany

The Federal Republic of Germany is a federal state made up of sixteen constituent states – the Länder. Three out of sixteen are currently members of the Assembly of European Regions. Each Länder is entitled to exercise legislative, executive and juridical functions. The legislative competencies of the Federation and the Länder are regulated in detail by the Basic Law. The Federation holds exclusive legislative competence in the following fields: all foreign policy issues, defence, including the protection of the civil population, citizenship, currency and money, the unity of the customs and trading area and cooperation between the Federation and the Länder concerning criminal police work. In other fields, such as civil law, criminal law, the prison system, road traffic, the law of association and assembly, the law relating to the residence and establishment of foreign nationals, business law, a system of shared competences is in force: the Länder have the right to adopt legislation provided and in so far as the Federation makes no use of its legislative powers in the same field. In all other cases, the Länder are responsible.

The Länder are leaded by directly elected Assembly and they play a key role in the decision-making process of the federal state since they are represented in the Bundesrat. The Länder participate in the revenues of sales and income tax and they are have fully financial autonomous concerning their expenses.
The region analyzed here is Baden-Württemberg, which is an AER member.

3.7.1 Baden-Württemberg

Geographical position: South-West
Surface: 35.751.65 km²
Administrative division: 4 administrative districts, 12 regions, 35 rural districts and 9 urban districts and 1,108 municipalities

Status of the Region 2000-2006: Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for Cross-border and Interregional cooperation
Department dealing with the European Cohesion Policy with the regional apparatus: Department for Cross-border and Interregional cooperation

3.8 Hungary

Hungary is made up of nineteen counties which are led by directly elected assemblies. Sixteen out of nineteen are currently members of the AER. The counties provide administrative duties and exercise their competences in the following fields: organisation or provisions of public service which cover the whole county or a large part of it, environmental protection, spatial planning, tourism, co-ordinating vocational training and the needs of the labour market at the county level, establishment and management of regional information system. Counties have also optional duties and competences in the field of cultural promotion, promotion of regional economic development, co-operation with religious association, development of interregional partnership with special respect to the European integration, etc.

The counties have their own financial resources which are partially provided by the national budget and partially by the own incomes. The counties have an international status since they are allowed to conclude international agreements.

In the present study we take into account the contributions received from Borsod-Abaúj-Zemplén, Jász-Nagykun-Szolnok, Békés, Tolna and Somogy. All of them are members of the Assembly of European Regions.

3.8.1 Borsod-Abaúj-Zemplén

Geographical position: North-East
Surface: 7247,17 km²
Inhabitants: 739.143 (2004)
GDP: 1 094 728 Mio. HUF (2005)
GDP per inhabitant: 1 502 000 HUF (2005)
Administrative division: 355 municipalities
Status of the Region 2000-2006: ISPA
Status of the Regions 2007-2013: Convergence
Department answering: Department of Foreign Affairs
Department dealing with the European Cohesion Policy within the regional apparatus: Department of Foreign Affairs

3.8.2 Jász-Nagykun-Szolnok

Geographical position: East
Surface: 5582 km²
Inhabitants: 411 000 (2004)
GDP per inhabitant: 1 358 000 HUF (2005)
Administrative division: 75 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: European Integration Office
Department dealing with the European Cohesion Policy within the regional apparatus: European Integration Office

3.8.3 Békés

Geographical position: South-East
Surface: 27,23 km²
Inhabitants: 21,657 (2001)
GDP per inhabitant: 1 301 000 HUF (2005)
Administrative division: 75 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Department for Regional Development
Department dealing with the European Cohesion Policy within the regional apparatus:

3.8.4 Tolna

Geographical position: South-West
Surface: 3703 km²
Inhabitants: 250 284 (2001)
GDP: 368 996 Mio. HUF (2005)
GDP per inhabitant: 1 511 000 HUF (2005)
Administrative division: 108 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence region
Department answering: Department for Management and Investments
Department dealing with the European Cohesion Policy within the regional apparatus:

3.8.5 Somogy

Geographical position: South-West
Surface: 6036 km²
Inhabitants: 335 237 (2001)
GDP per inhabitant: 1 437 000 HUF (2005)
Administrative division: 244 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Department for Strategic Development

Department dealing with the European Cohesion Policy within the regional apparatus: South Transdanubian Regional Development Agency

3.9 Italy

Italy is divided into twenty regions and two autonomous provinces, Trento and Bolzano. Eighteen out of twenty regions are official members of the Assembly of European Regions. The two provinces of Trento and Bolzano are also AER members. Fifteen regions have an “ordinary” status while the other five have a “special status” recognized by the Constitution.

Italian regions perform their functions through three main bodies: the Regional Council which exerts the legislative power and can submit bills to the national parliament, the Regional Committee which exerts the executive power and has overall administrative competences and the President of the Committee who leads the Regional Committee policies and officially represents the region. The work of the three main bodies is supported by a complex of departments and services which carry out administrative functions.

The competences of the Italian regions are mentioned in Article 117 of the Constitution: regions have exclusive legislative powers in any matter not expressly reserved to State law and not included in concurrent legislation. Are considered under concurrent
legislation the following domain: international relations with other regions and with the EU, external trade, education, health-protection, land-use regulation and planning, etc. Italian regions are financially autonomous and they can conduct their own foreign policy being allowed to sign agreements with other regions or states. However, the draft agreement has to be transmitted to the Ministry of Foreign Affairs that, within thirty days, expresses its view.

In 2006, was held a referendum which could have changed the Italian regional system granting more powers to regions in the field of health and education. The new law would have also transformed the Italian state in a federal one. However, the referendum had a negative result showing a closure to federalism on the part of the Italian society.

The Italian regions answering to the questionnaire are Veneto, Friuli Venezia Giulia and Lombardia. All of them are AER members.

3.9.1 **Friuli Venezia Giulia**

**Geographical position:** North-East  
**Surface:** 7 845 km²  
**Inhabitants:** 1 204 718 (2005)  
**GDP:** 31.335 Mio. EUR (2004)  
**GDP per inhabitant:** 26 886 (2003)  
**Administrative division:** 4 Provinces and 219 Municipalities  
**Status of the Region 2000-2006:** Objective 2  
**Status of the Regions 2007-2013:** Competitiveness and Employment  
**Department answering:** Department for European Politics and European Integration  
**Department dealing with the European Cohesion Policy within the regional apparatus:** Department for European Politics and European Integration

3.9.2 **Lombardia**

**Geographical position:** North-West  
**Surface:** 23 861 km²  
**Inhabitants:** 9 393 092 (2005)  
**GDP:** 293 128 Mio. EUR (2004)  
**GDP per inhabitant:** 29 525 (2003)  
**Administrative division:** 12 provinces, 1546 Municipalities  
**Status of the Region 2000-2006:** Objective 2, Phasing-out Objective 2  
**Status of the Regions 2007-2013:** Competitiveness and Employment  
**Department answering:** Department Resources and Instruments for National and European Programming  
**Department dealing with the European Cohesion Policy within the regional apparatus:** Department Resources and Instruments for National and European Programming
3.9.3 Veneto

Geographical position: North-East
Surface: 18.391, 22 km²
Inhabitants: 4 699 950 (2005)
GDP per inhabitant: 29 525 EUR (2003)
Administrative division: 7 Provinces, 581 Municipalities
Status of the Region 2000-2006: Objective 2, Pasing-out Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for European Programmes
Department dealing with the European Cohesion Policy within the regional apparatus: Department for European Programmes

3.10 Lithuania

The current administrative structure of Lithuania was created in 1994 and modified in 2000. Lithuania consists of ten counties. Five out of ten are currently members of the Assembly of European Regions. Counties are ruled by a Governor who is appointed by the central government and they do not have any directly elected Assembly. Then, counties are part of the state administration and they do not have great powers vested in them. Their main duty is to implement the state policy at the regional level in few domains, such as social security, vocational and technical training, culture, health, spatial planning, land use and protection, environmental protection, administration of national and inter-regional programmes.

3.10.1 Panevėžys

Geographical position: North-East
Surface: 3 972 km²
Inhabitants: 288 400
GDP: 1.5 Mio. EUR (2006)
GDP per inhabitant: 5.357 (2006)
Administrative division: 6 Municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Department for Regional Development
Department dealing with the European Cohesion Policy within the regional apparatus: Department for Regional Development
3.11 Netherlands

The Netherlands is divided into twelve administrative regions called 'provinces'. Three of them are currently members of the Assembly of European Regions. All provinces are divided into municipalities and water districts having authority in matters concerning water management. Provinces are ruled by a directly elected Assembly. They have legislative competences although most of them are shared with the national government. In important domains, such as spatial planning, environmental planning, water policy, economic affairs, social affairs, security and disaster policy, provinces share their legislative competences with the national government.

Provinces elect the first Chamber of the Parliament which has the power to control the legislation but, in reality, they do not have any important role in the national decision-making processes.

Financially, provinces are not autonomous and they dispose of limited resources which come mainly from national funds.

Finally, Provinces do not have an autonomy to conclude international agreement thus having a limited international status.

In the present study we present the position vis-à-vis the cohesion policy of two provinces: Limburg and Noord-Brabant, both AER members.

3.11.1 Limburg

**Geographical position:** South-East  
**Surface:** 2,125 km²  
**Inhabitants:** 1,131,938 (2006)  
**GDP:** 29.828 Mio. EUR (2003)  
**GDP per inhabitant:** 26,000 EUR (2003)

**Administrative division:** 40 municipalities  
**Status of the Region 2000-2006:** Objective 2, Phasing-out Objective 2  
**Status of the Regions 2007-2013:** Competitiveness and Employment Region

**Department answering:** Cabinet of the Governor  
**Department dealing with the European Cohesion policy within the regional apparatus:** Department of Economical Affairs

3.11.2 Noord-Brabant

**Geographical position:** South  
**Surface:** 4,916 km²  
**Inhabitants:** 2,419,946
GDP per inhabitant: 29.000 EUR (2003)
Administrative division: 68 municipalities
Status of the Region 2000-2006: Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Office Europe
Department dealing with the European Cohesion Policy within the regional apparatus

3.12 Poland

Since 1999, Poland is made up of 16 Voivodships which represent the regional level of government. Six of them are AER members. Polish regions are led by a regional parliament which is a directly elected Assembly.

Polish regions carry out their functions in an autonomous way and they are entitled to formulate their own regional development policy in the fields of public education, promotion and health protection, culture and heritage, social welfare, pro-familial policy, modernisation of rural areas, spatial management, environmental protection, water management, collective transport and public roads, sport and tourism, consumers rights’ protection, defences, public security, counteracting unemployment and activation of local labour market. Furthermore, regions play apolitical role at the national level since they are represented in both Chambers of the Parliament. Indeed, the reform that took place in 1999 has introduced a significant decentralisation of public authority and public finance.

Polish regions can decide upon the allocation of their resources which come from mainly their own revenues with a low participation in state revenues.

Voivodships can entertain international relations and they can conclude international agreements.

The Regions answering to our questionnaire are: Lodz, Slaskie, Pomorskie³, Wielkopolska, Zachodnio Pomorskie. Slaskie and Wielkopolska are currently members of the Assembly of European Regions.

3.12.1 Lodz

Geographical position: North West
Surface: 18,219 km²
Inhabitants: 2 577 465 (2005)
GDP per inhabitant: 4625 EUR (2003)
Administrative division: 177 Municipalities

³ Please note that the answers to the consultation are not an official statement of the self-government of the Pomorskie Voivodeship
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Regional Policy Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Policy Department

3.12.2 Slaskie
Geographical position: South
Surface: 12,294 km²
Inhabitants: 4 685 775 (2005)
GDP per inhabitant: 5 461 EUR (2003)
Administrative division: 167 Municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Regional Development Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Development Department

3.12.3 Pomorskie
Geographical position: North-West
Surface: 18,293 km²
Inhabitants: 2 199 043 (2005)
Administrative division: 123 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Regional and Spatial Development Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional and Spatial Development Department

3.12.4 Wielkopolska
Geographical position: West
Surface: 29,826 km²
Inhabitants: 3 372 417 (2005)
GDP per inhabitant: 5 225 EUR (2003)
Administrative division: 226 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: Regional Policy Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Policy Department

3.12.5 Zachodnio Pomorskie

Geographical position: North-West
Surface: 22.902 km²
Inhabitants: 1 694 178 (2005)
GDP per inhabitant: 4 775 EUR (2003)
Administrative division: 114 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Convergence
Department answering: International Cooperation Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: International Cooperation Department

3.13 Portugal

Portugal has been through a period of administrative changes since the 1974 revolution and it can be defined, from a regional point of view, as a country “under construction” because of the ongoing tentatives of decentralization and the persisting anomalies. To definitely end with these anomalies, a national Referendum was held in 1998 in order to approve a new regionalization which was rejected on account of disagreements over the loss of sovereignty of some districts to others. Furthermore, the attempt to create metropolitan areas has turned to be useless in Portugal since these new regional divisions have colluded with the traditional Portuguese regional structures: Distritos (Districts). The eighteen existing districts still are the official regional authorities in Portugal, thus leaving the new metropolitan authorities with no authority at all. Each District is ruled by a Governor who is empowered by the Prime Minister of Portugal and has most of the administrative power over the Municipalities comprised.

Regionalization experiment in Portugal was only successful among insular regions, Azores and Madeira, which are the only two regions having an autonomous status and enjoying a wide range of political and legislative powers. Azores and Madeira are
currently members of the AER. They are led by a directly elected Assembly and by a regional government which is responsible to the Assembly. The two autonomous regions can entertain international relations and they can conclude international agreements. They can also participate in negotiations for international treaties and agreements of direct concern to them.

3.13.1 Madeira

Geographical position: South-West
Surface: 828 km²
Inhabitants: 244 286 (2004)
Administrative division: 11 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Phasing-in
Department answering: European Affairs and External Cooperation Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: European Affairs and External Cooperation Department

3.14 Romania

Romania is a unitary national state and its territorial structure includes forty-two counties. Thirty-eight out of forty-two are currently members of the AER. The multi-level governance in Romania consists of two levels: central and local, at the latest level are mayoralties, local and county councils, while the first level consists of government, ministers, governmental agencies and territorial public administration units, which represent the central authority at local level. According to Romanian legislation, all members of local and county councils are elected through universal, direct, individual and free ballot every four years. The local authorities have several competencies related to the administration of local public interests and they can manage their financial resources. In 1998, the country was divided into eight regional divisions in order to better co-ordinate regional development as Romania progressed towards accession to the European Union. This process of regional decentralization was performed through the existing local authorities and the establishment of the development regions was based on the extending of competences of the local authorities. Despite becoming increasingly significant in regional development projects, Romania's development regions do not actually have an administrative status and do not have a legislative or executive council or government. Rather, they serve a function for allocating European Union funds for regional development, as well as for collection of regional statistics.

3.14.1 Mures

Geographical position: North
Surface: 6714 km²

Administrative division: 4 municipalities, 7 towns and 91 communes

Status of the Region 2000-2006: ISPA

Status of the Regions 2007-2013: Convergence Region

Department answering: Regional Council

Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Development and European Integration Department

3.14.2 Vrancea

Geographical position: East

Surface: 4,857 km²


Administrative division: 2 municipalities, 3 towns, and 59 communes.

Status of the Region 2000-2006: ISPA

Status of the Regions 2007-2013: Convergence Region

Department answering: Department of Internal and International Relations

Department dealing with the EU Cohesion Policy within the administrative apparatus: Department of Internal and International Relations

3.14.3 Olt

Geographical position: South

Surface: 5,498 km²

Inhabitants: 489 274 (2002)

Administrative division: 2 municipalities, 6 towns and 93 communes

Status of the Region 2000-2006: Phasing-out Objective 1

Status of the Regions 2007-2013: Convergence Region

Department answering: European Integration Department

Department dealing with the EU Cohesion Policy within the administrative apparatus: European Integration Department

3.14.4 Ilfov

Geographical position: South

Surface: 1 583 km²

Inhabitants: 300 123 (2002)

Administrative division: 8 towns and 31 communes
Status of the Region 2000-2006: ISPA
Status of the Regions 2007-2013: Convergence Region
Department answering: Regional Council
Department dealing with the EU Cohesion Policy within the administrative apparatus: Public Service for Internal and International Cooperation

3.14.5 Neamt

Geographical position: North-East
Surface: 5,896 km²
Inhabitants: 554,516 (2002)
Administrative division: 2 municipalities, 3 towns and 76 communes
Status of the Region 2000-2006: ISPA
Status of the Regions 2007-2013: Convergence Region
Department answering: European Integration Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: European Integration Department

3.14.6 Arad

Geographical position: North-West
Surface: 7,754 km²
Administrative division: 1 municipality, 9 towns and 68 communes
Status of the Region 2000-2006: ISPA
Status of the Regions 2007-2013: Convergence Region
Department answering:
Department dealing with the EU Cohesion Policy within the administrative apparatus:

3.15 Slovakia

Slovakia is a unitary State composed of regions and municipalities. There are currently eight regions and five of them are members of the Assembly of European regions. Within Slovakia, regions are independent self-government entities which dispose of their own elected bodies and can manage their own resources and funds. The main regional authorities are: the corporation members, a regional consultative body whose members are elected for four years by universal, direct suffrage; the chairman who represents the region and is assisted by an office responsible for the management of administrative services and for the organisation of the region. Traditionally, regions exercise their competences in the following domains: roads, land planning, regional development, own investment ventures, secondary schools, hospitals, social services, culture, participation...
at civil defence, licences for pharmacies and private physicians. However, on January 2004 regions and municipalities have acquired more than 400 competencies in the field of education, health and environment.

Financially, the regions are independent and they can manage their funds which come from own revenues and state subsidies. Regions are entitled to cooperate and to conclude international agreement with regions of other states.

In the present study, we will take into account the information we received from Presovsky which is currently an AER member.

3.15.1 Presovsky

Geographical position: North-East

Surface: 8 998 km²

Inhabitants: 800.483 (2006)


GDP per inhabitant: 6,900 PPS (ECU) for NUTS 2 (Eastern Slovakia) (2000)

Administrative division: 13 municipalities

Status of the Region 2000-2006: Objective 1

Status of the Regions 2007-2013: Convergence Region

Department answering: Brussels Office

Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Development Department

3.16 Spain

The Spanish Constitution of 1978 created an highly decentralized State compared with both the previous Francoist regime and with most modern territorial arrangements in Western European nations. Spain’s fifty provinces are grouped into seventeen autonomous communities, in addition to two autonomous cities in Africa, Ceuta and Melilla. Seven out of seventeen autonomous communities are currently members of the Assembly of European Regions. The autonomous communities have wide legislative and executive autonomy, with their own parliaments and regional government. The Autonomous Communities exercise their competences in those domains where the state doesn’t have an exclusive competence: planning and housing, public works, rails and roads, harbours and airports that do not develop commercial activities, agriculture, forests, environment, fisheries economic development, cultural heritage, tourism, sport, welfare, health. Autonomous regions are represented at the national level within the Senate where each community has the right to choose at least a Senator.

From a financial point of view, Regions are autonomous and they can decide upon the allocation of their own resources which come from state taxes that are completely assigned to autonomous communities and shared taxes.

According to the Spanish Constitution, international relations fall within the scope of the national state. Then, Spanish regions, even enjoying a wide range of legislative and executive powers, are not entitled to enter into international treaties, create international obligations towards foreign public powers or take measures which affect the foreign
policy of the State. When signing international treaties affecting the interests of the Autonomous Community the State should consult the Community: However, the opinion given by the Autonomous is not legally-binding thus leaving the region with very few international powers. The international status of the Spanish Autonomous Communities was partially addressed by the Constitutional Court which recognized to the Regions the right to undertake international activities necessary the exercise of their competences. In this study we will present the point of view of the Catalunya region which is currently a member of the AER.

3.16.1 Catalunya

Geographical position: North-East
Surface: 32.114 km²
Inhabitants: 6 784 145 (2005)
Administrative division: 946 Municipalities
Status of the Region 2000-2006: Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for Economy and Finance
Department dealing with the EU Cohesion Policy within the administrative apparatus: Department for Economy and Finance

3.17 Sweden

In Sweden there are two political levels at which decisions are taken – the Government and municipal self-government. Municipal self-government consists of municipalities (the local level) and county council (the regional level). The county councils, which amount to 21, do not control the municipalities in any way. Fourteen of them are currently members of the Assembly of European Regions. The Government is represented regionally through a country administrative board in every county.

The county councils are directly elected and they are entitled to levy taxes which form part of their resources togheter with patient contributions and government subsidies. The counties do not have any legislative power but they are entitled to take their own decisions within the region's fields of competence. The counties’ competences are not regulated by the constitution but they are fixed by the Swedish Parliament. Their major competences relate to health and medical treatment but they also have duties with regard to culture and public transport. In these respective fields, counties can entertain international relations and they can conclude international agreements.

Historically, Sweden has tried to find a balance among the national and the local level although the former has always been stronger. However, the actual administrative structure and the division of tasks between the national, regional, and local are currently under question. An experiment involving the Regions of Västra Götaland and Skåne is being tried out and evaluated until 2010. These regions, in fact, have been vested of more powers in addition to the traditional ones. They now also have responsibilities in the
field of growth and development. This includes drawing up strategies for the region’s
development, deciding on investments, in the regional transportation’s infrastructure, and
distributing funds for development initiatives.

3.17.1 Jämtland

Geographical position: West
Surface: 49,444 km²
Inhabitants: 127,020 (2001)
GDP: 27 362 Mio. SEK (2001)
GDP per inhabitant: 212 thousands SEK (2001)
Administrative division: 8 Municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: International Relations Department
Department dealing with the EU Cohesion Policy within the administrative
apparatus: International Relations Department

3.17.2 Jönköping

Geographical position: South
Surface: 11,253 km²
Inhabitants: 331,539 (2001)
GDP: 77 953 Mio. SEK (2001)
GDP per inhabitant: 238 Thousands SEK (2001)
Administrative division: 13 municipalities
Status of the Region 2000-2006: Objective 2
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: International Relations Department
Department dealing with the EU Cohesion Policy within the administrative
apparatus: International Relations Department

3.17.3 Norrbotten

Geographical position: North
Surface: 106,012 km²
Inhabitants: 251,886 (2001)
GDP: 58 959 Mio. SEK (2001)
GDP per inhabitant: 231 thousands SEK (2001)
Administrative division: 9 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: County Council

Department dealing with the EU Cohesion Policy within the administrative apparatus: County Council/County Administrative Board

3.17.4 Västerbotten

Geographical position: North
Surface: 59 284 km²
Inhabitants: 257 581 (2001)
GDP: 53 432 Mio. SEK (2001)
GDP per inhabitant: 209 Thousands SEK (2001)

Administrative division: 15 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Regional Development Board
Department dealing with the EU Cohesion Policy within the administrative apparatus: International Affairs Department

3.17.5 Västernorrland

Geographical position: East
Surface: 23 107 km²
Inhabitants: 243 978 (2001)
GDP: 61 230 Mio. SEK (2001)
GDP per inhabitant: 249 thousands SEK (2001)

Administrative division: 7 municipalities
Status of the Region 2000-2006: Objective 1
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Department for Regional Development
Department dealing with the EU Cohesion Policy within the administrative apparatus: Department for Regional Development

3.17.6 Värmland

Geographical position: South-West
Surface: 19 388 km²
Inhabitants: 248 489 (2001)  
GDP: 58 005 Mio. SEK (2001)  
GDP per inhabitant: 211 thousands SEK (2001)  
Administrative division: 16 municipalities  
Status of the Region 2000-2006: Phasing-out Objective 1, Objective 2  
Status of the Regions 2007-2013: Competitiveness and Employment  
Department answering: International Relations Department  
Department dealing with the EU Cohesion Policy within the administrative apparatus: International Relations Department  

3.17.7 Dalarna

Geographical position: Center  
Surface: 30 404 km²  
Inhabitants: 275 711 (2001)  
GDP: 61 151 Mio. SEK (2001)  
GDP per inhabitant: 220 thousands SEK (2001)  
Administrative division: 15 municipalities  
Status of the Region 2000-2006: Objective 1, Objective 2  
Status of the Regions 2007-2013: Competitiveness and Employment  
Department answering: Department for Legal and European Affairs  
Department dealing with the EU Cohesion Policy within the administrative apparatus: Department for Legal and European Affairs  

3.18 United Kingdom

For the purposes of local government, United Kingdom is divided into as many as four levels of administrative divisions. At some levels, various legislation has created alternative types of administrative division. Scotland, Wales and Northern Ireland have some form of devolved government and therefore they can be qualified as the second layer of directly-elected government under the central state. The first layer of directly elected government is the unitary and county councils. Currently there are 34 counties and 47 unitary authorities. Eight of them are AER members. County and unitary have a direct elected assembly. The Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly are also directly elected. In England, County and Unitary authorities have competences in the following domains: children services, adult services, spatial and strategic planning, roads, transportation, culture, economic development, consumer protection, waste, libraries, environment and tourism. They also have a general competence to act to promote economic, social and environmental well being in their areas.
Scotland, Wales and Northern Ireland have wider competences. Scotland has legislative powers on all those matters not reserved to the national state. Reserved matters comprise the U.K. Constitution, foreign policy, national security, fiscal policy, international trade policy, nuclear safety, certain areas of social security and employment policy, and certain areas of health policy. The Welsh Assembly and the Northern Ireland Assembly are entitled to exercise less power. The Welsh Assembly, in fact, can only make delegate legislation within the areas of its competence and Northern Ireland Assembly can legislate upon provinces although a high number of policy areas need the consent of the Central Government.

In England, Counties and Unitaries but also Scotland, Wales and Northern Ireland do not play a significant role within the decision-making processes of the central state. County and Unitary authorities can enter international agreements with other regions.

3.18.1 Devon

**Geographical position:** South-West
**Surface:** 6.707 km²
**Inhabitants:** 122 100 (2006)
**GDP:** 21 737 Mio. EUR (2003)
**GDP per inhabitant:** 19 951 EUR (2003)
**Administrative division:** 10 districts
**Status of the Region 2000-2006:** Objective 2
**Status of the Regions 2007-2013:** Competitiveness and Employment
**Department answering:** Economy, Environment and Culture Department
**Department dealing with the EU Cohesion Policy within the administrative apparatus:** Economy, Environment and Culture Department

3.18.2 West Sussex

**Geographical position:** South East
**Surface:** 1.911 km²
**Inhabitants:** 770 900 (2006)
**GDP:** 74 281 Mio. EUR (2003)
**GDP per inhabitant:** 28 907 EUR (2003)
**Administrative division:** 7 districts
**Status of the Region 2000-2006:** Objective 2
**Status of the Regions 2007-2013:** Competitiveness and Employment
**Department answering:** County Council
**Department dealing with the EU Cohesion Policy within the administrative apparatus:** Chief Executive of the County Council
3.18.3 Hampshire

Geographical position: South
Surface: 3.769 km²
Inhabitants: 1 691 000 (2006)
Administrative division: 13 districts
Status of the Region 2000-2006: Ineligible
Status of the Regions 2007-2013: Competitiveness and Employment
Department answering: Policy Unit
Department dealing with the EU Cohesion Policy within the administrative apparatus: Policy Unit

3.19 Albania

Albania is divided into twelve counties. Nine out of twelve counties are currently members of the Assembly of European Regions. Each county comprises several districts (Rreths), of which there are 36. Each district has its own local administration and governor.

The counties are ruled by an elected Assembly. The Assembly is made up of members elected in the municipal councils. These members of the regional councils are heads of communes and municipalities that fall within the territory of their individual region. Other members of the council are selected from member lists of the commune or municipal councils. Regional councils are independent body which develop strategies and implement policies in the field of regional development. To do so they dispose of their own resources which come from the State budget and inflows of communes and municipalities. The management of financial resources is governed by the resolutions of the regional councils. At present, a growth of regional financial capabilities is requested since the available resources are not enough to meet all the needs.

Regions in Albania are able to play a role, even if limited, in the decision-making process of the State. The central government, in fact, interacts with the regional assemblies and consultates with them for legal matters concerning regional activities. Furthermore, regional councils are consulted upon the draft of the state budget and they usually give advices in projects involving regional development.

Albanian regions are entitled to sign and conclude international treaties, agreements, and protocols with foreign counterparts regarding those matters falling within their competences.

Tirana and Berat, both of them AER members, are presented in this study.

3.19.1 Tirana

Geographical position: North-West
Surface: 1 802 km²
Inhabitants: 601 565 (2001)
Administrative division:
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: non EU member
Department answering: Regional Development Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Development Department

3.19.2 Berat

Geographical position: Center
Surface: 1 586 km²
Inhabitants: 193 855 (2001)
Administrative division:
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: non EU member
Department answering: Regional Council
Department dealing with the EU Cohesion Policy within the administrative apparatus:

3.20 Bosnia and Herzegovina

Bosnia and Herzegovina has several levels of political structuring under the federal government level. Most important of these levels is the division of the country into two entities: Republika Srpska and the Federation of Bosnia and Herzegovina. Since 1996 the power of the entities relative to the federal government has decreased significantly. Nonetheless, entities still have numerous powers to themselves. The Brčko federal district in the north of the country was created in 2000 out of land from both entities. It officially belongs to both, but is governed by neither, and functions under a decentralized system of local government. The third level of Bosnia and Herzegovina's political subdivision is manifested in cantons. They are unique to the Federation of Bosnia and Herzegovina entity, which consists of ten of them. Seven cantons are currently members of the Assembly of European Regions. Each canton has its own cantonal government, which is under the law of the Federation as a whole. Some cantons are ethnically mixed and have special laws implemented to ensure the equality of all constituent peoples. The fourth level of political division in Bosnia and Herzegovina are the municipalities. The Federation of Bosnia and Herzegovina is divided in 74 municipalities, and Republika Srpska in 63. Municipalities also have their own local government, and are typically based around the most significant city or place in their territory.

Cantons are led by a directly elected Assembly which have a wide range of competencies defined by the Cantons Constitution: protection of the human rights and freedoms, facilitation of the economic development, education – elementary, secondary and high education, health, spatial planning, justice, transport, communications, police, finances,
culture, tourism, return of the refugees and displaced persons into their pre-war homes, labor, social policy, protection of the invalids, warriors and families of the killed soldiers, etc. Cantons are financially autonomous and they can freely decide upon the allocation of their own resources which come from directly and indirectly taxation.

