

Newsletter from the European Parliament Committee on Regional Development

VII Legislature N. 28 - 18 January 2012







#### Meeting on

Wesdnesday 25 January 2012 9.00 - 12.30 and 15.00 - 18.30

Thursday 26 January 2012 9.00 - 12.30

Room ASP 3 G 3

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- **Exchange of views with Mr Nicolai Wammen, Danish Minister for European Affairs,** on the priorities of the Danis Presidency of the Council of the EU
- **Exchange of views with Mr Johannes Hahn Commissioner on Regional Policy, on the Post 2013 EU Cohesion Package**
- Exchange of views with Mr Horst Reichenbach, Head of the EC Task Force for Greece, on the interpretation of the Cohesion Policy in Greece

#### INDEX

#### <u>PART I</u> 25-26 January 2012 Meeting

- 1. Constituent meeting
- 2. Quality Management for European Statistics
- 3. Exchange of views with Mr Wammen, Danish Minister
- 4. Amendment of Regulation (EC) N° 1083/2006 relating to risk sharing instruments for Member States experiencing or threatened with serious difficulties with respect to their financial stability
- 5. Exchange of views with Mr Hahn, Commissioner on Regional Policy
- 6. Common provisions on European Funds
- 7. Specific provisions concerning the European Regional Development Fund
- 8. Cohesion Fund
- 9. European Territorial Cooperation
- 10. European Grouping of Territorial Cooperation
- 11. European Social Fund
- 12. Multiannual financial framework
- 13. EU future or regional airports & air services
- 14. Our life insurance, our natural capital
- 15.2010 discharge: EU general budget
- 16.6th & 7th Environment Action Programmes
- 17. Exchange ov views with Mr Reichenbach, EC
  Task Force for Greece

#### **Next Committee meeting**

Monday 27 February 2012 15.00 - 18.30 Tuesday 28 February 2012 9.00 - 12.30 Brussels

Comments and subscriptions at regi-secretariat@europarl.europa.eu

#### <u>PART II</u> 19-20 December 2011 Meeting

- 1. Exchange of views with Ms Bienkowska on the balance of the Polish Presidency of the Council of the EU
- 2. Common provisions on European Funds
- 3. Future of regional airports and air services in the EU
- 4. Report on the visit of a REGI delegation to Warsaw on 16-17 October 2011
- 5. Evolution of EU macro-regional strategies
- 6. Exchange ov views with Mr Barca, Italian Minister for Territorial Cohesion
- 7. Amendment of Regulation (EC) N°
  1083/2006 relating to risk sharing
  instruments for Member States
  experiencing or threatened with serious
  difficulties with respect to their financial
  stability
- 8. <u>Hearing on 'GDP and other criteria in</u> Cohesion policy'

#### PART III Other News

<u>Chair's participation on events</u> <u>Info from the Library</u>

#### <u>Useful Internet links</u>

EP Library - Info on items related to regional

development

OEIL - The Legislative Observatory

Regional Policy Inforegio

EUR-Lex

Committee of the Regions

EP studies Website

REGI Website



#### PART I

Here you will find the topics which will be discussed at the next REGI Committee meeting on 25-26 January 2012

The following items will be discussed as foreseen in <u>the draft agenda</u>. Please note that most committee documents (working documents, draft reports, etc.) are available at our website REGI.

## 1. Constituent meeting of the REGI committee (Points 1, 2, 3 of the draft agenda)

The purpose of this meeting is the constitution of the committee Bureau by the election of the chair and up to four vice-chairs. It will take place from 9.00 to 9.30 on 25 January (in camera).

#### **ORDINARY MEETING**

### 2. Quality management for European Statistics (Points 7 and 20 of the draft agenda)

The aim of this Communication is to set out a strategy that would give the European Union a quality management framework for statistics related to enhanced economic policy coordination which includes mechanisms to ensure the high quality of statistical indicators. Recent developments, in particular, the inaccuracy of the Greek government deficit and debt statistics have demonstrated that the system for fiscal statistics did not sufficiently mitigate the risk of substandard quality data being notified to Eurostat. To address this issue, the Commission expressed the need to grant Eurostat extended powers in the field of fiscal statistics. In order to develop and implement a quality management framework, the Commission will pursue the following two lines of action: it intends to improve implementation of the governance framework for statistics, by proposing amendments to Regulation (EC) No 223/2009 on European Statistics, a revised European Statistics Code of Practice and a new process for the implementation of this Code by National Statistical Institutes and other relevant National Authorities. Second action line is preventive approach to verifying government finance (EDP) statistics.

In her draft opinion the rapporteur emphasises that the provision of accurate, relevant and high-quality statistics is of key importance to sustainable and balanced regional development. She supports Eurostat's intention to establish a legal framework for 'Commitments on Confidence in Statistics'; stresses that compliance with the data confidentiality rule within the ESS (European Statistical System), as well as with the principle of subsidiarity, will help to increase trust in statistical agencies. The rapporteur also stresses the need to develop a coherent system for research into socio-economic processes in cross-border areas, together with statistics for macro-regions, in order to obtain a reliable picture of the economy in terms of regional and macro-regional development. Finally, the rapporteur notes that regional and national accounts should be closely monitored as part of a robust system of quality management for European statistics.

The main committe ECON is going to adopt its report on this Communication in the beginning of February. Due to the tight schedule the REGI Committee will, if agreed by the committee, adopt the draft opinion in an urgent procedure impling the presentation of the draft opinion and vote during the same meeting.

