

Opinion of the European Economic and Social Committee on the 'Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the added value of macro-regional strategies'

COM(2013) 468 final

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On 3 July 2013 the European Commission decided to consult the European Economic and Social Committee, under Article 304 of the Treaty on the Functioning of the European Union, on the

Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the added value of macro-regional strategies

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The Section for Economic and Monetary Union and Economic and Social Cohesion, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 4 October 2013.

At its 493rd plenary session, held on 16 and 17 October 2013 (meeting of 16 October), the European Economic and Social Committee adopted the following opinion unanimously.

1. Introduction

1.1 In April 2011 the Council requested the European Commission to clarify the principles underpinning the framing of EU strategies for the Baltic Sea and Danube regions (hereinafter referred to as the EUSBSR and EUSDR), to evaluate the added value offered by these strategies and to report back by June 2013 to the Council and the Parliament. In December 2012 the European Council invited the European Commission to present an EU Strategy for the Adriatic and Ionian Region by the end of 2014 subject to the results of this evaluation.

1.2 In response to the European Commission's request, the European Economic and Social Committee has drawn up an opinion in line with the above, discussing the report on the added value of macro-regional strategies.

1.3 For obvious reasons, development of macro-regional strategies for the Atlantic coast⁽¹⁾ and the Mediterranean region⁽²⁾ and Committee proposals on the subject are outside the scope of this opinion.

2. Comments and conclusions

2.1 The EESC agrees with the main comments set out in the report.

⁽¹⁾ EESC opinion on *Developing a Maritime Strategy for the Atlantic Ocean Area*, OJ C 229, 31.7.2012, p. 24.

⁽²⁾ EESC opinion on *Towards an EU Macro-Regional Strategy to develop economic, social and territorial cohesion in the Mediterranean* (not yet published on the Official Journal).

2.1.1 A macro-regional approach, which is based on the bottom-up principle, can genuinely address challenges faced by regions. The principles underpinning Europe's two macro-regional experiments to date have proved successful, functioning as effective instruments to boost social, economic and territorial cohesion and convergence.

2.1.2 Politically, environmentally, and socio-economically, the macro-regional approach could be a useful instrument for strengthening cooperation between European states/regions, mitigating nationalist tendencies through greater social consensus, mutual respect and acceptance and helping to achieve EU 2020 objectives with European added value for interest groups.

2.1.3 Macro-regional strategies can be useful tools for bridging the gaps in communication and public information. The populations of the localities and regions concerned and relevant businesses must be better informed about current programmes and projects."

2.1.4 Macro-regional cooperation on an equal footing is a new feature of European policy. Joint strategic approaches emerging in the two macro-regions, together with institutional links and more creative planning resulting from the strategies are examples of their initial achievements. The new projects and initiatives, together with a joint approach and successes which go beyond mere impressions, justify the efforts made by economic and social stakeholders in the regions concerned.

2.1.5 The EESC agrees with the report's main conclusions:

- it would be better to have fewer priorities;
- strong political commitment is needed;
- more funding sources must be made available;
- strengthening administrative expertise (management, organisation) is crucial;
- it is vital to measure and evaluate results, quantitatively and qualitatively;
- red tape should be cut.

2.2 The EESC points out that macro-regional cooperation is part of the process of strengthening democracy in the EU, and of strengthening bottom-up initiatives. Such cooperation is a positive catalyst, defending and complementing the EU's fundamental values.

2.3 The EESC recognises that the report is methodologically sound, and agrees that the extensive survey was justified, particularly in view of the as yet undeveloped methodology to analyse Macro-regional strategies and the lack of specific statistical indicators.

2.4 The EESC welcomes the European Council conclusions of June 2012, calling for efforts to complete the EU's internal market and develop competitiveness. It is disappointing that, general principles such as integration, coordination, cooperation, multilevel governance and partnership aside, the Council does not offer any substantial additional instruments to implement macro-regional strategies.

2.5 The EESC points out that according to the experts surveyed the main problem is the mismatch between decentralised political commitment and funding.