Cantons enjoy an international profile since they are allowed to sign and conclude international agreements with foreign counterparts.

The only region for which we dispose of available data is the West Herzegovina which, currently, is an AER member.

### 3.20.1 West Herzegovina

**Geographical position:** West  
**Surface:** 1.362,2 km²  
**Inhabitants:** 81.651  
**Administrative division:** 4 Municipalities  
**Status of the Region 2000-2006:** Phasing-out Objective 1  
**Status of the Regions 2007-2013:** Phasing-out

**Department answering:**  
Department dealing with the EU Cohesion Policy within the administrative apparatus:

### 3.21 Norway

Norway is divided into nineteen first-level administrative regions known as *fylker* ("counties") and 431 second-level *kommuner* ("municipalities"). The *fylke* is the intermediate administration between state and municipality. At present, ten counties are members of the Assembly of European Regions. Counties are headed by a County Council which is directly elected for a four-years mandate.

The county council can legislate upon a wide range of matters such as upper secondary school, specialist health services, regional development, including county roads and public transport, regional planning, business development, culture. Furthermore, during these last years the role of the Cantons in Norway has grown and their competencies have been widened. At present, they have a role in determining the use of central government funds for the promotion of business and industry in remote areas of the country. Finally, an important principle is in force: counties voluntarily may assume tasks or functions that have not been assigned to others by law.

Cantons enjoy a financial autonomy and their resources are composed of local taxes and revenues from the General Grant. The relationship with the central government is an active one: the Association of Norwegian regional authorities and communities (KS) has ongoing dialogue with the Parliament on legislative matters. Moreover, starting from 2000, local authorities and the central government agreed upon consultations on a regular basis.
Cantons are allowed to entertain international relations. They can, in fact, conclude international agreements concerning the areas falling within their competencies.

3.21.1 Telemark

Geographical position: South
Surface: 15,109.1 km²
Inhabitants: 166 170 (2007)
GDP per inhabitant: 231 590 NOK (2004)
Administrative division: 18 Municipalities
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: non EU member
Department answering: International Relations Department
Department dealing with the EU Cohesion Policy within the administrative apparatus: International Relations Department

3.21.2 Oppland

Geographical position: Center
Surface: 25,219.9 km²
Inhabitants: 183 037 (2007)
Administrative division: 26 Municipalities
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: Phasing-in
Department answering: Department of Regional Development
Department dealing with the EU Cohesion Policy within the administrative apparatus: No specific department deals with the Cohesion Policy within the administration

3.21.3 Østfold

Geographical position: South-East
Surface: 4,013.2 km²
Inhabitants: 262 523 (2007)
Administrative division: 18 Municipalities
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: non EU member
Department answering: International Relations Office

Department dealing with the EU Cohesion Policy within the administrative apparatus: Regional Department

3.22 Switzerland

Switzerland is a federal state divided into twenty-six Cantons. All of them are currently members of the AER. Cantons are almost “sovereign” state since they have their own constitution and they rule over their own territory and their own people. However, their powers are limited by the Federal Constitution. Cantons constitute separate legal entities and each of them is governed by a directly elected parliament, a government and a court.

Being quasi-States, Cantons enjoy a fiscal autonomy and they have a wide range of competences. In general, they have powers on all those matters not assigned to the federal government. They exercise an exclusive competence on the following policy areas: training, justice, cultural organization, taxing authority, procedural law. Shared competencies are: roads, environment, energy, social security, agriculture and research.

Cantons fully participate in the federal decision-making processes. The Federal Constitution grants them a right to participate in the legislative process via elected members sitting in the second chamber of the Parliament, the Council of States.

Regions are allowed to conclude international treaties dealing with matters of their competence. Furthermore, since 1 July 2000, the Federal Law Concerning Cantonal Participation in the Foreign Policy of the Federal Government has been in force. The object of cantonal participation in federal foreign policy is to make appropriate allowance for the interests of the cantons and to protect cantonal competences. This is to be achieved through exchanges of information, through listening to the preparation of negotiation mandates and in the conduct of negotiations.

3.22.1 Bern

Geographical position: Center
Surface: 5,958.9 km²
Inhabitants: 957.1 (2005)
Administrative division: 26 districts (399 municipalities)
Status of the Region 2000-2006: non EU member
Status of the Regions 2007-2013: non EU member
Department answering: International Relations Department

Department dealing with the EU Cohesion Policy within the administrative apparatus: International Relations Department
3.22.2 St. Gallen

*Geographical position:* North-East
*Surface:* 2,050.3 km²
*Inhabitants:* 460.0 (2005)
*Administrative division:* 88 municipalities
*Status of the Region 2000-2006:* non EU member
*Status of the Regions 2007-2013:* non EU member
*Department answering:* Chancellery of St. Gallen Canton

3.23 Analysis of the Departments answering

Each respondent region has answered to the questionnaire through a specific department which, in general, manages all the matters concerning the European cohesion policy within the region. In order to provide readable data, we gathered the departments in six categories: International relations and Foreign Affairs, Regional Development and Regional Policy, European affairs and Brussels Office, Economic Affairs, Regional Council and Others. The following graphs give an account of the number and percentage of respondent departments falling under the identified categories.

Please note that these graphs do not take into account the Region of West Herzegovina and Arad for which we do not have any available data.

Figure 4: Departments answering

![Department answering chart](chart.png)
Figure 5: Departments answering

![Pie chart showing departments answering.

The graph below analyses the respondent departments by categories and by country.

Figure 6: Departments A, B, BG, CZ, FI, FR

![Bar chart showing departments answering per country.

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Figure 7: Departments D, HU, I, LIT, N

Figure 8: Departments PL, P, RO, SK, E
Figure 9: Departments S, UK, AL, N, CH

![Department answering per country chart]

- Sweden
- United Kingdom
- Albania
- Norway
- Switzerland

Legend:
- Others
- Reg.Council
- Intern.Rel.
- Euro. Affairs
- Reg.Dev.
- Econ. Affairs
3.24 Status of Regions

Belonging to geographically and economically different areas of the European territory, the respondent regions have enjoyed different status during the last and current programming period. This chapter gives an overview of the status of the respondent regions under the 2000-2006 and the 2007-2013 programming period.

Under the 2000-2006 programming period, twenty regions were comprised in “Objective 1”, four in “Phasing-out Objective 1”, seventeen were included in “Objective 2” and seven in “Phasing-out Objective 2”. Seven out of fifty-nine regions fell under the Instrument for Structural Policies for Pre-Accession (ISPA). Ten regions belonged to non-EU member states thus not being comprised in any of the above mentioned objectives. The following figure represents graphically the share of respondent regions by objective.

Figure 10: Status of Regions 2000-2006

Under the 2007-2013 programming period, twenty-one regions fall within the “Convergence” objective, two are “Phasing-out”, two are “Phasing-in” and 28 fall within the “Competitiveness and Employment” objective. Six regions do not belong to EU member countries thus not enjoying EU funds. The following figure represents the share of respondent regions by objective in the period 2007-2013.
The graphs below illustrate the status of the respondent regions under the current programming period by objective and by country.

**Figure 11: Status of Regions 2007-2013**

**Figure 12: Status of Regions 2007-2013: A, B, BG, CZ, FI, F**
Figure 13: Status of Regions 2007-2013: D, HU, I, LIT, N, P

Figure 14: Status of Regions 2007-2013: P, RO, SK, E, S

Figure 15: Status of Regions 2007-2013: UK, AL, BIH, N, CH

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4 Analysis of results

4.1 Programming period 2000-2006

The questions analysed in particular are:

2.1. What have been the main problems encountered by your Region in the context of projects funded by the structural funds? (financial problems, problems in the payment process, implementation problems, lack of knowledge, etc.)

2.2. Do you think that the current structure (scope, beneficiaries, zoning, objectives), programming and implementation modalities of cohesion policy for 2007-2013 could solve these problems and/or improve the efficiency of EU cohesion policy compared to the last period?

What have been the main problems encountered by your Region in the context of projects funded by the structural funds?

This section will analyse replies to the public consultation regarding major problems encountered in the period 2000-2006 by structural funds. The answers are reflected under topics.

<table>
<thead>
<tr>
<th>Problems in the payment process</th>
<th>Lodz (PL), Neamt (RO), Slaskie (PL), Tolna (HU), Dalarna (S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial problems</td>
<td></td>
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<tr>
<td>Changing guidelines</td>
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<tr>
<td>Administrative complexity and bureaucracy</td>
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<td>Lack of experience and guidance</td>
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<td>Lack of knowledge and know-how</td>
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<tr>
<td>Implementation problems</td>
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<td>Too many priorities and subjects</td>
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<td>Coordination problems</td>
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<td>Lack skilled human resources</td>
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<td>Lack of organizational capacity</td>
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<td>Different categories of objective areas</td>
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<td>Lack of incitements for cooperation</td>
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<td>Lack of regional dimension</td>
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<td>Different levels of regulation</td>
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<tr>
<td>Cultural problems</td>
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</tbody>
</table>

1. **Problems in the payment process** (Lodz (PL), Neamt (RO), Slaskie (PL), Tolna (HU), Dalarna (S))

The regions of Lodz and Neamt had problems in the payment process. The lack of correctly prepared payment’s application was a reason which affected delays of expended structural funds in the region of Slaskie (many of them needed to be improved formally and financially). Payments were very slow in the region of Tolna.
In the context of the payment process, a lot of regions experienced a delay in payment, for instance Jász-Nagykun-Szolnok. The payment processes have occasionally taken too long in Lapland, NSPA and Panevezys. Very delayed payments have been encountered by the region of Presovsky, Vrancea and Bekes.

2. **Financial problems** (Lombardia (I), Limburg (NL), Madeira (P), Montana (BG), Neamt (RO), Norrbotten (S), Panevezys (LIT), Pomorskie (PL), Västerbotten (S), Wielkopolska (PL), Corse (F), Friuli Venezia Giulia (I), Veneto (I), Alsace (F), West Herzegovina (BIH))

In the regions of Lombardia, Limburg, Veneto and Friuli Venezia Giulia, financial problems arose due to the N+2 rule. One of the main problems in Madeira was the scarce financial capacity that the region met in the past period to face the dynamics encountered during the former programming period. Montana had a lack of financial flexibility caused by a very centralized budget. Neamt experienced financial problems connected with the deficiency of funds for cofinancing the potential projects. Small and medium sized enterprises (SMEs) in the region of Panevezys, especially agricultural ones, experienced co-financing problems (banks were not willing to provide loans for the EU programmes). Pomorskie had problems with the financial flow and a lack of money has been experienced by the region of Norrbotten. Västerbotten encountered problems with liquidation in projects carried out in smaller organisations and with newly established project principals whereas Wielkopolska experienced a lack of own contribution into the projects and lack of financial liquidity collateral. Alsace referred to the funds leveling and the additionality principle: the European Commission reimburses the Payment Authority with less ERDF funds than requested so that the national contributions exceed the amounts indicated in the financial model. This prevents an important «leverage effect» for European cofinancing and this also limits the possibilities of mobilizing more national contributions. Corse had difficulties in mobilizing compensations.

3. **Changing guidelines** (Burgenland (A), Kärnten (A), Deutschsprachige Gemeinschaft (B), Niederösterreich (A), Presovsky (SK), St. Gallen (CH), Catalunya (E), Zachodnio-Pomorskie (PL))

One major problem in the implementation process in Burgenland, which occured during the whole period 2000-2006, was the changing guidelines from the European Commission. On the one hand, not all guidelines have been defined at the beginning of 2000. On the other hand, once the systems have been set up, the control standard of EC (and therefore related control standard of the national authorities) was growing continuously. This remark should not go against high standards, substantially the standards should be defined at the beginning of the period. The administrative work for the regional administration in the implementation of structural funds has meanwhile grown considerably; in particular with regards to «smaller» programmes (in the European contrast) the principle of «proportionality» should be used, as Burgenland stated. In the framework of ESF, the Deutschsprachige Gemeinschaft claims the uncertainty of laws, i.e. not all implementation modalities have been defined at the beginning. During the processing of programmes, the framework changed a lot of times. This led to a lack of legal certainty to the project executing organisation in the region of Niederösterreich.
The change of the rules during the project selection and implementation has been claimed as well by the region of Presovsky. Some pivotal aspects of the legislation were developed in an uncertain way thus creating problems vis-à-vis the management and control of the funds in Catalunya. From the beginning onwards the rules were not settled in a clear way. Concerning Interreg and Objective 3, the changing guidelines of the EU during the structural period caused disorientation among clients of the region of St. Gallen.

4. **Administrative complexity and bureaucracy** (Kärnten (A), Devon (GB), Jämtland (S), Jász-Nagy kun-Szolnok (HU), Limburg (NL), NSPA, Panevezys (LIT), Pomorskie (PL), St. Gallen (CH), Tirol (A), Alsace (F), Zachodnie-Pomorskie (PL))

General administrative complexity related to changes in the programme (funding directives, finances), determination of objective areas, changes of the modalities in the financial control and the monitoring system. The downside of meticulous work methods is however the fact that it results in exacting administration. Projects generate substantial costs for controllers and accountants. The exacting administration is a result both from rules set up by the EU but also rules set up by national government, as Jämtland stressed out. Unnecessary bureaucracy leads to barriers in accessing funding in the region of Devon. Jász-Nagy kun-Szolnok claimed too much administration, partly due to the different working methods of the national and European auditing authorities. The administrative burden is very high and has consequences on the effectiveness of the projects in Limburg. The complex administration of operative programmes (especially Finland) has been claimed by the NSPA network. During the 2004-2006 period, Panevezys region has applied for a great share of the EU Structural Funds but it has faced the problem of a bureaucratic system created in Lithuania which delayed in the accumulation of all necessary documents for the project applications. Complex administrative procedures and very high administrative burdens have been experienced by the regions of Pomorskie and St. Gallen. The bureaucracy has been claimed as well by Tirol: partly indistinct or different construction of regulations, partly too late presentation of regulations (e.g. closing of programme), inappropriateness of the administrative and control work in relation to the volume of the programme, disaffection and incomprehension of project executing organization due to complexity. Alsace mentioned the N+2 rule, which requires a fast startup at the beginning of the period, a very accurate project scheduling and an attentive follow-up. This can be considered as positive for the programme implementation. However, this could turn to be negative for the quality of the approved projects since this procedure requires a too quick accomplishment of all the obligations. Moreover, Alsace added that the annual reports they have to hand in are weighty. The project responsible have to devote many hours to fill it out. The programme managers also have to work a long time in order to go through the report.

5. **Lack of experience and guidance** (Ilfov (RO), Pomorskie (PL), Devon (GB))

A lack of experience in the project management has been experienced by Ilfov and Pomorskie. A lack of guidance with targets and outputs requirements as well as lack of information and guidance on State Aid issues has been claimed by the region of Devon.
6. **Lack of knowledge, know-how and information** (Alsace (F), Jönköping (S), Kralovehradecky (CZ), Lodz (PL), Montana (BG), Neamt (RO), Panevezys (LIT), Tolna (HU), Friuli Venezia Giulia (I), Vrancea (RO))

Jönköping, Lodz and Kralovehradecky experienced a lack of capacity and knowledge in terms of how to apply for the funds and the main criteria for the funds. Lack of knowledge for the EU programmes has been a major problem for the Region of Montana in the former programming period. Lack of knowledge and know-how is the result in Neamt due to the absence of people with skills in disseminating and implementing the European information about European funds. Insufficient knowledge and practice skills lead to the insufficient use of available funds in the regions of Tolna and Panevezys. Lack of knowledge of the structural funds rules on the part of the beneficiaries has been encountered by Friuli Venezia Giulia. The absence of knowledge and experience in the field of European projects has been one major problem of Vrancea. The managing authorities are not sufficiently informed in Alsace. This leads to a more difficult daily management of the funds. Then, it is necessary that the managing authorities are better informed, in particular about the European Programmes regulation, its possible evolutions and its interpretation. Furthermore, it seems that also the State has a role to play. As responsible for the good use of the funds, it must inform its partners so that those do not have to be dependent upon other domestic networks.

7. **Implementation problems** (Kralovehradecky (CZ), Lodz (PL), Neamt (RO), Pomorskie (PL), Presovsky (SK), Slaskie (PL), Wielkopolska (PL), Vrancea (RO))

A complicated implementation structure has been experienced by the region of Kralovehradecky. There have been specific problems with implementing ESF projects in Pomorskie and Presovsky experienced a very limited involvement of the region in the implementation process. Delays in the implementation of the projects, in particular due to the lengthening of the steps in the process of public acquisition, have been encountered by Vrancea.

The main difficulties with the projects implementation in Slaskie arose due to the Polish law regulations which were more restrictive within European Funds than EU regulations. The projects implementation system was too complicated and less flexible because it had been regulated by the directives – less distinctive orders. In practice the main problem with the funds implementation was low absorption of sources. In consequence, the government decided to implement amendments of some acts to increase absorption of ERDF sources. The amendments concerned the key-orders changes such as public tenders act - the obstacles with investments beginning were limited by increasing the quote threshold of applied law. The objective was to speed up the realization of investments and to minimize formalization procedure of selecting a constructor. What is more, some changes had made an impact on time – it took less time to make a payment for beneficiaries. It happened due to implementation of directives such as in the matter of procedure and scope of reporting concerned realization of the National Development Plan, in the matter of procedure and scope of settlement and the directive of Ministry of Regional Development in the matter of procedure of control of National Development Plan 2004 - 2006 realization.

Some mistakes were made by beneficiaries at the beginning of EU funds implementation. Mistakes concerned applying, settlement, payments procedure.
The most frequent applying mistakes were:
- the finance table filled in incorrectly,
- lack of demanded annexes for application, especially for infrastructural projects, certificates were no longer valid,
- unclear costs (applying too general categories of costs prevented from checking qualified costs),
- lack of cohesion between projects and delivered documentation indispensable for realization of project.

Poorly developed (widely understood) administrative resources on regional level of Wielkopolska, represented huge problems in the implementation of funds. Implementation problems have been faced as well by Lodz and Neamt.

8. Too many priorities and subjects (Auvergne, (FR))

For Auvergne, the programming period 2000-2006 dealt with too many subjects. Even if important projects have been implemented, structural funds have financed many micro-projects which could have been also implemented by local communities without the intervention of the ERDF. This has had a negative impact on the readability of the European funds within the region. Indeed, the action of Europe is not well visible when it is oriented towards such small projects and the lever effect of the ERDF has more difficulties in being perceived if it does not reach a critical mass in term of financing.

9. Coordination problems (Lapland (FI), NSPA, Alsace (F), Wielkopolska (PL))

The coordination of projects has been a challenge due to a number of different programmes in Lapland and the NSPAs. There have been problems among the coordination on the political, technical and administrative level in Wielkopolska. The lack of coherence between the services of the European Commission and the problems of the daily management of the structural funds has been experienced by the region of Alsace. It is sometimes difficult to obtain a clear and uniform interpretation of the regulation, because it can vary according to the interlocutor.

10. Lack of skilled human resources (Lapland (FI), Montana (BG), Neamț (RO), NSPA, Pomorskie (PL))

Due to the absence of people with skills in disseminating and implementing the European information about European funds, the regions of Neamț faced severe knowledge problems. Lack of skilled project managers in Lapland and NSPAs as well as lack of qualified specialists which are prepared to operate with structural funds in Montana and Pomorskie lead to major problems in the regions.

11. Lack of organizational capacity (Madeira (P), Panevezys (LIT), Kralovehradecký (SK), Friuli Venezia Giulia (I))

On the beneficiaries' side, difficulties were felt in Madeira in the sense that sometimes beneficiaries did not have enough organizational capacity to answer in a satisfactory way to the procedures required in implementation process. Lack of administrative capacities has been faced by the regions of Panevezys and Kralovehradecky in the former programming period. There have been severe problems of allocation of competencies
within the regional administration of Friuli Venezia Giulia at the level of managing and controlling the programmes.

12. **Different categories of objective areas** (Niederösterreich (A), Steiermark (A), Tampere (FI), Värmland (S))

In the framework of comprehensive projects (e.g. cooperations, cycle ways) there have been enormous problems due to different categories of funding areas in the region of Niederösterreich and Steiermark (objective areas as disadvantage). The most pressing problem during the previous programming period in the Tampere region was that the central city region had no support status while the rest of the region was defined either as a fully eligible support region or as a transitional support/phasing-out region. Different handling of different parts of the region hindered seriously building sensible project entities by preventing the linking of all relevant actors to them. The region of Värmland added the fact that each new structural funds’ period has placed their region into new geographical zones (new objective areas) which are not always the most « natural » zones for cooperation.

13. **Lack of incitements for cooperation** (Norrbotten (S), West Sussex (GB))

The region of Norrbotten experienced a lack of incitements for cooperation in the period 2000-2006. West Sussex also encountered problems in raising awareness in the county council and amongst their partners about what funding is available.

14. **Lack of regional dimension** (Panevezys (LIT))

Upon joining the European Union in May 2004, Lithuania qualified for EU financial assistance, with Structural Fund and Cohesion Fund support. The Single Programming Document set out Lithuania’s national strategic socio-economic development plan for the 2004-2006 period. It drew on previous national economic development and sectoral-based strategy documents including the *Lithuanian National Long-term Development Strategy* and the *National Agreement for Economic and Social Cohesion*. The programme had a significant impact on the economy and on progress towards achieving social and economic cohesion within Lithuania. No regional subsidarity was created. During the 2004-2006 period Panevezys region has applied for a great share of the EU Structural Funds but it has faced the following problem: lack of regional dimension - the priority was set on the development of strategic Lithuanian projects, like the infrastructure development of Vilnius international airport and Klaipeda sea port. Centralized EU money distribution system, i.e. lack of regional dimension, precluded the start of the implementation of minor but nevertheless very important regional projects – e.g. road constructions in rural areas, renovations of school buildings, health institutions and public objects, etc.

15. **Different levels of regulation** (Wielkopolska (PL))

The complexity of structural funds drawing down system, were under the influence of different levels of regulations in Wielkopolska: among other things, national rules, which were frequently not properly adapted to the Community requirements and/or not adapted to the needs of beneficiaries.
16. Cultural problems (Veneto (I))
The application of the European rules do not take into account national specificities, as Veneto pointed out. Moreover, there have been difficulties in the creation and the spread of a European culture.

**Figure 16: Main problems encountered in 2000-2006**

Do you think that the current structure (scope, beneficiaries, zoning, objectives), programming and implementation modalities of cohesion policy for 2007-2013 could solve these problems and/or improve the efficiency of EU cohesion policy compared to the last period?
Figure 17: Improvement from the last to the current programming period

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<td>◇ Improvement of previous practices</td>
<td>◇ Loss of experience</td>
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<td>◇ Strategic objectives</td>
<td>◇ Lack of general framework</td>
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<td>◇ New objective areas</td>
<td>◇ Increased bureaucracy</td>
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<td>◇ Technical assistance, trained staff</td>
<td>◇ Lack of regional orientation</td>
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<td>◇ Coherent legal framework</td>
<td>◇ No coherence of cohesion policy with other EU policies</td>
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<tr>
<td>◇ Competence shift, regionalisation</td>
<td>◇ Financial burdens</td>
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Regions answering NO: (Berat (AL), Burgendland (A), Dalarna (S), Jämtland (S), Jönköping (S), Lapland (FI), Limburg (NL), Norrbotten (S), NSPA, Oppland (N), St. Gallen (CH), Tirol (A), Värmland (S), Västerbotten (S), Västernorrland (S), Catalunya (E), Corse (F), Vrancea (RO))

1. **Loss of experience** (Berat (AL), Jämtland (S), Värmland (S))

New objective areas, with new organisations in Sweden, consequently lead to the fact that Jämtland and Värmland do not, to any great extent, achieve new routines based on previous. The basic rules and regulations are roughly the same. The preparation and the planning of the necessary (indispensable) priorities is performed based upon the experience already achieved and passing into all the phases of technical and social discussions. The implementation phase of the defined projects becomes difficult because of the difficulties of obtaining (absorbing) of the indispensable funds in Berat.

2. **Lack of general framework** (Burgenland (A), Vrancea (RO))
Burgenland claims that also at the beginning of this period the general framework for programmes and implementation are not all established yet. This concerns regulations (which has been passed in 2006) and the procedure of composition of regulations. Corse can already observe an inability of respecting the deadlines in order to launch the operational programmes. The region cannot attract more funds if the guidelines for application are modified after the call for tender.

3. **Increased Bureaucracy** (Burgenland (A), St. Gallen (CH), Tirol (A), Catalunya (E))

The regulations of EC have higher expectations to the administrative and control system which means increased bureaucratic work (e.g. discretion of the administrative- and control system, etc.) as Burgenland claimed. Through the administrative- and control system and codification of expenditures there are new bureaucratic burdens (Kärnten). Bureaucracy is increasing instead of declining; simplifications are only for EC but not for regional authorities and the project executing organizations. The region of Tirol states as well that there is no implemented proportionality (related to the programme size). For Catalunya and St. Gallen, it does not seem that in the 2007-2013 period a simplification of the management and control system will occur. Though answering this question with “yes”, the region of Madeira added the fact that some aspects still have to be improved, such as the excessive weight of the bureaucratic procedures.

4. **Lack of regional orientation** (Jönköping (S))

The region of Jönköping favors that funds should be allocated according to a plan for implementation that is based on certain regional needs.

5. **No coherence of cohesion policy with other EU policies** (Lapland (FI))

The major problem for Lapland is that rural development policies and funds are separated from structural policies/funds. The structure of programmes is still too complicated.

6. **Financial burdens** (Limburg (NL), Corse (F))

Limburg concerned the intensive and extensive financial control and complained about the maintainance of N+2. Advanced money for the paying authority is more limited than in the previous period. As a consequence, the project actors receive less advanced money. Corse is expecting difficulties in respecting the expending rates « earmarking » (Lisbon Strategy) within a region getting out from objective 1 and having weak private research potential.

7. **National circumstances** (Västerbotten (S), Västernorrland (S))

Although the administrative systems may be improved, as Västerbotten mentioned, many of the problems originate in circumstances such as elections with a change of government and priorities, or other occurrences natural in democratic societies such as changes in project management etc. Even though the EU Commission tries to promote good practice and long term effects of conducted projects and cohesion policy, there are not enough instruments on national and regional level for this to be really effective, as Västernorrland claimed.
Figure 18: Reasons for answering "no"

Regions answering **YES** (Bekes (HU), Borsod (HU), Deutschsprachige Gemeinschaft (B), Ilfov (RO), Jász-Nagykun-Szolnok (HU), Kralovehradecky (CZ), Lodz (PL), Lombardia (I), Madeira (P), Neamt (RO), Niederösterreich (A), Noord-Brabant (NL), Panevezys (LIT), Pomorskie (PL), Presovský (SK), Steiermark (A), Tampere (FI), Tolna (HU), Friuli Venezia Giulia (I), Olt (RO), Veneto (I), West Hercegovina (BIH), Zachodnio-Pomorskie (PL))

1. **Improvement of previous practices** (Bekes (HU), Kralovehradecky (SK), Lodz (PL), Lombardia (I), Noord-Brabant (NL), Pomorskie (PL), Presovsky (CZ), Tampere (FI), Friuli Venezia Giulia (I), Auvergne (F))

Bekes expects by all means that the previous practice will be improved in 2007-2013 – from applying through disbursements to implementation - fitted to the demands and to avoid the occured problems. We can see this change already in the case of some new call for proposals. However, the volume of the change is not satisfactory, although the regions created their own regional operational programmes, which is a development. The existence of an independent regional operational programme has also been highlighted positively by the region of Kralovehradecky which underlines, however, that the national governments make the real decisions, not the regions. The same experience can be observed in Hungary: Although the regions have different regional operative programmes, the national government wants to create totally uniform procedures for the applications in Hungary with the same priorities in every region. Nevertheless, Bekes is confident that the tendency for subsidiarity should go on after 2013 because many problems can be named only on local level.
The OP elaborated by Auvergne is based on a dimension other than that of the previous period: they have given priority to main axis of work and they have developed priorities which will allow them to target specific subjects, including not only the strategy of Lisbon (innovation, competitiveness, ICT) but also crucial subjects for the territory. During the current programming period, regional governments responsible for the regional development, obtained possibility to draw their own OPs and to take part in the negotiations carried out with the EC. Regional governments are also responsible for elaboration and following the procedures. Placing the levels of managing and implementation “closer” to the beneficiary and concentration of all these functions within one institution should contribute to avoiding certain problems.

The funds reduction requires a more rigorous assignment of the funds. This means that only those projects that will prove to be important for the territory of Auvergne will be financed. It is essential to avoid the “sprinkling effect” which prevents from bringing important projects to a successful end and masks the action of Europe. Indeed, the regional priorities have been expressed within the framework of the OP. The OP of Auvergne deals with crucial topics such as environment and renewable energies, in particular after the setting up of the Auvergne Agenda 21 and it also deals with the areas in which the region has competencies. The OP is largely based on the regional strategy under the framework of the SRDE (Regional Scheme for Economic Development), the SRADDT (Regional Scheme for the Management and the Sustainable Development of the Territory) and the PRDF (Regional plan for the Formation and training Development). The OP contains an axis dedicated to the territories in order not to forget the rural dimension of the region. The OP combines the Lisbon strategic approach and regional specificity.

Lombardia underlined that the new structure of cohesion policy is more flexible and the number of measures is reduced. Furthermore, the national actionplan provides checklist(s) on how to conduct good project management (Noord-Brabant). Another important factor is that the programming and implementation system is far more simplified and based on clear procedures, criteria and preferences (Pomorskie). Simplification and decentralization of programming, management and implementation processes should indeed improve efficiency of the cohesion policy, as stated by Presovsky.

