



EUROPEAN COMMISSION

Brussels, 17/3/2010
C(2010)1563

COMMISSION DECISION

of 17/3/2010

concerning the adoption of a financing decision for 2010 in the framework of the Pilot project "Enhancing regional and local cooperation through the promotion of EU regional policy at a global scale" to be financed under budget line 13 03 23

COMMISSION DECISION

of 17/3/2010

concerning the adoption of a financing decision for 2010 in the framework of the Pilot project "Enhancing regional and local cooperation through the promotion of EU regional policy at a global scale" to be financed under budget line 13 03 23

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹ (hereinafter referred to as the 'Financial Regulation'), and in particular Article 49(6)(a) and 75(2) thereof,

Having regard to Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities², and in particular Article 90 thereof,

Whereas:

- (1) The objective pursued by the pilot project "Enhancing regional and local cooperation through the promotion of EU regional policy at a global scale" is to build up knowledge and experience of regional policy in the framework of the strategic partnership between the Commission and third countries and to co-operate with and assist international organisations in building new regional partnerships in this field. It is envisaged that explaining how the cohesion policy works will contribute to improve understanding of European values, basic principles, delivery structures and policies.
- (2) The 2010 work programme being a sufficiently detailed framework in the meaning of Article 90(2) and (3) of Regulation (EC, Euratom) No 2342/2002, this decision constitutes a financing decision for the expenditure provided in the work programme for procurement.
- (3) This decision is also a financing decision for the expenditure in the context of joint management chargeable to the general budget.
- (4) In accordance with Article 53d of the Financial Regulation, evidence has been obtained that the international organisation to be entrusted by the Commission with the implementation of funds of the Union in joint management, apply standards which

¹ OJ L 248, 16.9.2002, p. 1.

² OJ L 357, 31.12.2002, p. 1.

offer guarantees equivalent to internationally accepted standards in their accounting, audit, internal control and procurement procedures.

- (5) Under this decision, it should also be possible to cover the payment of interest due for late payment on the basis of Articles 83 of the Financial Regulation and 106(5) of Regulation (EC, Euratom) No 2342/2002.
- (6) For the reason of legal certainty, it is appropriate to lay down what should be considered a "substantial change" within the meaning of Article 90(4) of Regulation (EC, Euratom) No 2342/2002 for the application of this decision,

HAS DECIDED AS FOLLOWS:

Article 1

The work programme for the implementation of the Pilot project "Enhancing regional and local cooperation through the promotion of EU regional policy at a global scale" (hereinafter "the Pilot Project", as set out in the Annex, is hereby adopted. It constitutes a financing decision in the meaning of Article 75 of the Financial Regulation.

Article 2

The maximum contribution authorised by this Decision for the implementation of the Pilot project is set at EUR 1 500 000 to be financed from the budget line 13 03 23 of the General Budget of the European Union for 2010.

Those appropriations may also cover interest due for late payment.

Article 3

The budget implementation of tasks related to Action 1 of the Pilot Project may be entrusted to the Organisation for Economic Co-operation and Development (OECD) which applies standards offering guarantees equivalent to internationally accepted standards in its accounting, audit, internal control and procurement procedures.

Article 4

Cumulated changes of the allocations to the specific actions not exceeding 20% of the maximum contribution authorised by this Decision are not considered to be substantial provided that they do not significantly affect the nature and objective of the work programme.

The authorising officer may adopt such changes in accordance with the principles of sound financial management and of proportionality.

Done at Brussels, 17/3/2010

For the Commission
Johannes Hahn
Member of the Commission

ANNEX

PILOT PROJECT: ENHANCING REGIONAL AND LOCAL COOPERATION THROUGH THE PROMOTION OF EU REGIONAL POLICY AT A GLOBAL SCALE (BUDGET LINE 13 03 23)

1. Introduction

1.1. *Budget line: 13 03 23*

1.2. *Basic Act:*

Pilot project within the meaning of Article 49(6)(a) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 248, 16.9.2002, p. 1).

1.3. *Policy context*

The promotion of EU Regional Policy on a global scale is an important component of the directorate general work programme as a contribution to the European Union's (EU) external policies managed by the external relations family of Directorates General.

1.4. *General objectives of the pilot project:*

The objectives of the work under the Pilot Project will be to:

- contribute more effectively to the strategic partnership between the Commission and third countries in line with the major demands from the latter for more cooperation in this field;
- share the benefit of the EU's long experience in how regional and cohesion policies underpin the process of economic and political integration, while promoting growth, sustainable development and co-operation across borders;
- contribute to the promotion of the international image of the EU;
- contribute to improved understanding of European values, basic principles, delivery structures and policies.

The additional resources for 2010 will help to develop the dialogue with third countries. These resources will help the Commission to deepen and widen its activities and to bring real help to third countries in their efforts to improve public policy in regional development, and regional and local governance issues.

2. Actions/ Type of financial intervention

In 2010 the pilot project will be implemented, as in 2009, through the use of framework contracts, joint management. The actions supported will include the organisation of events, information activities, study visits, networking and studies. For certain studies, use will also be made of calls for tender.