2.6 A focus on sustainability (e.g. "blue" and "green" growth) and on infrastructure development is a natural consequence of macro-regional thinking. It generates European added value.

2.7 However, immediately and in the shorter term "European added value" is likely to be achieved through economic activity, on the basis of growth in GDP and employment.

2.8 For the EESC, the "three no's" no longer apply: there is funding from the 2014-2020 medium-term financial framework, an administrative institutional system is being developed to assist with implementation, and the necessary rules are set out in the common strategic framework. In order to promote innovation, SMEs, networking and employment, there should be more understanding of the change to the "three yes's" when evaluating macro-regional strategies from the perspective of support policy.

2.9 The macro-regional strategy has to be a priority in the 2014-2020 European programming period, integrating the "new" model of territorial cooperation within the partnership agreement and operational programmes (ERDF, ESF, EAFRD, EMFF) with a specific focus on the concept of "Community Led Macro-regional Development", which has the following characteristics:

- it focuses on specific areas;
- it is community-led, by macro-regional action groups composed of representatives of public and private socio-economic interests;
- it is carried out the basis of integrated and multi-sectoral area-based local development strategies;
- it is designed with consideration for macro-regional needs and potential.

2.10 "Community Led Macro-regional Development" will:

- encourage macro-regional communities to develop bottom-up approaches in circumstances where there is a need to respond to challenges calling for structural change;
- build community capacity and stimulate innovation (including social innovation), entrepreneurship and capacity for change by encouraging the development and discovery of untapped potential from within communities and territories;
- assist multi-level governance by providing a route for macro-regional communities to fully take part in shaping the implementation of EU objectives in all areas.

2.11 On its own initiative the EESC may consider to draw up a comprehensive analysis of the importance of macro-regional strategies in the future for Europe, and it will present a proposal on how to adjust such strategies to achieve uniform European development practice.

3. Results

3.1 The report notes that, according to the implementing reports of the EUSBSR and the EUSDR, macro-regional strategies have enabled the development of new projects and speeded up existing transnational projects. The strategies have facilitated networking and launched joint initiatives in the regions concerned. Flagship projects can both serve as excellent drivers and develop model projects for macro-regions.

3.1.1 As the first macro-regional strategy and a model for other strategies to follow, the EUSBSR with its three main objectives and 15 priorities confidently identified the areas which intra-regional cooperation could focus on, serving as effective instruments for implementing European sectoral and cross-cutting policies.

3.1.2 Development of the maritime sector, strengthening regional links, and investing in people's future and economic growth are to date the target areas which have provided input for other approaches to developing macro-regions.

3.2 As the second macro-regional strategy to have been adopted, the EUSDR, with its four main objectives and 11 priorities focuses and enriches regional thinking and areas of joint action.

3.2.1 Similarly to the EUSBSR's thematic areas, environmental and infrastructure priorities (connecting regions, environmental protection, strengthening the regions) dominate, while proposals and projects on promoting economic and social well-being reflect a political will for consistency with the EU 2020 strategy.

3.3 In several of its studies the EESC has endorsed the EU's efforts to make the most efficient and effective possible use of available funding. To this end, instruments must be synchronised and joint actions strengthened. There is an obvious need here to involve "external" funding. Macro-regional initiatives have achieved new results here too (for example, the report mentions the example of Baden-Württemberg and coordination of venture capital).

3.4 Both strategies under review here and the EESC's own-initiative opinions to date (in particular on the Mediterranean region and Atlantic coast) have emphasised the importance of political and economic cooperation with non-EU countries, and have drawn attention to potential for reducing numerous security policy risks, managing irregular immigration issues, etc.

3.5 The EESC strongly emphasises the great importance of the partnership agreements currently being drawn up and negotiated. These must take account of the macro-regional

context. At the same time, appropriate coordination with the social partners is needed, as well as coordination - cross-cutting, between countries and regions - of proposals and projects in the individual operational programmes, and the active involvement of social, economic and civil society stakeholders in them.