PROCEDURE	TIMETABLE
Rapporteur: Elżbieta Katarzyna Łukacijewska	Consideration of draft report: 25/01/2012 (tbc)
Responsible administrator: Dagmara Stoerring	Deadline for amendments: 25/01/2012 (tbc)
Procedure: 2011/2289(INI)	Adoption REGI: 26/01/2012 (tbc)
Main committee: ECON - Edward Scicluna	Adoption in ECON: tbc
	Adoption in plenary: tbc

## 3. Exchange of views with Mr Nicolai Wammen, Minister for European Affairs, on the priorities of the Danish Presidency of the Council of the European Union (Point 8 of the draft agenda)

The Danish presidency represented by Nicolai Wammen, Minister for European Affairs, will present, as it has become customary, the presidency's programme on the EU's cohesion and regional policy and the MFF in which concerns this policy. The committee also expects a detailed account on the ongoing negotiations and state of play in the Council of the legislative package on EU post 2013 cohesion policy.

After the statement, the Chair will give the floor to the Members of the committee, starting by the political group coordinators and following by the other MEPs.

# 4. Amendment of Council Regulation (EC) No 1083/2006 as regards certain provisions relating to risk sharing instruments for Member States experiencing or threatened with serious difficulties with respect to their financial stability (Point 9 of the draft agenda)

Following the two previous proposals for amending Council Regulation (EC) No 1083/2006 in response to the current financial crisis the Commission proposes the third Amendment that lays down provisions for creation of a risk sharing instrument.

The objective of the proposal is to help countries particularly hit by the financial crisis to provide additional financial resources to these countries in order to support liquidity and fund absorption and through this continuation of the programmes.

According to the proposal in order to implement the risk sharing instrument the transfer of part of the financial allocations available to these Member States back to the Commission would be allowed. The objective would be to provide capital contributions to cover expected and unexpected losses of loans and guarantees to be extended under a risk-sharing partnership with the European Investment Bank and/or other financial institutions with a public policy mission who are willing to continue to lend to project sponsors and banks with a view to provide private match funding for projects implemented with Structural Funds and Cohesion Fund contributions. The overall allocation under cohesion policy for the period 2007-2013 would therefore not be modified. Article 36 of Council Regulation (EC) No 1083/2006 provides that the EIB may, at the request of Member States, participate in activities relating to the preparation of projects, in particular major projects, the arrangement of finance, and public-private partnerships. It provides further that the Member State, in agreement with the EIB, may concentrate the loans granted on one or more priorities of an operational programme. The current proposal should facilitate the approval of such loans by the EIB, or by other international financial institutions as may be the case, at a moment when due to the downgrading of the public and private debt of the State and financial institutions of the Member States such loans would not be available.

The Rapporteur has organised a technical briefing with the shadows and other committees' rapporteurs (ECON and CONT) on 11 January. The aim of this briefing was to receive more-in-depth explanations from the European Commission and the European Investment Bank about functioning of the risk sharing instruments. During this exchange of views in the Committee the representatives of the DG REGIO, ECFIN, Task Force for Greece, and EIB will be available to react to the debate.

PROCEDURE	TIMETABLE
Rapporteur: Danuta Hübner	Exchanges of views: 22/11/2011, 20/12/2011, 25/01/12 (tbc)
Responsible administrator: Dagmara Stoerring	Consideration of draft report: tbc
Procedure: 2011/0283(COD)	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in plenary: tbc

## 5. Exchange of views with Mr Johannes Hahn, Commissioner on Regional Policy, on the Post 2013 EU Cohesion Package (Point 11 of the draft agenda)

Commissioner Hahn will come to the committee in a very important moment, when the work of the colegislators on the legislative package is getting cruise speed. The committee expects from the Commissioner a detailed account on how the Commission sees the advancement of the works at the Council, the main obstacles the MS are encountered and a clear positioning of the EC on the more advanced chapters of the reform. The issue of the Legal basis for the Common Strategic Framework will certainly be debated.

#### On 25 January, from 16.30 to 18.30 Joint debate in the presence of the European Commission

The five reports and one opinion considering the draft regulations presented by the EC for the EU's post 2013 cohesion policy will be debated this time jointly by the committee. The debate will probably start

with a presentation of the two rapporteurs on the general Regulation based on the working document *in progress* they have been preparing. Following their interventions, the other rapporteurs will take the floor, most probably in order to look into the relationship of the General Regulation and the specific funds regulations but also to advance perhaps more particular considerations on the regulations they are responsible for. The EC will comment and respond to the rapporteurs interventions and this will be followed by the interventions of the shadows rapporteurs and other Members of the committee.

### 6. Common provisions on European Funds and repealing Regulation (EC) N° 1083/2006 (Point 12 of the draft agenda)

In the context of a global debate on the legislative package, the Rapporteurs, Constanze Angela Krehl and Lambert van Nistelrooij will present a Working Document on the Common Provisions Regulation. The Working Document tackles key issues identified already in an Informal Working Paper, among others the following:

- the Common Strategic Framework and options for its adoption;
- Partnership Contract, partnership principle and views on the involvement of local and regional authorities and other stakeholders;
- alignment to EU2020, thematic concentration and flexibility in the proposal, the need for clarifications in Article 16 of the proposal regarding "regional needs" and possibilities to allow for more flexibility in concentration and ring-fencing of funds;
- simplification, the Rapporteurs give a first analysis on the elements the Commission claims would simplify policy implementation;
- macroeconomic conditionalities and their implication on policy implementation;
- ex-ante conditionalities and the provisions and the list as presented in Annexe IV of the draft CPR regulation;
- concerns about feasibility of the performance reserve as presented in the proposal;
- the cross-cutting nature of urban dimension.

PROCEDURE	TIMETABLE
Rapporteurs:Constanze Krehl, Lambert van Nistelrooij	Exchange of views: 22/11/2011, 19/12/11
Responsible administrator: Diana Haase	Consideration of working doc.: 25/01/2012 (tbc)
Procedure: 2011/0276(COD)	Consideration of draft report: Spring 2012 (tbc)
	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in plenary: tbc

## 7. Specific provisions concerning the European Regional Development Fund and the 'Investment for growth and jobs' goal and repeal of Regulation (EC) N° 1080/2006 (Point 13 of the draft agenda)

This Regulation sets out the provisions governing the European Regional Development Fund, and repealing Regulation (EC) No 1083/2006. The common rules governing the ERDF are included in an overarching regulation proposed in COM(2011)0614 (referred to as General Regulation). The ERDF Regulation sets out the scope of support and investment priorities for the regional development programmes.