The possibilities for better effectiveness of development actions are now improved and the priorities form a more focused and balanced unity than before (Tampere). The «Lead Partner» principle will ensure a better project management as well as a quicker realisation for Friuli Venezia Giulia. A more accurate allocation of competencies among the managing, paying and auditing authorities will ensure a better management of the European programmes. However, some doubts persist regarding the implementation of European strategy which does not take into account the speed of the changes due to the globalisation that is the framework under which European regions have to work. Last but not least, the Region of Lodz and Arad are more experienced in this period than before and therefore they see an important improvement for their region.

2. Strategic Objectives (Veneto (I), Olt (RO))

The current structure improves the European cohesion policy efficiency vis-à-vis the former period in Olt since the objectives are well defined, the fields and beneficiaries are identified according to the regions needs of development. Veneto sees the advantage as
well in strategic objectives which have been defined and shared at the national and at the European level.

2. **New objective areas** (Deutschsprachige Gemeinschaft (B), Niederösterreich (A), Tampere (FI))

The efficiency of the European cohesion policy has improved for the Deutschsprachige Gemeinschaft through the expansion of new objective 2 to all regions outside objective 1. Objective areas on NUTS II level are very helpful for Kärnten as well. Moreover, through the valorisation of cross-border and interregional cooperation as independent objective of structural funds, the instrument of interregional cooperation has been strengthened. Niederösterreich highlighted the improved effectiveness through the abolishment of objective areas, which is definitely an advantage for the region. It is an important accomplishment that the region as a whole is now eligible under the objective of competitiveness and employment for Tampere and all regional actors can participate in the implementation. However, the scope of development challenges is so wide that they will not in their entirety be addressed during this programming period and problems in need of solving will remain until future periods. Also, some domestic definitions have led to certain problems concerning the implementation and financing of the programmed operations.

3. **Technical Assistance, trained staff** (Ilfov (RO), Neamt (RO), Tolna (HU))

A main role in the new period of programming for Ilfov plays the technical assistance, provided by experienced foreign consultancy firms. An increasing number of well-trained people in public administration and also in NGOs, who are able to manage the external funds by implementing eligible projects, is as well a success factor in Neamt. The region of Tolna obtained practical skills in the former period and a group of specialists were formed who are able to handle the process now.

4. **Coherent legal framework** (Neamt (RO))

The present structure of programming and the implementation methods of the cohesion policy are able to solve those pre-adhesion problems thanks to a coherent legal framework and a better implemented acquis, as Neamt highlighted.

5. **Competence shift, regionalisation** (Panevezys (LIT), Pomorskie (PL), Auvergne (F))

One of the most important advantages of the present Cohesion Policy for Pomorskie is the increasing regionalisation of programming and implementing structural funds, what leads to more regionally oriented approach.

In 2007–2013, institutions of local government rather than the ministries will decide on how to invest 12% of the whole EU structural support for Lithuania for the first time (this will amount to approx. 0.8 billion Euros). Considering the lessons from the period of 2004–2006 and proposals made by the social and economic partners, 2007-2013 EU structural support for Lithuania is going to be administered according to the new procedure (Panevezys).

Devon pointed out though that focus on regional approach may present difficulties in tackling issues at local level.
The future of the regional policy is partially based on the capacity of the regions to implement strong policies. The European strategy, if it is not applied by taking the specificities of the territories into account, will not bring a real added-value to the projects. On the long run it is essential to emphasize the territories by developing a policy which corresponds to them (Auvergne). In France, ERDF is elaborated within the OP by a regional partnership, which takes into account the specificities of the area. The ESF and the EARDF are national plans with territorial headings which do not reflect completely regional needs. It seems not very appropriate to elaborate the ESF at the national level: indeed, professional formation and training are region's competencies and it would be more appropriate to elaborate the ESF OP at the regional level. In this regard, the French regions are essential for the EU future: the construction of a social Europe is necessary if we want to build a sustainable European model on the long run. This concept has been clearly defined by the strategy of Lisbon.

Regions answering **neither yes nor no** (Kärnten (A), Devon (GB))

**Figure 19: Reasons for answering “yes”**
4.2 Programming period 2007-2013

4.2.1 Preparing the program 2007-2013

3.1. What lessons can be drawn from the experience of preparing the 2007-2013 programmes? In this context and in the light of the analysis provided by the 4th cohesion report, how far is cohesion policy adapted to the new challenges European regions will face in the coming years? For example (demographic change, climate change, etc.)

3.2. How much was your region involved in the definition of the National Strategic Reference Framework? Could it suggest its own Operational Programme? How did the negotiations go on with the national State?

3.3. What have been the major problems during the preparation of the programmes for the current period?

What lessons can be drawn from the experience of preparing the 2007-2013 programmes? In this context and in the light of the analysis provided by the 4th cohesion report, how far is cohesion policy adapted to the new challenges European regions will face in the coming years?

The following lessons can be considered:

- Lisbon and Gothenburg agenda as basis for cohesion policy
- Orientation of objective 3 to the regional needs
- Cohesion policy should focus more on demographic change, climate change and migration
- Specific needs for specific regions
- Prior completion of financial foresight
- Reduction of territorial disparities
- Decentralization of ESF
- Better preparation through gaining experience
- Importance of regional partnerships
- Structural funds have doubled the access to financial resources for regional development
- Programming demands participation of regions
- Good regional cooperation in the definition of OPs
- Missing links between ERDF and rural development
- Spatial dimension has been degraded
- Structural funds must be focussed more on competitiveness goals
- Too little focus of cohesion policy on infrastructure

- Lisbon and Gothenburg agenda as basis for cohesion policy

In general, one can say that the basis for the programmes has been the Lisbon strategy and the Gothenburg agenda which also includes considerations to climate change and demographic challenges. After 2013 their importance will increase, as Noord-Brabant
The most important thing is to put the focus on implementing objectives of the Lisbon strategy, especially in innovation sector, developing entrepreneurship and creating better labour market. Although regions have flexibility on where to direct structural funds, the Lisbon Strategy objectives must be met (Pomorskie (PL)). Generally, fulfilling the Lisbon strategy is the biggest challenge for cohesion policy.

- **Orientation of objective 3 to the regional needs**
  Concentration of funds and focussing on topics (Lisbon and Gothenburg) are important. Concerning objective 3, cross-border cooperation, there should, however, be recognized that the main objective, stated by Deutschsprachige Gemeinschaft (B), is to overcome border-related barriers. Objective 3 must orientate on the needs on the spot in border areas. Very often topics such as mobility, border crossers, languages, health, etc., which are not the core issues of the Lisbon and Gothenburg agenda, will be dealt with. The European territorial cooperation cannot be the priority instrument to reach the objectives of Lisbon and Gothenburg.

- **Cohesion policy should focus more on demographic change, climate change and migration**
  Demographic change (the ageing population) is a major issue in Western Europe which has been sidelined somewhat by the Lisbon priorities as Hampshire (GB), Limburg (NL) and West Hercegovina (BiH) pointed out even though the call from the EC to consider the demographic change, climate change etc. arrived only after the completion of the programmes of Burgenland (A). In general one can ask if regional policy should be dominated by such topics or if objectives of regional policy – cohesion among regions through economic development – should be focussed. It is possible to support interventions against demographic or climate change for example by horizontal preferences in each thematic priority but it seems that such mechanism could be only complementary to the actions on national level especially those in regulatory sphere (Slaskie (PL). The challenges posed by demographic change were widely discussed during the preparation of the OP’s and measures to address them were included in the programme. Because of the lack of money in implementing the programme, the climate change is only mentioned but there are no real possibilities to affect climate change with the help of OP’s of ERDF and ESF in West Finland.

Taking under consideration experience gained during elaboration of the regional OP and the results of the analysis of the 4th Cohesion Report, one may draw positive conclusions concerning adaptation of the policy and programmes to the global changes, as Zachodnio-Pomorskie (PL) expressed. The activities are not, de facto, focused only on the economic growth and employment, but also on the creation in this context adequate programmes that consider climate changes like, for example, supporting alternative energy sources in order to limit negative results of the climate change.

- **Specific needs for specific regions**
  Jämtland (S) underlined the very specific challenges that sparsely populated areas situated in artic climate have to fight against, and which must be handled in a very specific way, both from the community and from the regions. The region strongly recommended the community to build up knowledge/best practices, networks and a budget strand for these areas.
  The major challenges faced by peripheral areas such as Lapland (FI) and the NSPAs have not changed (distances, sparsely populated areas, depopulation, extreme natural conditions). The focus of the new ERDF program does not fully answer the needs of
these regions. For Madeira (P), one of the main challenges for the cohesion policy is the adaptation to the specificities of the European regions in a way that will enable a harmonised process of development. In this case, as outermost region, that was and still is a very important issue. The concern of difficulties in claiming regional characteristics in programme negotiations has been also expressed by the alpine region of Tirol (A).

- **Prior completion of financial foresight**
  The preparation of the programmes for 2007-2013 would have been more efficient if there would have been a prior completion of the financial foresight and therewith affiliated prior formulation of regulations and guidelines as Burgenland (A) stated. The separation of programmes to funds lead in the phase of preparation and first implementation to additional expenses (single responsible directorate generals set different emphasizes etc.), the adjustment of funds (ERDF, ESF) will therefore be hampered.

- **Reduction of territorial disparities**
  The new cohesion policy does not appear to be able to reduce the territorial disparities among European regions. It strongly privileges the economically rich areas, those well equipped in the field of infrastructures and those that already have a high potential of innovation and research, as Corse (F) expressed. Under these conditions, these areas will be the only ones which will be ready to face future challenges. This will increase the gap among European regions.

- **Decentralization of ESF**
  The ESF should be more decentralized, as far as Poland is concerned. It would be appropriate to prepare 16 separate regional ESF programmes. In a huge programme (11.4 billion €) it is very difficult to include specific problems of each region i.e. educational problems in rural areas cannot be implemented properly in urban-based regions, not to mention managing problems, as Slaskie (PL) pointed out.

- **Better preparation through gaining experience**
  The obtained experience has enabled a high level of seriousness in preparation of the programmes 2007-2013. Through a more objective analysis, a more real planning of different necessities has been done (Berat (AL)). The regional operational programme 2007-2013 has been drafted considering the experiences acquired during the 2000-2006 programming period in the Region of Veneto (I).

- **Importance of regional partnerships**
  It is very important to work in a broad regional partnership to give opportunity to “all” to make their voices heard, as the Swedish regions of Jämtland, Värmland and Västerbotten pointed out. The regional Lisbon agenda is based on EU and national set down priorities, but also on regional priorities. Both Lisbon and Gothenburg agenda are taken into account in the regional strategy. It is very important that the regions take part in the negotiations between community, state and region.

- **Structural funds have doubled the access to financial resources for regional development**
  The structural funds have doubled the access to financial resources for regional development in middle and north Sweden (NSPA). They have as well led to the increased cooperation between several players and have taught to make partnerships. Consequently this has introduced a more structured outlook regarding project
management. More and better cooperation with Norwegian neighbour regions, too. The most successful example (Middle Sweden) in project work has been the Structural Funds Regional Framework Programme, which was initiated on the broad regional collaboration. The spin-off effects of the Regional Framework Programme were immense: local development, job creation, preservation of cultural heritage etc.

**- Programming demands participation of regions**
Programming demands immense participation of regions so that implementation can better tackle problems of citizens and local authorities. Identification and analysis of problems is the prerequisite for higher efficiency of cohesion policy, as Presovsky (SK) expressed.

**- Good regional cooperation in the definition of OPs**
The West Finland cooperation area proposals for the OP’s of ERDF and ESF were prepared in good regional cooperation with different authorities. The most important questions were how to create new jobs and how to guarantee the availability of skilled workers. In addition, the system of innovation throughout the whole West Finland was seen as requiring development and strengthening, especially in the countryside (Tampere (FI)).

**- Missing links between ERDF and rural development** (Tirol (A))

**- Spatial dimension has been degraded** (Tirol (A))

**- Structural funds must be focussed more on competitiveness goals** (Lombardia (I))

**- Too little focus of cohesion policy on infrastructure**
EU Cohesion policy puts too small pressure on our regions to catch up with the EU on field of infrastructure. To satisfy those needs, the region of Wielkopolska (PL) has to balance infrastructure investment and human resources investment.

How much was your region involved in the definition of the National Strategic Reference Framework? Could it suggest its own Operational Programme? How did the negotiations go on with the national State?

The following section analyses the regional participation by country.

**Austria**
In Austria, the NSRF (so called strat.at) has been formulated under the coordination of the Austrian Spatial Planning Conference (ÖROK). Burgenland has been closely involved in this process due to the participation of the managing authority and the regional management of Burgenland. The special needs of the region (the only phasing-out region in Austria) have been taken into account. The region could formulate its own OP (in particular 2 OPs – ERDF and ESF). These OPs have been approved by the regional and the national government. The OPs haven been formulated in a broad process with involvement of relevant departments and ministries on regional and national level, economy- and social partners, environment delegates etc. Hence, there have not been formal negotiations with the national government about the content. There have been
negotiations concerning finances, which succeeded. The cooperation between national and regional authorities proceeded very well during the programming process. Involvement in the NSRF has been experienced as well by Kärnten, Steiermark and Niederösterreich, negotiations with the national state concentrated on the issues of eligibility criteria and liability processed in the reliable climate of consens. Tirol has formulated the OP independently and in partnership.

Belgium
In the framework of the federal structure of Belgium, all regions and communities have participated in the formulation of the NSRF. The Deutschsprachige Gemeinschaft has established its own ESF Programme «Employment» 2007-2013 in the framework of objective 2.

Bosnia Hercegovina
The region of West Hercegovina has been involved very little in the definition process. It could suggest its own operation programme but nobody would accept that. The whole process was slow and very difficult.

Bulgaria
All strategic programming documents of Bulgaria for participation in the structural funds for 2007-2013 are prepared with the active participation of a wider range of socio-economic partners, regional and local authorities and the civil society. The national development plan the national strategic reference framework (NSRF) and the operational programmes were subject of discussion during various public events as described in the NSRF (Burgas (BG)). Montana claimed though that they have not been involved sufficiently in the preparation of the NSRF and the OP.

Czech Republic
There is an independent Regional Operational Programme for the NUTS II Northeast (3 regions together, incl. Hradec Králové Region). Deputies of all the regions involved into NUTS II Northeast were involved in negotiations and they were represented in managing and coordination body. Now they are represented in the National Coordination Body (Kralovehradecky).

Finland
During the first step, all five regions of the West Finland Alliance announced their preconditions concerning the NSRF. During the preparation of the NSRF the regions made initiative proposals and answered the elaborate questions posed by the Ministry of Interior. The representative of West Finland regions was included in the preparing group of the NSRF. The West Finland OP for ERDF was drafted and the preparation work coordinated by the Council of Tampere Region in constant cooperation with other four regions. Negotiations with the authorities of the state (including the ministries of Interior, Trade and Industry, Education, Labour, and Environment) were open and encouraging. The West Finland OP for ESF was prepared by the Employment and Economic Development Centre of Southern Ostrobothnia. The preparation process was held quite strictly under the guidance of the Ministry of Labour, but regional participation was possible to a degree. For Lapland, as a member in national steering group, the process was slow.
France
The Corsican territorial collectivity gave its opinion on the NSRF, under the framework of a national consultation carried out by the DIACT. Corse has an Operational Programme, a rural development programme (financed by the EARDF), but belongs to a national plan as far as ESF and the FEP are concerned. The negotiations took place between the State (decentralized services) and the CTC under good conditions.

Hungary
Hungarian regions were involved in the overall process of planning and negotiating. However, in this process Regional Development Committees had more decisive roles compared to the counties. As it was stated in the letter of the Association of Hungarian Counties, the general assemblies of the counties have elected members, whereas in Regional Development Committees elected politicians are in minority (Jász-Nagykun-Szolnok). Tolna could not suggest its own operational programme, they only could make comments on the draft document during the discussion process but none of their proposals were taken into account.

Italy
The National Government of Italy has established several groups in charge of drafting the National Strategic Reference Framework. Representatives from Friuli Venezia Giulia took part in the working groups. The operational programme has been adopted in concert with the National Government. The regions of Veneto and Lombardia have actively participated to the elaboration of the NSRF and they have been able to turn their objective into practical actions.

Lithuania
Every region had the right to take part in the definition of the National Strategic Reference Framework in Lithuania. The wish of Panevezys was to achieve regional subsidiarity absorbing the EU financial support, but it could not suggest its own operational programme. The Governor of Panevezys County, is a member of the Monitoring Committee which is responsible for the implementation of below indicated operational programmes of the Lithuanian 2007-2013 EU structural support strategy. The Committee is an interdepartmental institution comprised from the secretaries and officials of different ministries, governors of 2 Panevezys and Siauliai Counties, chambers of commerce, industry and crafts, the confederation of the Lithuanian industrialists, association of the Lithuanian municipalities, etc.
Total allocation of EU structural assistance for Lithuania for the period 2007-2013, provided from the European Social Fund, European Regional Development Fund and Cohesion fund, amounts more than 6.6 billion Euros. This equals to an additional annual state budget. ES structural assistance for Lithuania for the period 2007-2013 will be allocated in accordance with national Strategic Reference Framework for Lithuania for 2007-2013 (approved the European Commission on April 26, 2007) and with operational programs for implementation of this strategy.

Poland
Pomorskie was largely involved in preparing NSRF on the level of proposing changes during public consultation of the NSRF (and operational programmes within NSRF). All regions were also consulted at the stage of preparing draft suggestions. Pomorskie has its own regional operational programme, which was negotiated firstly with the Polish
Government (Ministry of Regional Development) and then with the EC. The region is also involved in two ETC programmes and regional component of OP human capital.

The region of Slaskie claimed that regions were more on client than partner position and most of their suggestions were not taken into account. Slaskie had no part in defining the system of operational programmes. Wielkopska and Lodz have prepared their ROPs for 2007-2013. Zachodnio-Pomorskie pointed out that operational programme is an autonomous task of each region and that it is logical that it must, to some extent, be consulted with the EC or MRR in order to optimize impact of the ROP for the development of each region. Such process was in such way also executed in their region.

Portugal
Madeira has been represented, at governmental level, in the NSRF working group, during the different steps of the preparation of the NSRF, through the participation in consultations, discussions and meetings. When applicable, since the autonomous regions of Portugal were given a rather different status compared with the regions of the mainland, some of the orientations, drawn at the NSRF working group level, were integrated and/or duly adapted at the regional level.

Romania
The Bucharest – Ilfov Region was a main partner in elaborating NSRF, offering information and previews on their regional reality. At national level, the negotiations took account of the position of each segment of the society: public administration, private companies, NGOs, civil society. Vrancea has been involved at the formal level, however, none of the observations made by the regions have been taken into account. Olt, Arad and Mures have been consulted during the National Stratégical Reference Framework elaboration process. Neamt had an advisory role.

Slovakia
The involvement of the region Presovský was very limited and its suggestions were taken into account only under pressure of the European level. A single regional OP was accepted for whole Slovakia. The negotiations with the national state were difficult.

Spain
The regional government of Generalitat de Catalunya has modified the NSRF and has elaborated the most part of the operational programme ERDF 2007-2013 for the Catalunya region.

Sweden
In Sweden a dialog started as a result of the Cook report (half time evaluation on the Lisbon strategy), a draft national strategy for regional development served as the start of a dialog between the national level and regional level discussing how the Lisbon strategy best could be implemented in regions in Sweden. The regions presented their certain regional possibilities and challenges which was taken into consideration in the final national strategy for regional development. This meant for Norrbotten that the specific challenges in the region with sparsely population, cold climate and long distances within the region and to the market were heard. Jönköping claimed though that regions were asked to give a statement when the general document was already formulated. Then Jönköping and Värmland were able to, with the general criteria in mind, give an opinion on what types of project they thought would be fruitful to work with at a regional level.
The region of Jämtland and Västerbotten were involved in a so-called “reference group”, a group representing all of north Sweden. The regions in north Sweden also prepared a report on “sparsely populated areas” used as facts in their negotiations with the national government. Dalarna has suggested their own Operational Programme, which (of course) had to comply with the other OPs and the national one. Negotiations with national level went on fine.

**The Netherlands**

The intentional negative disposition of the national state caused some delay in the NSR. The region of Limburg has had a sufficient influence on the establishment of the NSR. Limburg was participating in meetings between D2 regions and the member state at set times.

Limburg has had a strong influence on the establishment of the D2 program of the South of the Netherlands and the D3 program Euregion Maas-Rijn and Flanders-Netherlands.

There was consultation and one could respond to certain developments. Noord-Brabant could also suggest its own operational programme.

**UK**

Hampshire was not involved in the process. Due to the political organisation in England, directly elected members at the county level are not involved in this process, which takes place at the regional level.

West Sussex has also had very limited participation in the definition of the National Strategic Reference Framework because their elected members at the county level are not involved in this regional process. They can only lobby.

**NSPA**

In Finland the regional councils had a member in the national steering group of NSRF. However, the planning process was extremely slow.

In middle and north Sweden there were some problems with the liquidation of some projects carried out by smaller institutions.

What have been the major problems during the preparation of the programmes for the current period?

- Short time for preparation, delays
- Lack of coordination among different EU policies and programmes
- Lack of communication
- New objective status
- New regulations for structural funds
- Difficult process of defining a joint strategy among regions
- Political instability
- Stress ratio between Lisbon agenda and national conceptions
- Limited partnership with the national state
- Lack of a bottom-up approach
- Limited flexibility
- Reduction of financial resources
1. Short time for preparation, delays (Jász-Nagykun-Solnok (HU), Kralovehradecky (CZ), Madeira (P), Panevezys (LIT), Pomorskie (PL), Tirol (A), Tolna (HU), Zachodnio-Pomorskie (PL))

Jász-Nagykun-Solnok and Pomorskie claimed the relatively short time for the preparation-discussion periods. The Czech Ministry of Regional Development was not able to provide Kralovehradecky with new methodology conceptions and necessary materials for preparation of the programme in time. The main problems were the several delays related to the whole negotiation process and on the succeeding procedures in Madeira that lead to the implementation of the programmes. It took as well much time in finding optimum solutions for the operational programs (contents, quantity, etc.) among the ministries, governmental institutions, researchers, agencies, etc. in Panevezys.

The late availability of final legal basis has been claimed by Tirol. Unclear and delayed elaboration of these regulations by the responsible institutions resulted in delays during works on the ROP, and frequent changes did not allow for faster elaboration of the programmes for Zachodnio-Pomorskie. At local level the actors started to take steps late in Tolna (who still do not understand the structure of the process).

2. Lack of coordination among different EU policies and programmes (Lapland (FI), Noord-Brabant (NL), Norrbotten (S), NSPA)

ERDF/ESF coordination did not fully work on national level in Finland. The synchronization of the European Agricultural Fund for Rural Development programme with the objective 2 programm was a problem in Noord-Brabant. In advance on e had to exclude certain subjects/themes from EARDF or objective 2. It was not possible to have the same subjects/themes in both. Solution would have been preventing double financing (from either).

The challenges preparing the programmes for the current period in Norrbotten has mainly been the fact that there are several parallel programs in the region that complement each other but also can cause problems due to several parallel goals and several actors when implementing these programmes.

3. Lack of communication (Ilfov (RO), Oppland (N), Vrancea (RO))

Sometimes there was a lack of communication between central and local government of Ilfov. In Vrancea the lack of communication between the managing authorities, the intermediate bodies and the beneficiaries lead to problems.

4. New objective status (Corse (F), Värmland (S), Norrbotten (S))

Getting out from objective 1, Corse had to face the reduction of the rates of intervention of Europe, the need of conforming itself to the strategy of Lisbon (rate of earmarking of 60%), and the ineligibility of the infrastructures which had constituted, during the previous programming period, the majority of the interventions.

The NUTS areas are not always compatible with the “natural” (existing) structures (Värmland and Norrbotten).

5. New regulations for structural funds (Burgenland (A), Zachodnio-Pomorskie (PL))

New regulations for the structural funds e.g. separation of ESF and ERDF have been a problem in Burgenland. The EC stated concrete requirements how a programme should look like during the negotiations. These requirements have been higher than the requirements of the regulation for Burgenland. The major problem during the preparation
of the programmes for the current period for Zachodnio-Pomorskie (PL) were connected with the lack of detailed guidelines and regulations.

6. **Difficult process of defining a joint strategy among regions** (Tampere (FI))
   There are big differences in development challenges and strategic strengths between different parts of West Finland. The main problem was to make a joint strategy and agree upon common objectives for all five regions (especially between cities and remote rural areas) in the Alliance area without generalizing too much and without producing too detailed (i.e. rigid) a programme for the next seven years.

7. **Political instability** (Neamt (RO), Pomorskie (PL), Veneto (I))
   The major problem of the preparation period in Neamt was the political instability which had for consequence that some program negotiations had to be repeated. There have been difficulties in reaching an agreement on the NSFR due to the political elections held in Italy and political changes in Pomorskie.

8. **Stress ratio between Lisbon agenda and national conceptions** (Niederösterreich (A))
   There is some kind of tension on successful regional policy between the Lisbon Strategy of the EU and the conception of Austria / NÖ. Therefore in Austria there are additional issues in the programmes, e.g. endogenous regional development, tourism, etc.

9. **Limited partnership with the national state** (Presovsky (SK))
   Presovsky asked for a bigger role of the region in the implementation process.

10. **Lack of a bottom-up approach** (Hampshire (UK), West Sussex (GB))

11. **Limited flexibility** (Tirol (A))

12. **Reduction of financial resources** (Veneto (I))
Figure 20: Main problems in the preparation of programmes 2007-2013

Main problems in the preparation of programmes 2007-2013

- Short time for preparation, delays
- Lack of coordination among different EU policies and programmes
- Lack of communication
- New objective status
- New regulations for structural funds
- Difficult process of defining a joint strategy among regions
- Political instability
- Stress ratio between Lisbon agenda and national conceptions
- Limited partnership with the national state
- Lack of bottom-up approach
- Limited flexibility
- Reduction of financial resources
4.2.2 Implementation

3.5. Which problem does your region face at the moment with regards to structural funds and their implementation?

3.6. How would you describe the impacts of abandoning the zoning policy on your region?

3.7. The EC gave criteria to the Member States on the basis of which they should redistribute the money (since zoning was abandoned). Is that an advantage according to your region?

3.8. Earmarking: are the categories of expenditures as laid down in the Council regulation satisfactory?

3.9. Please describe the polycentric development of your region. Do you encourage urban/rural development? Please specify.

3.10. Following the appraisal of the previous questions, what is your assessment of the policy management system for the period 2007-2013?

3.11. What role does your Region currently play in the management of EU funds? Is it a managing authority or is it represented in the managing authority?

Which problem does your region face at the moment with regards to structural funds and their implementation?

- Administrative challenges
  - Problems with operational programme
  - Lack of financial resources
  - Delays
  - Lack of experience
  - Lack of regional dimension
  - Lack of staff
  - Lack of democratic input
  - Lack of regulations concerning the state aid
  - Lack of updated statistical data

For Burgenland, Kärnten and Jämtland, the administrative challenges, requested descriptions for the EC, waiting for approval of directives, heavy administration for calls and the definition of eligible expenditures for objective 3 represent the largest burdens. Limburg has the problem to inspire the project actors in developing projects despite the enormous administrative paperwork. The transition of two programming periods should be smoothly by an earlier preparation of the coming phase as Deutschsprachige Gemeinschaft pointed out. Pomorskie has the problem of fulfilling formalities with the
programmes launching whereas St. Gallen is facing the challenge of different legal systems.

- **Problems with operational programme** (Corse (F), FVG (I), Neamt (RO), Oppland (NO))

In Corse the OP has not been adopted yet because of a problem of eligibility of a measure related to the elimination and the valorization of waste. Friuli Venezia Giulia is experiencing at the moment problems of definition regarding the text of the operational programme on the part of the European Commission. Neamt is confronted with a too long period for preparing the regional operational program for the implementation of structural funds. For Oppland, as a non-EU member, it was not clear from the beginning in the OP if Norway could be a Lead Partner for Interreg IV C or not.

- **Lack of financial resources** (Jämtland (S), Jász-Nagy kun-Szolnok (HU), Lapland (FI), NSPA, Tampere (FI), Tolna (HU), Värmland (S), Vrancea (RO), West Hercegovina (BIH), Zachodnio-Pomorskie (PL))

Jämtland, Värmland and Jász-Nagy kun-Szolnok are facing the lack of co-financing money and shortage of own financial resources. The municipalities of Lapland have difficulties to co-finance projects because of week economical situation. The financial framework for the implementation requires a substantial proportion of municipal funding, but the ability to cover the requirements in many municipalities e.g. in Tampere is poor. In addition, due to the technical composition of the financial tables, the biggest responsibility in municipal funding ultimately lies with priorities where the municipalities by definition have the least interest to participate in. This predicts difficulties for utilising all available resources as well as for fulfilling all the programme’s objectives. Tolna experiences slow payments which are about 8-9 months late. Financial resources are insufficient to support the projects costs in Vrancea and there are big needs of development which have to be addressed using few financial resources.

- **Delays** (Madeira (PT), Niederösterreich (A), Västerbotten (S), Vrancea (RO), Wielkopolska (PL))

The transition process from one programming period to another originates delays inherent to the negotiation process itself, to the EC and to the subsequent procedures required, such as the whole legal and regulatory framework necessary to the real begin with the implementation course of action. Vrancea has difficulties in drafting the projects since the guidelines are not fixed once for all. Niederösterreich claimed the uncertainty among the start of programmes (long delays due to comprehensive presentation of the administrative and control system), herewith affiliated uncertainty among the beginning of eligibility, payment of ERDF and start of monitoring. The late implementation of the objective 2 programme in the region of Västerbotten has meant that there is an extremely high number of applications in the first application round. Due to delays in implementation of programme in 2007, Wielkopolska will not be able to announce competitions in the year 2007.

- **Lack of experience** (Mures (RO), Panevezys (LIT))
Romania being a new member state, the region of Mures faces lack of experience regarding the implementation of structural funds. In Panevezys there is a lack of experience in this field as SF are being implemented for the first time. New structures and procedures had to be developed in the short period of time and they were not tested in practice. The experience gained in managing the EU pre-accession assistance was not entirely relevant.

