I

(Resolutions, recommendations and opinions)

RESOLUTIONS

COMMITTEE OF THE REGIONS

87TH PLENARY SESSION HELD ON 1 AND 2 DECEMBER 2010

Resolution of the Committee of the Regions on 'The priorities of the Committee of the Regions for 2011 based on the legislative and work programme of the European Commission'

(2011/C 42/01)

I. THE 2011 BUDGET AND THE POST-2013 MULTIANNUAL FINANCIAL FRAMEWORK OF THE EUROPEAN UNION

THE COMMITTEE OF THE REGIONS

- 1. calls on the two arms of the budgetary authority to agree as soon as possible on a 2011 budget capable of meeting the commitments undertaken by the European Union, and in particular, by the Member States, under the Lisbon Treaty and in the framework of the 2007-2013 Financial Perspective;
- 2. emphasises the vital importance of the leverage effect that the EU budget has on the European economic recovery strategy and the financing of structural investments targeting regional and local authorities, which are the EU's main vectors for economic, social and territorial cohesion:
- 3. firmly believes that the difficulties encountered during negotiations on the 2011 budget highlight the need to reform the own-resources system, in order to reduce the Member States' contributions by progressively replacing the VAT-derived own resource by one or more new own resources; in this regard, urges the Commission to press ahead with its consideration of whether to make use, to this end, of revenue from a tax on financial transactions or financial activities, sales of greenhouse gas emission quotas, an air travel tax, a separate European VAT, or part of the revenue from an energy tax or company tax;
- 4. urges, in particular, the budgetary authority to reflect in the budget the needs of the Europe 2020 strategy during the last years of the 2007-2013 multiannual programme, especially with regard to funding flagship initiatives and to ensure an adequate transition to the post-2013 multiannual programme;
- 5. points out the undeniable added value of EU co-financing for employment and sustainable growth strategies and the

strategy for solidarity with cities and regions and stresses, in the light of the strong pressure on public finances, that regional and local finances represent two-thirds of public investment in the EU;

- 6. welcomes the fact that the European Commission has taken up its proposal to set the duration of the financial framework at ten years, with a mid-term review (5+5), and emphasises the need to guarantee flexibility and synchronisation tools to facilitate optimum use of the EU budget;
- 7. welcomes the European Commission's proposals to create (1) a Development and Investment Partnership Contract between the European Commission and each Member State for the implementation of the National Reform Programmes, reflecting the commitment of partners at national, regional and local level, and (2) a common Strategic Framework to increase the consistency of EU policies for the delivery of Europe 2020 goals. These proposals tie in with the approach underlying the Territorial Pacts as proposed by the CoR.

II. THE FUTURE OF COHESION POLICY

THE COMMITTEE OF THE REGIONS

8. shall, in its response to the 5th cohesion report and subsequently in its analysis of future legislative proposals and the negotiation of the next Financial Perspective, continue to apply all its political pressure to promoting a strong and

ambitious post-2013 cohesion policy, available to all EU regions; for this reason, rejects all forms of re-nationalisation – albeit partial – of this policy, as well as any form of sectoral application of the EU budget to the detriment of cohesion policy;

- 9. underlines cohesion policy's contribution to the implementation of the Europe 2020 strategy; points out, however, that its raison d'être, set out in the Treaty, is to ensure economic, social and territorial cohesion across the EU; trusts, therefore, that the Structural Funds will not be perceived merely as a means of funding this strategy's flagship initiatives; and calls for the specifically territorial dimension of the strategy to be strengthened, especially with regard to the implementation of Territorial Pacts':
- 10. given that there is an ongoing discussion about linking the allocation of structural funds to Member States' compliance with the Growth and Stability Pact, expresses serious concern as regards the proposed conditionalities which would be applied at the local and regional level; municipalities and regions cannot be held responsible for, and should not be penalised because of, the inability of national institutions to meet macro-economic criteria or implement EU rules correctly;
- 11. reiterates its commitment to making the territorial cohesion principle a tangible reality, particularly in order to achieve a more balanced relationship between rural areas and urban centres and take better account of the territorial dimension of EU sectoral policies; in this context regrets that the European Commission has still not reacted to its call for a White Paper on territorial cohesion;
- 12. expects some flexibility in the earmarking of the post-2013 Structural Funds;
- 13. is in favour of maintaining an ambitious territorial cooperation objective that is adequately funded;
- 14. repeats that the crisis recovery strategy should focus on new quality of growth and take account of the 'GDP and beyond' debate; regrets, in this regard, that the Commission's work programme fails to reflect the CoR's call for the use, in deciding on Community policies and assessing them, of supplementary indicators that are a more precise measure of progress in sustainably achieving social, economic and environmental goals;
- 15. is surprised that the European Commission's work programme does not mention the report on the application of Regulation (EC) 1082/2006 on the EGTC; undertakes, on the basis of the conclusions of the CoR consultation on this issue, and a specific opinion, to play an active part in the reform of this regulation, mainly through interactive networking among regional and local authorities involved in this area.