The ERDF aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF should contribute to the Europe 2020 Strategy objectives. The key elements are the strengthening of thematic concentration and reinforcing territorial cohesion, which is done by focusing the support from the ERDF on a limited number of thematic objectives, further detailed in investment priorities. Due to their particular relevance for growth three thematic priorities are obligatory, Research and Development and Innovation, enhancing the competitiveness of SMEs and shift to a low carbon economy. In well developed regions 80% ERDF funding must be invested in these 3 objectives whereby at least 20% of the total ERDF resources should be allocated for shift to a low carbon economy. Given the ongoing restructuring needs in those regions phasing out from the Convergence objective, the minimum percentage shall be reduced to 60%. And in less developed regions 50% whereby at least 6% are to be foreseen for shift to a low carbon economy.

The proposed ERDF Regulation also defines a negative list of activities which will not be eligible for support. It defines investment priorities for each of the thematic objectives.

Moreover, the proposal provides for an increased focus on sustainable urban development. The increased focus is to be achieved through the earmarking of a minimum of 5% of ERDF resources for sustainable urban development, the establishment of an urban development platform to promote capacity building and exchange of experience, and the adoption of a list of cities where integrated actions for sustainable urban development will be implemented.

The proposed Regulation aims to contribute to an increased orientation on results of funding by defining common indicators related to physical outputs as well as results relating to the final objective of funding.

The proposed Regulation mentions the need to pay special attention in operational programmes to specific difficulties of regions with severe and permanent natural or demographic handicaps.

Finally, the proposed Regulation contains specific provisions for the use of the specific additional allocation for the outermost regions.

During the meeting the rapporteur will present a draft working paper in English with the main questions concerning the ERDF Regulation Proposal.

PROCEDURE	TIMETABLE
Rapporteur: Jan Olbrycht	Exchange of views: 22/11/2011, 25/01/2012 (tbc)
Responsible administrator: Dagmara Stoerring	Consideration of working doc.: tbc
Procedure: 2011/0275(COD)	Consideration of draft report: Spring 2012
	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in plenary: tbc

### 8. Cohesion Fund and repeal of Council Regulation (EC) N° 1084/2006 (Point 14 of the draft agenda)

In the second debate on the proposed regulation, which is part of the legislative package for cohesion policy, and regulates the Cohesion Fund (CF) to support investments in the environment, in trans-European networks and in technical assistance, where environment appears to be the one deserving the greatest number of investment priorities, the Rapporteur will continue to debate his views on the proposed measures.

One of the major issues the Rapporteur sees regarding the above proposal for a regulation is indeed the Connecting Europe Facility (CEF). While in favour of this new instrument, he is nevertheless very concerned about the proposed mechanism of transferring money from the CF to the CEF, as the system proposed (foreseeing the ring-fencing of 10 billion EUR) leads to a proportional reduction of the highest allocations under the CF.

Moreover, under the proposed regulation, projects respecting the national allocations under the Cohesion Fund should be given the greatest possible priority, and selection is due to be done on a "first come, first served basis".

The Rapporteur is therefore concerned that these new features will in fact encroach on the benefits of the countries that need most the support form the Cohesion Fund, given that their administrative capacity is less developed.

PROCEDURE	TIMETABLE
Rapporteur: Victor Boştinaru	Exchange of views: 22/11/2011, 25/01/2012 (tbc)
Responsible administrator: Carla Carvalho	Consideration of working doc.: tbc
Procedure: 2011/0274(COD)	Consideration of draft report: tbc
	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in plenary: tbc

## 9. Support from the European Regional Development Fund to the 'European Territorial Cooperation' goal (Point 15 of the draft agenda)

The goal of economic, social and territorial cohesion is promoted through three EU funds. As stipulated in Article 176 of the TFEU, the aim of the ERDF is promote the development and structural adjustment of lagging regions and of declining industrial regions.

A separate regulation is proposed for European Territorial Cooperation to take better account of multi-country context of the programmes and make more specific provisions for cooperation programmes and operations, as has been requested by the European Parliament. The aim of a separate regulation for ETC is to allow clearer presentation of the specificities of ETC to facilitate implementation , since terminology can be directly adapted to the multi-country context of cooperation programmes. The proposal thus makes references to third country participation where necessary to better reflect the reality of cooperation. It also contains more systematic references to the role that European Groupings of Territorial Cooperation (EGTC) can play in a cooperation context.

The proposal establishes the scope of the European Regional Development Fund with regard to the European Territorial Cooperation goal. It defines the priority objectives and organisation of the ERDF, as well as eligibility criteria. The proposal sets out the financial resources available for each strand and the criteria for their allocation to Member States. This also includes the continuation of the mechanism for the transfer of resources for cooperation activities at the external borders of the Union, to be supported under the European Neighbourhood and Partnership Instrument and the instrument for Pre-Accession Assistance. Synergies and complementarity between programmes under the European Territorial Cooperation goal and programmes financed under external instruments shall be promoted.

It also sets the implementation arrangements, including provisions for financial management and control. The Common Provisions Regulation and the ERDF regulation both apply subject

to the specific provisions contained in this regulation.

A new element in the proposal are the provisions on **thematic concentration and investment priorities**. This is to be seen in the overall context of improving the strategic focus of programmes and their results orientation. Programmes can choose a limited number of priorities from a thematic menu with corresponding investment priorities, thus ensuring the focus on European priorities and interventions where cooperation will yield most added value. In addition, selection criteria have been defined more strictly to ensure that funding is given to genuinely joint operations. Programmes will also contain a performance framework defining programme-specific milestones against which progress in implementation can be assessed.