- **Lack of regional dimension** (Panevezys (LIT))

For the period 2004-2006 Lithuania - as well as other new member states - decided to implement SF through a centralized system, which is a “mix” of characteristics of “differentiated” and “integrated” administrative framework. (For instance, both EU and national expenditure are managed through a number of budgetary programmes designed specifically for the purpose of financial management. Also new bodies were established to perform specific functions of implementing agencies. Yet the functions of intermediate institutions were attributed to the ministries.)

Although this centralized mixed system has advantages from the efficiency point of view, the lack of regional dimension also means that the system is “far” from the applicants.

Only two implementing agencies – Lithuanian business support agency and National paying agency – have a network of regional units, which are delegated technical responsibilities in project selection process. The rest of the implementing agencies have only national offices.

The SF administrative system in Lithuania is complex. European Commission also noted this in its comments to the managing authority regarding the National Strategic Reference Framework for 2007-2013.

- **Lack of staff** (Ilfov (RO), Montana (BG), Veneto (I))

Ilfov, Montana and Veneto have a lack of qualified human resources to implement projects.

- **Lack of democratic input** (West Sussex (UK))

West Sussex is not eligible to apply for structural funds despite the fact that we have several very deprived areas along the coastal strip of the county. The lack of democratic input into the management of the funds is a major problem, as decisions about structural funds and their implementation in the UK is made at the regional level.

- **Lack of regulations concerning the state aid** both on national and on European level as well as lack of the law regulating details of the public-private partnerships (Zachodnio-Pomorskie (PL))

- **Lack of updated statistical data** (Zachodnio-Pomorskie (PL))

The data presented are not in compliance with the data needed to monitor operational programmes.
How would you describe the impacts of abandoning the zoning policy on your region?

Positive impact

Kärnten (A), Catalunya (E), Deutschsprachige Gemeinschaft (B), Limburg (NL), Mures (RO), Niederösterreich (A), Noord-Brabant (NL), NSPA, Tirol (A), Zachodnio-Pomorskie (PL)

Niederösterreich refered to the fact that now projects can be realized also outside the former objective areas, which are decisive for the international competitiveness of the whole territory and a simplified process of cross-border, networked projects. The ending of limitation to sub-programmes and the focus on quality projects is very positive for Noord-Brabant. The NSPA also welcomes the abandoning of the zoning policy, since new systems create better opportunities to plan and implement large strategic projects crossing the municipal and regional borderlines. The former rigid zoning criteria in relation to the inhabitants did not lead to appropriate results. Therefore it is better, to make regional focusses at own responsibility, as Tirol stated. Another positive factor is the support of measures in central areas, which have regional broad effects.

Mixed

Friuli Venezia Giulia (I), Tampere (FI), Ilfov (RO)

This change will limit the concentration of the interventions and would generate a plurality of smaller projects vis-à-vis the 2000-2006 programming period. On the other hand the
quality of the projects could increase since we will be able to choose among a larger number of project proposals, as Friuli Venezia Giulia pointed out. In principle the abandonment of zoning allows remarkably wider mobilisation of know-how and resources as well as improving the coordination of development efforts, as the strong central region (Tampere) with its key actors (universities etc.) can now join the implementation in concert with actors from the remoter parts of the objective region. Unfortunately, certain restrictions within the programme structure (e.g. the handling of thematic issues) limit the actual possibility to carry out joint measures with central and remote parts of regions, as Tampere stated. Ilfov does not see a major impact for the region.

**Negative impact**

Tolna (HU), Wielkopolska (PL)

Wielkopolska argued their negative approach with the fact that abandoning the zoning policy will cause unnecessary growth of unhealthy competition between regions and growth of influence of government and national institutions, which will limit the independence of regions.

The rest of respondents are either not affected by the abandonment of zoning or have no experience in this field.

**Figure 22: Impact of abandoning zoning**

The EC gave criteria to the Member States on the basis of which they should redistribute the money (since zoning was abandoned). Is that an advantage according to your region?
YES

Deutschsprachige Gemeinschaft (B), Jämtland (S), Mures (RO), Olt (RO), Vösterbotten (S), Veneto (I), Vrancea (RO), Wielkopolska (PL), Tampere (FI), Noord-Brabant (NL), Niederösterreich (A), Lombardia (I), Limburg (NL), Ilfov (RO), Steiermark (A), Zachodnio-Pomorskie (PL), Dalarna (S)

The criteria which are used by the member states fit perfectly well with the ambitions on regional level (Limburg), which go beyond the zoned areas as used in the past. The statistic indicators of the member state have targeted the new programming taking into account the economic dimension of the region, which is definitely an advantage for Lombardia. As highly developed region, Ilfov hopes to get more funds from re-distribution. Now projects can be realized also outside the former objective areas in Niederösterreich and Steiermark, which are decisive for the international competitiveness of the whole territory. It is important for the Netherlands to secure the Lisbon objectives. They should proceed from regional strengths, not regional ‘weaknesses’. The new period makes it possible for Tampere to use the know-how and other resources of the actors in the Central Tampere region in the implementation of the programme, which under the previous period was ruled out as an eligible area. The zoning was a severe hindrance in the Tampere region during the previous period. Taking into account the capacity of attracting funds, the region of Vrancea has the chance to use the funds that other regions won’t spend.

NO

Catalunya (E), Friuli Venezia Giulia (I), Lapland (FI), NSPA, Tolna (HU), West Hercegovina (BIH)

The concentration of resources remains an objective of the regional policy and strategy in the field of European structural funds and the abandonment of the zones does not support this approach, as Friuli Venezia Giulia expressed. Furthermore, the redistribution of the money should be made according to the bottom-up initiatives.

Mixed

Burgenland (A), Kärnten (A), Jönköping (S)

This is a step towards a different approach when it comes to the budgetary process and how we decide upon the criteria for allocation of structural funds and cohesion policies in general (Jönköping).

All other regions are not affected by the zoning policy or are not able to answer this question at this stage.
Earmarking: are the categories of expenditures as laid down in the Council regulation satisfactory?

The following regions are satisfied with categories of expenditures:

- Arad (RO), Burgenland (A), Kärnten (A), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Kralovehradecky (CZ), Lapland (FI), Limburg (NL), Lodz (PL), Lombardia (I), Mures (RO), Neamt (RO), Steiermark (A), Noord-Brabant (NL), NSPA, Olt (RO), Slaskie (PL), Tampere (FI), Värmland (S), Västerbotten (S), Vrancea (RO), Wielkopolska (PL), Tirol (A), Zachodnio-Pomorskie (PL), West Hercegovina (BIH), Dalarna (S) Deutschsprachige Gemeinschaft (B) underlined though that in practice there are regular interferences hence the classification of categories is not always clear. Kralovehradecky (CZ) added the fact that, as a new EU member, they are not obliged to earmarking but they bound to it voluntarily. Norrbotten (S) underlined that their specific handicaps and challenges are met in the following text from the regulations: “The problems of accessibility and remoteness from large markets confronting areas with an extremely low population density, as referred to in Protocol 6 on special provisions for Objective 6 in the framework of the Structural Funds in Finland and Sweden to the 1994 Act of Accession, require appropriate financial treatment to offset the effects of these handicaps. The outermost regions should benefit from specific measures and additional funding to offset the handicaps resulting from the factors referred to in Article 299(2) of the Treaty.”

7 regions are not satisfied with the earmarking policy for the following reasons:
Madeira considers that more importance should be given to the expenditures related, for example, to the environmental issues, in particular, in the categories of expenses that concern the environmental protection and risk prevention in their several domains, including the infrastructural one. About this last aspect, infrastructural, they draw the attention to their relevance to achieve sustainable growth and to thus enable effective concretization of the EU strategic orientations in order to strengthen the synergies between environmental protection and growth. The criteria provided by the EU do not sufficiently represent the foreseen activities in the framework of objective programmes in Austria especially Niederösterreich. Whereas other areas, for instance ITC, will be strongly differentiated, other measures which are important for regional development (e.g. establishment of technology centres, clusters) cannot be assigned to the EU categories. In general, it would be necessary to add more specific categories of expenditure in certain fields such as transport, culture, health and welfare. It would also be necessary to add different specific categories for the territorial cooperation programmes which are able to reflect their specificity, as Friuli Venezia Giulia stated. Jönköping underlined that there is nothing wrong with the expenditures in itself and its categories- it is the system of allocating the funds that should be revised and maybe replaced by a different system. Pomorskie proposed to add the categories of road transport, public transport, revitalisation programmes and waste management to the current categories. Furthermore, Presovsky suggested to add the VAT (exception until 2010 for the new member states) and adopt the N+3 rule. Last but not least, Veneto region suffers from a lack of transport and telecommunication infrastructures (for instance broadband). Hence the categories for these fields should be comprised into the earmarking even for the regions falling into the “Competitiveness and Employment” Objective.

Figure 24: Are the categories of expenditures satisfactory?
Please describe the polycentric development of your region. Do you encourage urban/rural development? Please specify.

The regions of Berat (AL), Corse (F), Hampshire (UK), Jász-Nagykun-Szolnok (HU), Kralovehradecky (CZ), Mures (RO), St. Gallen (CH), Telemark (NO), Ostfold (NO), Friuli Venezia Giulia (I), Lapland (FI), Vrancea (RO), NSPA, West Sussex (UK), Dalarna (S), Olt (RO) and Zachodnio-Pomorskie (PL) encourage both urban and rural development and their development strategy has the overall aim to reduce the gap between rural and urban areas. A polycentric development is a key element of their region’s development policy.

The following section comprises selected examples for a polycentric development.

**Arad (RO)**
The West Region has two major development poles: Timisoara and Arad. These cities have the capacity to act as catalysts for the development of the entire region. Besides these major development poles there are a number of other urban settlements of lower importance, which can also act as promoters of growth (e.g. Deva, Resita). Rural and urban development is actively encouraged by regional decision makers, in this respect there have been stipulated pragmatically solutions within the regional development plan concerning urban and rural development.

**Pomorskie (PL)**
Pomorskie ROP has a special priority axis for developing urban areas (especially integrated revitalisation ad public transport) and, as well, two special axes for local development, where local infrastructure is supported. Pomorskie ROP has also some preferences, which separate support for rural areas and urban areas, which is done to avoid unfair competition between un-equal units. It should be also stated, that investments creating accessibility to/from urban areas, which are in the scope of Pomorskie ROP, will also help to develop rural areas.
Pomorskie can also develop its rural areas within other programmes, such as operational programme financed by the Common Agricultural Policy or, to some extent, OP Human Capital. On the other hand, Pomorskie urban areas can benefit heavily from other ERDF Operational Programmes: OP Infrastructure and Environment and OP Innovative Economy.

**Madeira (P)**
Territorial cohesion and urban/rural development are included in the strategy and in its operational instruments set for their Region. The structure of the regional territory is mainly concentrated in the regional capital, Funchal, which, besides constituting the preferential localization of regional administration, corresponds as well to the biggest concentration pole, both of production activities and of private and public services of the Region.
Without jeopardizing the continuity of the relevance of Funchal, as the capital in the regional arena, as well of main agglomerating centre in the metropolitan area, which comprises four main populations, the prosecution towards more territorial cohesion at regional scale determines the necessity to further develop public actions, targeted to the progressive consolidation of three other main urban systems.
Concretely, they refer to the north coast (comprising three main populations), to the west coast (embracing other three), and to Porto Santo, the other inhabited island apart from
Madeira. These three urban zones shall assume an important sub-regional role by contributing to the strengthening of their functional integration in the economic, social and administrative systems of the Region.

**Norrbotten (S)**
The region has a “regional program for development”. This program aims at having a “within – the - region - balance” which means that policymakers have to consider the whole regions including the urban and rural dimension when working with regional development. Though when it comes the EU-programs for rural development, the view is that these programs could benefit of having a higher aim towards growth with innovative ideas and new solutions.

**Panevezys (LIT)**
The last five decades in Lithuania was a period of intensive urban development. Lithuanian cities evolved in a polycentric way. As a consequence, a network of five large cities was formed and convenient communications among towns were established. Vilnius, the European Capital of Culture 2009, is open to contemporary culture and art; the newest scientific and technological ideas meet in Kaunas, which is well-known as a logistics, industrial and knowledge economy city; the port city of Klaipeda offers endless improvisation of new business ideas; Siauliai is distinguished by quality education and high-level industry, whereas Panevezys is starting in a new direction and aims to become the region’s business leader and it is expected to evolve as an important hub of transit and logistics. In order to expand the urban network further, closer cooperation among cities is being promoted. The newly established Vilnius and Kaunas Region has united the forces of the two largest cities and will increase the economic potential of the whole country. A sustainable and polycentric urban system opens more opportunities for investors to choose the best location and conditions for their business. Panevezys region is located in the North-Eastern Lithuania, midway between two Baltic capitals – Vilnius and Riga. It has the population of 299,000 and occupies the area of 7.881 sq. km. Via Baltic highway passes the region and connects it to many Scandinavian and Western European countries. Panevezys is the regional centre - a metropolitan city, and it is among the five largest cities of Lithuania (115,000 residents).

**Ilfov (RO)**
The region is depending on the development of Bucharest, the main Romanian city. Around Bucharest, there are growing several small or medium towns and some villages which try to develop some specific profiles in order to support a harmonised regional development.

**Tampere (FI)**
The region has one strong, diversified central city (Tampere) with its surroundings and several smaller economically more or less one-sided towns. The development is polarized - while the central region of Tampere is experiencing growth and economic development, the remotest sub-regions are losing population and having troubles e.g. in business development and recruiting of skilled workforce. The growth of the central region has trickled down to the remotest regions, but slowly. Sub-regional specialization and knowledge-transfer/induction have been promoted in order to support endogenous growth, with moderate success. Rural development issues remain important in the regions’ fringe areas.
Zachodnio-Pomorskie (PL)
Regional development needs to maintain and develop the following directions of support:

◊ Large urban centres (Szczecin, Koszalin). Attention is paid on infrastructural investments that create favourable conditions enabling these centres to compete on national and European level.

◊ Regional poles of growth (from 20,000 to 100,000). Complementary actions in the area of social and technical infrastructure that provide favourable conditions for migration from rural areas to urban ones in the region and for attracting the investors.

◊ Rural areas: Actions focused mainly on education and access to knowledge (high quality of education, light pipe or radio Internet, access to services in the poles of growth) and infrastructure development that liquidates situation of areas lagging behind and that rises quality of life and health condition of the inhabitants.

During new financial perspective 2007-2013 the region will benefit from EU funding devoted to the regional development, particularly from the ROP of the Westpomeranian region, in which one of the priorities is building development potential of the Szczecin Metropolitan Area created by the municipality and city of Szczecin the City of Stargard Szczeciński and 11 neighbouring municipalities.

Tirana (AL)
Region of Tirana is trying to have a polycentric development, achieving it through boosting the urban development of the communes and municipalities within its jurisdiction. Due to the geographical, demographical and social characteristics of the region (mild climate, low relief, concentrated and mixed population, strong migration rate, relatively high education level of human resources, good accessibility to national and secondary roads) the trends of development go strongly towards the urban development of the nearest rural zones around Tirana city and coastal communes around Kavaja town. Few lagging behind remote communes have the trend to further develop rural characteristics.

Limburg (NL)
The province of Limburg consists of a densely populated southern half (about 650,000 inhabitants), and a more scarcely populated northern half (about 450,000 inhabitants). In the southern part there are two conurbations (Parkstad Limburg and Sittard-Geleen) and a major city (Maastricht), surrounding the high value National Landscape Zuid-Limburg. These cities are working together in the Tripool, which in itself is part of the cross border urban area of MAHHL (Maastricht, Aken, Heerlen, Hasselt en Luik). The key problems in the development of this Tripool-area are the population decrease and the limitations which are put upon further development by the national borders. Problems which may be turned over in chances.

The northern part of the province can be characterized as an industrial/rural area, with Venlo as the primary urban centre and logistic node in international transport. This area (Greenport Venlo) is also highly specialized in production, furthering and R&D of fresh and food products. Both rural and urban developments are encouraged. On the urban side the task is complicated by the fact that urban development makes a quite different challenge under conditions of population decline as compared to growth. In rural areas recently a policy switch has been applied: from a more or less restrictive policy of mere protection against urbanisation, to a more development-orientated policy, by which under strict conditions certain ‘urban’ developments are tolerated, only if they contribute to an improvement of the rural environment.
Oppland (NO)
In Oppland, there is a need to encourage both. In particular rural development is an issue, in order to keep young people or make them come back. In the same line, Oppland considers the further development of Universities and jobs for highly educated people as crucial. In urban development, Oppland encourages branding, such as winter sport region and cultural events (Lillehammer).

Slaskie (PL)
Slaskie is the most urbanized region in Poland with around 80% of population living in cities. In the centre of the region there is located Upper Silesian Agglomeration which consists of 14 neighbouring large cities, its population amounts to over 2 mio. Other parts of the region are also organised around 3 agglomerations of regional size.

The following map provides an overview of the current polycentricity index in Europe:
Figure 25: Polycentricity index in Europe

Based on indicators for each of the three dimensions (size, location, connectivity), a comprehensive index of polycentricity was constructed for 26 countries. The most polycentric countries are Slovenia, Ireland, Poland, Denmark and the Netherlands.
though they are so for rather different reasons. Slovenia and the Netherlands have a high score for all three dimensions, Poland has a balanced size distribution and Ireland and Denmark have a good distribution of FUAs (functional urban areas) over their territory. Other countries generally thought to be polycentric score less well because they are deficient in one of the dimensions, e.g. Italy, Germany and the UK where cities are concentrated in one part of the country. The most monocentric countries are Norway, Finland, Spain, Hungary, Portugal and Sweden.

Following the appraisal of the previous questions, what is your assessment of the policy management system for the period 2007-2013?

Positive
Burgas (BG), Berat (AL), Deutschsprachige Gemeinschaft (B), Ilfov (RO), Jönköping (S), Kralovehradecky (CZ), Lapland (FI), Lombardia (I), Madeira (P), Norrbotten (S), NSPA, Tolna (HU), Olt (RO), Zachodnio-Pomorskie (PL)

◊ Improvement of the road infrastructure (Berat)
◊ Responds to the structure of the federal state and the competences of different partners (Deutschsprachige Gemeinschaft)
◊ It represents a good reflection of regional needs in the frame of a wide European approach based on cohesion and mutual support (Ilfov)

◊ In Sweden they have a specific situation right now as the government is evaluating the current geographical and administrative system. They are likely to move towards larger regions and if that happens the policy management system will have to change and be implemented looking over a wider scope of policy areas. If this change does not occur right now my appreciation is that it will continue the way it is now - focusing on the goals of the Lisbon agenda and the Gothenburg strategy including regional development (Jönköping).

◊ As the position of managing authority of the programme is new for Kralovehradecky, they can see this policy to be positive.

◊ The strategic new assessment of the structural funds integration is a positive signal (Lombardia).

◊ In the opinion of Madeira the multi-level approach shall continue.

◊ The Lisbon strategy of development and growth focus is implemented from EU-level, national level down to regional level. The focus of development and growth is met with the local and regional conditions. The top down model is meet by the bottom up model in a good fusion (Norrbotten).

◊ The definition of the policy is fine and the communication of it is good too (Tolna)

◊ The current system is more efficient. It shows clearer rules and simpler mechanisms of implementation (Olt).
Transparency in the field of policy management in the period 2007-2013 is obtained through focusing actions on three objectives: Convergence, regional competitiveness and employment and European territorial cooperation as well as inclusion of funds supporting agriculture and fisheries into the CAP and Common Fisheries Policy respectively. Another positive aspect is that the number of structural funds and introduction of the same management rules accompanied by the fact that responsibilities of institutions and scope of the responsibilities of the member states and EC have been clearly defined in one general Council regulation 1083/2006. Very significant and valuable element that has been introduced is the principle of n+3 during the first three years for the poorest states, maintaining the principle n+2 and payments in advance, financial contribution from the funds on the level of 85%. Moreover, simplification of implementation system through one-fund programming, bigger flexibility in the frames of financial management that will take place on the level of priority axes, principles applied for the management and control systems defined in proportion to the level of Community contribution in individual programmes will certainly contribute to the effective implementation of the EU funding (Zachodnio-Pomorskie)

Mixed
(Burgenland (A), Kärnten (A), Jämtland (S), Jász-Nagykun-Szolnok (HU), Mures (RO), Neamt (RO), Noord-Brabant (NL), Panevezys (LIT), Pomorskie (PL), Slaskie (PL), Tampere (FI), Västerbotten (S), Värmland (S), Wielkopolska (PL), Friuli Venezia Giulia (I)

Generally speaking ok despite the administrative burdens (Burgenland)

Better, but due to retroactive detailed guidelines and interpretation it seems that the expenditures will be similar (Kärnten)

Jämtland is quite convenient with the current system but they want more regional self-dependence in how to use/manage the system - they want more cooperation between different policies, in ex the “regional fund” ERDF the “social fund” ESDF and the “agricultural fund” CAP.

The policy management system for the period 2007-2013 is fairly good, but could still be improved (Mures).

The management policies should be more real thus the implementation process will devolve normally and repair all the disadvantages that could appear on the way. Thus for the 2007-2013 period the management policies system isn’t totally prepared for all the changes that could appear (Neamt).

Favourable, though there is too much interest in regulatory processes (rules and regulations). One could say that simplification is necessary (Noord-Brabant).

The general assessment is good, because the management system helped to strengthen regions in Poland and gave them more flexibility in leading development undertakings. Nevertheless, the cohesion between actions funded within the frames of Cohesion Policy and the Common Agricultural Policy and
Common Fishery Policy is still to be gained. The important thing is that some new Cohesion Policy’s aspects have unknown impacts, which will become more clear in the recent future (e.g. environmental issues) (Pomorskie).

◊ System provides high level of flexibility for national authorities which is good. However, from the regional point of view it lacks control over national level in imposing its will and ideas on regions which should have stronger positions as main beneficiary. Of course one cannot build management system on lack of trust in national authorities and recentralize the system by moving decision level higher to EU authorities. It would however possibly help if EC recognised regions as its partners with some rights and decision power. Saying that, they do understand that it might be not possible to cooperate with so many partners on developing and carrying structural policy (Slaskie).

◊ So far there are no particular problems. However, the aims to simplify the administration procedures did not completely materialise, and the administration system still remains needlessly complicated (Tampere).

◊ Västerbotten and Värmland are quite convenient with the current system but they want more regional self dependence in how to use/manage the system - they want more cooperation between different policies, in ex the “regional fund” ERDF the “social fund” ESDF and the “agricultural fund” CAP.

◊ The present situation, when regions manage ROPs is satisfactory, though Wielkopolska sees threat from central authorities to have a bigger significance.

◊ The system is simple and complicated at the same time. For instance, control systems, based on three levels, are very complicate taking into account that at the national and regional level there are already other controls to be carried out. The role of the European Commission is not clear and indeed Friuli Venezia Giulia does not understand why it does not take part in the Supervising Committees as an effective member. The system of financial flows does not appear to be very effective and does not allow giving advances to the recipients.

**Negative**
Corse (F), Limburg (NL), Hampshire (UK), Presovsky (SK), Tirol (A), West Sussex (UK)

◊ Management system made more complex by the multiplicity of the programmes which does not guarantee a true integrated approach. Moreover, the management of the programmes at various levels (region, decentralized state, central state) makes complex the problems and prevents a perfect legibility and a good coherence of the programmes (Corse).

◊ It is not inclusive enough for counties and local authorities as everything has been done on a regional level. There is a lack of democratic accountability (Hampshire).

◊ Because of the enlargement of the programs, there is a need to reduce the administrative burden (and differences in interpretation), with the result that the control can be more efficient (Limburg).
The system should be more simplified and decentralized. Supported areas should be decided at the local and regional level, not at national (Presovsky).

Too complicated and deterrend for project executing organisation and therefore acception problems (that's a pity cause the positive objectives will be clouded), for regional authorities on the border to overcome difficulties (Tirol).

Making the system more inclusive and democratically accountable could enhance it. There needs to be recognition that not everything within our administrative system can be achieved/ done at the regional level (West Sussex).

**Figure 26: Assessment of the policy management system for the period 2007-2013**

What role does your Region currently play in the management of EU funds? Is it a managing authority or is it represented in the managing authority?

The following regions are managing authorities or are represented in the managing authority:

Burgenland (A), Kärnten (A), Dalarna (S), Kralovehradecky (CZ), Lapland (FI), Lodz (PL), Lombardia (I), Niederösterreich (A), Noord-Brabant (NL), Ostfold (NO), Pomorskie (PL), Slaskie (PL), Tampere (FI), Tirol (A), Värmland (S), Västerbotten (S), Wielkopolska (PL), Friuli Venezia Giulia (I), Steiermark (A), Zachodnio-Pomorskie (PL) and Veneto (I).

Regions who are not playing a role in the management of EU funds are the following:
Berat (AL), Burgas (BG), Hampshire (UK), Jász-Nagykun-Szolnok (HU), Jönköping (S), Montana (BG), Mures (RO), Oppland (N), Panevezys (LIT), Presovsky (SK), West Sussex (UK), West Hercegovina (BIH).

**Figure 27: Role of the Region in management of EU funds**
4.3 **Future cohesion policy**

The questions analysed in particular are:

**4.3.1 Scope**

4.1. Is the principle of solidarity to regions lagging behind still appropriate (i.e. further support of convergence)?

4.2. Should the scope of cohesion policy still be focused on the Lisbon agenda?

4.3. Or should the scope focus in another direction (for instance sustainability)? Why not asking Member States to earmark part of EU funds to the Gothenburg priorities?

4.4. How can cohesion policy further develop an integrated and more flexible approach to development/growth and jobs?

4.5. What connections should the new Cohesion Policy have with other EU policies? How can the EC further strengthen the relationship between cohesion policy and other national and Community policies to achieve more and better synergies and complementarities?

4.6. Should there be an integration of the rural development pillar on CAP into the future regional policy as well as the integration of the rural development national strategic plans of the Member States into their national reference frameworks for regional policy?

4.7. Do you think in future regional policy there should be a regionalisation of the European Social Fund (ESF) as well as the European Agricultural Fund for Rural Development (EARDF)?

**Is the principle of solidarity to regions lagging behind still appropriate (i.e. further support of convergence)?**

- **Solidarity is the core of the ideology of an integrated Europe**
- The reduction of income and property differences between poorer and richer regions is beneficial for everyone
- Investing in regions lagging behind brings economic values to the other developed regions and pays off to the whole EU (including social stability)
- Due to the last enlargements and therewith affiliated increasing disparities, subsidiarity is even more justified now than ever before

**YES**

Arad (RO), Berat (AL), Burgas (BG), Burgenland (A), Kärnten (A), Dalarna (S), Jász-Nagykun-Szolnok (HU), Catalunya (E), Corse (F), Friuli Venezia Giulia (I), Deutschsprachige Gemeinschaft (B), Ilfov (RO), Jämtland (S), Kralovehradecky (CZ), Lapland (FI), Limburg (NL), Lodz (PL), Madeira (PT), Mures (RO), Neamt (RO), Niederösterreich (A), Noord-Brabant (NL), Norrbotten (S), NSPA, Olt (RO), Ostfold (N), Oppland (N), Panevezys (LIT), Pomorskie (PL), Presovský (SK), Słaskie (PL), Tampere
(FI), Telemark (N), Tirana (AL), Tirol (A), Tolna (HU), Värmland (S), Västerbotten (S), Vrancea (RO), West Hercegovina (BIH), West Sussex (UK), Wielkopolska (PL), Hampshire (UK), Zachodnio-Pomorskie (PL). The regions of Jönköping (S), Somogy (HU) and Veneto (I) did not explicitly say «yes» neither «no». They added some remarks which can be seen as neutral.

The European Union structural support consistently mitigates social and economic differences between EU Member States or individual regions. Its basic values may be expressed in two words – “solidarity” and “cohesion”. Solidarity – because the support is aimed to provide assistance to regions that are economically and socially poorer if compared with the EU average. Cohesion – because reduction of income and property differences between poorer and richer regions is beneficial for everyone (Panevezys).

It is too clear to mention that the last enlargement (10 +2) made the disparities between nations and region more substantial. Therefore focusing on closing / at least minimizing that gap is even more justified now than before in terms of existing problem. Disparities will always exist but there is some certain level above which they made whole system (EU in that case) operate below expectations. In such cases, investing in regions lagging behind brings economic values to the other developed regions and pays off to the whole EU. Defining that level and identifying whether there are regions above it at the moment should give us automatic answer for or against further support of convergence. If we then take 75% of average GDP per capita as an indicator we can see that principle of solidarity to regions lagging behind is still appropriate (Slaskie).

The principle of solidarity is at the core of the ideology of integrated Europe. As long as a joint approach in regional development issues is exercised at the EU level, the principle of solidarity should be maintained and put effectively into practice. However, how it should be translated into action and financial allocations lends itself to discussion. It is undisputable that regional development needs strong centers as leaders, and their inclusion in structural policy efforts is of major importance and also needs incentives and joint instruments to be utilised more widely. The development of the leader regions must not be separated from that of the lesser-endowed regions, and they need to benefit from the structural policy, too (Tampere).

Also, on a general level, it is worth emphasising that structural policy is the only instrument by which the EU can reach citizens and which provides a channel for them in participating in the improvement of their own living conditions. This is the principal mechanism that ensures that citizens can experience the EU as a beneficial factor in their life, which strengthens EU’s acceptability. It also provides support in the Community without depriving individual member of influence. Certainly, this is coherent with the tendency to regionalize Europe, with the process of extending responsibility and self-governance of the regions and local territorial units as well as strengthening the civil society. It is also worth mentioning that the principle of subsidiarity links the idea of limiting Community interventions with the organisational principle that regulates division of responsibilities between the Community and individual regions. It guarantees each region clear sovereignty while defining and executing tasks. The principle of subsidiarity means also common trust and interdependence between the Community and its regions. In this way, subsidiarity is developed voluntarily and contributes to the growth of activity, responsibility and solidarity among the citizens (Zachodnio-Pomorskie).

As Burgenland mentioned, only a balanced proportion of funding of excellence (strong regions) and funding of weak regions will strengthen the economic development and also
guarantee the social stability within the EU. Lagging-behind regions require further support to be able to develop. Berat underlined that the principle of solidarity is still indispensable.