4. Proposals

4.1 The EESC feels that the principles set out here could and should be further developed and expanded.

4.2 It would be mistaken to treat macro-regions as a purely geographical phenomenon: account should also be taken of the complex social, economic and historical ties.

4.3 Expressing "shared challenges" and "improved cooperation" in terms of cohesion purposes stands in the way of a functional understanding of a macro-region transcending its borders, and of its implications for development and cohesion processes in Europe as a whole.

4.4 The concept of "added value" in relation to macro-regions has not been defined in the report. According to the EESC, added value in the case of macro-regional strategies can only refer to value which either cannot be provided by independent action at the level of individual regions/Member States, or can only be achieved at the cost of higher investments or lower efficiency.

4.5 In their time, the "three no's" were understandable, but now it is clear they would probably mean giving up European added value at a time when the recovery is still fragile and needs strengthening.

4.6 In their current state, macro-regional strategies reflect a European approach, according to which the tools and funding available to individual regions can be used more efficiently through appropriate cooperation and coordination between participating regions and Member States (with the European Commission taking a hands-off approach). This increases the added European value of macro-regions.

4.7 According to the EESC, the pan-European added value of macro-regions could likely be increased substantially by developing supplementary tools, improving legal and institutional capacity and putting in place additional resources.

4.8 Looking at different scenarios for the EU's development up to 2020 and various proposals set out in them concerning Europe as a whole, such as "Connecting Europe" objectives and separate funds, whenever initiatives and projects use European funding, we need to identify the added value offered at all levels.

4.9 Additional such instruments at macro-regional level are an essential prerequisite for the EU 2020 strategy to succeed.

4.10 In addition to identification of European added value, the EESC feels that improved political, institutional, legal and financial conditions would:

- help to speed up recovery from the crisis;
- with regard to the future of Europe, make it easier when monitoring European institutional reforms and legislation to keep a close eye on to what extent the measures taken by individual Member States follow the logic of European action and are consistent with the principles of European added value, even when European funding is not used directly in a given project or initiative.
- The creation of macro-regional strategies could produce considerable extra value in the interests of growth and job creation.

4.11 The EESC feels that the strengthening of political governance geared to development within the scope of macro-regional strategies offers significant European added value. To date, the history of the European Union has been marked by fluctuating political tensions between federalists and "nationalists"; these could be mitigated through a stronger intermediate level of coordination and cooperation.

4.12 The EESC believes it must be possible to think of macro-regions in functional terms. Developments and other cross-border measures of European interest would strengthen, on the basis of innovative networks, the EU's growth and thus its cohesion in this connection.

4.13 The EESC would like to see political progress made in terms of how macro-regions are dealt with. In principle, it is the Council which decides on support for bottom-up initiatives, as well as future "lateral" and "top-down" support for them from all institutions. Generally speaking, on the basis of previous experience, this could apply to the following areas (functions):

- a) research, education, language learning, cooperation on health and cultural matters;
- b) cooperation on energy, environmental protection, logistics, transport and public services (water, sewage, waste management);
- c) joint planning by government bodies, regional institutions, local and regional authorities;
- d) greater participation by civil society and NGOs;
- e) cooperation on security and migration;

f) practical measures to support market competition (specific cooperation on labour market measures, supporting SMEs, establishing development funds);

g) statistical cooperation.

4.14 Macro-regional strategies can make a valuable contribution to cross-border cooperation between cities, networking of technological centres and more rapid development of innovation.

4.15 Most of these are areas in which a primarily bottom-up approach to integration is appropriate, and where national economic and social councils can play a bigger role. The report does not mention the importance of participation of economic and social interest groups and consultations.

5. Further steps

5.1 The EESC agrees that participants in macro-regional strategies should recognise them as a cross-cutting task of their governments.

5.2 The EESC feels that administrative type activities should be kept to a minimum, and that the European Commission should develop and propose new methods to involve the public, for example e-democracy tools. It is essential to step up participation at both the preparation and implementation stages.