The 2007-2013 programming period has seen the emergence of new forms of territorial cooperation, tailor-made responses to address macro-regional challenges, such as macro-regional strategies and Integrated Maritime Policy. Given the possible overlap between existing and future macro-regions, sea-basins and transnational programme areas, the proposed regulation explicitly foresees that transnational cooperation can also support the development and implementation of macro-regional strategies and sea-basin programmes (including the ones established on the external borders of the EU).

The implementation modalities have been streamlined for cooperation programmes. The number of authorities involved in programme implementation has been reduced and roles and responsibilities further clarified.. Content requirements for cooperation programmes and implementation reports have been made more precise in order to reduce administrative burden for programme authorities. Common indicators have been defined to better capture the outputs of and increase the overall orientation on results.

The proposal foresees a greater harmonisation of rules. Eligibility rules will be either fixed at EU level or by the Monitoring Committee for the programme as a whole. National rules will only apply in the absence such rules. This will also facilitate a joint approach in carrying out the management verifications and audits by the audit authority and thus contribute to greater harmonisation in this field.

Finally, an extension of the deadline for the de-commitment rule and specific provisions for the application of the rules on state aid and the conversion of foreign currencies into Euro will further facilitate programme implementation.

PROCEDURE	TIMETABLE
Rapporteur: Rikka Manner	Exchange of views: 22/11/2011, 25/01/2012 (tbc)
Responsible administrator: Franck Ricaud	Consideration of working document: February 2012 (tbc)
Procedure: 2011/0273(COD)	Consideration of draft report: tbc
	Deadline for amendements: tbc
	Adoption REGI: July 2012 (tbc)
	Adoption in plenary: tbc

10. Amendment of Regulation (EC) N° 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and implementation of such groupings ((Point 16 of the draft agenda)

This amending Regulation makes changes, on the one hand, to respect the terminology introduced by the Treaty on the Functioning of the European Union and on the other hand in

response to the weaknesses and areas of potential improvement identified in the Report referred to above.

These changes concern the Membership, the content of the Convention and Statutes of an EGTC, its purpose, the process of approval by national authorities, applicable law for employment and for procurement, approach for EGTCs whose members have different liability for their actions and more transparent procedures for communication.

On Membership, new legal bases are employed to permit regions and bodies in non-Member States to be members of an EGTC, while the other members are from one or many Member States. The eligibility of membership of bodies under private law is also clarified.

The convention and statutes of an EGTC are re-defined and the distinction in approval procedure underlined. The criteria for approval or rejection by national authorities are specified, and a limited time for examination proposed.

Solutions, in line with the *acquis* of the Union, are proposed for tax and social security regimes for employees of an EGTC, who may be employed in any of the Member States whose territories comprise the EGTC. A similar approach is proposed for procurement rules. For liability, where some local or regional bodies are required by their national laws to have limited liability and others, in different Member States, are required to have unlimited liability, an insurance-based solution is proposed.

Finally, Member States will be required to inform the Commission of any provisions adopted to implement the EGTC Regulation, as amended, and each newly established EGTC should inform the Commission of its purpose and membership, for publication in the Official Journal (C Series).

PROCEDURE	TIMETABLE
Rapporteur: Joachim Zeller	Exchange of views: 22/11/2011, 25/01/2012 (tbc)
Responsible administrator: Monika Makay	Consideration of working doc.: tbc
Procedure: 2011/0272(COD)	Consideration of draft report: Spring 2012 (tbc)
	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in plenary: tbc

## 11. European Social Fund and repeal of Regulation (EC) N° 1081/2006 (Point 17 of the draft agenda)

The European Social Fund (ESF) is established by Article 262 of the Treaty on the Functioning of the European Union (TFEU). The timing of the review of the EU funding to promote cohesion is linked to the proposal for a new Multiannual Financial Framework.

In terms of scope, the draft ESF Regulation for 2014-2020 proposes to target the ESF on four "thematic objectives" throughout the European Union: i) Promoting employment and labour mobility; ii) investing in education, skills and lifelong learning; iii) promoting social inclusion and combating poverty; iv) enhancing institutional capacity and an efficient public administration. In addition the ESF should contribute also to other thematic objectives such as supporting the shift towards low-carbon, climate resilient and resource efficient economy, enhancing the use on information and communication technologies, strengthening research,

technological development and innovation and enhancing the competitiveness of small and medium-sized enterprises.

Furthermore, the draft Regulation aims to reinforce social innovation and transnational cooperartion under the ESF and clarifies its contribution to the Union's commitment to eliminate inequalities between women and men and prevent discrimination. Social partners and non-governmental organizations are attached great importance to the programming and implementation of ESF priorities and operations.

Finally, specific provisions are introduced for financial instruments to encourage Member States and regions to leverage the ESF and thus increase its capacity to finance actions supporting employment, education and social inclusion.

PROCEDURE	TIMETABLE
Rapporteur: María Irigoyen Pérez	Exchange of views: 22/11/2011, 25/01/2012 (tbc)
Responsible administrator: Gabriel ALvarez	Consideration of draft opinion: Spring 2012 (tbc)
Main committee: EMPL - Elisabeth Morin-Chartier	Deadline for amendments: tbc
	Adoption REGI: tbc
	Adoption in EMPL committee:tbc
	Adoption in plenary: tbc

## 12. <u>Multiannual financial framework for the years 2014-2020</u> (Point 18 of the draft agenda)

This is the second exchange of views on this file, now to be accompanied by the presentation by the Rapporteur of a working document, whose preparation is still undergoing.

Ms. Flo Clucas, Rapporteur for the Committee of the Regions' opinion on the new multiannual financial framework post-2013, will also be joining this debate.

Since the last debate in November, there were not any major developments on this issue. The Committee on Budgets has not yet established an operational calendar for this procedure and no decision was taken either regarding the issuing of an interim report. However, this committee has made clear that a "mandate" for negotiations will have to be established for this Spring.