Arad stressed that between the development of Romanian regions and average development levels in EU significant disparities can be observed, which can be reduced in the next period. For regions lagging behind like the Albanian ones, this principle is really appropriate. The differences in development are huge, especially with regards to remotest and poorest regions of North and North East Albania. For this reason, and not only, it is necessary to promote the principles of solidarity policy. Since the European cohesion policy has proved to be an efficient instrument, at least in Spain, during the last 20 years, regions lagging behind need to be further supported as Catalunya underlined.

Corse stated out that the primary goal of European cohesion policy is the reduction of economical and social inequalities among European regions. It is thus essential to maintain the «convergence» objective for the less developed regions. Moreover, in order to achieve social balance and stability in the whole of Europe, regions lagging behind need special awareness, Ostfold added.

In order to reach the objectives set by the economical and social cohesion policy it will be necessary to improve the collaboration, the exchanges of expertise and know how between the less developed and the more developed areas within the same state (Friuli Venezia Giulia) as the gap between rich and poor regions – due to the EU enlargement 2004 and 2007 – has increased strongly (Niederösterreich). Among others, Noord-Brabant and Kralovehradecky underlined the mutual interest in our well being of cohesion policy or as Tirol stated the question: In which other way should cohesion be supported, if not through the support for the weakest ones?

Limburg supports as well the principle of subsidiarity but points out that only serious problem areas such as the new member states and the ultra peripheral regions should be addressed because they cannot compete with the economic development in Europe.

Hampshire supports this view, however there still needs to be a place for more prosperous regions with technical experience and expertise to help the regions that are lagging behind to develop.

One concern relates to the fact that many regions do not show a positive result despite receiving support of convergence during a long period of time as mentioned by Jönköping. There has to be a more effective way of supporting lagging behind regions. They do not propose the withdrawal of financial support but the principle for how the funds is allocated might have to be revised and maybe it should be combined with expertise support both at the national and the regional level.

There are similar situations in Africa and money in itself will never solve these problems and develop a region or a country automatically, it is rather a transfer of knowledge that is the most important issue.

NO
Lombardia (I)

Lombardia does not correspond with the principle of subsidiarity as it is more important for the region to integrate the policy on competitiveness.
Figure 28: Is the principle of subsidiarity still appropriate

Should the scope of cohesion policy still be focused on the Lisbon agenda?

Hot Spot: Objective on Lisbon agenda

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<tr>
<td>Faster economic growth and bigger competitiveness</td>
<td>Focussing on Gothenburg agenda</td>
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<td>Maintainance of a certain level of progress and prosperity</td>
<td>Support of EU-15</td>
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<tr>
<td>Focussing on the regional strengths</td>
<td>Not directed to changes resulted from globalisation</td>
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<tr>
<td>Boosting economic development</td>
<td>Not directed to face infrastructural needs</td>
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<td>Creation of jobs</td>
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<td>Improvement of information technology</td>
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YES

Arad (RO), Auvergne (F), Baden-Württemberg (D), Berat (AL), Bekes (HU), Borsod (HU), Burgas (BG), Burgenland (A), Kärnten (A), Catalunya (E), Deutschsprachige Gemeinschaft (B), Devon (UK), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Jönköping (HU), Lapland (FI), Limburg (NL), Lodz (PL), Lombardia (I), Madeira (P), Mures (RO), Neamt (RO), Niederösterreich (A), Noord-Brabant (NL), Norrbotten (S), NSPA, Olt (RO), Ostfold (N), Oppland (N), Panevezys (LT), Pomorskie (PL), Slaskie (PL), St. Gallen (CH), Steiermark (A), Tampere (FI), Värmland (S), Västerbotten (S),
The abandonment of zoning does not allow any more a targeting of the funds on the areas lagging behind: we have seen a shift from a geographical concentration to a thematic concentration of the funds which deletes the logic of territorial cohesion of the cohesion policy. The eligibility of the whole territory will generate a more severe selection of the projects as Auvergne stated: the richest and most dynamic territories will be probably privileged because they have more means to implement projects vis-à-vis the underprivileged territories (rural areas, peripheral, mountain areas...). The targeting of the objectives upon the strategy of Lisbon reinforces this phenomenon: by establishing the earmarking, the Commission targets mainly urban territories. Those are obviously more capable to implement projects directed towards the strategy of Lisbon than the underprivileged areas: they not only have the financial means but also all kind of infrastructures. The convergence objective fulfils the requirement of the cohesion policy in a narrow sense and targets the priorities on the economical correction of the concerned EU regions. The objective Competitiveness and Employment is more targeted on dynamic territories, privileging innovation and knowledge-economy. This targeting on territories can raise concerns about the risk of an increase in disparities between the regions. It does not appear desirable, as Auvergne expressed, neither to draw aside the cohesion policy from the Lisbon objectives nor to devote the totality of funds to the latter. A viable solution on the long run could be to target the programs of cohesion policy on the strategy of Lisbon, as in the case of Convergence Objective (60% of earmarking) and Competitiveness and Employment (75% of earmarking). It is essential to establish an arbitrage between effectiveness and equity: effectiveness in order to guarantee that the European funds will bring a real added-value to the territorial projects, and equity in order not to forget (?) the territories which cannot set up strategies based on performance and innovation. It is then necessary to understand what we mean by cohesion policy: do we want a harmonious development of the European regions or do we want to make the European regions more competitive? The first can obviously be a consequence of the second, but they do not answer to the same logic in terms of priorities to be targeted. This is why the involvement of the regions in cohesion policy is fundamental. It is necessary that the OP is not only a mean for the strategy of Lisbon implementation, but also a mean to guarantee a harmonious development of the regions within the EU. Calls for proposals under the framework of targeted policies (environment, employment) would be a more suitable mean to implement the strategy of Lisbon. These calls for proposals could be a mean by which the Regions could be stimulated, while enabling to place themselves on specific policies. The development of co-operations between regions will make it possible to reinforce their role in Europe.

Implementing the Lisbon strategy will bring benefits to the MS in the form of faster economic growth and bigger competitiveness. Extension of the EU up to 25 states resulting in bigger regional differences will need such policy. As a result of the latest extension, number of the inhabitants in the regions in which GDP per capita is lower than 75% of the EU average. Territorial differences are often the result of strong disproportions within the regions as far as factors that influence competitiveness are concerned. Such regional differentiation cannot be underestimated since it became a very significant factor that endangers continuation of the effective development of integration processes.

Lombardia underlined their economic orientated approach that the objectives of Lisbon agenda are still fundamental for European regions. Innovation is important in order to
maintain a level of progress and prosperity in relation to the rest of the world. It is a must. Europe has to start focussing on the regional strengths like innovation (Noord-Brabant). The Lisbon agenda can boost economic development in parallel with creating more jobs (Borsod) it needs to be made clear though how these factors will benefit disadvantaged areas as well (Devon).

Growth and jobs have to be the goals in the Lisbon agenda as well as in the Gothenburg agenda. The fight against climate change cannot be the opposite of creating growth and jobs (Jämtland, Västerbotten). Competitiveness of economy and improvement of information technology still remain important objectives of the EU. However, special attention should be given to the problems which have emerged during the past years, i.e. energy prices, energy dependencies, climate change, aging population as Jász-Nagykun-Szolnok and Steiermark pointed out. Energy resources would become more and more important as a basic need for innovative regions and new ideas, R&D etc. needed for dealing in the right way with these challenges.

Burgenland underlined that the focus on Lisbon is good, but the capacity of regions in view of Lisbon objectives has to be kept in mind. That means lagging behind regions cannot invest the same funds in R&D as strong developed centres. In economically weak regions, before it can be thought on R&D, often the basis for businesses has to be built up. Deutschsprachige Gemeinschaft underlined the fact that Lisbon and Gothenburg should not be the first priority of objective 3. More important is the overcoming of border related problems and the strengthening of border-areas. More focus should be given to specificities of cross-border programmes, where a lot of member states are involved in, in the context of requisites and administration and control.

The most important thing for Pomorskie in further implementation of the Lisbon agenda is the need of improving competitiveness. The agenda should avoid typical simple investments concentrated only on improving the quality of life. Further reforms in the approach to the labour market in the EU Member States are indispensable and the introduction of innovative solutions in the EU Member States is still unsatisfactory.

It has to be recognized that due to the last two enlargement processes the economic and social imbalance within the EU has considerably increased. A key issues will therefore be the question how growth can be achieved effectively and how the objectives of Lisbon and the accomplishment of new challenges, for instance globilisation und climate change, can be reconciled with the development of lagging-behind regions. Before making concrete agreements, one must examine which investments in EU structural and cohesion policy and in other EU policy areas have achieved the biggest European added-value and how the biggest investment potentials could be developed effectively. One must also clarify, particularly in view of limited financial resources, if and which challenges of structural and cohesion policy could be realized and financed due to the explicit European added-value on EU-level and which one on national or regional level (Baden-Württemberg).

Hampshire (UK), Presovsky (SK), Telemark (N) and Tirol (A) think that cohesion policy should focus on Lisbon agenda but not exclusively. Cohesion is also reflected in environment, social dimension and in spatial dimensions. These dimensions and the therewith affiliated challenges, must be appropriately considered, i.e. stronger than before, as Tirol mentioned. European development policy must focus on people, not only on economic factors and efficiency; therefore cohesion must continue to be an essential part of EU /EEA policies, as Telemark stated. All in all, the Lisbon agenda should be redefined, and objectives of the cohesion policy should be set according to relevant indicators of development (Presovsky).
Corse (F), Friuli Venezia Giulia (I), Tirana (AL), Tolna (HU), Wielkopolska (PL), Dalarna (S)

Corse strongly underlined that the integration of measures concerning the strategy of Gothenburg in the European programmes is imperative. Tirana supports this approach and asks for an integration of environmental issues. The climate change and its effects are causing irreversible damages to the world and humankind, that's why the environmental dimension should be a priority in the development policy. Tolna referred as well to the sustainability aspect of cohesion policy.

As Wielkopolska explained, the Lisbon strategy supports the EU 15, where infrastructural needs are smaller than in the new member states. On the regional level, the Lisbon strategy must be considered but not in the same degree as it is currently the case. Friuli Venezia Giulia added that European cohesion policy priorities must be more suitable to face the changes that will arise from the globalisation phenomenon.

The Lisbon agenda is starting to feel a bit “old fashioned” as it is focused on competition with the rest of the world on terms that we perhaps do not master as good as the emerging economies, as Dalarna expressed.

**Figure 29: Focus of scope on Lisbon agenda**

Or should the scope focus in another direction (for instance sustainability)? Why not asking Member States to earmark part of EU funds to the Gothenburg priorities?

**Objectives of Gothenburg should be parallel to the Lisbon agenda** a part of the policy (Kärnten, Noord-Brabant, Oppland, Somogy). In the current programs the focus is on technology and sustainability (Lisbon and Gothenburg). Both aspects are relevant in
order to achieve an economic growth which is balanced. Focus should be on sustainable innovation because of a growing globalisation (Limburg). The Gothenburg priorities should be taken into account together with the Lisbon agenda since sustainability is the basis for long-term competitiveness (Lombardia). The Lisbon agenda is just one framework that is applicable in the European policy and for that we cannot eliminate the other priorities such as durability and sustainability of our programmes because, all together, they make a coherent strategy for developing Europe (Neamt). As Niederösterreich stated, innovation, modern technology and sustainability do not exclude each other.

**Sustainability and climate change should be recognised as horizontal issues**
Cohesion policy should be for the economic development of regions – there are already specific environment protection programmes (at least in Austria but also from EC). (Burgenland). The Operational Programme has foreseen the possibility of co-financing actions aimed at the protection of the environment (Catalunya).

**Cohesion policy should be closely related to the Lisbon strategy**
Cohesion policy should be focussed on 3 pillars of the sustainable development:
- Competitiveness (innovation, scientific research, education and accessibility)
- Employment and social exclusion
- Environment protection and preventing threats in this field.

The challenge is to co-ordinate these economic, social and environmental pillars in such way that they complete each other. Strenghtening synergy between the Gothenburg strategy and Lisbon strategy is of fundamental importance for the development of the EU. EC and the MS should guarantee that adequate part of the funds is spent on the environmental and social goals that constitute part of a sustainable development (Zachodnio-Pomorskie).

**It is imperative that measures concerning the strategy of Gothenburg will be integrated in the European programmes** (Corse, Friuli Venezia Giulia).
More than the earmarking itself, it is essential that the EU makes its regions and member states join their efforts for achieving important goals, for example in the environmental domain. These areas are crucial for the EU regions, both at internal and external levels. Still, one must continue to take into consideration that regions, given their different levels of development and particularities, face different challenges (Madeira). It is important to allocate part of EU funds to Gothenburg priorities because sustainability deals directly with, and solves crucial problems such as, lack and decrease of resources, protection of nature and its biodiversity (Tirana). As Tirol and Tolna underlined, an explicit earmarking of funds for Gothenburg would be helpful.

**Sustainability is one of the basic principles** (Ilfov). The role of cohesion policy is to create a harmonised European environmnet and there are funds focused on sustainable development. For sustainable economic growth, as stated in the Lisbon strategy, the Gothenburg priorities of a social and environmental sustainable approach are necessary elements for a sustainable economic growth (Norrbotten).

**No earmarking of funds for certain scope.** Jämtland sees it as a must to implement the Gothenburg priorities with the Lisbon agenda. As Jönköping underlined, when you start earmarking you place yourself in a situation where you are obliged to allocate financial resources to a certain area that might be difficult to re-distribute if needed. Lapland,
Västerbotten and the rest of the NSPA see no acute need for that at the moment. The objective of global competitiveness is crucial. If other priorities are to be introduced, they need to be in line with the competitiveness priorities (Tampere). Sustainability will be addressed sufficiently at the moment (St. Gallen).

**Earmarking for industrial risks prevention** (Veneto). As far as Veneto is concerned, industrial risks prevention has a particular importance hence an expansion of the earmarking in this particular sector is desirable.

The environment policy pursued in the EU and other industrialised nations has slowed down the destruction of the natural world, but it has not provided adequate solutions to environmental problems. The achievements made by the industrialised nations in terms of the environment have been founded not just on the use of better legislation and technology, but also on the relocation of the industry that places the greatest strain on the environment to countries where there is little or no environmental legislation. The environment policy of the Union has often been criticised for slowing down economic growth, but investments that target the environment can enhance growth and competitiveness throughout Europe. The environment industry is a fast-growing sector for which there is a global market (Päijät-Hämeen Liitto).

**How can cohesion policy further develop an integrated and more flexible approach to development/growth and jobs?**

- Through harmoniously and balanced development of the regions
- More decision-making power to the local and regional authorities
- Competitiveness–centred regional policy
- Renewal of the Lisbon strategy
- The structure of expenditure in the EU budget has to be reformed
- Need for returning to a pluri-funds programme management
- Less and more precise strategic objectives
- Including more prosperous regions – wider eligibility to encourage exchange of experience
- Regionalisation of ESF
- Flexibility in the implementation
- Sustain speedy economic growth
- Closer collaboration and consultation
- Defining development programmes regarding employment

◊ Through harmoniously and balanced development of the regions, more funding for research and product development with focus on innovation activities (Burgas (RO)). Noord-Brabant (NL) wants to focus on regional strengths.

◊ More decision-making power to the local and regional authorities that within each country have competencies in these fields (Catalunya (E)). The support of further regionalisation of structural funds management is crucial (Pomorskie (PL)) and priorities and systems of the use of structural funds should be closer to people, cities, villages and regions (Presovsky (SK)). There should be even more scope for regionally tailored implementation procedures. The development of the structural policy has been dynamic, but coupled with national legislation and administrative practices the system still does not sufficiently take into account
varying regional realities and the fact that regional circumstances are continuously changing and evolving (Tampere (FI)).

◊ **Competitiveness–centred regional policy** (Päijät-Hämeen Liitto (FI))

Traditionally, both nationally and at EU level, regional policy has been seen as a way of levelling out regional disparities and of enabling all the surface area of a country to remain inhabited. Regional policy has tended to be seen as an investment in direct support and subsidies and it has often been used to support non-viable activities. In a competitiveness-centred regional policy, the perceived role of regional policy is to develop national competitiveness and at the same time to promote the competitiveness of the EU as a whole. The competitive situation is considered to enhance innovativeness and creativity, while increasing R&D activities and the level of knowledge in general plays to the strengths of the regions. Also in a European-level regional policy the use of resources must be optimised as a consequence of competition. In order to reduce possible disadvantages (disparities between different regions and organisations may widen, with the good ones getting stronger and the bad ones weaker), cooperation networks between centres must be supported, both nationally and internationally.

◊ **Renewal of the Lisbon strategy** (Zachodnio-Pomorskie (PL)). Implementation of the Lisbon strategy will be fully decentralized, according to the principle of subsidiarity: Union, MS, regional and local governments, social partners and civil society will be actively included in various forms of partnerships. MS and the Community must utilise all the opportunities to involve regional and local governments during preparation of the national reform programmes and during implementation of integrated guidelines for growth and employment to increase political responsibility for execution of the Lisbon strategy. The Lisbon strategy points out importance of scientific research and development for the economic growth, employment and social cohesion. The use of regional knowledge, the innovation potential and the co-operation between economic entities, universities and scientific – research centres play an essential role in achieving competitive results in the regions. The utilisation of new economic opportunities offered by the information society and bigger knowledge on the local level might become a turning point for the regions, mainly due to the growth of innovation potential.

◊ **The structure of expenditure in the EU budget has to be reformed** Päijät-Hämeen Liitto (FI)

This means that the EU’s rather limited budget, around one percent of combined gross domestic product, has to be used ever more efficiently to foster growth. In order for the Union’s budget to make a real contribution to improving competitiveness and economic growth, the structure of expenditure in the budget has to be reformed. The expenditure side has to be reformed in structural terms so that the EU invests more in research, in commercialising innovations and promoting entrepreneurship at all levels. In these sectors, the EU can be used to implement broader actions with greater impact than would be possible for the member states individually, and in this way the EU is able to generate added value. In the view of Päijät-Hämeen Liitto (FI), it makes sense to bring about a shift to a tax-based system for financing the EU on a gradual basis so that, in an initial phase to coincide with the mid-term review, the financing of the agricultural sector will be separated out from the rest of community financing. The
Agricultural support system is a kind of "pay deal" for one profession, while the rest of the budgetary resources are more akin to administrative costs and development investments. If the financing of the agricultural sector were to be, for example, VAT-based, the politically difficult issues that surround it would not be on the joint agenda alongside Europe's approach to global competitiveness and internal synergy.

- **Need for returning to a pluri-funds programme management** which will allow to manage the different objectives in an integrated way (economy, employment, growth, sustainable development) (Corse (F)).

- **Less and more precise strategic objectives** (Friuli Venezia Giulia (I), Presovsky (SK)). Moreover, it should establish targeted and quantifiable indicators at the European level. Norrbotten (S) encourages more innovation and innovative ideas and room should be given to new ways of thinking. By the introduction of specific objectives regarding development and employment, cohesion policy can further develop an integrated approach (Olt (RO)).

- **Including more prosperous regions** – wider eligibility to encourage exchange of experience (Hampshire (UK)). Most important is the exchange of experiences and best practices and the personal contact between regions that creates an interregional understanding and synergy effects originated in successful projects (Jönköping (S)). Sharing expertise and experience by working in partnership will be key by widening eligibility, for instance, work through the ESF (West Sussex (UK)).

- **Regionalisation of ESF** (Limburg). We should try to match the social structure-programs better with the regional structure-programs (ESF, ERDF). A decentralised operationalisation of the ESF would fit better with ERDF.

- **Flexibility in the implementation** (Lapland (FI), NSPA). In certain cases there should be flexibility to implement also more traditional small-scale investment which have positive impacts on innovation and entrepreneurship. The integration and flexibility introduced by art.34 of Rule 1083/2006 can be considered as a first step (Veneto (I)).

- **Sustain speedy economic growth** (Panevezys (LIT)). A stable macroeconomic environment is important. Somogy (HU) referred to enabling the productive sectors of the economy (especially the services and the industry) with direct subsidies directly linked to the growth and jobs objectives.

- **Closer collaboration and consultation** among the relevant stakeholders could develop an integrated and more flexible approach to development (Tirana (AL)).

- **Defining development programmes regarding employment** (Vrancea (RO)).

What connections should the new Cohesion Policy have with other EU policies? How can the EC further strengthen the relationship between cohesion policy and
other national and Community policies to achieve more and better synergies and complementarities?

| Coordination between different policy areas |
| Better adjustment with rural development |
| Best value for money principle |
| Better relations between CP and other space relevant EU policies |
| Sectoral European policies must follow the line proposed by the CP |
| Holistic policies should not be constrained through a huge amount of funding programmes |
| EU external actions and EU CP should be complementary |
| Links need to be made at sub-regional level with ESF |

It is necessary that the different policies implemented under the framework of the EU have distinct but complementary fields of activities. The cohesion policy is implemented through the structural funds: ERDF and ESF. The Financial instrument of ERDF finances the second pillar of the CAP, the rural development policy. The ERDF, however, pays attention to the development of the territories with the constitution of a national rural network and the requirement that the initiatives are carried out by organized territories (country, regional natural park, pole of rural excellence…) It would be good not to reduce the action of the ERDF on agriculture by developing a particular approach of rural development. In line with cohesion policy, the regions should also be able to implement this rural development policy by taking into account their agricultural specificities, supporting, for instance, the installation and the maintenance of owners, in addition to the development of rural areas. In Auvergne, the envelope allocated to the rural development policy passed from 58 million to 124 million of the ERDF. This rise of the funds shows a will to set up a new approach of rural development. These funds are traditionally centered on agriculture: they have been gradually renewed to set up a complete and integrated rural development policy (Auvergne (F)).

There should be coordination between different policy areas (for instance R&D – Research Framework Programmes, competitiveness policy etc.). This coordination exists partially - in the programming process for 2007-2013, this coordination on EU and national/regional level has been intensified. The coordination of single programmes with all EU policies or all relevant programmes (environment programme etc.) will be very difficult to realize (Burgenland (A), Steiermark (A)). A close connection should be established between national and EU research and development policies, as well as transport and logistics (Lapland (FI). To achieve these results, Madeira (P) considers that a complementary action between the European policies, the cohesion policy and the communitarian programs should be defined. This articulated action will enable the achievement of better results. It is very important that cohesion policy is connected to other policies and that all work towards the same goal so that the various policies are counteractive or counterproductive (Norrbotten (S)). There is a necessity to find new mechanisms to co-ordinate cohesion policy with other policies. Regions underline the importance of cohesion policy for the economic and social development, but often other Community policies are also noticed because of their significance for stimulating regional development as Zachodnio-Pomorskie (PL) pointed out. Efforts to improve the position of regional policy in achieving the Lisbon objectives will require fundamental changes to how regional policy operates in practice. Perhaps the most fundamental and challenging of these is the relationship between regional policy and competition policy. All operating
models that seek to safeguard traditional, protectionist ways of operating, forms of entrepreneurship and markets will have to give way in the future for operating models that provide greater scope for citizens, companies and communities to play an active part in competition. The experiences of this decade have already shown quite clearly that each and every region in Europe needs to be better equipped to cope with competition coming from both within and outside Europe. On the other hand, it has also been seen that radically different regions can rise to this challenge if they can be supported in their development in a sensible manner (Päijät-Hämeen Liitto (FI)).

**Better adjustment with rural development**, but also with objective 3 and FP7 (Kärnten (A), Mures (RO)). There should be more integration of ERDF and EAFRD for addressing issues in rural areas. There is a need to ensure there is appropriate support for traditional rural economies and links with co-operation programmes have to be made (Devon (UK)). The programme for rural development should be included in regional funds (Jämtland (S)), whilst CAP should include the direct agricultural support including the acreage- and livestock-based agricultural subsidies. All undertakings within cohesion policy should be in line with the Common Agricultural Policy and Common Fishery Policy. This coordination should be better taken care of in the future. To achieve more and better synergies, the regulations prepared for cohesion policy should be complementary with other policies' regulations. The complementarity should be assured already at the preparatory stage. The differences between sometimes similar actions undertaken within different policies should be clearly specified (Pomorskie (PL)). Also the EARDP implementation currently has a lackingly functioning relationship with structural policy, because the programme procedures are now separated from each other (Tampere (FI)). It is essential to sort out the current overlaps and extremely difficult mish-mash of CAP and structural funds (Västernorrland (S), Västerbotten (S)).

**« Best value for money » principle**
Päijät-Hämeen Liitto suggested to reinforce the interconnections between the different areas of EU policy and to enhance the competitiveness dimension of all of them. Instead of a holistic examination of all the Lisbon criteria, on a region-by-region basis, a strategic choice should be made between the different criteria so that the resources allocated by the EU would be targeted at selected indicators according to the « best value for money » principle. The effectiveness of measures is directly examined on the basis of the changed indicators.

**The relations between EC and other space-relevant EU policies should be improved** (Niederösterreich A)). The interactions between these policies should in any case be intensified (own platforms, close informal contacts, consultation processes). A better coordination is needed also within the EC. The connection to the EU transportation networks (TEN-T) is necessary (NSPA).

**The sectoral European policies must follow the line proposed by cohesion policy** in order to have a harmonised European view at the level of economical and social development (Ilfov RO)). As all policies take effect at the local and regional levels, it should be natural that the regions have a say in formulating and implementing sectoral policies (Tampere (FI)).

**Holistic policies should not be constrained through a huge amount of funding programmes** (Deutschsprachige Gemeinschaft (B)). The requested holistic approach
requires a holistic action of EC and an emphasized comprehensive DG cooperation. The condition is to determine the content of cohesion policy in a comprehensive way on the highest level and to define binding inducements for implementation (Tirol (A)).

**Connect the innovation focus** with, for instance, the 7th framework program. Now it is regional, is that our only focus? Why not go international, outside the objective 2 zone(s), Noord-Brabant is asking.

The EU external actions and the EU Cohesion Policy should be complementary (Catalunya (E)). The European cohesion policy should be applied to other areas of the world in order to correct territorial disadvantages.

**Present regulations and scope of cohesion policy seem flexible enough** (Slaskie (PL)). It is just up to national and regional authorities to use the decision power they are granted and shape the EU fund intervention in a way that will enable better synergies and complementarities on national and regional level.

**Links need to be made at sub-regional level with ESF** (Devon (UK)).

**Should there be an integration of the rural development pillar on CAP into the future regional policy as well as the integration of the rural development national strategic plans of the Member States into their national reference frameworks for regional policy?**

**Hot spot: Integration of rural development pillar on CAP into the future regional policy**

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<tr>
<td>◊ Better guarantee of coordination of these areas</td>
<td>◊ By integrating all angles, none is recognisable</td>
</tr>
<tr>
<td>◊ Better adjustment of strategy</td>
<td>◊ Different financial structures</td>
</tr>
<tr>
<td>◊ Rural development as an aspect of regional development</td>
<td>◊ Different institutional and legal frameworks</td>
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<tr>
<td>◊ Rural development as part of competitiveness</td>
<td>◊ More difficult coordination</td>
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<tr>
<td>◊ Ensuring sustainable economic development</td>
<td>◊ Spoil of institutional transparency</td>
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**YES**

Berat (AL), Borsod (HU), Burgenland (A), Kärnten (A), Corse (F), Dalarna (S), Deutschsprachige Gemeinschaft (B), Hampshire (UK), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Jönköping (S), Lapland (FI), Lodz (PL), Lombardia (I), Madeira (P), Montana (BG), Mures (RO), Noord-Brabant (NL), Norrbotten (S), NSPA, Olt (RO), Ostfold (RO), Panevezys (LT), Pomorskie (PL), Presovsky (SK), Slaskie (PL), Steiermark (A), Tampere (FI), Telemark (FI), Tirana (AL), Tirol (A), Tolna (HU), Västerbotten (S), Veneto (I), Vrancea (RO), West Herzegovnia (BIH), West Sussex (UK), Wielkopolska (PL)
It seems that CAP is a completely independent entity with the highest priority and highest budget percentage. The objective of CAP should be modified to put a higher priority to rural development and not to granting agricultural subsidies, since about 6% of the EU’s population deals directly with agriculture, while CAP has approximately 75% of the EU’s total budget (Borsod). Moreover, the agriculture policy should set more regional-political than sector-political priorities (Kärnten). Through integration, the coordination of these areas could be better guaranteed and the strategy could be better adjusted (Burgenland). As Jönköping stated, CAP must be altered and more integrated in regional policy overall. The current CAP is too dominant in the overall EU policy. Deutschsprachige Gemeinschaft underlined that rural development has to be seen as an aspect of regional development. The CAP needs to be reformed. The regional level has to be given real influence over how the CAP is adjusted to the regional special demands and possibilities (Norrbotten). Rural issues form an integral part of regional development and strategies and instruments concerning rural development should therefore be included in the more general structural development strategies and programmes (Tampere). Rural development is a key element of competitiveness therefore rural policies should be integrated in the framework of the regional policies for competitiveness. One cannot separate rural areas from other parts of the region. Separate rural programming and implementation is an inefficient way to enhance regional development (Lombardia, Lapland).

Rural development national strategic plans should be integrated in the national reference frameworks. Regardless of the instruments aimed at operationalizing the strategy, there should be a unique document, because dissociating these interventions may implicate inefficiency (Madeira). Rural areas cannot be separated from other parts in the NSPA, since most of this territory is rural. Separate rural development programming and implementation is an inefficient way to enhance regional development. It is essential to sort out the current overlaps of CAP and Structural Funds. Both policies should be strongly adapted and coordinated in order to maintain and enhance sustainable economic development in the regions. Especially for the production and marketing of agricultural goods the link to CAP would become more important. Within the LEADER initiative and section 3 of the EAFRD programs a small step is done. But there could be more like creating links to local economies with local shopping facilities and small stores with special services. Because of the movement of people in agricultural regions to cities and its agglomerations, the thinning of agricultural areas will become more and more (Steiermark). The most important thing is to gain best value for money by emphasising the rural development pillar of the CAP and taking this pillar into the regional policy. Decisions within this pillar must be taken on a regional political level (Dalarna).