III. WORKING TOWARDS SMART REGULATION

THE COMMITTEE OF THE REGIONS

- 16. intends to develop and intensify its collaboration with national and regional parliaments and governments, in the context of the early warning mechanism;
- 17. will publish its first annual report on subsidiarity in spring 2011, and feed it into the annual Report on Subsidiarity and Proportionality adopted by the European Commission;
- 18. in order to improve the regulatory environment, calls for more territory-sensitive EU impact assessments and proposes to contribute to the European Commission impact assessments; also intends to develop mechanisms to contribute to the expost evaluation of existing legislation, in particular by looking at the way EU legislation is implemented at local and regional level:
- 19. welcomes the strengthening of EU citizenship through the European Citizens' Initiative, which could help to forge a sense of citizens' 'ownership' of and identification with the European Union; is eager to contribute to its implementation by raising awareness, fostering debate on ongoing or successful initiatives and supporting those ECIs which are most relevant to the CoR and local and regional authorities;
- 20. intends to continue developing a European culture of multilevel governance (MLG), and will follow up the White Paper on MLG to evaluate its implementation and monitor the state of multilevel governance within the European Union.

IV. ECONOMIC GOVERNANCE

THE COMMITTEE OF THE REGIONS

- 21. supports the European Commission's intention to strengthen the EU economic governance and to enhance the coordination of economic and fiscal policies; however, strongly opposes any proposal resulting in a discontinuation of funding under cohesion policy due to Member States' non-compliance with the rules of the Stability and Growth Pact;
- 22. applauds the advances made so far on financial regulation and welcomes the Commission's forward planning on the completion of the reform and in particular the principle of amending the regulation on credit rating agencies to correct the over- dependence of financial establishments, investors, borrowers and public bodies on credit ratings, and to remedy the lack of competition between rating agencies; regrets, however, that the Commission has not taken on board the European Parliament's call (¹) for it to launch a feasibility and impact study on the setting up of a public and independent European credit rating agency.

⁽¹) See point 60 of the European Parliament Resolution of 20 October 2010 on the financial, economic and social crisis: recommendations concerning measures and initiatives to be taken (mid-term report).

V. **EUROPE 2020**

THE COMMITTEE OF THE REGIONS

- 23. is convinced that, to progress down the path of smart, sustainable and inclusive growth, the EU must implement the Europe 2020 strategy in partnership with local and regional authorities;
- 24. accordingly, proposes that Territorial Pacts should be established in all EU Member States, as a tool to increase political ownership of the Europe 2020 strategy at national, regional and local level. Territorial Pacts should be a supportive mechanism for drafting and implementing the National Reform Programmes as well as the seven Europe 2020 Flagship Initiatives;
- 25. undertakes to publish every year, ahead of the Annual Growth Survey, a monitoring report on how Europe 2020 is implemented from the viewpoint of EU local and regional authorities;

A. Smart Growth

- 26. highlights the fact that local and regional authorities are natural front-line players in the implementation of the Digital Agenda; is keen to play an active role in achieving the key performance targets drawn from the benchmarking framework; looks forward to its further initiatives related to e-Government, e-Health, broadband access, social inclusion and the connectivity of rural and remote areas, data protection and digitisation of cultural works;
- 27. stresses the importance of local and regional authorities' involvement in the achievement of an Innovation Union and a coherent industrial policy for the Globalisation era and looks forward to proposing concrete proposals in the near future;
- 28. is surprised that the legislative proposal for the European Union's 8th Framework Programme (FP8) for research funding post-2013 is not included in the European Commission's strategic initiatives for 2011; affirms its commitment to making a contribution to the European Commission's orientation paper in preparation for FP8;
- 29. underlines the need for coordinated action among all levels of government to support SMEs in forging stronger links between fundamental research and applied research; welcomes measures aimed at launching and supporting Creativity and Innovation initiatives;
- 30. stresses that the objectives of the 'Youth on the Move' initiative will only be achieved in partnership with local and regional authorities and youth organisations and associations;
- 31. welcomes the European Commission's intention to set out a new, reinforced agenda for higher education and calls