Meanwhile, the General Affairs Council organised a meeting on 5 December, where the Polish presidency presented a Report on the progress on the MFF within the Council in the second semester of 2011, summarising the discussions held up until then, concluding that the negotiations as such have not really started.

The Danish presidency is aiming at presenting a *negotiation box* by June 2012, where the principles but not the numbers will be submitted to the European Council of July 2012.

This debate in REGI will constitute an opportunity to fine-tune the position to be adopted soon by this committee in order to be able to contribute in due time for the establishment of the above-mentioned "mandate".

PROCEDURE	TIMETABLE
Rapporteur: Andrey Kovatchev	Exchange of views: 23/11/2011
Responsible administrator: Carla Carvalho	Consideration of working doc.: 26/01/2012 (tbc)
Procedure: 2011/0177(APP)	Deadline for amendments: tbc
Main committee: BUDG - Reimer Böge - Ivailo Kalfin	Adoption REGI: tbc
	Adoption BUDG: tbc
	Adoption in plenary: tbc

### 13. <u>Future of regional airports and air services in the EU</u> (Point 19 of the draft agenda)

The REGI Committee held an exchange of views of the draft opinion on its meeting of 20 December, where the draftsman presented his draft opinion.

Firstly, he stated the role of regional airports to play in contributing to territorial cohesion, especially when linking areas with structural handicaps. Secondly, he underscored their role in creating jobs, notably in parallel with development of tourism. Thridly, Mr. Uggias stated the importance of taking into account the environmental concerns, where construction of regional airports can contribute to raising awareness among local authorities about taking into account environmental factors. Then, he outlined the role of the regional airports as part of development inter-modal solutions and integrating them into road and rail networks. Lastly, he insisted on proper financial support for the regional airports and their integration into the overall spatial development planning.

53 amendments were tabled to this draft opinion. Amendments concern inter alia outermost regions, intermodality, innovation clusters, working conditions, environmental aspects and funding.

PROCEDURE	TIMETABLE
Rapporteur: Giommaria Uggias	Consideration of draft opinion: 20/12/2011
Responsible administrator: Monika Makay	Deadline for amendments: 21/12/2011
Procedure: 2011/2196 (INI)	Adoption REGI: 25/01/2012 (tbc)
Main committee: TRAN - Philip Bradbourn	Adoption TRAN: 28/02/2012 tbc)
	Adoption in plenary: 13/03/2012 (tbc)

### 14. Our life insurance, our natural capital: en EU biodiversity strategy to 2020 (Point 21 of the draft agenda)

The Commission's Communication on EU Biodiversity Strategy to 2020 aims at reversing biodiversity loss and speeding up the EU's transition towards a resource efficient and green economy. It is an integral part of the Europe 2020 Strategy and in particular the resource efficient Europe flagship initiative.

The draftswoman in her draft opinion welcomes the Communication and highlights the importance of biodiversity, an issue of trans-regional and transnational nature, having an impact on the quality of life of EU citizens. The potentials of the green economy are highlighted in the proposed text, as well as the importance of greening investment in infrastructure. Beneficiaries of Structural Funds and local authorities should also be trained in order to be aware of the mportance of biodiversity. Ms Bearder underlines the importance

of using use of Environmental Impact Assessments (EIA), Sustainability Impact Assessments (SIA) and Strategic Environmental Assessments (SEA) and other instruments to recognise biodiversity loss. Finally, local and regional governments should capitalise upon and involve closely in decision making the voluntary and community sector.

PROCEDURE	TIMETABLE
Rapporteur: Catherine Bearder	Consideration of draft opinion: 26/01/2012 (tbc)
Responsible administrator: Diana Haase	Deadline for amendments: 30/01/2012 (tbc)
Procedure: 2011/2196 (INI)	Adoption REGI: 27-28/02/2012 (tbc)
Main committee: ENVI - Gerben-Jan GERBRANDY	Adoption ENVI: 29/02/2012 (tbc)
	Adoption in plenary: tbc

## 15. 2010 discharge: EU General Budget, section III, Commission (Point 22 of the draft agenda)

The Rapporteur, Mr. Tamás Deutsch will submit his draft opinion to the Committee, where, on the basis fundamentally of the 2010 Annual Report of the Court of Auditors, he draws the attention of Members to the fact that, although the budgetary execution was good for Regional policy, this policy was once again part of the most error prone group among all policy areas, with 49 % of the 243 payments audited by that Court affected by error.

Like in previous exercises, non-compliance with public procurement rules and eligibility rules account for a high proportion of the error rate, which are now added to deficiencies in the financial engineering instruments' implementation, namely due to deficient reporting and verification requirements.

The Rapporteur also draws the attention of the Committee to the conclusion of the Court of Auditors that in a great number of transactions affected by error Member States' authorities had sufficient information to detect and apply corrective measures prior to certification and didn't take appropriate action.

PROCEDURE	TIMETABLE
Rapporteur: Tamás Deutsch	Consideration of draft opinion: 26/01/2012 (tbc)
Responsible administrator: Carla Carvalho	Deadline for amendments: 30/01/2012 (tbc)
Procedure: 2011/2201(DEC)	Adoption REGI: 28/02/2012 (tbc)
Main committee: CONT - Christofer Fjellner	Adoption CONT: 26/03/2012 tbc)
	Adoption in plenary: 09/05/2012 (tbc)

## 16. Review of the 6th Environment Action Programme and the setting of priorities for the 7th Environment Action Programme (Point 23 of the draft agenda)

The current 6th Environment Action Programme (6EAP), which was the first one to be adopted by co-decision, will expire in July 2012. Its final assessment, published on 31 August 2011, concluded that on balance, the 6th EAP has provided an overarching framework for environment policy, during which environmental legislation has been consolidated and substantially completed, and that its adoption by co-decision has increased its legitimacy and has helped create a sense of ownership for subsequent policy proposals.

