Contribution by the Region of South Bohemia to public consultations on “Growing Regions, growing Europe”

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 this report, how far is cohesion policy adapted to the new challenges European regions will face in the coming years? For example:

1.1. How can the regions react to restructuring pressures from dynamic competitors in low and medium tech sectors?

Just like a number of regions in the new Member States, the Region of South Bohemia has to face the restructuring pressure on two levels. The first level of the restructuring was brought about by the resurrection of market economy experienced in the recent 20 years and associated with our entry into the free markets of Europe. The second level of restructuring can be attributed to the globalization pressures.

In this situation the Region of South Bohemia will concentrate on improving its entrepreneurial environment, first and foremost the infrastructure expected to attract business to the region. This effort will primarily require upgrading road network, building infrastructure needed to support tourism, and fostering the business opportunities generally (R&D and industrial facilities will be encouraged to cooperate). Last but not least the region attempts to establish a system of education able to supply the labour market with graduates whose qualifications can be expected to find application in the future. The Region is well aware that, with large machinery companies finding stronger business incentives in the newly economically and politically stabilized countries farther to the East, it cannot in the long-term rely on industries deriving their competitive advantage from cheap labour and from the economies of some other costs. That is why the Region of South Bohemia focuses on improving the qualifications of its population and thus to boost the regional GDP potential and give the people a chance of adapting themselves to the impending changes.

1.2. Given wide differences in birth rates, death rates and migratory flows at regional level, what is the role of cohesion policy in responding to demographic change?

Demographic changes entailed by the age structure of population can be observed throughout the entire Europe (if not throughout the entire zone of "western civilization") and the regions themselves can hardly exert much influence here - they only can react. In contrast, the migration of population, specifically the "depopulation" of rural areas and the inflow of inhabitants to the urban centres, is a trend amenable to purposeful measures taken as a part of the regional policies. The rural area depopulation experienced in regions of the new Member States is driven the restructuring of agriculture completed before the countries joined the European Union. Owing also to the joint agriculture policy, agriculture looses its long-term importance as a productive and competitive business. We believe that further outflow of inhabitants from the rural areas can be prevented primarily by offering more jobs and private / public services, as these
are essential for making the rural areas a "pleasant place for living" and thus able to compete with the towns and cities. The cohesion policy should increase the appeal of rural areas not only by supporting the entrepreneurial activities locally, but also through investing into modern transport network of the region and into the systems of public transportation whose operation would improve the accessibility of centralized services (particularly health-care and social welfare services) and broaden the offer of higher qualified and therefore more attractive employment opportunities.

Seen from the South Bohemia Region’s viewpoint, this subject can be split into two independent issues. In our opinion the long-term consequences of climatic changes cannot be addressed by the current policies. We think it beneficial to formulate new initiatives designed to help the Member States adapt themselves to the aftermath of climatic changes in the spirit of shared values of free movement and solidarity among the Member States.
2.4. What are the critical competencies that should be developed at the regional level to make regions globally competitive?

The dynamics of change encountered globally in the structure of industrial production will demand of people increasingly greater flexibility, adjustability, mobility and entrepreneurial thinking. To find a place at the common labour market, particularly the population of the new Member States will have to enhance their competitiveness and improve their language skills.

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

3.1. 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?

The value of the European Union rests for one thing in its ability of solving problems exceeding the competencies of the Member States or reaching outside their territories, and for another in its capacity of supporting the transfer of know-how between the national, but even more effectively, between the regional and local levels of administration, and that on the international scale.

Therefore the Union has primarily to tackle the task of monitoring and evaluating the long-term trends in globalization and to formulate the strategy intended to shape the trends and "master" them (i.e. to adequately respond to such trends). To become a long-term success as a competitor of the growing Asian and South American markets, the Union has to develop into "a major global player" (one of the long-term EU objectives). To this end the Union has first and foremost to create a system of policies able to provide beneficial entrepreneurial environment and efficient common market free from barriers represented by unsubstantiated restrictions and added expenses burdensome to European businesses and detrimental to their competitiveness.

For the future the Union should steer its cohesion policy so that it gives priority to the territorial cohesion, particularly in the border areas. As evidenced by the experience gained in the Czech Republic and as also mentioned in the 4th Cohesion Report, the level of cross-border territorial cohesion and cross-border mobility witnessed along the former EU border still lacks substantially behind what can be witnessed in the Member States included in the original group of fifteen (as is true especially of Benelux, France and Germany). In this respect the cohesion policy should be more closely linked with particularly the common European policy of transportation, especially with the concept of the TEN-T networks (brought into life through the Cohesion Fund), and it should encourage common approaches to the spatial planning and to the formulating and implementing joint development strategies.

Related to the topic treated above is the requirement that for the future the cohesion policy should clearly concentrate on greater support of cooperation between the national, regional and local administrations, both within the Member States (the partnership principle) and internationally (as a tool of the "European territorial cooperation" target).
The 4th Cohesion Report and the follow-up statement of position on the Report issued by the Committee of the Regions appreciated the benefit brought by the cohesion policy to the integrated approach to development. Decentralization that the cohesion policy is to undergo in 2007 to 2013 gives the Czech Republic regions, or more precisely the cohesion regions, a chance of better adapting their operation programs to their specific needs. Though the differences between the individual regional programs are by no means major (at least so in the Czech Republic), no doubts can be harboured about the importance of decentralized approach to the program preparation as regards the formulation of developmental visions at the levels of districts and NUTSII regions, and to the emergence of regional partnerships. The future will have to see the partnerships on the different levels of the multi-level administration strengthened (regional - national - communal), mainly throughout the program-preparation stages.

As regards cooperation on the international level, we believe that the future cohesion policy will have to stick closer to the principle of "helping the regions help themselves". In this respect the policy can play an important role in sharing the best practices and know-how needed to implement the regional policy or to formulate and implement the regional and national strategies of development. Here, once again, we can bring to mind the potential target of "European territorial cooperation", an effort which the future should see strengthened.

By the decision of the Council of the Association of Regions of the Czech Republic (Brno 17/01/2008) the position of the Region of South Bohemia is to be presented as a common position of the regions of the Czech Republic.