



European Union Regional Policy

inforegio news

The State of Europe's Regions - Commission adopts the Second Progress Report on Economic and Social Cohesion

On 30 January 2003, Michel Barnier, Commissioner for Regional Policy, presented an update on the state of Europe's regions in the Second Progress Report on Economic and Social Cohesion.

The report provides an analysis of the situation and trends concerning economic and social cohesion in the EU with 15 and with 25 Member States, it provides a summary of the debate on the future of European regional policy for the period beginning in 2007, and outlines the preparation for enlargement up to the end of 2006.

The report concludes that EU enlargement in 2004 will present an unprecedented challenge for cohesion, with a significant widening of economic disparities within the Union and a less advantageous employment situation. On the basis of the most recent statistics, 48 regions in the current Member States (or 18% of the population-68 million inhabitants) have an income per capita lower than 75% of the Community average. In an enlarged Union, this will rise to 67 regions (or 25% of the population-116 millions) and the gap between the poorest and the richest regions will increase twofold.

However, the report also highlights the economic potential of an enlarged EU. The candidate countries in general have had a higher rate of economic growth than the present Member States and overall will help raise the average level of education in the Union. With regard to the debate on the future of cohesion policy, a number of key issues have emerged. These include: the need to continue to concentrate resources on the less developed regions; the need for special treatment for certain other regions (e.g. regions no more eligible due to a statistical effect, the outermost regions, the less developed islands regions with low population densities mainly in the Nordic countries); the need to continue support for regions not eligible under Objective 1; a reinforcement of inter-regional cooperation; simplification of management and greater decentralisation.

With accession negotiations now completed with 10 countries, the report suggests that preparations for enlargement up to the end of 2006 will focus on finalising the structural programmes for the future Member State and to ensuring that they are ready for implementation at the time of accession. In July 2003, a special report will be presented which will outline the commitments entered into by the applicant countries within the framework of the negotiations on regional policy. Available amounts under the Structural Funds for 2004-2006 in candidate countries are also presented in the report. The Second Progress Report on Economic and Social Cohesion is available online at:

http://europa.eu.int/comm/regional_policy/sources/docoffic/ official/reports/interim2_en.htm

The role of the regional and local authorities in **building Europe**

On January 14, 2003 the European Parliament adopted an own-initiative report by Mr Napolitano on the role of regional and local authorities in building Europe

The report has been welcomed by the Commission, which has indicated its support for the principal points being put forward.

On the subject of conferring the right on certain regions with legislative competences to defend their prerogatives before the Court of Justice, Mr Barnier, Commissioner responsible for regional policy, said it was "neither realistic, nor desirable to establish classifications between the European territorial communities", and indicated his support for Parliaments proposal to "give clear responsibility to each Member State "to carry" the recourse of its local authorities to the Court of Justice".

Mr Barnier said that, "regions must be able to count on the States to provide true political and jurisdictional representation within the framework of the Union".

The Commissioner also emphasised the Commissions' support for a stronger role for the Committee of the Regions, and he welcomed proposals for "new participative methods" to engage the regional and local authorities. He also confirmed that the Commission would test, in a pilot way, the method of the tripartite contracts in 2003. The issue of the role of the regions in building Europe is connected to ongoing debates in the European Convention. Further information is available at:

http://europa.eu.int/comm/regional_policy/newsroom/index_en.htm

Evaluating the Structural Funds

Two recently published evaluations indicate that the Structural Funds have a positive impact in areas of low population density, that they make a positive contribution to more sustainable regional development, and that there is further potential for increasing this contribution.

The first evaluation, published on the 10 February, examines the results of Objective 6 programmes in the northernmost parts of Finland and Sweden. The results of the evaluation show that after some initial start-up problems the programmes have had a positive impact on the regions but were unable to reverse the depopulation trend

Despite the creation of more than 5,000 new jobs, 6,000 new firms and the provision of training for over 110,000 people, the evaluation found that given the magnitude of the depopulation problem, which has persisted for decades, it would be unrealistic to expect the programmes to be able to effect a reversal. However, they did have a positive impact on the area, and the strategic choices made, to focus on human resource development and entrepreneurship were highly relevant.

The second study, also published on 10 February, presents the results of an evaluation of the way in which the Structural Funds contribute to promoting sustainable regional development. Based on a study of 19 selected regions, the evaluation identified the main policy trade-offs and winwins as regards the contribution of the Structural Funds to sustainable regional development. Some regions work actively with promoting sustainable developments, whereas others see it less as priority. The structural funds have increased their contribution to a more sustainable development compared to the past, but it was also found that sustainability could in many cases be taken better into consideration both in the way policy trade-offs are made and in the way projects are generated and selected. The two evaluations can be downloaded at:

http://europa.eu.int/comm/regional_policy/sources/docgener/evaluation/ rado_en.htm



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Responsible editor: Thierry Daman, CEC, Regional Policy DG, Unit 01. Fax: +32 2 296 60 03. The texts of this publication do not bind the Commission. Electronic address of the Regional Policy DG on the Internet: http://europa.eu.int/comm/regional_policy/ Commissioner Barnier: http://europa.eu.int/comm/commissioners/barnier/index_en.htm Orders for publications: <regio-info@cec.eu.int> - This newsletter is published in all eleven official languages of the European Union.

Printed on recycled paper.

KN-AB-03-002-EN-C

Text finalised on 10 February 2003

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