However, we are still far from a satisfying situation regarding the state of the environment. It is therefore essential to adopt as soon as possible a 7th EAP in order to enable this transition towards a sustainable future, to ensure continuity and avoid any gaps. In addition, the future 7th EAP should provide for a clear ambitious vision for 2050, in order to give a long-term perspective for all stakeholders.

The European Parliament proposes that the future 7th EAP focuses on the 3 following "I "s:

- Implementation and Strengthening of environmental legislation
- Integration of environmental objectives into all sectoral policies
- International dimension of environment protection

We therefore call on the Commission to present as soon as possible its proposal for a 7th EAP, and to take into account our suggestions as described in the present own-initiative report.

The Rapporteur for opinion will present its Draft opinion, giving the point of view of Cohesion Policy and the role of regional and Local Authorities to implement correctly the Environment Action Programmes.

PROCEDURE	TIMETABLE
Rapporteur: Vasilica Viorica Dăncilă (S&D)	Consideration of draft report: 26/01/2012 (tbc)
Responsible administrator: Franck Ricaud	Deadline for AM: 30/01/2012 (tbc)
Procedure: 2011/2194(INI)	Adoption REGI: 28/02/2012 (tbc)
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## 17. Exchange of views with Mr Horst Reichenbach, Head of the European Commission Task Force for Greece, on the interpretation of the Cohesion Policy in Greece (Point 24 of the draft agenda)

M. Horst Reichenbach, Head of the European Commission Task Force for Greece, will come to the committee in order to inform the Members on the current situation of the implementation of the cohesion policy in Greece.



#### PART II

Here you will find information on the issues discussed in the last REGI meetings held on 19-20 December 2011

# 1. Exchange of views with Ms Elżbieta Bieńkowska, Minister of Regional Development acting as President-in-Office of the Council, on the balance of the Polish Presidency of the Council of the European Union (Point 4 of the draft agenda)

Ms Elżbieta Bieńkowska, Polish Minister of Regional Development acting as President-in-Office of the Council, has been invited to the REGI meeting to present to the Members the balance of the Polish Presidency. In the exchange of views she presented the work and the position of the Polish Presidency on the legislative package on regional policy post 2013. She stated that the Presidency has been working on enhancing integrated and territorially focused approach that is centred on outcomes. She also commented on some specific aspects of the Commission's proposal. She mentioned that the Presidency views the proposal on the Common Strategic Framework to be helpful in improving cohesion and achieving EU 2020 goals but she criticised the Commission's approach to it, specifically the delegated act nature of the proposal. Also, she expressed the Presidency's welcome to thematic concentration but shared the concern about the suggested ceilings. She also raised some questions about the true nature of the simplification measures.

In the following debate Members praised the work of the Polish Presidency and at the same time they asked questions inter alia concerning macro-conditionality, territorial cooperation, ring-fencing, performance reserve, urban areas, the link between Common Agricultural Policy and Cohesion Policy, multilateral governance and neighbourhood policy.

## 2. Common provisions on European Funds and repealing Regulation (EC) N° 1083/2006 (Point 5 of the draft agenda)

A second exchange of views on the Common Provisions Regulation (CPR) took place during the REGI meeting in December. The debate was based on the Informal Working Paper circulated earlier by the Rapporteurs, but it focused on topics such as Common Strategic Framework (CSF) also taking into account the legal opinion, Partnership contract and multilevel governance, EU 2020, and thematic priorities.

The EPP co-rapporteur, Mr. Van Nistelrooij commented on the eleven points, presented in the working paper. He expressed his willingness to listen to new comments and take up new points for clarification. He welcomed the opinion of the EP Legal Service and the subsequent letter from Mrs. Hubner to the EC, stating that the Common Strategic Framework should be on the basis of ordinary legislative procedure. He also stated that the Partnership Contract should be based on the principles of multi-level governance. He shared the concern that the issue of thematic priorities should be specified further. He also mentioned that the cohesion policy is more than EU2020, bringing out the importance of territorial dimension.

The S&D co-rapporteur, Ms. Krehl stated that some concrete ideas are needed for a discussion and that it is necessary to go to a more defined direction. For example, in the Partnership Contract, she would like more participation, depending on the structure of each Member State, and taking into account the specific regional needs. On the issue of thematic concentration, she would prefer to see greater participations of the regions so that they can fulfil the need they have. She raised for discussion the issues of thematic priorities, infrastructure projects, renewable energy, and others. She admitted that little progress has been done on the issue of flexibility and quotas and that further deliberation is needed.

The subsequent debate presented the various takes on the main issues in the CPR. Mrs. Schroedter (Greens, DE) views that the flexibility in the proposal is greater then before, and welcomes the general approach of the European Commission now. However, the other REGI members requested further clarification on how greater flexibility will be ensured in the future regulation. The nature of the Partnership contract spurred a lot of questions. REGI members demanded that participation of local and regional authorities should be guaranteed and disproved of the notion that the Contract can be formed solely between the European Commission and the Member State.

## 3. <u>Future of regional airports and air services in the EU</u> (Point 6 of the draft agenda)

In the exchange of views the rapporteur presented his opinion that set a list of priorities. Firstly, he stated the role of regional airports to play in contributing to territorial cohesion, especially when linking areas with structural handicaps. Secondly, he underscored their role in creating jobs, notably in parallel with development of tourism. Thridly, Mr. Uggias stated the importance of taking into account the environmental concerns, where construction of regional airports can contribute to raising awareness among local authorities about taking into account environmental factors. Then, he outlined the role of the regional airports as part of development inter-modal solutions and integrating them into road and rail networks. Lastly, he insisted on proper financial support for the regional airports and their integration into the overall spatial development planning.

In the debate it was suggested that air transport should be incorporated in the Partnership Contract in regional policy, in the view of the capacity of regional airports to build up overall EU capacity. Furthermore, it was pointed to the need to ensure the sustainable development of regional airports that help their regions to grow and to develop the inter-modal solutions across neighbouring regional airports. Attention was drawn to the opportunities of expansion of the existing regional airports to reduce congestion in the hubs and to provide wider rage of connection.