NO

Arad (RO), Catalunya (E), Friuli Venezia Giulia (I), Limburg (NL), Niederösterreich (A), Zachodnio-Pomorskie (PL), Somogy (HU)

Friuli Venezia Giulia argued that it would be better to keep a specific field regarding rural development policies which should be integrated into the regional policies without being necessarily included in the same framework of reference. Limburg expressed that of course all the EU-budgets share two major objectives: knowledge and sustainability (and cohesion). From that point of view, the thought of
integration is valid for all instruments. But the specific instruments have their own primary focus. **By integrating all angles, none is recognisable.** For every angle, there are different groups of stakeholders. INTERREG is meant to create partnerships. FP7 is meant to create technology, CIP is meant to create entrepreneurship, ERDF is meant to create regional coherence in development and EARFD is meant to create competition, sustainability and innovation in agriculture and in the agri-related environmental subjects. Some of the measures on the EARFD are closely related to some of the measures on the ERDF. However, the major part of the EAFRD is very differently focused than the ERDF. Apart from content, a very important difference lies in the **financial structure.** The CAP (first and second pillar) is mainly about yearly payments for long period results. The ERDF is mainly about single investments. So, it is important that on a regional level EU-fundings are coordinated, but integrating is only window dressing. There will always be a need to define specific budgets and objectives. Last but not least, Niederösterreich argued that an integration of CAP and regional policy is not possible due to **total different institutional and legal frameworks** in both areas. Integration would not lead to simplification and would make the coordination more difficult. Zachodnio-Pomorskie argues that the actions undertaken within the frame of CAP and actions undertaken within the frames of regional policy refer to different and spacious sectors representing specific problem areas. Being two separate sectors of EU policy, they finally apply the same rules, but approaching these specific problems needs application of different aid instruments. **Integration of both sectors could « spoil » their institutional transparency** and clear implementation of each fund in each objective. Eligible criteria of areas financed by the EU funds vary so much that they define also different stages of programming and funds’ implementation. Undoubtedly, CAP will be further changed in order to avoid negative results and will go beyond the food production sector, but still it will undertake measures in other areas.

**Figure 30: Integration of rural development into future regional policy**

Do you think in future regional policy there should be a regionalisation of the European Social Fund (ESF) as well as the European Agricultural Fund for Rural Development (EARDF)?
Hot spot: Regionalisation of ESF and EARDF

<table>
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<tr>
<td>◊ Better possibilities to direct those funds</td>
<td>◊ Different economic situation of rural areas in different EU regions</td>
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<tr>
<td>◊ Increased efficiency</td>
<td>◊ Labour market has no borders</td>
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<tr>
<td>◊ Identification of regions with the funds</td>
<td>◊ Labour market is not linked with territorial conditions</td>
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<td>◊ Improved coordination between funds</td>
<td>◊ Leader already is a regional differentiated element</td>
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<tr>
<td>◊ Building up of strong cooperation between different sectors in the region</td>
<td>◊ EARDF should be horizontal</td>
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<td>◊ Better development of policies</td>
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<tr>
<td>◊ More specific needs of the regions</td>
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YES

Arad (RO), Berat (AL), Dalarna (S), Pomorskie (PL), Tampere (FI), Jämtland (S), Noord-Brabant (NL), Limburg (NL), Västerbotten (S), Friuli Venezia Giulia (I), Montana (BG), Slaskie (PL), Norrbotten (S), Tirana (AL), West Hercegovina (BIH)

Both above-mentioned funds seem to have regional, even local, dimension, so the regions should have better possibilities to direct those funds. Regions would identify themselves (?) more with such regionalised programmes and the efficiency of funds would increase. Furthermore, the coordination between the funds would be improved. As the administration is centralized, the flexibility and responsiveness are deficient (Pomorskie, Tampere). Jämtland, Västerbotten and Noord-Brabant see the regionalisation of ESF as well as a way to strengthen the possibility of the region to build strong cooperation between different sectors in the region. It is the most effective way to tackle regional problems, that means to reach a maximum synergy through the collaboration of European, national and regional finances (Limburg). Moreover, the regionalization of this fund will guarantee a better development of the policies by taking into account the existing differences at the regional level (Friuli Venezia Giulia) and should be done after a full study of the regions’ situation (Berat). It will allow more specific needs of the regions to be addressed because it will allow a certain amount of money to be redistributed amongst projects which address similar problems (Montana).

The ESF should be more decentralized, as far as Poland is concerned. It would be appropriate to prepare 16 separate regional ESF programmes. In a huge (11,4 billion €) programme it is very difficult to include specific problems of each region i.e. educational problems in rural areas cannot be implemented properly in urban-based regions, not to mention managing problems (Slaskie). Since managed on national level, there is not as good buttom-up knowledge (Norrbotten).

Burgenland underlined that in principal the region has made positive experiences with regional ESF programmes and also regional programme for rural development (this was the case already for objective 1 programmes). Regions in Albania are suffering from a deep centralization and a lack of financial competences. Considering the decentralization as a ‘must’ for a modern regional development process, they see the regionalization of the mentioned funds as an important solution (belonging to the future) for their existence in the coming years. The regionalization boosts tailor-made interventions and gives better solutions to local problems (Tirana).
Jönköping stated that today, the national government is in charge of the funds and the regional influence in formulating them is marginal. The natural way should be that the regions have the first say on the priorities necessary at the regional level. But of course the funds also need to contribute to an overall national goal and the national government could then, after collecting the regional proposals, gather them into one policy document and add the national priorities based upon them and also based on other EU priorities such as the Lisbon agenda, but on a more general level.

Kralovehradecky added that in their case, regions are too small for effective fund management. Basically it is only possible in federal states. The division of tasks between state and regions must be considered: in Austria, labour policy is primarily a task of the nation state, hence an Austrian-wide labour-programme makes sense. Within EARDF, in particular the LEADER axis, a regionalisation would make sense in any case, because the real handling is carried out by LAGs (Tirol).

NO

Zachodnio-Pomorskie (PL), Vrancea (RO), Niederösterreich (A), Kärnten (A)

If one considers measures of ESF and its priorities concerning modernisation of the labour market instruments, perspectives for youth, preventing and combating unemployment, vocational and social integration of the disabled, supporting groups of particular risk, vocational integration and re-integration of women, promotion of education, better quality of education, development of skilled labour force necessary in the modern economy, the ESF should be of national character (Zachodnio-Pomorskie).

The regionalisation of ESF happens partially already, it should be coordinated nationally, because the labour market has no borders and is not linked with territorial conditions (Kärnten??)

Rural development policy implemented in the frames of EARDF defines measures within four areas and objectives related to them: better competitiveness of agriculture and forestry, natural environment and rural areas, better quality of life and diversification of rural economy, LEADER approach. Similarly to ESF, measures should be of national character because of very different economic situation of rural areas in different EU regions (Zachodnio-Pomorskie). Niederösterreich added that EARDF should be « horizontal ». With LEADER, the EARDF already has a regional differentiated element. EARDF should not only be regionalised but also embedded in regional policy (Kärnten).
4.3.2 Beneficiaries

Questions analysed in particular are:

4.8. Who should be the beneficiaries of future EU cohesion policy?
4.9. Which criteria should be used for future cohesion policy?

Who should be the beneficiaries of future EU cohesion policy?

- **Only lagging-behind regions**
  - Neamt (RO), Vrancea (RO), West Hercegovina (BIH), Baden-Württemberg (D), Berat (AL), Kärnten (A), Somogy (HU)

- **All EU regions, with a difference in scope and amount of financing**
  - Arad (RO), Burgas (BG), Burgenland (A), Corse (F), Friuli Venezia Giulia (I), Jönköping (S), Lapland (FI), Lodz (PL), Lombardia (I), Montana (BG), Mures (RO), Niederösterreich (A), Noord-Brabant (NL), NSPA, Ostfold (N), Pomorskie (PL), Presovsky (SK), Slaskie (PL), Steiermark (A), Tampere (FI), Telemark (N), Västernorrland (S), Veneto (I), West Sussex (UK), Auvergne (F), Bekes (HU), Hampshire (UK), Ilfov (RO), Jász-Nagykun-Szolnok (HU)

Zachodnio-Pomorskie (PL): Different speed of changes, different needs of regions and disproportions between the member states, different problems and threats require various measures based on European funding and their programming. One solution cannot be applied in all member states, due to their different development. It is important that principles of co-financing are the same, but its size and scope remains different.
All EU regions, with a difference in financing but with the same scope
Panevezys (LIT), St. Gallen (CH), Tirana (AL), Tolna (HU), Värmland (S), Västerbotten (S), Wielkopolska (PL), Jämtland (S)

All EU regions, according to the same system of objectives as today?
Borsod (HU), Dalarna (S), Kralovehradecky (CZ), Limburg (NL), Niederösterreich (A), Olt (RO), Oppland (N), Tirol (A), Catalunya (E), Deutschsprachige Gemeinschaft (B)

Other criteria should be taken into account
Lapland (FI), Madeira (P), NSPA, Presovsky (SK), Berat (AL)

Devon (UK): The most significant help should be for the new accession countries but with targeted support on a thematic basis for all areas. There should be a gradual progression away from reliance on support for lagging regions and towards 'thematic' support.

Figure 32: Beneficiaries

Päijät-Hämeen Liitto (FI) suggested that the ability of different regions to exploit different financing instruments varies according to the level of knowledge and competitiveness of the region. The same action does not generate added value in all regions; rather, different mechanisms work in different regions. The financing allocated through the structural funds could be concentrated, for example, according to the diagram below. According to the diagram, regions with below 75% of average GDP in the EU could use all the available forms of support, including cohesion-type measures, such as basic investments and employment policy. The other regions could exploit all instruments apart from investments, but they must be tightly linked to developing competitiveness, and the
NUTS 3 regions whose competitiveness index exceeds 125% could use networking instruments (Interreg, ESF/international skills) and financing from specific programmes.

**Figure 33: Knowledge and Competitiveness**

Source: 10 Steps to 2013+, Esa Halme, Tuula Loikkanen 2007

**Which criteria should be used for future cohesion policy?**

**GDP as it is the case now**

Arad (RO), Kralovehradecky (CZ), Lodz (PL), Niederösterreich (A), Oppland (N), Presovsky (SK), Berat (AL), Burgenland (A), Deutschsprachige Gemeinschaft (B), Jász-Nagykun-Szolnok (HU), Lombardia (I), Olt (RO), Oppland (N), Pomorskie (PL), Wielkopolska (PL). Most of these regions answered though it should be a combination of both.

Tirana (AL): GDP is a very significant indicator and the most important of all.

Kärnten (A) highlighted though that additional parameters are needed but with less emphasis.

Catalunya (E): As far as the convergence objective is concerned, the criterion based on the GNP is the most adequate. As far as the competitiveness objective is concerned, other criteria should be introduced, such as technological underdevelopment, lack of innovating practices at the level of enterprises, etc.

Ilfov (RO): GDP is important but taking account the different development levels within each region. It is possible to have deprived areas even within a well-developed region.

Zachodnio-Pomorskie (PL): Future cohesion policy should define areas in individual objectives of this policy taking under consideration criteria referring to the economic situation in the given country.

Jönköping (S): As proposed by the Parliament on the plenary session of 16-05-2007, GDP should of course be used but in addition to it other territorial indicators should also be used to measure cohesion.
Madeira (P): Regardless of the significance of the GDP criteria, it is rather reducing to use it as a sole parameter for this purpose. It would be of great importance to estimate the definition, in the cohesion policy framework, of the new criteria based on populations’ life standard, throughout the analysis of several potential indicators to be cautiously determined, such as the real wage rate.

Other parameters:

Päijät-Hämeen Liitto explained that the structural fund system is based on a clear-cut criterion of 75% of GDP, which does not necessarily provide sufficient support for a competitiveness-centred approach. What is actually needed is a clear and generally acceptable criterion to limit those regions to which the EU direct more economic resources and different types of measures than it does to the rest, such as investments in basic structures and employment policy measures to relieve high unemployment. Strong emphasis should be placed on improving competitiveness also when selecting these measures. GDP would continue to serve as an indicator according to which resources are targeted at a NUTS 2 region (volume indicator). However, in the future it is worth restricting measures for all other NUTS 2 regions to measures that heighten competitiveness and promote networking. As for NUTS 3 regions whose competitiveness index exceeds the level of 125% of the EU average as measured on the European Competitiveness Index, it would make sense to limit the permitted measures (under the ERDF and ESF) to financing networking. The competitiveness index would guide the measures and serve as a monitoring indicator. Objectives and measures in this model should be defined so that the measures implemented in a region improve the region’s competitiveness as much as possible and the index that measures it. This agreement should be reached. To put it simply, support funding would be used to buy a change in the index.

Burgenland (A), Mures (RO), Panevezys (LIT), Tolna (HU)

Neamt (RO): GDP and the essential indicators of the social-economic development.

Tampere (FI): The regions should be permitted to decide on which areas they concentrate EU funds based on objective and transparent socio-economic criteria.

Tirol (A): A mix of a limited number of significant, EU-wide easily available criteria, seems reasonable, it has to be examined more closely though. An approach reaching beyond «Lisbon», i.e., more indicators, are needed in any case.

Västernorrland (S): There are many differences between regions’ prerequisites even within a country, and even more so in a European perspective. Using the same criteria/indicators for projects in cities and in rural areas is in our perspective not preferrable.

Veneto (I): The GDP has proved to be a too synthetic index, only quantitative and not qualitative: other parameters are required which have to take into consideration economical, social, environmental and political factors.
West Sussex (UK): There needs to be a way of identifying pockets of deprivation and accessing funding for those areas which are considered to be prosperous. As mentioned above, there needs to be access to funding to aid countries with ageing populations rather than just focusing on GDP.

◊ **Wage level**
  Burgas (BG), Dalarna (S), Lombardia (I), Madeira (P), Montaná (BG), Niederösterreich (A), Noord-Brabant (NL), Ostfold (N), Presovsky (SK), Slaskie (PL), Steiermark (A), Telemark (N), Tirol (A), West Hercegovina (BIH), Wielkopolska (PL), Somogy (HU)

◊ **Migration rate**
  Burgas (BG), Dalarna (S), Friuli Venezia Giulia (I), Zachodnio-Pomorskie (PL), Jämtland (S), Jönköping (S), Limburg (NL), Lombardia (I), Montaná (BG), Niederösterreich (A), Noord-Brabant (NL), Olt (RO), Presovsky (SK), Slaskie (PL), Steiermark (A), Tirol (A), Värmland (S), Västerbotten (S), Somogy (HU)
  Hampshire (UK): Countries absorbing migrants should also be eligible for funding.

◊ **Employment / unemployment rate**
  Burgas (BG), Dalarna (S), Jönköping (S), Montaná (BG), Niederösterreich (A), Noord-Brabant (NL), Olt (RO), Ostfold (N), Pomorskie (PL), Presovsky (SK), Slaskie (PL), Steiermark (A), Telemark (N), Tirol (A), West Hercegovina (BIH), Wielkopolska (PL), Somogy (HU)
  Corse (F) and Päijät-Hämeen Liitto (FI): Qualification level of employees

  Zachodnio-Pomorskie (PL): It is very important for Poland particularly, where decrease of unemployment rate is closely related to high economic migration rate, thus in very unclear way describing economic efficiency.

◊ **Geographical and demographic disadvantages**
  Corse (F), Norrbotten (S), NSPA, Ostfold (N), Presovsky (SK), Slaskie (PL), Telemark (N), Värmland (S), Västerbotten (S), West Hercegovina (BIH)
  Burgas (BG): outermost regions, sparsely populated areas or mountainous areas.
  Jämtland (S), Lapland (FI): Sparsely populated, arctic climate.

◊ **Ageing society / age distribution**
  Friuli Venezia Giulia (I), Ostfold (N), Telemark (N), Hampshire (UK)

◊ **Quality of life**
  Madeira (P), Olt (RO)
  Friuli Venezia Giulia (I): risks of losing possibilities of development within a region.

◊ **Education**
  Jämtland (S), Jönköping (S), Ostfold (N), Telemark (N), Värmland (S), Västerbotten (S), West Hercegovina (BIH), Päijät-Hämeen Liitto (FI)

◊ **Access to infrastructure and transport**
Jönköping (S), Telemark (N), West Hercegovina (BIH)

- **Regional economic structures**
  - Limburg (NL): situation of border-regions
  - Jönköping (S): differences in GDP in relation to neighbouring regions
  - Steiermark (A): GRP
  - Västerbotten (S): amount of private sector

- **Innovation level**
  - Presovsky (SK), Päijät-Hämeen Liitto (FI)

**Figure 34: Parameters**

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**4.3.3 Objectives**

Questions analysed in particular are:

4.10. How do you see the future zoning and objectives?

**How do you see the future zoning and objectives?**

1. **Different objectives as it is the case today**
   - Burgenland (A), Kralovehradecky (CZ), Lapland (FI), Neamt (RO), Noord-Brabant (NL), Panevezys (LIT), West Hercegovina (BIH), Bekes (HU), Norrbotten (S), Catalunya (E), Deutschsprachige Gemeinschaft (B), Alsace (F), Limburg (NL), Niederösterreich (A), Veneto (I), NSPA

   To foster only one objective within 27 member states is not reasonable considering the diversity of the European regions. However, a case-by-case approach would be too narrow (Alsace). Limburg mentioned that there should be differences in objectives of
convergence for the poor regions and a maintenance of competitiveness and cooperation objectives for the rest of Europe. Those two aims should be more synchronised.

Niederösterreich added that the realization of objectives and topics of EU-wide importance must imply the regional specialities (strengths and weaknesses) in the regional programmes.

Dramatical differences between regions should lead as well to different priorities. Otherwise, if Lisbon agenda is applied in the same way regardless of differences, the result may accelerate the growth of large cities and the rapid depopulation of rural areas (NSPA).

2. Tailor-made approach in each region, according to a limited number of priorities defined in cooperation with the EU

Auvergne (F), Berat (AL), Borsod (HU), Burgas (BG), Corse (F), Dalarna (S), Friuli Venezia Giulia (I), Ilfov (RO), Hampshire (UK), Jász-Nagykun-Szolnok (HU), Jämtland (S), Jönköping (S), Lodz (PL), Lombardia (I), Madeira (P), Montana (BG), Mures (RO), Olt (RO), Presovsky (SK), St. Gallen (CH), Steiermark (A), Tolna (HU), Värmland (S), Pomorskie (PL), Slaskie (PL), Tampere (FI), Tirana (AL), Västerbotten (S), Västernorrland (S), Vrancea (RO), West Hercegovina (BiH), West Sussex (UK), Wielkopolska (PL), Zachodnio-Pomorskie (PL), Somogy (HU)

Each region should be considered individually, as integral parts of the EU, and cooperation conditions must be precisely defined to set a given number of priorities. A limited number of priorities will result in bigger concentration of financial support in individual areas. Thus, unequal financial distribution will be avoided. Allocation of funds will then better meet needs of supported areas. According to such assumption, the definition of priorities should be done in both a short-term – intensive support - and medium term perspectives – maintaining the results - and accompanied, if necessary, by intensification of support (Zachodnio-Pomorskie). It seems obvious that the result of the EU fund intervention will be most effective when responding to the particular needs of the region. Cooperation with the EU should secure cohesion between regional plans and horizontal community goals, as Slaskie underlined.

Auvergne stated that it is necessary to continue to ensure a transition, under the framework of the « phasing-out ». We could set up defined categories according to the level of development and competitiveness of the regions in order to give an account of their diversity, with objectives able to meet the needs for development of these regions rather than to wonder who could profit from the cohesion policy. It would be more constructive to think about the extent to which this or that region can profit from cohesion policy. It has been proved that the regional policy reduces the gap of development between the member states, but these disparities increase between the European regions and even within the same country. A policy based on the specificities of the regions would be a mean of mitigating the development gap. The OPs, although adaptable to the local situation, are still too restricted with respect to the needs of certain regions. It is however necessary to be careful and to evaluate to what extent it is possible to articulate regional strategy and European strategy (Auvergne).

Investment in “custom-made” programmes could be interesting as Jämtland pointed out. Currently the same “recipe” is developed for all of Europe, so consequently there is a risk that development based on the regions’ specific nature will be not carried out to its full
advantage. Until 2013 now-convergence regions should achieve more satisfactory level of capacity and development, so they should be given more tailor-made approach (Pomorskie).

A tailor-made approach in each region, according to a limited number of priorities defined in cooperation with the EU is the best approach to secure the necessary harmonization and complementarity among local, national and EU development policies, as Tirana expressed.

Västerbotten summarized, the main objective of structural funds is to reduce the regional economic differences and to help the regions lagging behind the rest to catch up and boost their economy in a sustainable way. Different regional plans on how to use the structural funds are therefore necessary as there is great diversity among the regions.

3. Different approach

Tirol (A), Kärnten (A), Devon (UK)

Contentwise, the overall objective, of cohesion policy needs to be substantiated and differentiated in the framework of a holistic approach. Objectives in the sense of different « programme types » could be absolutely different. Most important is their coordination and coordinated implementation. A whole regionalized approach is problematic – where would then the European connection be? Important is to enable within the big objectives as much flexibility as possible, hence regional-specific conditions could be satisfied in a good way in the concrete programming (Tirol).

In 7 years, climate change will be more essential due to the energy supply. On the other hand, the definition of Europe’s economic role in view of new competitors has to be discussed. Maybe only R&D should play a role in future cohesion policy, but not only for large scale industries with the additional of different regional political agricultural policy.

A flexible approach for social issues, for those who have been excluded from the labour market, immigrants, etc. could also be enhanced. Key issue should be European education system on all levels – which is neglected at the moment – this sector should be given more (European) funds (Kärnten).

The most significant help should be for the new accession countries but with targeted support on a thematic basis for all areas. It will be important to ensure that there are links between the two strands of funding and the focus should remain on the Lisbon agenda. The continuation of ‘co-operation’ funding is important (Devon).

4. One single main objective with a restricted number of priorities for all EU regions

None of the responding regions sees the approach of one single main objective with a restricted number of priorities for all EU regions as adequate.
4.3.4 Implementation

4.11. Given the need for efficient management of cohesion policy programmes, what is the optimum allocation of responsibility between the Community, national and regional levels within a multi-level governance system?

4.12 Should the Regions be involved in the definition of priorities of future regional policy (including eligible expenditures)?

4.13. Should there still be negotiations between Member States and EU Commission, with possible (and strongly recommended) internal negotiation within the Member States with other stakeholders (including the regions)?

4.14. Would three-party contracts between Member States, EC Commission and Regions, with internal negotiations within the Regions with local stakeholders, be an appropriate solution?

4.15. How can cohesion policy become more effective in supporting public policies in Member States and regions? What mechanisms of delivery could make the policy more performance-based and more user-friendly?

4.16. Should the programming period be adapted to a 5+5 cycle as proposed by the Finish Region Päijät-Hämeen Liitto?

4.17. What are the critical competencies that should be developed at the regional level to make regions globally competitive?
4.18. According to your region, is there an increased need for training of the regional civil servants for managing EU funds or projects?

Given the need for efficient management of cohesion policy programmes, what is the optimum allocation of responsibility between the Community, national and regional levels within a multi-level governance system?

Multi-level governance system in the context of implementing programmes within the cohesion policy is executed according to rules set in the Council Regulation (EC) no 1083/2006 of 11th July 2006, i.e. principles of partnership and territorial level of execution. Effective management of cohesion policy requires clear division of responsibilities between three levels – Community, national and regional. Responsibilities of each level of governance must be complementary to each other and these responsibilities must be more operational and no higher levels – more strategic (Zachodnio-Pomorskie (PL)). Development is best driven through multi-level governance, through the coordinated actions to the union, member states and local and regional authorities (Burgas (BG)). Kärnten (A) pointed out that on the one hand, there should be no nationalization of European tasks, which have no «national» borders, like environment, climate, big infrastructures, and, on the other hand, there should not be a Europeanization of national tasks, like parts of agricultural policy, regional policy. Solidarity has to be solved above all. Burgenland (A) and Niederösterreich (A) added that the division of tasks in Austria as a federal system has been proved of value since 1955. Corse underlined the principle of subsidiarity: the need of a harmonization of the programmes’ management based on only one level of management. It should be guaranteed that the governance at several levels plays as an added value and not as a way to create different decision-making centres that can fight each other in the programmes management, as Friuli Venezia Giulia (I) pointed out. The field of competencies of the different institutional levels should be clearly defined, giving to the European and national levels the role of defining the strategies and to the regions the role of managing the operational programmes.

Päijät-Hämeen Liitto (FI), Jönköping (S), Värmland (S), Västerbotten (S) and Jämtland (S) favour a tripartite system where all actors concerned are involved in the process to reach the most effective outcome possible. A new internal operating model has been under development in the EU for years and is based on both “bottom up and top down” interaction. A key idea is increasing the interaction between the different levels and, in particular, improving the scope for the local and regional level to influence the preparation of community initiatives. In order to improve competitiveness, it is of particular importance to develop a model for dialogue that is used on a more regular basis than is the case today, a dialogue in which representatives of regional and local administration participate in preparing EU policy and initiatives. Madeira (P) stated that the current allocation of responsibilities is rather adequate, Mures (RO) underlined though that there should be more responsibility at regional and national levels and a more remarkable shift of powers to the regional level is needed, as Tampere (FI) highlighted. Slaskie (PL) added an interesting point: this obviously depends on the size and administrative design of the particular country. Given as an example, in the Polish management system 2007-2013 it seems that there should be more competences and responsibility on regional level. Regions with population over 4 mio. are the right size to carry economic policy, that
together with legal obligation for carrying regional policy makes the region the right level for most decisions on cohesion policy programmes.

**EU-level**

- EU level should coordinate regional and national policies and propose the main directions of development
- The EU sets the frames (Dalarna (S)), brings the budget and checks (via single audit) the correct spending of budgets (Limburg (NL))
- Stearing and controlling (Lombardia (I)), monitoring of national levels (Dalarna (S))
- The EU should be involved in designing the programmes in overall terms and, together with regions, to design the regional programmes (Norrbotten (S))
- Definition and financing of the overall programmes (Ostfold (N), Telemark (N))
- General objectives and directions, preparing regulations, important role at the stage of negotiations (Pomorskie (PL))
- The EU level responsibilities should be agenda-formulating, resourcing and competence-building, i.e. focusing on the policy making and trans-national issues (Tampere (FI))
- Strategic objectives in terms of cohesion, convergence, unbalances reduction, abatement of the differences (Equal Opportunities) (Veneto (I))
- Main responsibility born by the Community should encompass drafting transparent legal and institutional rules of cohesion policy operations. Community should develop general guidelines for this policy that can be then adapted on national level to the specific functioning of each state.

**National level**

- The national level should be responsible for sectorial policies based on specific development priorities (Ilfov (RO))
- The national and regional governments compose the content of the programs (Limburg NL)
- Programming and managing (Lombardia (I))
- The simplification and better coordination between different funding schemes at national level (NSPA)
- Responsibilities at national and regional level should be 30% (Olt (RO))
National and regional levels should in cooperation define the special needs for each country and region, and define and implement relevant projects (Ostfold (N), Telemark (N))

Implementation (Noord-Brabant)

General legal control, programming horizontal issues (Pomorskie (PL))

The national level should just prepare broad framework and focus on large line infrastructure programmes (Slaskie (PL))

The role of national state should be purely enabling, supporting and outlining (Tampere (FI))

Definition of the problems at the territorial level and analysis of the local problems per macro areas (Veneto (I))

Management on national level means both drafting strategic documents and operational guidelines. These documents refer only to the area of given state and are drafted in the context of its development priorities and national law (Zachodnio-Pomorskie (PL))

Monitoring of regional level (Dalarna (S))

Regional level

Elaborates the development programmes based on the needs and strategies of each region (Ilfov (RO))

The regions are responsible for the operation of the program and is called to account (Limburg NL), Dalarna (S))

Programming and managing (Lombardia (I))

Designing the regional programmes (together with EC) (Norrbotten (S))

Responsibilities at national and regional level should be 30% (Olt (RO))

National and regional levels should in cooperation define the special needs for each country and region, and define and implement relevant projects (Ostfold (N), Telemark (N))

Implementation (Noord-Brabant)

Creating regional priorities through, among others, public consultation process; preparing operational programmes, assuring effective implementation system, including projects’ selection (Pomorskie (PL))
Management and implementation of regional OPs should be fully allocated to the regions, other OPs should include regions into managing and implementation processes (Presovsky (SK))

The regional level should be clearly responsible for their own strategies and for the operative implementation of the OP’s (Tampere (FI))

Definition of the measure of intervention (Veneto (I))

The regional level is mostly operational. It is based on principles and guidelines drafted on national level. Strategic issues refer only to regional programmes. In such case, regional level drafts also its own instructions and implementation rules of these programmes. These rules are of course in compliance with all regulations and guidelines in force in given state (Zachodnio-Pomorskie (PL))

Local level

Responsibilities at the local level should be 70% (Olt (RO))

Should the Regions be involved in the definition of priorities of future regional policy (including eligible expenditures)?

- A policy made for regions, by regions
- Regional policy aims at reducing regional disparities, it has a direct regional impact
- They are in the best position to name their needs, potentials, grass-root challenges, strengths and weaknesses
- A new kind of multi-level, tripartite joint regional policy is needed

YES

Arad (RO), Berat (AL), Burgas (BG), Burgenland (A), Kärnten (A), Catalunya (E), Corse (F), Dalarna (S), Deutschsprachige Gemeinschaft (B), Friuli Venezia Giulia (I), Hampshire (UK), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Jönköping (S), Krajovehradec (CZ), Lapland (FI), Lodz (PL), Lombardia (I), Madeira (P), Montana (BG), Mures (RO), Neamt (RO), Niederoesterreich (A), Noord-Brabant (NL), Norrbotten (S), NSPA, Olt (RO), Ostfold (N), Oppland (N), Panevezys (LT), Pomorskie (PL), Presovsky (SK), Slaskie (PL), St. Gallen (CH), Tampere (FI), Telemark (N), Tirana (AL), Tirol (A), Värmland (S), Västerbotten (S), Veneto (I), Vrancea (RO), West Hercegovina (BIH), West Sussex (UK), Wielkopolska (PL), Zachodnio-Pomorskie (PL), Päijät-Hämeen Liitto (FI), Somogy (HU)

A “policy made for regions, by regions” (Madeira). Regions have a crucial role to play in the several stages of regional policy and they should be involved in such definitions of priorities, since the contribution of the regions will allow to better know the different perspectives and specific needs/realities of the regions. These aspects should be taken into consideration in the definition of future regional policy and should be adapted from
region to region, despite the need of a minimum common basis in these matters at EU and national levels, whether on the priorities to be set or on the eligibility of expenditures. Territorial governments are responsible for implementation of future regional policy, their involvement in the process of defining priorities, including eligible expenditure must be adapted to the regional strategy that proves its specific features (Zachodnio-Pomorskie (PL)).