2.1. ACTION 1: Studies

Joint management

A Territorial Review of Ukraine will be undertaken, in joint management with the OECD. In the framework of the EU-Ukraine regional policy dialogue, it is important to help the Ukrainian authorities to build a strategic capacity in territorial development. To accomplish this, an OECD national territorial review will help to build and frame a general debate and dialogue in order for Ukraine to consider not only technical tools but also wider strategic issues. OECD has already conducted more than 40 territorial reviews both at national level and at sub-national level. The territorial review of Ukraine would have three main goals:

- (a) The analysis of socio-economic trends in regional performance and disparities;
- (b) The assessment of key policy areas to improve regional performance, notably accessibility, research and innovation, clusters, urban and rural policies and, in particular, policies to assist regions in tapping unexploited opportunities and
- (c) To identify and disseminate information and good practices regarding the governance framework (distribution of competencies and resources among the different levels of government and local capacities to deal with regional development). Co-operation with neighbouring countries of the EU and fellow partners of the Eastern Partnership will be also addressed, in particular regarding policies towards border regions. The final report will propose policy recommendations for regional development.

That part of the cost of the Territorial Review of Ukraine to be met from the budget of the pilot project will be a maximum of EUR 240,000.

In addition, a study on the development potential of regional innovation systems in China will be carried out through joint management with the OECD. Innovation will be a crucial source of future economic growth in Chinese regions. The manner by which innovation policy can help to drive development is a key political issue, yet the opportunities for different types of regions have not been fully explored. Through this project, the OECD would review the functioning of innovation systems in a representative sample of Chinese regions and identify policy recommendations for central and sub-national governments to improve the impact of innovation policies on regional economic development.

The review will have three main components:

- (a) exploration of the “problem” – how regional innovation systems could be used as an important tool for regional development in China, and, in policy terms, what is currently missing in terms of policy instruments or institutional frameworks;
- (b) a series of case studies designed to highlight these problems and offer possible solutions. The broad selection criteria for these case studies would be cities or functional regions in each of the main development meso-regions, including both established innovation hubs and emerging regions or development “targets”; and

- (c) recommendations regarding the mix of instruments and investments (science parks, research infrastructure, cluster policies, etc.) that is most suitable for different regional contexts encountered in China. The results would lead to both timely and practical policy messages for the Chinese government that could be disseminated via conferences and workshops.

That part of the cost of this review to be met from the pilot project will be a maximum of EUR 240,000.

Direct management

A number of smaller studies will be undertaken using a standard procurement procedure. Subject to successful tendering the indicative titles of the studies are the following:

- Cross-border cooperation in Africa;
- Follow up regional innovation systems in Latin America;
- Peer review studies in selected Ukrainian regions.

Indicative budget for procurement: EUR 220 000.

2.2.ACTION 2: Information seminars (study visits and seminars)

Seminars are an important means of exchanging information and promoting mutual understanding with third countries. There is an increasing demand from third countries for direct experience of the implementation of EU regional policy on the ground in different contexts. The pilot project makes this possible, by assuming travel and accommodation costs incurred by nominated experts and third country participants.

A number of seminars could be supported to be held in main partner countries on topics such as: strategic and governance issues, information systems, evaluation, regional innovation systems, cross-border cooperation, etc. For example:

- Brazil: Seminar on EU-Brazil regional policy cooperation;
- Brazil: Workshop on Information, Evaluation, Financial Control and Audit;
- China: High-level seminar on EU-China regional policy cooperation and participation in the World Expo in Shanghai (seminar, stand, networking events);
- China: Two training programmes (through a framework contract or call for tenders);
- Argentina: Seminar on regional innovation systems in Latin America (with OECD) and possibly a seminar on cross-border cooperation;
- Ukraine: Series of introductory seminars on European regional policy in selected regions (Odessa, Chernovtsy, Kharkhiv and Donetsk), involving EU officials and EU regional experts;

- South Africa: Seminar on Regional Policy organised by the government involving EU officials and EU regional experts;
- Australia: first regional policy conference.

Where necessary the seminar organisation, exhibition and reception expenses will be met from the pilot project using existing framework contracts. Individual travel and accommodation costs and subsistence indemnities will be reimbursed according to Commission rules.

A number of programme exchanges could take place, namely for Brazilian regional representatives and Chinese national and regional officials. Ukraine, West Africa (UEMOA, ECOWAS) and South Africa could participate as well in these exchange visits depending on them expressing an interest.

- Brazil: Second programme exchange for 40 regional representatives, visits to European regions and Open Days *European week of Cities and Regions*;
- Ukraine: Visits by Ukrainian officials to Brussels, ESPON, to EU regions and the Open Days *European week of Cities and Regions*;
- Other possibilities: West and/or South Africa: visits by officials to Brussels, ESPON, EU regions and the Open Days *European week of Cities and Regions*.

Other expert visits from third countries to Europe or to other third countries or from European experts to third countries could take place depending on specific interests. The reimbursement of experts travel and accommodation costs and subsistence indemnities will be made according to Commission rules.

Indicative budget: EUR 750 000.

2.3. ACTION 3: *Support to information and communication tools*

In order to increase the visibility of the activities and priorities of regional policy it is important to prepare, and translate into other languages, information and communications products. Furthermore, the Commissioner and/or DG REGIO are frequently called upon to make presentations, together with the provision of stands at conferences all over the world. Since we cannot satisfy all these requests it makes sense to prepare readymade material or stands which could be shipped to these destinations. This action will be implemented via a service contract.

Indicative budget: EUR 50 000.

3. **Total budget: € 1 500 000**

4. **Indicative calendar for procurement procedures**

The Community contribution to the actions described in the work programme will be covered by commitment appropriations for 2010 for which an amount of € 1 500 000 is available. All the actions (either use of a FWC, joint management or the launch of procurement procedure) will start on the 1st quarter of 2010. All contracts are expected to have been signed by end 2010.