



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Regional Development

2011/2288(INI)

2.5.2012

OPINION

of the Committee on Regional Development

for the Committee on Economic and Monetary Affairs

on attractiveness of investing in Europe
(2011/2288(INI))

Rapporteur: Oldřich Vlasák

PA_NonLeg

SUGGESTIONS

The Committee on Regional Development calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Highlights that, with the current low levels of growth and high levels of unemployment, the EU's cohesion policy makes an important contribution to the European economy, as well as to European research and innovation, and constitutes the largest expenditure item in the EU's budget for investments in the real economy, strengthening economic, social and territorial cohesion by reducing regional disparities and implementing a Union strategy for smart, sustainable and inclusive growth that offers remarkable leverage for public and private investments, on EU, national, regional as well as local levels;
2. Stresses that in the European Union, those SMEs and those social enterprises, including large firms, that are responsible for more than 50 % of total exports generate a substantive part of the business sector value added; suggests that for geographically targeted support, the main criterion should not be the size of the enterprise but the quality and required sustainability of the project, as well as its potential contribution, in terms of job creation, to the economic recovery and to efforts to strengthen competitiveness;
3. Stresses the key role of geographically targeted support for the success of a territorial development strategy, noting that it is essential that businesses of all kinds can benefit from such support; recalls, however, that cohesion policy mainly targets SMEs in the recognition that they constitute an asset in harmonious regional planning and diversification of the local economy;
4. Underlines that a discriminatory approach towards large enterprises could impede innovation and reduce the competitiveness of other EU companies, SMEs in particular, by excluding them from vital global partnerships in collaborative innovation and by reducing their access to advanced technology;
5. Calls on the Commission and Member States to come up with specific measures in order to support all businesses which create jobs in line with the EU 2020 strategy and with national and regional development strategies, while ensuring that decisions for funding are based on the quality of the respective projects and their value for EU, national, regional and local strategies;
6. Believes that in the world of global competition, an option of cohesion policy support is a key asset in attracting foreign investment insofar as it provides added value for companies when deciding in which world region to develop their operation capacities and where to transfer their knowhow; acknowledges that investments from third countries can contribute to lessening the effects of the economic crisis and to achieving the objectives of the cohesion policy; stresses the importance of these investments for the regions that face difficulties, by creating jobs and attracting foreign investment; points out that the provision of business support services, financial engineering and technology transfer is an additional contribution to the attractiveness of investing in Europe;

7. Endorses the economic rationale of a local/regional place-based development policy rooted in the fundamental logic that the interest of the Union's less-developed regions is likely to increase, should they be able to offer competitive comparative advantages (adequate infrastructure, skilled human resources, etc.) as well as firm sets of incentives; in this context requests the Commission to support Member States and regions in their pursuit of their own investment incentives policies, especially as regards long-term investments – not least on the cross-border level – with an emphasis on infrastructure projects; notes with regret that less developed regions of the EU are increasingly losing their attractiveness to the benefit of third countries; calls upon the competent authorities to draft urgent measures aimed at maintaining current investments and attracting new ones;
8. Underlines that high taxes and public debt are among the key concerns identified by companies investing in Europe;
9. Believes that a prerequisite for attracting investors is the availability of infrastructures that are competitive in the context of the new challenges facing us; stresses that in order to maintain the growth of investments and, implicitly, of the European economy, there is an ongoing need to modernise existing infrastructures, and that this is where the cohesion policy has a very important role to play, especially in the case of the new Member States;
10. Believes that another prerequisite for ensuring the regions' competitiveness and attractiveness, besides good infrastructure, is a dedicated effort to promote research, innovation and technological development and to ascertain the availability of appropriate high-quality professional training programmes for people in the European regions;
11. Emphasises that the EU has an enormous strength in its cities, and that major urban infrastructure projects, and innovative business parks, provide the strongest appeal for investment; urges the Member States to provide large-scale investments in infrastructure, new technologies and R&D, including multimode transport systems, in order to enhance the liveability and competitiveness of Europe's cities, building on their traditional strengths while ensuring that these investments are not detrimental to real territorial cohesion and balanced rural development;
12. Believes that investments in transport, energy, broadband infrastructure, as well as in developing human capital, are crucial for attracting growth-enhancing but environmentally more friendly investments in order to achieve sustainable development in line with the Europe 2020 objectives;
13. Emphasises that it is necessary not only to disseminate and implement but also to produce research and education at the local level. This means that the available human potential – researchers and academic foundations at the local level – needs to be used to the fullest in order to attract both domestic and direct foreign investments. In this context, it is also important to take note of the mobility of the human element: teachers, researchers and students;
14. Emphasises the need for horizontal and vertical coordination that allows cities to collaborate with other levels of governance and to consolidate their cooperation by networking with other cities;

15. Believes that in the coming period, the Member States and regions should set their objectives in such a way as to prioritise the needs of investors while, simultaneously, guaranteeing adequate and accessible funding, attributing a key role to the Structural Funds;
16. Believes that governance is needed, based on the empowerment of citizens, the participation of all relevant partners and the innovative use of share capital;
17. Believes that underdeveloped regions should continue to benefit from substantial Union funding to provide investors with other local competitive advantages in addition to reduced labour costs;
18. Notes the need for strengthening infrastructures so as to reinforce regional cohesion and the competitiveness of the regions; emphasises, in this context, the importance of the Trans-European Transport Networks and the use of supplementary financial instruments, such as project bonds and public-private sector partnerships;

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.4.2012
Result of final vote	+: 32 -: 4 0: 2
Members present for the final vote	François Alfonsi, Luís Paulo Alves, Jean-Paul Basset, Victor Boștinaru, John Bufton, Alain Cadec, Nikos Chrysogelos, Rosa Estaràs Ferragut, Danuta Maria Hübner, Filiz Hakaeva Hyusmenova, María Irigoyen Pérez, Seán Kelly, Constanze Angela Krehl, Petru Constantin Luhan, Elżbieta Katarzyna Łukacijewska, Ramona Nicole Mănescu, Vladimír Maňka, Iosif Matula, Erminia Mazzoni, Ana Miranda, Jens Nilsson, Lambert van Nistelrooij, Jan Olbrycht, Wojciech Michał Olejniczak, Markus Pieper, Tomasz Piotr Poręba, Monika Smolková, Ewald Stadler, Georgios Stavrakakis, Nuno Teixeira, Joachim Zeller
Substitute(s) present for the final vote	Jens Geier, Ivars Godmanis, Karin Kadenbach, Maurice Ponga, Patrice Tirolien, Giommaria Uggias
Substitute(s) under Rule 187(2) present for the final vote	Julie Girling