It was also stated that the small regional airports have grown considerably but this development brings up two issues. First, the concentration of regional airport is not always

rational, presenting a lack of effective coordination and that of a wider view of the system. Second, this increase has created job opportunities but has led to worsening of working conditions, notably in low-cost airlines. It was highlighted that even small airlines should provide good working conditions and sustainable jobs, take a closer look at the environmental protection, and expand on the issue of combine transport networks.

Members were divided whether regional airports should be further extended as more regional airports means more negative effects on the environment, agriculture, and tourism. Regional airports are often not profitable and thus not sustainable in the long run.

## 4. Report on the visit of a REGI delegation to Warsaw from 16 to 17 October 2011 (Point 7 of the draft agenda)

REGI sent a delegation to Warsaw from 16 to 17 October with the objectives to establish high level contacts with the Polish presidency in a very difficult moment, to analyse the better way for the cohesion policy to tackle the crisis, to exchange views on the strategy and first ideas on the Commission proposal for a legislative package on Cohesion Policy post 2013 and to obtain a better insight how the cohesion policy is being implemented in Poland.

This visit gave Members the opportunity to meet the Polish Presidency and to exchange ideas with representatives of the Ministry of Regional Development, Warsaw City Hall, Marshal's Office and Sejm RP. Participants could get familiarized with the strategy of the Presidency and the European Parliament as regards the legislative package on Cohesion Policy post 2013 as well as with the first comments on the main items of the regulations. Furthermore, Members got a better insight into the challenges and problems arising during the implementation of projects financed by Structural Funds and Cohesion Fund in Poland. The objectives set by the delegation are considered to have been achieved.

In the short exchange of views the importance of the meetings in Warsaw was highlighted and Members were asked not to forget the information gathered in the work on the legislative package.

## 5. Evolution of EU Macro-Regional Strategies: Present practice and future prospects, especially in the Mediterranean (Point 8 of the draft agenda)

Following the exchange of views held in October REGI meeting, the rapporteur presented his working document in the December REGI meeting. He acknowledged that macro-regional strategies put together a cohesive approach for territorial cooperation, meeting the demand for investing in Europe on a territorial basis in this new way; the macro-regional strategies also help rebuilding links and cooperating in a new fashion. However, he also recognized that macro-regions are a complex structure in terms of governance within which it is harder to coordinate and to cooperate. Therefore, he agreed that macro-region should not become a huge consumer of funds if it is not efficient and there needs to be a balance when considering such a format in the new period.

On one hand, the rappporteur presented the value added of macro-regional strategy, namely, that it serves as a relevant benchmark for cooperation, it encourages sectoral and complementary approach, and it attracts more involvement and more cooperation between EU's tools and instruments, stimulating convergence of resources through multi-level governance. On the other hand, he described the difficulties in the view of the two-faceted

nature of every macro-region (territorial and functional dimension) and the complexity of establishing governance structures and priorities beforehand.

He concluded that the macro-regions should be considered as a part of a bigger picture and should not be governed by political concerns. A lot of support should be given at preplanning stage, setting up governance structures and overall framework. He also emphasized that macro-regional strategy is particularly important in the Mediterranean region where similar environmental conditions bring out the importance of agriculture and tourism. The Mediterranean region has a huge potential, especially in areas of renewable energy where conditions are optimal, and that of sea corridors. Overall, better coordination and cooperation are needed to maximize opportunities in the region.

Members acknowledged that establishment of macro-regions has many beneficial effects but underlined the importance of a serious assessment of the Baltic and the Danube strategy. It was pointed out that on the institutional level, it should be decided whether a top-down or bottom up approach would be taken. It was also stated that macro-regional strategies should avoid the inter-governmental approach through strengthening the role of local and regional authorities. Thinking about how to map out the European macro-regions in the future was encouraged and the need was highlighted to restore the involvement in the Mediterranean region.

In the debate questions were raised about the scale and scope of the strategies, encouraging coordination with existent policies, such as European Neighbourhood Policy, cultural cooperation projects, and educational exchanges. Finally, the concern was raised about the efficiency and funding possibilities of the macro-regional strategies when it comes to include countries outside the EU.

## 6. Exchange of views with Mr Fabrizio Barca, Italian Minister for Territorial Cohesion on the new Italian agenda for growth and cohesion (Point 9 of the draft agenda)

Mr. Fabrizio Barca, the newly appointed Italian Minister for Territorial Cohesion has been invited to the REGI meeting to share with the Members his plans concerning the new Italian agenda for growth and cohesion. Mr Barca presented the new plan of action for growth and development in Italy and shared his views about the future of Cohesion policy with REGI members. He described the plans for concentration of resources to four major areas: education, railways, help to the disadvantaged sections of the populations, and digital agenda. The proposed "therapy" is built on concentration on the above priorities, focus on results, financial stability, and mobilization of national centres.

The presentation was followed by a lively exchange of views. Members raised questions inter alia concerning the high quota of errors in the implementation of projects, low absorption rate of EU funds, intermediate category of regions, quality of expenditure, national competence centres, Common Strategic Framework and thematic concentration.

7. Amendment of Council Regulation (EC) No 1083/2006 as regards certain provisions relating to risk sharing instruments for Member States experiencing or threatened with serious difficulties with respect to their financial stability (Point 10 of the draft agenda)

The second exchange of views on this subject was postponed to January. The aim of this exchange of views would have been to inform the committee on the situation of this file, specially the outcome of Council's meeting on 15 December. However, the Council postponed its meeting to 20 December. The Council has not advanced considerably on this amending regulation and from the first exchange of views in REGI the need arose for more technical clarifications on how this instrument should work. Therefore the Chair organised a technical briefing with the shadows, other committees' rapporteurs (ECON and CONT), the European Commission, Council and the European Investment Bank in January.

