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Communicating on the Structural Funds

A 'Practical guide to communicating on the Structural Funds 2000-06', intended for the managing authorities, is now available online in French, English and German at the Inforegio site at:

http://europa.eu.int/comm/regional_policy/country/commu/index_en.htm

Interact 2002-06

The Federal Chancellery of the Republic of Austria, the managing authority of the Interact 2000-06 programme, has announced the launch of a second call for proposals for projects under the programme's Priority 2 (Interreg development: local and regional initiatives) and Priority 3, Measure 2 (Development of Interreg participation at the external borders of the new Member States). Interact is the principal instrument in implementing the Community initiative for cooperation between regions. The call procedures and application file can be downloaded from the Interact website at: www.interact-eu.net Closing date: 15 July 2004.

Contact: Interact Secretariat, Franz-Josefs-Kai 27, A-1010 Vienna; tel. (43-1) 533 87 47 31; fax (43-1) 533 87 47 66; e-mail: interact@interact-eu.net

'Competitive regions — Encouraging best practices'

This is the title of the seminar organised by the Lapland region in Rovaniemi (Finland), from 13 to 15 October 2004, in association with the European Commission and the Finnish Interior Ministry. Following the success of last year's seminar in Sheffield, the event aims to facilitate exchanges of experiences and the transfer of good practices between officials involved in implementing Objectives 1 and 2 in Finland, Denmark, Germany, Ireland, Sweden and the United Kingdom, although managing authorities from all the Member States are welcome to attend. Additional information and a registration form will be available shortly.

Dutch Presidency

The Government of the Netherlands has launched a website (accessible in Dutch, English and French) for the Dutch Presidency of the European Union: <http://www.eu2004.nl>

A stronger partnership for the outermost regions

In a communication submitted on 26 May, the European Commission proposes a stronger partnership with the outermost regions of the Union. The new strategy focuses on three main strands (competitiveness, accessibility and regional integration) and forms part of the reform of the EU's cohesion policy for 2007-13.

These proposals are a response to the instruction given to the Commission by the European Council in Seville in June 2002 to deepen the implementation of Article 299(2) of the Treaty, which concerns the outermost regions, in particular in the fields of transport and cohesion policy reform. They are also a reaction to the memorandum tabled on 2 June 2003 by the Spanish, French and Portuguese authorities and the seven outermost regions, namely the Azores, the Canary Islands, French Guiana, Guadeloupe, Madeira, Martinique and Réunion.

The communication identifies three priorities: competitiveness (improving the competitiveness of the outermost regions by creating and developing a business environment likely to attract new companies); accessibility (reducing the difficulties associated with remoteness, fragmentation among a group of islands or enclosure in areas with poor access); regional integration (encouraging integration into the surrounding geographical area).

In accordance with the title of the proposals of the 'Third report on economic and social cohesion', adopted by the Commission on 18 February 2004, the outermost regions will be eligible under all regional policy objectives, depending on their relative level of development: either the 'Convergence' objective (if their per capita GDP does not exceed 75 % of the Community average) or, alternatively, under the 'Regional competitiveness and employment' objective. They will also be eligible under the 'European territorial cooperation' objective.

Within this general framework, the Commission proposes two specific responses aimed at permit-

ting the outermost regions to develop their full potential: a specific programme to compensate for handicaps and an action plan for a wider neighbourhood.

Compensation for handicaps, and a wider neighbourhood

Financed by the ERDF during the period 2007-13, the specific programme to compensate for handicaps would be dedicated to reducing the specific handicaps faced by the economies of the most remote regions: remoteness, insularity, small size, difficult topography and climate, and economic dependence on a few products.

The action plan for a wider neighbourhood would aim to reduce barriers which limit the scope for trade within the geographical area of these regions which are far from the European mainland but very close to the regional markets of the Caribbean, America and Africa. In particular, the plan would include measures for transitional and cross-border cooperation.

Additional schemes would operate in the context of other Community policies. The Commission plans in particular to launch studies to evaluate the additional costs faced by the outermost regions and the constraints on their access to telecommunication services. Other specific measures for the outermost regions are planned in the fields of State aid, agriculture, fisheries and transport.

To find out more: http://europa.eu.int/comm/regional_policy/themes/rup_en.htm

Cohesion forum: taking the temperature

On 10 and 11 May 2004 in Brussels, the Commission organised the third cohesion forum. This major debate brought together the contributions of all the players in cohesion policy on the subject of the Commission's proposed reforms, in the context of an enlarged Europe, for the period 2007–13.