In respect of the principle of subsidiarity (Arad), they know best which are their current needs, grass-root challenges and priorities, strengths and weaknesses (Burgas, Hampshire, Ilfov, Jönköping, Lapland, Lodz, Niederösterreich, Noord-Brabant, Ostfold, Telemark). Furthermore, they are going to implement the programmes. Regional policy aims at reducing regional disparities, which means it has a direct regional impact. Regions are in the best position to name their needs, potentials and opportunities. From their experience they know what is feasible e.g. in terms of administration (Deutschsprachige Gemeinschaft, Kralovehradecky, Limburg, Montana, Neamt).

Friuli Venezia Giulia underlined that the contribution of the regions could be significant for the definition of some aspects of the priorities, such as the territorial co-operation, the definitions of the eligible expenses, the financial cycle, the control systems. Lombardia highlighted that the competitiveness of the territory is designed at regional level.

The answer is determined by the design of the present management system (Slaskie). Regions are (at least in Poland) managing authorities for operational programmes – that means they gain valuable experience and competences in terms of impact of structural funds on regional development. Therefore regions may provide answers on desired scope and directions of effective EU fund interventions in the future.

To sum up, it is very important to have a substantial involvement of the Regions in the definition of priorities of future regional policy in order to have effective regional policy and development actions (Tirana).

Today, all too often regional policy is made up of programmes that remain separate and of projects to implement them that are disconnected and of short-term impact. To reform this requires a new kind of multi-level, tripartite joint regional policy that is based on agreements with more long-term effects and that takes the specific features of the regions into account (Päijät-Hämeen Liitto). The effectiveness of the structural funds can be enhanced if the various development instruments are brought together strategically. Improving the competitiveness of the regions has to be seen as a whole that is supported according to regional needs by way of national and EU development action.

Should there still be negotiations between Member States and EU Commission, with possible (and strongly recommended) internal negotiation within the Member States with other stakeholders (including the regions)?

YES

Arad (RO), Alsace (F), Auvergne (F), Baden-Württemberg (D), Berat (AL), Bekes (HU), Borsod (HU), Burgas (BG), Burgenland (A), Kärnten (A), Catalunya (E), Corse (F), Deutschsprachige Gemeinschaft (B), Devon (UK), Hampshire (UK), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Jönköping (S), Kralovehradecky (CZ), Lapland (FI), Limburg (NL), Lodz (PL), Madeira (P), Montana (BG), Mures (RO), Niederösterreich (A), Noord-Brabant (NL), Norrbotten (S), NSPA, Olt (RO), Ostfold (N), Panevezys (LIT), Pomorskie (PL), Presovský (SK), Slaskie (PL), St. Gallen (CH), Steiermark (S), Tampere (FI), Telemark (N), Tirana (AL), Tirol (A), Tolna (HU), Värmland (S), Västerbotten (S),
Västernorrland (S), Veneto (I), Vrancea (RO), West Hercegovina (BIH), West Sussex (UK), Wielkopolska (PL)

Pomorskie and Tirol highlighted that the focus should be moved towards direct negotiations between regions and the EU Commission, only with general overview from national level. Public consultations within the region should play even a more important role than now. Presovsky added that negotiations should take place in the form of triangle procedures—EC, member state and regions—and not at separate level. This approach enables better communication, definition and identification, which makes the system more efficient.

NO

Lombardia (I), Friuli Venezia Giulia (I), Zachodnio-Pomorskie (PL), Somogy (HU), Dalarna (S)

Friuli Venezia Giulia argued that it is more effective to envisage the participation of key actors (especially regions) at all levels of the negotiations. Zachodnio-Pomorskie expressed that internal negotiations within the member states with other stakeholders like territorial government units, social and economic organisations and business are not necessary. The Region argues that bilateral contracts signed between the above mentioned stakeholders and regions or the member state already exist, and take into consideration their proposals. This is reflected both in the strategies and operational programmes. Somogy argued that if it is optional (possible), then there is a risk that the region will not have any word during the decision-making process.

Figure 36: Negotiations between MS and EC
Would three-party contracts between Member States, EC Commission and Regions, with internal negotiations within the Regions with local stakeholders, be an appropriate solution?

YES

Arad (RO), Alsace (F), Auvergne (F), Berat (AL), Bekes (HU), Borsod (HU), Burgas (BG), Kärnten (A), Catalunya (E), Corse (F), Dalarna (S), Deutschsprachige Gemeinschaft (B), Devon (UK), Friuli Venezia Giulia (I), Ilfov (RO), Jämtland (S), Jász-Nagykun-Szolnok (HU), Jönköping (S), Krajohehradecky (CZ), Lapland (FI), Limburg (NL), Lodz (PL), Lombardia (I), Madeira (P), Montana (BG), Mures (RO), Norrbotten (S), NSPA, Olt (RO), Ostfold (N), Panevezys (LT), Presovoky (SK), Slaskie (PL), St. Gallen (CH), Steiermark (A), Telemark (N), Tirana (AL), Tolna (HU), Värmland (S), Västerbotten (S), Västernorrland (S), Veneto (I), Vrancea (RO), Somogy (HU)

Pomorskie (PL), Tirol (A), West Hercegovina (BIH), West Sussex (UK) answered neither « no » nor « yes ».

Catalunya is concerned that negotiations should be given more decision-making power to the regions within those countries where regions have competences in the regional development policies. Nowadays the agreements among the three parties tend to be too much homogenous. The EU should be more aware of the political background within each region. Montana added that all stakeholders should be represented in the contracts which will allow the contracts to achieve an utmost effectiveness in terms of a balanced regional development.

West Sussex would be concerned about the level of bureaucracy that this would introduce and the number of structural funds.

NO

Baden-Württemberg (D), Niederösterreich (A), Noord-Brabant (NL), Hampshire (UK), Tampere (FI), Wielkopolska (PL), Zachodnio-Pomorskie (PL)

Local stakeholders (territorial government units and social and economic partners) should not negotiate on the level member state – EC – region. Territorial government units and social and economic partners sign bilateral contracts with regions or with member states; they also participate in negotiations over the key national and regional documents (national development strategy, regional development strategy, sectoral strategies, operational programmes). That is why it is purposeless to include local stakeholders into three-party negotiations, because member states and regions while concluding contracts with the EC take under consideration needs of local stakeholders set in the above mentioned strategies and operational programmes, as Zachodnio-Pomorskie expressed. Negotiations between member states, EC and regions should not be transferred to the level of local stakeholders, because this could complicate the negotiation process. Hampshire is concerned that this could potentially introduce an unhelpful amount of bureaucracy and there is a possibility that it would give member states too much power of control. Tampere argued that the negotiations between different parties are welcome, but it is questionable if formal agreements or contracts need to be pursued. In worst case
they could bind the signing parties too rigidly and prevent effective actions when the external conditions change. In some specific cases, a contract-type agreement may, however, be considered in order to ensure commitment to implement certain special priorities within the context of the structural development policy. A “memorandum of understanding” between the Commission, the Member states and the regions in question could be the means to accomplish this. As Wielkopolska stated, it seems that participation of central authorities may not be necessary. Negotiations should take place directly between regions and the European Commission.

**Figure 37: Three-party contract between MS, EC and Regions**

How can cohesion policy become more effective in supporting public policies in Member States and regions? What mechanisms of delivery could make the policy more performance-based and more user-friendly?

- Simplify procedures and self-responsibility through back sourcing of regional political competences to member states
- Transition of EU state aid
- Further development of Community initiatives in the framework of deepening interregional cooperation in border-areas
- Reduction of administrative burdens
- Operational Programmes should include interventions financed by the ordinary policies at the regional and national level
- Synergy among policies
- Flexible programming policy
- Bigger financial resources
- Communication plan
- Effective system of evaluation and monitoring
- Reducing annual membership fee to non-developed regions
Baden-Württemberg (D) referred to the following four points:

**Simplify procedures and self-responsibility through backourcing of regional political competences to member states:**
The procedure of negotiations has to be simplified and made more transparent between Commission, MS and regions and also the allocation of EU funds should be reduced from bureaucracy. There should be a bigger scope among the determination and implementation of measures to offer a quicker and tailor-made use of structural funds which are best adapted to the regional needs. There has to be a new orientation of key expenditures, which should be concentrated on expenditures with real European added value. At the same time, the lean ressources demand an even higher concentration of EU funds to lagging-behind regions within the EU. In this context, it should be thought about not asking any longer regions after their eligibility for funds, but convert cohesion policy to financial compensation between member states. Main thought is to conduct regional structural policy in economically well developed member states from own financial resources – in the framework of EU state aid – and at the same time pay financial contributions for the support of poorer member states. Those would have to be used in earmarking – under strong control of EU Commission. The saved money – hitherto backflow from EU funds to Germany – would be assigned directly from the state to the Länder.

**Transition of EU state aid**
Reform of EU cohesion policy must go hand in hand with a transition of EU state aid. The challenge is to encourage lagging-behind regions without affecting rich ones and without avoiding a funding- and subsidies « footrace ». The progress achieved in this respect in the current period (e.g. accentuation of de-minimis-swell) is only minor. In particular the competitiveness-blurring effects of structural funds must strictly be avoided in future. The objective is to enable the german Länder a self-contained industrial policy with own means.

**Basic Premises**
It can no longer be the case that in some EU regions the funds are implemented without objective orientation. The situation of those regions has not improved despite years and years of financial aid. This means a waste of community means. There should be stricter sanctions in case of misusage of funds and more efficient procedures have to be developed in order to get this money back.

**Further development of Community initiatives in the framework of deepening interregional cooperation in border-areas**
The support of Europe-wide network of regions, municipalities and entrepreneurs with the possibility to implement common projects and to learn from each other, has a high European added-value. In particular cross-border and interregional cooperation has generated the motor of European integration in the last years for Baden-Württemberg together with its partners in France, Switzerland and Vorarlberg. This successful form of cooperation has to be continued and extended via the Community initiative Interreg and should be funded with EU structural funds.
Reduction of administrative burdens (Deutschsprachige Gemeinschaft (B), Presovsky (SK), Tirol (A)). Cohesion policy will be more user-friendly if bureaucracy connected to the execution of programmes is limited (better organisation of institutions responsible for programmes, better information flow between these institutions and member states and EC, simplified application procedures). Potential beneficiaries of cohesion policy could be encouraged by introduction of advance payments in all projects instead of present reimbursement system (Zachodnio-Pomorskie (PL)). Mures (RO) added more simple and clear mechanisms, reduction of rules and single valued interpretation (Limburg (NL)).

The Operational Programmes should include interventions financed by the ordinary policies at the regional and national level which are envisaged in the strategic regional and national framework not only with reference to the Structural Funds, but within the framework of the development policies implemented by regions and states. An example can be the reduction of the European co-financing rate which should not exceed percentages of 20-30% of the total amount of funds. Within the framework of the “Convergence” and “Competitiveness”Objective it will be necessary to envisage a higher financial participation of the regions. Within the framework of the “Territorial Co-operation” objective, the ERDF funding will have to be defined according to each operational programme and not designated to the member states as happened in the current programming period (Friuli Venezia Giulia (I)).

Synergy among policies
Päijät-Hämeen Liitto (FI) underlined that all measures have to be pulling in the same direction so that sufficient synergy and with it a sufficient improvement in competitiveness can be achieved. The resources available to the European Union constitute only about 1% of the GDP of the member states, in other words a few percent of Europe's combined public sector economy. In order for these resources to have sufficient impact, European policy and national operating policy have to pull in the same direction, and both policy sectors have to be able to rise to the global challenge. This requires extending the European concept of additionality so that it is not just a matter of additional national, regional or local investment in the agreed areas of action, but of focusing actions on the same targets on a far wider scale and of having a clearer division of labour than at present.

Flexible programming policy (Tampere (FI)). The policy outlines must meet the actual development challenges and needs in the regions. The seven-year programming period with limited possibilities to revise the strategies or the OP’s during it may be too long and too inflexible. The approach should include a continuous loop to scan the regional development and the outcomes of the OP’s in order to readjust the targets and their implementation iteratively.

In order to support and increase efficiency of cohesion policy, bigger financial resources should be allocated to it from the EU budget. Also, bigger resources should be allocated to the promotion of programmes and initiatives executed in the frame of cohesion policy, so that this information could reach as many potential beneficiaries as possible (Zachodnio-Pomorskie (PL)).

Communication Plan (Niederösterreich (A), Kralovehradecky (CZ), Tirana (AL), Veneto (I))
Northeast cohesion region has its own Communication plan. External firms with best practices are going to help in setting of the best means of addressing which managing authority should use in communication with beneficiaries and public. Niederösterreich added that public relations have a high priority. The contact with the direct beneficiaries and the relevant stakeholders through media, internet, publicity campaigns, the survey of their opinions and exigencies, clear and measurable performance indicators. Veneto added that the European cohesion policy is not still well known: an incisive action of information, promotion, communication and technical assistance is required, especially after the involvement of new areas.

**Effective system of evaluation and monitoring** of other public policies combined with the cohesion policy (Pomorskie (PL)).

**Reducing annual membership fee to non-developed regions** (West Hercegovina (BIH)). More cooperation with non-developed regions and more support (financial at the first place) to these regions.

**Return to the pluri-funds programmes** (Corse (I)). Target categories of expenditures in which European credit would have a true leverage effect.

For ESF: **Improvement of project management** and valorization of evaluation (Deutschsprachige Gemeinschaft (B))

Through a strong **involvement of the regions** in elaborating the policy (Ilfov (RO), Jönköping (S))

It is important to inform, to listen to and to **involve citizens** (Jämtland (S), Västerbotten (S)). In their regions they have made a first step by opening a “Regional convent” just to discuss the future in local, regional and global terms.

**Should the programming period be adapted to a 5+5 cycle as proposed by the Finish Region Päijät-Hämeen Liitto?**

**Figure 38: Programming Period 5+5 cycle**

![Programming Period 5+5 cycle](image)

Source: 10 Steps to 2013+, Esa Hame, Tuula Loikkanen, 2007
NO:

Catalunya (E), Ilfov (RO), Jönköping (S), Lapland (FI), Limburg (NL), Madeira (P), Niederösterreich (A), NSPA, Zachodnio-Pomorskie (PL)

Regardless of the fact that rather long run instruments need to be set in order to better establish the major goals at macro levels, if the 10 years’ period was to be adopted, there would be a considerable gap between the goals set at the macro level and the instruments to achieve it. The variables are constantly changing and there is even more an unavoidable necessity to adapt the means and operational instruments to these permanent changes which may, at the end, implicate an obsolete programming (Madeira, Ilfov).

Present actions carried out in the frames of cohesion policy are planned in 7-year periods. Such perspective allows for setting medium-term strategic objectives and thanks to multi-year planning of budget it is possible to prepare instruments aiming at efficient achievement of these goals. In such way sufficiently solid frames for implementig European funding for development are created (Zachodnio-Pomorskie).

YES

Päijät-Hämeen Liitto (FI), Lombardia (I), Olt (RO), Presovsky (LIT), Slaskie (PL), Tampere (FI), Tirol (A), Tolna (HU), Vrancea (RO), Friuli Venezia Giulia (I)

Päijät-Hämeen Liitto explained that the shift to a 5+5 budget cycle would help to avoid four problems associated with the current system: simultaneous conclusion of all programmes with no information about the what is to follow; the wrong kind of cycle of political decision-making; the lack of a role in the process for one term of parliament in two; and the difficulty in reacting to changes in the operating environment through joint measures. The regional policy pursued by the European Union will end if the member states do not always decide at the end of the programming periods to keep it going. The practice of 5+5 budget cycle would bring to the system the continuity that it requires. In conjunction with the budget review set to be carried out in early 2009, it is worth assessing the scope for extending the current programming period to 2015 and to start the transition to the budget cycle of two stages of five years. In this way, each parliament would set out the budget for its own term and would define guidelines for the next term. This would prevent interim periods from emerging between the budget periods and would increase the dialogues between the Parliament and the Commission in planning the economy and activities of the EU. Furthermore, the practice would increase the commitment of the member states and the regions to EU action because there would be no major lack of continuity, and also at national level each national parliament would itself participate in the development and steering of EU instruments. Achieving this objective specifically requires a budget period of 5+5 years, rather than just five years, in order to ensure seamless continuity as regards the action.

For Lombardia it is important to have the same timing of regional government (5 years). Tampere stated that it would guarantee a better continuity to regional policy and strengthen the links between the overall budgetary process and financing of the structural policy in the EU. In view of the big effort for the preparation and legal guidelines,
programming and finalizing of programmes, a prolonging of the period with intermediate adjustment would be appreciated in Tirol.

Friuli Venezia Giulia underlined that longer programming period can guarantee a better effectiveness of the projects and the possibility of obtaining mid-term results which will have a more effective impact on the European regions.

Kärnten stated that one should think about it more thoroughly. Longer periods have the effect of predictability and stability, whilst flexibility in terms of content would be easier to achieve in shorter periods.

**Figure 39: Programming period**

<table>
<thead>
<tr>
<th>Hot spot: Changing programming period to a 5+5 cycle</th>
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<td><strong>+</strong></td>
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<tr>
<td>◊ Avoidance of simultaneous conclusion of all programmes</td>
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<td>◊ Avoidance of the wrong kind of cycle of political decision-making</td>
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<td>◊ Avoidance of lack of a role in the process for one term of parliament in two</td>
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<td>◊ Avoidance of difficulties to changes in the operating environment</td>
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<tr>
<td>◊ Enhanced continuity</td>
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<td>◊ Increasing of dialogues between the EP and EC</td>
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<tr>
<td>◊ Increasing commitment of MS and regions</td>
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</tbody>
</table>
What are the critical competencies that should be developed at the regional level to make regions globally competitive?

- Human resources
- Regional innovation strategy
- Learning from other regions, cooperation and networking
- Infrastructure
- Entrepreneurship
- R&D competence
- Financial independence
- Innovation technologies and communication
- Knowledge transfer
- Good governance
- Social security

◊ **Human resources** (Burgenland (A), Montana (BG) NSPA, Ostfold (N), Pomorskie (PL), Tampere (FI), Telemark (N), Somogy (HU))
  Deutschsprachige Gemeinschaft added the mobilization of skilled workers, increase of employability (in particular older employees and women), reduction of youth unemployment. Highly skilled work force is a key competence for Zachodnio-Pomorskie (PL).

  A sufficient qualified labour force and strong entrepreneurship is most important for Lapland (FI). The human capital, interconnected with highly incisive supports, duly targeted to the development of capacities and of competitiveness of the most relevant sectors of the regions’ economies and to the fostering of new areas of potential development (Madeira (P)).

◊ **Setting up of a regional innovation strategy** (Corse (F), NSPA)
  The Establishment of a regional innovation system and a powerful, private organized regional-development agency, which is responsible for the realization of innovative regional lead-projects. Modern, planning-orientated and continuously learning administration which is able to develop regional political visions and future issues as well as to formulate strategies (Niederösterreich (A)). Deutschsprachige Gemeinschaft (B) referred not only to regional innovation stragegy, but the increase of innovation capacity of small enterprises, to meet the challenge of community change (aging society, migration etc.).

◊ **Understanding and learning from other regions, cooperation and networking** (Hampshire (UK), Zachodnio-Pomorskie (PL), Burgas (BG), West Sussex (UK))
  Friuli Venezia Giulia (I) added the capacity of work in networks either at interregional level or at international level and the capacity of using all experiences acquired so far regarding the exchange of know how and best practices

◊ **Infrastructure** (Burgenland (A), Pomorskie (PL))
  As a solid basis for entrepreneurs
Entrepreneurship (Burgenland (A), NSPA, Ostfold (N), Pomorskie (PL), Telemark (N))

R&D competence (Burgenland (A) Jämtland (S), Värmland (S), Västerbotten (S))

Financial independence (Kärnten (A)). Otherwise there would only be competences and no budget for the implementation of those.

The use of innovation technologies and communication (Friuli Venezia Giulia (I), Västerbotten (S))

Knowledge transfer (Oppland (N))

Project development and implementation (Mures (RO))

Good governance, good administration and regional/local government readiness (Noord-Brabant (NL), Veneto (I))

Social security (Ostfold (N))

Prerequisite is the implementation of federal structures (Tirol (A))

Figure 40: Critical regional competencies

According to your region, is there an increased need for training of the regional civil servants for managing EU funds or projects?
It seems that basic knowledge on the following subjects constitutes a proper basis to work in the field of European funds (Auvergne):

- Knowledge of the Community legal instruments
- Awareness of the general background, the path in which the funds fit nowadays after subsequent reforms
- Knowledge of the new programming period architecture
- Comprehension of the principles (additionality, programming, partnership, eligibility of the expenditures) for an optimal management of the funds: understanding which operations will be financed, according to which modalities and at which rates.
- To know how to locate the sources to carry out an effective follow-up

◊ **European directives** related to the implementation and preparation of funds and projects (Catalunya, Ilfov, Kralovehradecky, St. Gallen)

◊ **The project management**, especially with regard to the lead partner obligations, first level control, the partnership management at the territorial co-operation level (Friuli Venezia Giulia).

◊ **EU regulation and state aid** (Limburg, Vrancea, St. Gallen, Veneto, Zachondnio-Pomorskie)

◊ Technical and legal levels (Madeira)

◊ **Financial management** of the projects (certificate, invoice, hours record etc.) (Montana, Noord-Brabant, Zachondnio-Pomorskie)

◊ **Rural public administration** (Neamt)

◊ **Implementing monitoring and evaluation system** (Pomorskie, Zachondnio-Pomorskie) use of the cross-financing instrument, implementing innovative projects and projects based on partnerships, promoting structural funds.

◊ **Strategic management** (data gathering, diagnosing regional needs, macroeconomic modelling – linking micro actions with macro effects) (Slaskie)

◊ **Project development** (Telemark)
Interregional co-operation (e.g EGTC), state aid rules (Västernorrland)

Preliminary investigation, control, evaluation (Veneto)

Public-private partnership (Wielkopolska)

Taking an example of the needs of a non-EU member state, the study refers to the contribution of Tirana: The need is urgent and it is indispensable. The technical level of civil servants in their region is actually good, but they lack almost any kind of information about EU integration processes. The stabilisation association process implies the activation of all Albanian actors and resources, a high level of knowledge of the relevant EU documents, laws, regulations and a good assimilation of the acquis communautaire. The most important problem is the one dealing with funds and lobbying. There is an urgent need for training in the field of project managing, information and knowledge about the principal EU funding programmes, eligibility for participation, how to access them, how to make a successful application, knowledge about the EU standards of writing projects, etc. Lobbying is an important item to deal with. There is little information about its importance, among the local civil servants.

NO

Alsace (F), Baden-Württemberg (D), Bekes (HU), Kärnten (A), Dalarna (S), Deutschsprachige Gemeinschaft (B), Lapland (FI), Lodz (PL), Niederösterreich (A), NSPA, Ostfold (N), Steiermark (A), Tampere (FI), Tampere (FI), Tirol (A), Västerbotten (S)

Tirol added that bureaucracy should not grow to cope with formalities, hence regulations should be developed to simplify the existing administration.

Figure 41: Need for training of regional civil servants
5 Added Value of EU cohesion policy

5.1 An EU regional policy is a necessity in the current context of globalisation if we are to remain competitive and attractive

Globalisation and integration of the EU market have increased economic and social pressures on all the member states and all their regions, including the more advanced ones. Unemployment, delocalisation, exclusion, to name but a few, can only be addressed efficiently if they are tackled with at European level. This is also true in the environmental field. Interregional cooperation facilitate the treatment of transnational environmental problems and challenges such as: climate change, the pollution of sea and fresh waters, air pollution, industrial risks, transborder mountainous or marine natural parks, the development of renewable energy sources to face the risk of energy dependency, etc.

EU regional policy is a key instrument which helps Regions to address these challenges in a sustainable way, to increase their competitiveness and the competitiveness of the EU as a whole.

First of all, EU regional policy supports convergence within the EU, which is of crucial importance if we are to be globally competitive and strong in the near future, as MEP Lidia Geringer de Oedenberg states (The Parliament regional review, June 2007). Indeed, globalisation has for impact a recomposition of the territory which privileges spontaneously the more-advanced regions, having the best comparative advantages (Prager, p.2). EU regional policy contributes to balance this impact by providing with measures, including investments, which are necessary to improve the competitive positions of less-favoured regions by making them more receptive to technological research and development and innovation.

Second, regional policy contributes not only to limit the discrepancies in development in the EU, but also to enhance the EU’s overall competitive potential. Indeed, if we refer to the definition of the OECD (in Begg, p.9), according to which pro-business environment, efficient public administration and stable macroeconomic policies are key elements of competitiveness, the contribution of EU regional policy to competitiveness is clear. The efficiency of public administrations is closely linked with the appropriate training of their staff (to run projects) and the good cooperation with the private bodies (to define a good business environment and support entrepreneurship through ad hoc educational and life-long training offers). In addition, mutual learning with partners from other places, with other backgrounds and practices is a key element to help improve the quality of public administrations’ work. The EU regional policy brings crucial input in this process by:

- optimising the way regional public authorities work, making them acquire key tools such as strategy planning, evaluation culture, reporting methods, etc.
- promoting excellence in the Regions through the exchange of best practices

Last but not least, by providing the necessary financial leverage for large infrastructure projects such as trans-European networks, EU regional policy helps to improve the competitive advantages of all Regions on a European and global scale.
5.2 **EU regional policy is the backbone of the EU, as a political entity based on solidarity**

When it was created, EU regional policy was very much about solidarity and trying to balance the impacts of integration and the single European market. In the EU 15, much of the money benefited to what were previously known as the ‘cohesion countries’ – Ireland, Greece, Portugal and Spain. In the EU 27, most of the poorest regions are located in the new member states: for them too, the principle of solidarity which was at the roots of cohesion policy should apply. It makes sense economically. Indeed, as we mentioned before, speeding up economic growth in these regions is, in the context of globalisation, an essential precondition for strengthening the competitive advantage of the whole EU at global scale. But it also makes sense politically, to avoid any feeling among the new member states and their regions that they are ‘secondary’ partners. Cohesion is a fundamental element of the EU, which is not a sole single market, but a political community based on common values and the principle of solidarity: it therefore makes sense to help overcome at EU level the adjustments problems due to integration and enlargement.

These problems, though, do not concern only poorer regions, but also regions from the old member states that have to face the competition of lower-wage regions.

**EU regional policy benefits also the net contributors to the budget**

These Regions could benefit from EU regional policy: if this input was limited in terms of overall amount of money, the positive input in terms of capacity building for regional authorities and promotion of excellence through cooperation should not be neglected (see below).

5.3 **The added-value of EU money: beyond financial help, an incentive for efficient public administrations and enhanced legitimacy of the EU**

With the assistance of structural and cohesion funding all four of what were previously known as the ‘cohesion countries’ – Ireland, Greece, Portugal and Spain – have experienced remarkable levels of economic growth.

Similarly, one can underline the leverage effects of EU funds put into former objective 2 and 3 and which are all effects which could not have been achieved through single national interventions. These effects were outlined in length in a recent ad hoc report from the Committee of the Regions. One can retain, here, in particular:

→ **The direct effects linked to the funding:** If, according to the additionality principle, the member states have to contribute to the programmes, the EU structural funds bring the necessary financial leverage effect to the implementation of the projects. More generally, big projects such as the trans-European networks for transport, energy and communication requires an EU wide approach and would not be possible without EU financial support. In addition, the multi-annual planning of the EU budget (even if the budget is then negotiated on an annual basis) provides with a certain continuity and political stability which helps the setting up of new, mid-term to long-term projects.

→ **The indirect effects (spill-over effect) of EU funds:** Not only the economy of the Regions benefited from the EU investment, but also their whole administrative sector, which optimised their way of working. Indeed, the multi-annual planning of EU programmes has contributed to develop a forward thinking philosophy in the public authorities. Similarly, the requirements of the EU in terms of evaluation and reporting were new to many regional authorities and helped them optimised their work. In addition,
EU regional policy has helped the creation of networks (cross-border, transnational or interregional) ensuring that best practices got known beyond the national boundaries, whereas national regional policies often only support the best practices within the territory of a nation state. Cohesion policy has thereby encouraged institutional innovation reform and economic development policies better attuned to local circumstances, which benefited more the citizens. Being particularly visible to the wider public, through the concrete projects it supported, regional policy has also helped enhanced the legitimacy of the EU integration process, much more than any nation-based promotional campaign would have done. It helps people feel part of a whole and thereby promotes a sense of European identity, and the EU as an existing reality in the mind of people living in the EU but also towards the outside.

5.4 European added-value requires a common action
The real added value of European cohesion policy lies in the collaboration of such areas, where a common action is needed. A key issue of the added value of cohesion policy outside convergence regions is not so much what have Structural Funds done, but what have they done which would not have been done/been possible even if national funding had been available. The answer is a common action such as in fields like cross border, transnational and interregional cooperation which have a high added value due to the networking and exchange of experiences and best practices between different regions within Europe. It is an essential part to enhance the European integration process, contributing to the overcoming of persistent economic, social and cultural differences. Similarly, the completion of trans-European networks of transport and telecommunications, in particular, is a key element to a balanced development of the EU territory, and requires a strong EU support.