5.3 The principle of including macro-regional objectives in individual partnership agreements and operational programmes is a sound one.

5.4 The European Commission should support the use of best practices for existing programming instruments, including in the case of macro-regions which are still under development or discussion.

5.5 The EESC feels that all administrative capacity deficits can only be overcome if it can be shown that this approach is in the interest of proven resource efficiency gains.

5.6 The EESC feels that realistic measures and indicators must be introduced in order to monitor progress; however, active involvement of the Commission and other European institutions is essential, particularly in order to develop an indicator of added value, given its multilevel nature.

5.7 The EESC is in favour of strengthening - hitherto successful - bottom-up development; however, it feels that economic, environmental, social and local partners must be involved more closely, while developing cross-cutting links with newly developed macro-regions.

5.8 The EESC feels that the implementation of the strategies' governance systems should be speeded up and extended while preserving their specific nature.

5.9 While developing new forms of governance, the EESC suggests looking into the possibility of the European Commission also advocating an option which could lead to the emergence of an "intermediate level", macro-regional, development-oriented type of governance in Europe.

5.10 Essentially, macro-regional initiatives comprise two dimensions, transnational and European. The EESC feels that the focus so far has been exclusively on cooperation and coordination between individual countries. One of the most important points made by the report is that efforts to ensure that joint action comprises a European dimension, thereby enabling European added value, would be very welcome.

5.11 The EESC feels that macro-regional initiatives with a European dimension can, provided they are given appropriate support, help to boost the EU's political credibility, and develop new development practices through greater social involvement.

5.12 Once again, this raises the question whether political commitments entered into at EU level which have to be met at local level could be complemented through macro-regional commitments to be met at European level. This is something which could be implied by the call for "improved cooperation".

5.13 The European Commission rightly points out that macro-regional and sea-basin strategy approaches answer similar aspirations, but this clearly reflects internal divisions within the Commission and the danger of strategies becoming fragmented. "Maritime strategy" elements cannot be viewed as macro-regional elements without potential or real links between maritime/coastal area infrastructure, urbanisation, production and human factors on the one hand, and maritime/ocean capacity or risk related tasks which are significant for production and protection.

5.14 The EESC wholeheartedly endorses the report's comments that not all options have been explored. However, we cannot agree with the comment that further developments and intensified action are possible "without involvement of the Commission, or based more exclusively on a transnational programme".

5.14.1 This is the only point in the evaluation which explicitly states that the European Commission does not want to get involved or play a role in developing and implementing macro-regional strategies, despite feeling that many kinds of paradigms can still be developed and implemented. No explanation is provided as to which paradigms these are.

5.15 The EESC is calling on the Commission to continue to take a central role in the development and implementation of macro-regional strategies. The EESC is also calling on the Council to give the Commission the necessary tools and resources to be able to carry out this role in a proper fashion.

5.16 The idea of a transnational programme implies that programmes with European added value could be eligible for some kind of support, without going beyond the scope of the "three no's". Programmes to ensure better compliance with environmental requirements, targeted EU connectivity investments, or a critical mass for innovation are examples here.

5.17 The report says nothing about how European added value should be generated or evaluated, how the results should be used or what further incentives are needed.

5.18 The EESC feels that the surprisingly brief comments in the "Conclusions" need to be expanded in line with the concern expressed in the title. Of course, "governance" is an important issue, given that the European Union ultimately needs to decide on general governance issues.

5.19 Politically, environmentally, and socio-economically, the macro-regional approach could be a useful instrument for strengthening cooperation between European states/regions, mitigating nationalist tendencies through greater social consensus, mutual respect and acceptance and helping to achieve EU 2020 objectives with European added value for interest groups.

5.20 Macro-regional strategies can be useful tools for bridging the gaps in communication and public information. The populations of the localities and regions concerned and relevant businesses must be better informed about current programmes and projects.

Brussels, 16 October 2013.

The President
of the European Economic and Social Committee
Henri MALOSSE