## 8. <u>Hearing on 'GDP and other criteria in Cohesion Policy'</u> (Point 11 of the draft agenda)

The hearing consisted of four presentations on the issue of GDP and other criteria and indicators that can be used in the design and evaluation of the Cohesion Poliy. Mr Jacek Szlachta, Professor, Warsaw School of Economics, delivered a presentation on "How to measure socio-economic development for cohesion policy", concluding that GDP is still an important measure but methodologies for calculation need to be improved as well as that other different synthetic indicators, showing welfare level and addressing also social and territorial dimension of cohesion, need to be introduced.

Mr Franck Sottou, Professor, Conservatoire National d'Arts et Metiers, Paris, presented a speech entitled "Indicators for Cohesion policy: how to be realistic and specific?" In this presentation he suggested a possible new indicator BETA-- B for Broadband, E for Energy, T for Transport, A for Accessibility plus indicators for education and others.

Mr Janne Antikainen, Regional development director, Ministry of employment and the economy, Helsinki, presented "Cohesion and competitiveness - steering and guidance by information, experiences from Finland", providing insight into the importance of indicators for jobs, demographics, and competences along with GDP.

Mr Christian Vandermotten, Professor, Institut de Gestion de l'Environnement et d'Aménagement du Territoire (IGEAT), ULB, Bruxelles, shared his views on "GDP and its limits as criteria of eligibility for structural funds" suggesting several alternative indicators to go along with GDP measures.

The presentations were followed by a lively debate. Members were divided in judging the role, importance and relevance of GDP as an indicator. Some Members argued that GDP was a very important indicator for development, while other claimed that GDP can be used only in a limited way and it does not show the real situation of the regions. It was added that also the social and territorial dimension should be taken into account. Most Members and experts shared the view that it was difficult to find additional realistic indicators.

#### PART III - Other News

Here you will find the latest news related to Committee activities and cohesion policy issues



## Chair's participation on events on behalf of the Committee

Ms Hübner has participated as a chairperson of the Committee in the following events since the last meeting:

20 January	Warsaw	Committee on European Union of the Polish Parliament	Discussion on the Cohesion Policy Package
24 January	Brussels	Roundtable-Lunch organised by EWE Poland (energy, telecommunications and information technology)	"Achieving a sustainable energy supply: Solutions for more energy efficiency and regional growth in rural areas"

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Ms Hübner, representing the committee, has accepted so far an invitation to participate (during the coming weeks) in the following events:

08 February	Brussels	Polish Confederation of Private Employers Lewiatan	"Improving Polish regional competitiveness - possibilities on EU level"
10 February	Brussels	Conference of Peripheral Maritime Regions of Europe (CPMR)	Seminar on "European Solidarity as a driving force behind the development of Europe's territories"

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More information is available at the Chair's website <a href="http://danuta-huebner.pl/">http://danuta-huebner.pl/</a> or with the secretariat.

#### **Library News**

#### **Library New**

#### Latest analysis



EU subnational governments: 2010 key figures / CEMR and Dexia, 2011-2012 edition, 19 p.

The 2011 edition of 'Key Figures on Local and Regional Europe' is available. It is a figurebased portrait of local and regional Europe in the form of information sheets comprising a series of indicators that compare the organisation and finances of subnational authorities. (Also available in French language)

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Local and regional government in Europe: structures and competences / CEMR - Council of European Municipalities and Regions, 2011, 53 p.

This second edition of a first study released in 2005 serves to provide an overview and guide to European local and regional governments in 39 countries, as well as their functioning, competences and more. (Source - CEMR website) This study is available also in French language.

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The Territorial Dimension of the European Social Fund: A Local Approach for Local Jobs? / by Cristina Martinez-Fernandez, OECD Local Economic and Employment Development (LEED) Working Papers, 2011/23, December 2011

This paper discusses the conceptualisation of territoriality and the different levels of applicability in regional development approaches. The paper draws on OECD and other organisations research and analysis; particularly the work of the OECD Local Economic and Employment Development Programme (LEED). The paper argues that the local level is emerging as the key spatial dimension where EU development instruments apply and therefore a systemic local approach may be needed when designing national and regional cohesion policies and instruments. (Source: OECD)

An initial assessment of territorial forward planning/foresight projects in the **European Union** / by Pospektiker, Destrée Institute and Futurible; the Committee of the Regions, 2011, 246 p

(OECD/LEED)

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"This report aims to formulate recommendations about the usefulness and added value of territorial foresight, as a tool for decision making for Local and Regional Authorities (LRAs) [...] The report also analyses the interactions between European strategies and policies and the activities of the analysed territorial foresights, in order to assess the potential opportunity to create a territorial foresight network or platform at European level as regards this analysis." (Source: the report)

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**Books** 

Europe, regions and European regionalism / Roger Scully and Richard Wyn Jones. Basingstoke: Palgrave Macmillan, c2010. 277 p.

This book examines the experiences of regions and regionalism across western, central and eastern Europe. A team of leading country specialists presents analyses of both the larger states of Europe and many of their smaller counterparts, updated to include the impact of the EU enlargements of 2004 and 2007. The conclusions of this book are that there is a growing diversity of European regions, and a wide variety of regionalizing imperatives. Regionalism may not have overthrown the nation state, but Europe's regions, and European regionalism, have a persisting importance to the politics of the





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continent. (Available in the Library - make a reservation here)



© Berliner Wissenschafts-Verlag **Das europäische Meer: die Ostsee als Handlungsraum** / Eckart D Stratenschulte, Berlin: Berliner Wissenschafts-Verlag, 2011, 176 p

In dem vorliegenden Band analysieren Experten aus fünf Ostseeländern die vorgelegte Strategie sowie die durchaus unterschiedlichen Bedingungen in der Region. Geschichte, Interessen, Sicherheit und Wirtschaft sind die Stichworte, die diese Analyse strukturieren und so den Blick auf den heterogenen und dennoch durch Kooperation geprägten Ostseeraum ermöglichen. (Available in the Library - make a reservation here)