- for better coordination between high-level vocational education and training and higher education;
- 32. considers it vital for the European Commission to come forward with a New Competences Initiative and address the issues of early school leavers and the validation of non-formal and informal learning; looks forward to examining the New Skills for New Jobs agenda and underlines the urgent need to adapt workforce skills and curricula in order to anticipate changes and meet employers' needs;

B. Inclusive growth

- 33. intends to play an active part in the European Platform against Poverty and to ensure the involvement of local and regional authorities in order to develop, as follow-up to the European Year, an integrated and territorial approach to fighting poverty and social exclusion;
- 34. welcomes the announcement made by the Commission that it will release a White Paper on Pensions in 2011 which would allow for further cooperation among Member States; urges that any proposal in this area should be accompanied by proper assessments of the impact on local and regional authorities as they represent the majority of public sector employment in Europe and manage supplementary pension schemes for their staff;
- 35. supports the Commission's intention to present a new proposal on the Working Time Directive in 2011 covering both opt-out and on-call time issues. As public service employers, regional and local authorities have a special need to be able to make a medium-term assessment of the impact of future Community legislation on how they manage their human resources;
- 36. welcomes the Commission's intention to present a legislative initiative in 2011 on the posting of workers, amending Directive 96/71/EC in order to ensure real compliance with posted workers' rights, equal treatment of all workers at the workplace and of all businesses, and to clarify the obligations of the national, regional or local authorities and companies;
- 37. calls for health objectives to be included in the Europe 2020 strategy with a view to achieving intelligent and balanced development that can help combat social exclusion;
- 38. believes that more should be invested in supporting local and regional authorities' efforts to reduce health inequalities in Europe; the Committee advocates using 'good health indicators' or approaches that recognise the importance of a healthy lifestyle;
- 39. welcomes the European Commission's proposal to strengthen consumer protection by promoting 'class actions' and supports initiatives aimed at strengthening enforcement of consumer protection rules;

C. Sustainable growth

- 40. expects that the Europe 2020 Strategy's Resource Efficient Europe will develop sectoral policies within a long-term sustainable framework that aims to decouple economic growth from resource use and its environmental impact, and to enhance Europe's competitiveness by promoting eco-innovation;
- 41. is determined to follow up on its previous political work concerning the local and regional dimension of the EU Energy Strategy 2011-2020;
- 42. undertakes to contribute to the EU's preparations for the United Nations 'Rio+20 Earth Summit' by supporting renewed political commitment;
- 43. calls upon the Commission to mainstream biodiversity into sectoral policies and to address underspending of Structural Funds in this area; undertakes to follow up on the COP 10 of the Convention on Biological Diversity, notably by promoting the implementation of the COP 10 Decision 'Plan of Action on Subnational Governments, Cities and other Local Authorities for Biodiversity (2011-2020)', within the new post-2010 EU biodiversity policy and strategy;
- 44. fully endorses the goal of the EU to speak with a single voice and take the lead in global climate change negotiations, to achieve internationally binding and measurable targets for greenhouse gas emission reduction; in this context, supports the call set out in the European Parliament Resolution of 25 November 2010 on the climate change conference in Cancun to adopt a greenhouse gas emissions reduction target of 30 % by 2020 as compared with the 1990 level, in the interests of the future sustainable growth of the European Union (²);
- 45. calls for the EU budget and its Multi-Annual Financial Framework to be better targeted towards exploiting the full potential of local and regional efforts in climate change mitigation, and increasing the support aimed at medium- and-long term investment in local and regional energy savings and energy efficiency projects, in particular under the Covenant of Mayors.

VI. UNLEASHING THE POTENTIAL OF THE SINGLE MARKET

THE COMMITTEE OF THE REGIONS

- 46. welcomes the Single Market Act for a social market economy and in particular the impetus given to the civic and social dimensions of the Single Market;
- 47. recognises the need to introduce a social horizontal clause which ensures that Single Market related legislation takes into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, a high level of education, training and the protection of human health, and does not limit in any way the exercise of fundamental rights as recognised in Member States and in the EU treaties;
- (2) See point 16 of Resolution P7_TA-PROV(2010)0442.

- 48. welcomes the Commission's willingness to boost companies' activities across borders, by removing administrative and tax obstacles, ensuring mutual recognition of e-identification and e-authentication across the EU, and to improve access to online goods and services;
- 49. looks forward to the update of the regime applicable to Services of General Economic Interest and State Aid, which would inter alia widen the scope of the exemption from notification of state aid in the field of services of social general interest, and expects the updated regime to meet the requirements of local autonomy and subsidiarity set in Protocol 26 to the TFEU; calls on the Commission to ensure consistency between this update and the announced Communication on a quality framework on services of general interest and therefore invites the Commission to consider advancing to 2011 the release of the latter;
- 50. in this context, requests that the Commission set an ambitious European social housing agenda which will strengthen its role in social inclusion policies in the next generation of structural funds and confirm that the public service functions of social housing are to be defined at Member State level:
- 51. will play an active role in the debate launched by the White Paper on the future of transport; supports the greening of the transport sector; welcomes the revision of the TEN-T guidelines and calls for the post-2013 Financial Perspective to allocate them an adequate budget;
- 52. recalls its commitment to improving mobility in European cities and towns and calls for the urban mobility action plan to be implemented through financial support from the European Union.