Some 1 200 persons took part in the discussions, organised around two round tables: 'Setting a new agenda: future priorities for cohesion policy' and 'Reforming the delivery system: simplification and decentralisation', a reference to the proposals made by the Commission in the conclusions to the 'Third cohesion report' of 18 February 2004.

The various contributions demonstrated that cohesion policy is very widely supported by the Member States, regions and towns. **Five major tendencies** emerged.

> **The Commission's reform proposals enjoy broad support**, in particular regarding the balance between the three priorities envisaged (convergence, competitiveness, cooperation). The same is true for the reorientation of cohesion policy to ensure that national and regional policy takes better account of the Lisbon and Gothenburg objectives (competitiveness linked to innovation, lifelong training, a knowledge economy, sustainable development). At the same time, continued financing of physical and human capital, in particular in the new Member States, was identified as a precondition for closing the gap in terms of development differences. The importance of transitional support for regions which suffer from the statistical effect of enlargement was also stressed. Concerns were expressed at the risks of deindustrialisation and delocalisation resulting from globalisation — hence the appeal for competition policy to stimulate a more proactive industrial policy which also takes into account the fiscal imbalances between countries.

> **Solidarity looks set to be the subject of a difficult debate.** Two opposing opinions were expressed.

- First, there is strong backing for the Commission's proposed financial approach, deemed to be fair and reasonable in dividing the effort between convergence, on the one hand, and regional competitiveness and employment, on the other. On the convergence side, there is clear support for the priority awarded to regions lagging behind in development in the 10 new Member States, which will receive 60 % of the funds. As regards regional competitiveness and employment, this objective must not be the variable for financial adjustments to cohesion policy; the 18 % of funds it is allocated is regarded as a minimum level enabling the other Union regions to realise the Lisbon priorities.
- Secondly, a minority view was expressed by some Member States that cohesion policy should be limited to achieving convergence, and essentially for the new Member States only. This is not the view of their regions, however. There is therefore a need for an internal debate between the national and regional level in the Member States in order to define a coherent approach.

> **There is a desire to allow for territorial specificities:** the inclusion of territorial cohesion in the Treaty and its consequences for cohesion policy are supported; the outermost regions must be able to benefit from additional cohesion policy support (specific allocation to compensate for extra costs and new opportunities to cooperate with the wider neighbourhood included in the programmes); northern areas with a very low population density merit increased financial aid; a special effort should be targeted at territories with a natural handicap (islands, mountain regions, rural areas with a low population density).

> **The forum was also the occasion to argue for a stronger urban dimension to cohesion policy, aimed at economic and social revitalisation:** support for viewing urban policy in its regional context, with the towns shouldering greater responsibility for programme conception and management. This approach also implies a greater financial effort.

> **Finally, strong support was expressed for the new objective of European territorial cooperation,** while also calling on the Commission to give thought to the methods of inter-regional cooperation at Community level, the legal aspects of cooperation, and the new neighbourhood instrument designed to permit interaction between cohesion policy and foreign policy.

More generally, **two key ideas** emerged from the forum.

- Cohesion is at the heart of the Union's efforts to improve the economic performance and competitiveness of the European economy, a process which must mobilise all the Union's resources and all its regions.
- Cohesion policy must be more targeted, more decentralised and simpler than is the case at present. In this respect, there is quite general support for the Commission's proposal to focus the strategic content of cohesion policy more firmly on the Lisbon and Gothenburg priorities, and, in the context of greater decentralisation, to share responsibilities with the Member States and, above all, the regions.

All the contributions of the participants will be taken into account by the Commission, with a view to drawing up regulatory proposals designed to act on the main elements of the reform. There will be five such proposals: a general regulation on the Funds, three ERDF, ESF and Cohesion Fund regulations and a regulation on a legal cooperation instrument. The Commission will examine these texts in July.

Also, the Brussels 'Open days' from 27 to 30 September, organised by the Regional Policy DG, the Committee of the Regions and representatives of the regions, will enable the debate on the management and future of cohesion policy to continue.

The texts of the contributions to the forum are available at the following address: http://europa.eu.int/comm/regional_policy/debate/forcom2004_en.htm

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European Commission
Directorate-General for Regional Policy

KN-AB-04-123-EN-C