5.5 Interregional Best Practices
As mentioned above, the real added value of EU regional policy lies in “networking” and cooperation among European regions to exchange best practices and to share knowledge. Whilst economic policies have the tendency to benefit first and foremost to already strong regions, literature shows that transnational, cross-border or interregional cooperation allows all regions to learn from each other. Territorial cooperation, and in particular its interregional strand, and the setting up of networks should therefore be given more emphasis, as a key tool to flesh out the idea of polycentric development of the EU, for the benefits of all.

In this section we want to refer to selected interregional best-practices (Interreg IIIC projects) by different topics: Small and Medium Enterprises, research and new technologies, innovation and clusters, European transport (airports) and regional management and sustainable spatial development.

5.5.1 Small and Medium Enterprises (SME)

1. FINNETSME – Network for Regional SME Finance – INTERREG IIIC Networks

Partnership

◊ Development Bank of Saxony-Anhalt (DE)
◊ Agency for Investments and Services of Castilla y Leon (ES)
Regional Development Agency of the Aosta Valley (IT)
Development agency of Eastern Thessaloniki "Anatoliki" s.a (GR)
Development Bank of Schleswig-Holstein (DE)
European Association of Development Agencies (BE)
European Association of Public Banks (BE)
Financial Investment Agency of Lazio (IT)
Finpiemonte S.p.A.- Regional Development Agency of Piemonte (IT)
Gepafin Spa - The Umbrian Company for the Financing of SMEs (IT)
Incubator of new enterprises of Chania (GR)
Investitionsbank Berlin - Development Bank of Berlin (DE)
Investment and Business Guarantees Ltd. INVEGA (LT)
Kainnun Etu Oy - The Kainuu Regional Development and Business Promotion Company (FIN)
Langhe Monferrato Roero Consortium (I)
Mortgage and Land Bank of Latvia (LT)
State Development Bank of the Free State of Saxony (DE)
The Valencian Community European Region Foundation (ES)

Description

As emphasised by the EU Lisbon Strategy, SMEs play a key role in regional development. However, they depend on adequate access to finance. Currently, the market does not respond sufficiently to the finance needs of SMEs. FinNetSME addresses this problem by building a platform for public regional financiers to help them develop common regional tools and strategies promoting SME access to finance. To this end, FinNetSME seeks to establish a sustainable exchange of know-how between public SME financiers and to transfer the best practices gathered from the regional to the European level. Another aim is to raise awareness and disseminate information on the subject of SME support by public institutions. A database comprising publicly supported regional financial instruments and the models developed by FinNetSME has been set up. The database contains detailed and structured description of financial and non-financial instruments (financing sources, beneficiaries, eligible expenses etc.) and provides cross-links with information on the corresponding region, partner and financial/non-financial instruments. This allows for the support instruments to be comparable and grants accessibility for all partners and, once finalized, for the general public.

Added Value

Large Partnership: The participants regions cover all parts of the EU from Spain in the West to Lithuania in the East, from Greece in the South to Finland in the North.

Mixed partnership: the network includes actors who are not formal project partners. Additionally to the contributions from the network partners, FinNetSME includes input from third parties interested in SME-financing, notably other
European networks, be they networks of financiers, of SMEs or thematic networks dealing with high tech or innovation technology initiatives. In this way, existing best practice have been cross-linked and knowledge of partners with different viewpoints on the issue of SME-financing integrated.

◊ The project helps to foster enterprise creation and to stimulate a culture of entrepreneurship that will reduce unemployment. In the approaches taken, FinNetSME has anticipated many of the solutions for sustainable business support through banking instruments advertised for the funding period 2007-2013.

2. ENABLE – Enabling European Entrepreneurship – INTERREG IIIC RFO

Partnership

◊ State Agency for the Development of Thüringen (DE) – Lead partner
◊ Municipality of Hordaland (NO)
◊ Municipality of Son og Fjordane (NO)
◊ Fund for Economical Promotion for Kärnten (A)
◊ Administration of Kaunas Province (LT)

Objective

The overall objective of ENABLE is the formulation of a "Mini EU programme" as a strategic concept for interregional partnerships focused on small and medium sized enterprises (SMEs). ENABLE helps the participating regions to improve the effectiveness of their regional development policies to become more competitive. Experiences and new instruments were developed, checked and exchanged among the partners at the aim of ameliorating the regional innovation system, boosting a corporative culture and improving the internationalisation and the perspectives of SMEs networks.

ENABLE has developed 21 sub-projects divided in 3 sections:
1) Technology transfer: innovating procedures to transfer results in the field of R&D
2) Networks: reinforcing innovative regional networks
3) Start-up: improving regional instruments in order to support ENABLE participant regions’ economical start-up

Added Value

◊ The project gathers regions which are geographically distant

◊ The participating regions are distant both from national centres and from the economic centres of the EU. Hence they are facing similar challenges and opportunities.

◊ The project focuses on SMEs which are becoming more and more dependent upon networks and partnerships for the transfer of research and technology know-how.
5.5.2 Research and new technologies

1. COMPETENCE – A Pan-European Network of Excellent Research Competence – Individual Project

Partnership

- Karolinska Institute (Stockholm SE)
- Leiden University (NL)
- University of Sussex (UK)
- Semmelweis University (HU)
- University of Oslo (NO)
- MedCoast Scandinavia (NO)
- Arteb – Agency for the Development of Medical Technologies and Bio-Technologies (FR)
- AVEDAS - Information management for Research and Innovation (D)

Description

The Bio-Competence Network is a partnership comprising universities and cluster organisations that are leading in Europe concerning both the biosciences and the management of research information. The network serves to support the partners to achieve a more systematic management of their competences and research information, and to take a first step towards the establishment of the network as a leading meta-region within European biosciences. The key objectives are to achieve a more systematic management of research information and competences in the regions and make these competences accessible on an Internet-based Competence platform as a window towards researchers in academia and industry.

Added Value

- To empower regional development by improving the access to research competences within European bioscience
- Facilitating the links between Universities and the industrial world

2. WIND-TECH-KNOW Regional Wind Technology and Knowledge transfer strategies – Individual project

Partnership

- Bad Doberan County Administration, Planning Department (D)
- Baltic Windenergy Association M-V (D)
- Estonian Windpower Association (E)
Description

The work in the project is divided into three specialised components. The first one refers to “Wind energy education and dissemination - teaching and qualification of specialists”. This component focuses on the teaching of future wind energy specialists via online-courses (e-learning). The second deals with “Basics and interdisciplinary requirements for regional planning strategies and procedures”. The component provides basic investigations, regional planning strategies and practical experiences that facilitate the implementation of wind energy in regions that still lack sufficient planning and technical experience. The third component contributes to a better acceptance of wind energy in the general public by educational advertising and marketing.

The main objective of the project is the exchange of experiences and technologies in order to improve the knowledge in the field of wind energy production within the participant regions.

Added Value

- The projects addresses a growing need of exchanging knowledge and experience in the field of wind energy production
- With good practice examples transferred into regional planning and development programmes the competence of governmental bodies and regional administrations will be improved. It is particularly focused on public bodies that decide on regional wind energy policy.
- The project helps to remove national and regional barriers that constrict a sustainable wind energy use as a part of the future-oriented European Energy Policy.
- Large and spread partnership

5.5.3 Innovation, Clusters

1. DISTRICT – Developing industrial strategies trough innovative clusters and technologies – INTERREG IIIC RFO

Partnership

- Regione Toscana (IT)
- Region West Midlands (UK)
- Foundation for Innovation and employment in Sachsen (DE)
- Region of Västsverige (SE)

Overall Objective
DISTRICT partners’ regional economies are strongly dependent on industry. Here the challenge of globalisation is particularly relevant, as it often brings the risk of marginalisation of entire regions or clusters. DISTRICT partners share the concern for the declining competitiveness of their industrial systems. The project has provided partner regions with concrete, tailored operative cases and tools to better equip them for the next EU Cohesion Policy programming period. DISTRICT’s aim is to provide its partners a continuous cooperation framework to exchange information and best practices, and jointly develop innovative methodologies for improved regional strategies, strategic planning and pilot actions.

DISTRICT has implemented 11 sub-projects which have focused their activities on three specific areas:
1) Connecting clusters and business networks to innovation, within the global context.
2) SMEs innovation projects, in collaboration with Universities and Research and Transfer Centres.
3) Innovation in financial engineering, seed venture capital, start-ups and spin-offs.

Added Value

♦ It gathers geographically distant regions
♦ Mixed partnership: Regional Governments and a Centre of research

Innovative approaches

♦ Developing regional abilities through innovation, knowledge management and economic and technological intelligence techniques, enabling firms from local clusters and business networks to develop, test and provide new ground-breaking approaches and services
♦ Establishing a closer relationship between SMEs, Universities and Technology Centres which would foster innovation
♦ Encouraging the creation of new technological enterprises by stimulating business ideas and spin-offs by Universities, Research Centres and SMEs, as well as improving support services and financial support to new enterprises - especially through an increased role of business angels.

2. TOOLS – New strategies and tools for development of business environment in marginal rural areas – Individual project

Partnership

♦ ProAgria Kainuu / Rural Womens Advisory Centre (FIN)
♦ Joint Authority of Kainuu Region (FIN)
♦ Põlva City Government (EST)
♦ Põlva Municipality (EST)
♦ Põlvamaa Development Centre (EST)
Business Support Centre of Räpina (EST)
National Park of Cilentano and Vallo di Diano Authority (Campania I)
Province of Salerno (Campania I)

Description

The project aim is to improve regional development policies and instruments by developing innovative tools for supporting entrepreneurship and maximising sustainable use of nature resources and human potential in marginal rural areas via interregional cooperation.
The focus is to stimulate rural, natural-resources-based entrepreneurship by creating, testing, developing innovative strategies and tools for supporting micro and small businesses, especially for less competitive persons such as young people, women and unemployed persons. The project has guaranteed:

- Enhanced business support structures by organising trainings and expert assistance for local advisors (seminars, joint-meetings, networking) and small-scale investments in order to ensure capacity and sustainability of resource centres.
- A series of local activities for micro- and small businesses. The actions include formulating of local strategies and programmes by strategical partnerships and the implementation thereof (face-to-face advising, group advising and workshops, seminars, trainings, studies, researches, fairs and presentations), as well as providing several support services in resource centres.
- Co-operation and transfer activities at interregional level such as exchange of information and best practices by exchange of experts, joint-meetings and conferences.

Added Value

- All the involved regions have high unemployment, poor business infrastructure, low density of population, out-migration. All have well-preserved and rich natural resources.
- With exchange of experience and best practices the project will develop, implement and demonstrate efficient policies that will create prerequisites for enhanced regional development by encouraging investments in business activities, creating enterprises and jobs, developing products and services based on local natural resources, strengthening social capital and fostering balanced socio-economic development.

5.5.4 European Transport (airports)

1. EARD – European Airport Regions Development – Networks

Partnership

- Investments Bank of Brandenburg (DE)
- University of Applied Sciences Wildau (DE)
- Zala Country Non-Profit Development Company (HU)
- FinLombarda S.p.a. (I)
Description

The general aim of the project is to find instruments and approaches to promote desirable sustainable development of airport regions. To reach the envisaged goal, the EARD project has defined common activities in the following fields of intervention:

- Balance of development and quality of life in airport regions: SWOT analysis of the individual airport regions, benchmarking, definition of best practices on environmental and social impacts of development in airport regions
- Strengthening of economic attractiveness within airport regions: Report and workshop on current economic activities and main trends of airport regions, report on experiences with simulated measures in the airport regions and recommendations, report on guidelines to increase the economic attractiveness in airport regions
- Extension of regional marketing: Assessment of the current situation, development of a model, strategy of regional marketing, stimulation of activities in regional marketing

Added Value

- Large and mixed partnership: airport regions with different characteristics were formed, including regions either near or far to a metropolitan city, regions with established airports or airports expected to gain importance in the next years as well as airports still under construction. Furthermore involved are partners operating differently orientated airports, like business-, holiday- and logistics airports.
- The establishment of such a network of partners facing similar problems and challenges to exchange experiences, to find and exchange solutions fosters the achievement of sustainable development of the airport regions.

2. STRAIR – Strategic development and cooperation between airport regions – Individual projects

Partnership

- Office of Regional Planning and Urban Transportation (SE)
- SNP Gardermoregionen (NO)
- Municipality of El Prat (ES)
- Viladecans Municipality (ES)
- Council of Renfrewshire (UK)
Municipality of Harryda (SE)
Regional Vice-Ministry for Finances and European Affairs (ES)
InterMunicipality of West-Vlaamse (BE)
Swedish Administration for Civil Aviation, Stockholm Arlanda Airport (SE)
Municipality of Sigtuna (SE)
Municipality of Uppland-Väsby (SE)
Municipality of Vallentuna (SE)
Municipality of Knivsta (SE)
Regional Council of Uppsala (SE)

Description

Over the last 10 to 20 years, the regions involved in the project have changed their profile from agriculture and/or traditional industries to urban societies in an international environment. The core business in these regions has been transport and logistics and international trade. A common growth trend is the establishment and expansion of transport.

The main objective of STRAIR was to improve innovation systems for industrial and business development in airport regions. The partners wanted to investigate how regional economies can take advantage of developing airport-related services and facilities. They also wanted to find out what effects the relocation of an international airport, from central metropolitan areas into nearby rural “greenfield” areas, has on the local environment and economy.

Results

◊ Analyses about airport-related SME development, airports as market test beds and real estate development linked to airports.
◊ Analyses connected to the development of “green field areas”, business development, cooperation and innovation and flow of goods and services resulting in, among other things, a joint action programme for industrial and business expansion in airport regions.

Added Value

◊ Fields of intervention: Airports, being logistic hubs, are driven forces able to improve the local economy
◊ Geographically distant regions but sharing a common profile: the seven European airport regions involved are among the fastest growing and, because of the advanced infrastructure linked to the airport, also among the most accessible areas of their country.
◊ Cooperation and exchange of knowledge among regions sharing common problems and opportunities stemming from their airports have lead to the draft of a joint action programme for industrial and business expansion in airport regions which otherwise wouldn’t have been elaborated.

5.5.5 Regional management and sustainable spatial development

1. BERI – Brownfield European Regeneration Initiative – Network
Partnership

◊ Belfast City Council (Northern Ireland UK)
◊ Haviland (Vlaams Gewest BE)
◊ OVAM Flamish Public Agency for Waste Management (Vlaams Gewest BE)
◊ IOK Development Agency of Kempen (Vlaams Gewest BE)
◊ Hanseatic City of Rostock (Vorpommern D)
◊ Tallinn City Government (Eesti EE)
◊ Greater Lyon (Rhone –Alpes FR)
◊ Regional Council of Dublin (Southern and Eastern IE)
◊ City Planning Administration of Stockholm (Stockholm S)
◊ Bristol Regional Council (South West UK)

Description

The utilisation of Brownfield sites is an increasingly important element of sustainable spatial development. Regeneration of Brownfield sites within the current urban boundary reduces the impact of city expansion. Many member states recognise the problem of urban expansion, but they do not have the mechanism or methods needed to reverse this trend and develop Brownfield land. At the core of BERI activity is the hosting of in-visits to each member locality in order to learn about Brownfield redevelopment at first hand. The in-visits identified potential Brownfield sites to be developed and through input from partners enabled the exchange of ideas and the facilitation of future collaboration. Through this very practical, project-based, approach it is clear that problems encountered will be addressed, solutions found and best practice enhanced.

Added Value

Intense exchange of experiences which has allowed a shared learning process enabling partners to learn from the expertise of more adept partners in specifically defined Brownfield regeneration issues

2. **INNOREF** - Innovation and Resource Efficiency as Driving Forces for Sustainable Growth RFO

Partnership

◊ Region of Friuli Venezia Giulia (I)
◊ Region of Umbria (I)
◊ Region of Western Greece (GR)
◊ Association of Municipalities "Hranicko Region" (CZ)

Description
The operation aims at achieving a higher added value by improving the use of local resources, setting up and promoting sustainable product lines, establishing cooperation between different sectors and suitable regional marketing structures. These objectives have been reached through a participatory process aimed at developing resources efficiency and innovation. Each Region has created its Professional Service Center (PSC); this structure has the function of supplying free technical assistance and help desk services, thus offering competences and advises to sub-project participants, communities, enterprises and single persons.

INNOREF has developed 8 subprojects dealing with the following subjects:
- Environmental development by eco-management systems
- Biomass resource use, innovation and efficiency
- Efficient Water Resource Use: implementation of the infrastructure performance
- Development of an innovative evidence-based medical information system for the improvement of effectiveness and quality of medical care
- Agri–touristic product with an appellation of origin
- Sustainable tourist services
- Recon-version of rural villages as an opportunity for economic development
- Strategic spatial planning and sustainable environment

**Added Value**
- In line with Gothenburg priorities since several subprojects deal with the management of natural resources and renewable energies.
- In line with Lisbon priorities since “industry” and SMEs are addressed by the subprojects.

### 6 Conclusions

The future of EU regional policy will depend on numerous interlinked considerations and choices. Can the EU 10 absorb the massive increase in funding efficiently and effectively? Will it lead to tangible changes to growth, employment, living conditions? To what extent will structural funds make a contribution to the Lisbon and Gothenburg agendas? What is the added value of cohesion policy in the new period, and can this be demonstrated? No doubt that the lessons learnt from the current period will play a crucial role in defining the EU regional policy of tomorrow.

As a first contribution to these issues the AER has adopted a political position at its General Assembly on 8 November 2007 in Udine.
AER Resolution on Regional Policy Post 2013
Adopted by the AER General Assembly on 8 November 2007 in Udine, Italy

In order to develop Europe, including its economy, we need to release the potential, good will, energy, know-how and creativity of all citizens. Regions are already implementing EU policies that are relevant for citizens and they have the capacity to engage their citizens in the development of their regions and of Europe. The diversity of Europe and its regions is a strength in the global context. Further cooperation and internationalisation of regions will benefit the whole of Europe.

The AER General Assembly, at its meeting on 8 November in Udine (IT),

Adopted the following recommendations and proposals on EU regional policy post-2013:

**First Recommendations**

1- **A European Union regional policy is essential.** Globalisation and integration of the EU market have increased economic and social pressures on all Member States and their respective regions. Challenges such as unemployment, delocalisation, demographic change, exclusion, or climate change, can only be addressed efficiently if they are tackled at European level. EU regional policy is a key instrument which helps Regions to address these questions in a sustainable way. Indeed, by providing the necessary financial leverage for large infrastructure projects such as trans-European networks, by focusing on fields with high potential for growth (Lisbon agenda), and addressing the Gothenburg agenda, EU regional policy helps to improve the competitive advantages of all Regions on a European and global scale.

2- **Future EU regional policy needs to pay increased attention to the territorial dimension,** in order to help the creation of a balanced and sustainable community area. Although the majority of the population of Europe lives in urban and metropolitan Regions, this is not reflected sufficiently in European policies. More emphasis should therefore be given to urban policy issues. To this end, regional policy must empower the Regions, which are the building blocks of a polycentric community space, and the best level of governance to define and implement tailor-made, and thus efficient, regional policies. This places certain requirements upon the Regions, in particular:
   a. Foresight, management and coordination skills. Financial support for technical assistance must be available to the regions and, more generally speaking, capacity building of regional civil servants and politicians should be a priority of future EU regional policy.
   b. A political capacity of initiative. Democratically-elected politicians must be able to have their say in the management of EU funds.

3- **EU regional policy post 2013 must focus on territorial cooperation and networks,** to ensure that the goals of the EU (Lisbon, Gothenburg) are achieved in all European regions and thus contribute to the competitiveness of the entire Union. In this context, Member States must implement the legislation required to enable European Groupings of Territorial Cooperation (EGTC) to be created.
Moreover, EU regional policy, in particular its territorial cooperation strand, should be related to the Union’s Neighbourhood Policy, to ensure the distribution of best practices beyond the borders of the EU.

4- In order to ensure optimal investment and increase its efficiency, there is a need for increased synergy between future EU regional policy and other community policies:
   a. A regional dimension should be incorporated throughout the entire community budget, notably in the European Social Fund and in the European Agricultural Fund for Rural Development. This would enable tailor-made approaches, which address the real problems faced by the regions, in key areas such as employment, or rural development, in particular.
   b. All Regions should benefit from EU funding, with varying levels of intensity. Criteria other than GDP per capita should be considered when allocating structural funds, in order to ensure coherence with other funds and EU policies, in particular with EU regional state aid policy. These could include employment rates, migration rates, wage levels, geographical and demographic disadvantages (outermost regions, sparsely populated areas or mountainous areas) or past successes with the development of the region.

Proposals

The AER intends to play a leading role in promoting a fair and effective regional policy. On the basis of its expertise, acquired over more than 20 years, its extensive membership (including 260 regions from 31 countries of Europe, making it the largest interregional organisation in Europe), its political independence, and its proximity to the general public, the AER proposes the following lines of action:

- Cooperation with DG Regio on studies aiming to assess the effectiveness of current regional policy, and any problems related to its implementation and impact. In this context, the important role of urban Regions should be considered.
- The creation of a forum and observatory for the diffusion of best practices in regional policies and regional excellence. The AER could lead this initiative
- The participation of the AER in networks that can help the wide distribution of regional best practices, specifically beyond the borders of the EU, and to the general public.
- EU support for initiatives aimed at training regional authorities in the management of funds and community projects, such as the Training Academy recently created by the AER

The Committee 1 Reflection Group on cohesion policy will transmit these recommendations to the competent national and Community authorities as well as to politicians from all Regions. It will contact the Directorate General of regional policy (DG Regio) for a more detailed discussion of the possible joint implementation of the above lines of action.
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8 Annex

List of member regions of the AER task force on future regional policy 2014+

Auvergne (F)
Campania (I)
Devon (UK)
Jász-Nagykun-Szolnok (HU)
Jämtland (S)
Jönköping (S)
Lapland (FI)
Mures (RO)
South West UK
Steiermark (A)
Valencia (E)
EU Office Yorkshire and Humber
List of AER member regions

List of Member Regions
(Etat/As at: Udine, 8th November 2007)

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<th>Region/Country/Region</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>BULGARIA/Bulgarie/Bulgaria (BG)</td>
<td>Ruse</td>
</tr>
<tr>
<td>BELGIQUE/BELGIÉ/Belgium (B)</td>
<td>Bruxelles-Capitale, Deutschsprachige Gemeinschaft, Wallonie</td>
</tr>
<tr>
<td>BOSNA I HERCEGOVINA/Bosnie-Herzégovine/Bosnia &amp; Herzegovina (BIH)</td>
<td>Bosna Podrinje, Herceg-Bosna, Hercegovina-Neretva, Republika Srpska, Sarajevo, Tuzla, Zapadna Herzegovina, Zenica-Doboj</td>
</tr>
<tr>
<td>ČESKÁ REPUBLIKA/République Tchèque/Czech Republic (CZ)</td>
<td>Královéhradecký, Olomouc, Sředočeský</td>
</tr>
<tr>
<td>CYPRUS/Chypre (CY)</td>
<td>Union of Cyprus Municipalities/Union des Municipalités de Chypre</td>
</tr>
<tr>
<td>DEUTSCHLAND/Allemagne/Germany (D)</td>
<td>Baden-Württemberg, Hessen, Niedersachsen</td>
</tr>
<tr>
<td>EΛΛΑΣ/Grèce/Greece (GR)</td>
<td>Heraklion (N), Sterea Ellada (P)</td>
</tr>
<tr>
<td>ESPAÑA/Espagne/Spain (E)</td>
<td>Andalucia, Castilla y León, Catalunya, Comunitat Valenciana, Galicia, Illes Balears</td>
</tr>
<tr>
<td>FRANCE (F)</td>
<td>Alsace, Aquitaine, Bourgogne, Centre, Champagne-Ardenne, Corse, Franche-Comté, Guadeloupe, Guyane, Ile-de-France, Languedoc-Roussillon, Limousin, Martinique, Midi-Pyrénées, Picardie, Poitou-Charentes, Provence-Alpes-Côte d'Azur, Réunion, Rhône-Alpes</td>
</tr>
<tr>
<td>HRVATSKA/Croatie/Croatia (HR)</td>
<td>Brodsko-posavska županija, Dubrovačko-neretvanska županija, Grad Zagreb, Istarska županija, Karlovačka županija, Koprivničko-križevačka županija, Krapinsko-zagorska županija, Ličko-senjska županija, Međimurska županija, Osječko-baranjska županija, Požeško-Slavonska županija, Primorsko-goranska županija, Sisačko-moslavačka županija, Splitsko-Dalmatinska županija, Varaždinska županija, Virovitica-podravska županija, Zagrebačka županija</td>
</tr>
<tr>
<td>IRELAND/ÉIRE/Irlande (IRL)</td>
<td>Donegal</td>
</tr>
<tr>
<td>ITALIA/Italie/Italy (I)</td>
<td>Abruzzo, Basilicata, Bolzano (Provincia), Calabria, Campania, Friuli Venezia Giulia, Lazio, Liguria, Lombardia, Marche, Molise, Piemonte, Sardegna, Sicilia, Toscana, Trentino-Alto Adige, Trento (Provincia), Umbria, Valle d'Aosta, Veneto</td>
</tr>
<tr>
<td>LIETUVIA/Lituania/Lithuania (LT)</td>
<td>Alytus, Kaunas, Šiauliai, Tauragė, Utena</td>
</tr>
<tr>
<td>MAGYARORSZÁG/Hongrie/Hungary (H)</td>
<td>Bács-Kiskun, Baranya, Békés, Borsod-Abauj-Zemplén, Fejér, Győr-Moson-Sopron, Hajdú-Bihar, Heves, Jász-Nagykun-Szolnok, Komárom-Esztergom, Nógrád, Pest, Somogy, Szabolcs-Szatmár-Bereg, Tolna, Veszprém</td>
</tr>
<tr>
<td>NEDERLAND/Pays-Bas/Netherlands (NL)</td>
<td>Flevoland, Limburg, Noord-Brabant</td>
</tr>
<tr>
<td>NORGE/Norvége/Norway (N)</td>
<td>Akershus, Buskerud, Hedmark, Hordaland, Nordland, Oppland, Østfold, Telemark, Tønsberg, Vestfold</td>
</tr>
<tr>
<td>ÖSTERREICH/Autriche/Austria (A)</td>
<td>Burgenland, Kärnten, Niederösterreich, Oberösterreich, Salzburg, Steiermark, Tirol, Vorarlberg, Wien</td>
</tr>
<tr>
<td>POLSKA/Pologne/Poland (PL)</td>
<td>Dolnośląskie, Kujawsko-Pomorskie, Małopolskie, Mazowieckie, Śląskie, Wielkopolska</td>
</tr>
<tr>
<td>PORTUGAL (P)</td>
<td>Açores, Madeira</td>
</tr>
</tbody>
</table>
REPÚBLICA MOLDOVA/Republic Moldova (MD)
Cahul, Chișinău

ROMÂNIA/Roumanie/Romania (RO)
Alba, Arad, Argeș, Bacău, Bihor, Bistrița-Năsăud, Botoșani, Brașov, Cluj, Constanța, Covasna, Dâmbovița, Dolj, Galați, Gorj, Harghita, Hunedoara, Ialomița, Iași, Ilfov, Maramureș, Mehedinți, Mureș, Neamț, Olt, Prahova, Sălaj, Satu Mare, Sibiu, Teleorman, Timiș, Tulcea, Vâlcea, Vaslui, Vrancea

ROSSİYE/Russie/Russia (RUS)
Ingushetia, Karelija, Samara, Tatarstan

RUS'IAIA/Albanie/Albania (AL)
Aria, Imereti, Shida Kartli

SCHWEIZ/SUISSE/SVIZZERA/Switzerland (CH)
Aargau, Basel-Landschaft, Basel-Stadt, Bern, Fribourg, Genève, Graubünden, Jura, Luzern, Neuchâtel, Nidwalden, Obwalden, Schwyz, Solothurn, St. Gallen, Thurgau, Ticino, Uri, Valais, Vaud, Zürich, Zug

SHQIPËRIA/Albania (AL)
Berat, Dibër, Durrës, Elbasan, Gjirokastër, Lezhë, Shkodër, Tirane, Vlorë

SLOVENSKO/Slovaquie/Slovakia (SK)
Vojvodina

SLOVENSKO/Slovaquie/Slovakia (SK)
Banská Bystrica, Košice, Trenčín, Trnava

SVERIGE/Suède/Sweden (S)
Banská Bystrica, Košice, Trenčín, Trnava

SVERIGE/Suède/Sweden (S)
Dalarna, Gävleborg, Jämtland, Jönköping, Kronoberg, Norrbotten, Örebro, Sörmland, Uppsala, Västmanland, Västerbotten, Västernorrland, Västmanland, Västra Götaland

TÜRKİYE/Turquie/Turkey (TR)
Istanbul, Kahramanmaraş, Kırşehir, Kocaeli

UKRAIINA/Ukraine (UA)
Donets’k, Kherson, Kirovograd, Kyiv, L’viv, Odessa

UNITED KINGDOM/Royaume-Uni (GB)
Cornwall, Devon, Dorset, Essex, Hampshire, Kent, Somerset, West Sussex

Observateurs/Observers/Beobachter/Observadores/Osservatori

POLSKA/Pologne/Poland (PL)
Lodz

Poczw/Rossija/Russia (RUS)
Arkhangelsk

bala/Georgie (GE)
Guria, Kakheti

Association of Local Democracy Agencies (ALDA)

Membre consultatif/Consultative Member/Beratendes Mitglied/Membro consultivo/Membro consultivo

Baltic Sea States Subregional Co-operation

8.1.1.1.1.1.1.1.1.1
Invités spéciaux/Special Guests/Besondere Gäste/Invitados especiales/Invitati speciali

CANADA (CDN)
Québec
REPUBLIC OF SOUTH AFRICA (ZA)  Western Cape

*  Partie européenne uniquement/European part only
** Compte tenu de la mise en œuvre progressive de la réforme de l’administration locale au Royaume-Uni, les noms et le nombre de Régions risquent d’être modifiés.

In view of the progressive introduction of the local administration reform in the United Kingdom, the names and number of Regions could change.

1  N = Nomaxia
2  P = Përferia