VII. AGRICULTURE AND FISHERIES

THE COMMITTEE OF THE REGIONS

- 53. calls for a Common Agricultural Policy (CAP) which is based on clear, long-term guidelines and has the necessary financial resources:
- 54. calls for rural development policy to be allocated more funding and to be better coordinated with cohesion policy, in order to ensure the consistency of similar actions carried out in a region and in order to meet cohesion objectives;
- 55. believes that the post-2013 CAP must rebalance its support in favour of employment and of maintaining an agricultural presence in vulnerable areas. The overhauled CAP must abandon any unfair treatment in the arrangements for supporting different types of production and different regions; in this context, calls for historical references to be abandoned but is opposed to any attempts at radical reform that would put an end to income support and the majority of market intervention measures;

- 56. believes that regions can no longer be content with their status as mere co-funders without being actively involved in the choice of guidelines and implementing and management arrangements;
- 57. supports the European Commission's willingness to introduce a new Common Fisheries Policy, as an integral part of the Integrated Maritime Policy, that will guarantee both the sustainability of fish stocks and the livelihoods of Europe's coastal communities; welcomes the support given to the Committee's proposal to pool all resources destined for fisheries, aquaculture and Integrated Maritime Policy into one single instrument.

VIII. PURSUING THE CITIZENS' AGENDA: FREEDOM, SECURITY AND JUSTICE

THE COMMITTEE OF THE REGIONS

- 58. believes that local and regional authorities have a key role to play in the implementation of the Action Plan on the Stockholm Programme and calls for fundamental rights to constitute the guiding principles behind all action and legislation within this area;
- 59. is committed to working together with the other EU institutions and the EU's agencies, the Member States and local and regional authorities in order to give practical meaning to Union Citizenship and to foster a stronger sense of European identity not only through Europe's rich cultural and linguistic diversity, regional cultural heritage and traditions, but also by means of more active and fuller democratic participation by Union citizens in the regions and areas where they are rooted;
- 60. firmly believes in an EU open to the world and therefore supports the efforts to continue building a comprehensive immigration and asylum policy for Europe, based on respect for fundamental rights and freedoms while giving a response to illegal immigration and emphasising solidarity; highlights the crucial role local and regional authorities play in managing migration flows and ensuring the integration of immigrants;
- 61. supports the further development of a robust framework of civil and criminal law, at both the substantive and procedural levels.

Brussels, 2 December 2010.

IX. EUROPE IN THE WORLD

THE COMMITTEE OF THE REGIONS

- 62. acknowledges the vital contribution of the European Neighbourhood Policy to political stability and economic development in the partner countries and is committed to strengthening its sub-national dimension, especially in the context of the policy review to be carried out in 2011; reiterates the need to enhance cross-border, interregional and territorial cooperation as well as institution building at local and regional level in the partner countries;
- 63. believes that the success of the Union for the Mediterranean depends largely on the involvement of the regions and cities and therefore calls for a more prominent role for the Euro-Mediterranean Regional and Local Assembly (ARLEM) in fostering the exchange of best practices and contributing to the launch of new cooperation projects;
- 64. reiterates its support for the development of a territorial and sub-national dimension of the Eastern Partnership and therefore announces the organisation in the first half of 2011 of a Conference of Regional and Local Authorities of the Eastern Partnership and the EU;
- 65. continues to monitor the Union's enlargement process and focus on the situation of local and regional authorities in the candidate and potential candidate countries. The specific working groups and joint consultative committees will continue their related work on this subject, and joint consultative committees could be considered with Montenegro, Albania or Serbia, following the granting of candidate status;
- 66. reiterates its support for the Millennium Development Goals; considers that the review of EU development policy and the European consensus should follow lines already set out in the Communication entitled 'Local authorities: actors for development', which emphasises the place, role and added value of these authorities in these areas and policies; in order to promote exchange and provide a platform for RLA political expression in the area of cooperation and development, the CoR and the European Commission will co-organise the second decentralised cooperation conference and launch a decentralised cooperation portal.

The President of the Committee of the Regions Mercedes BRESSO