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Contents

I Resolutions, recommendations and opinions

RESOLUTIONS

Committee of the Regions

109th plenary session, 3—4 December 2014

2015/C 019/01	Resolution of the Committee of the Regions on the European Commission's communication 'An Investment Plan for Europe'	1
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OPINIONS

Committee of the Regions

109th plenary session, 3—4 December 2014

2015/C 019/02	Opinion of the Committee of the Regions — Promoting quality of public spending in matters subject to EU action	4
2015/C 019/03	Opinion of the Committee of the Regions — Sixth report on economic, social and territorial cohesion	9
2015/C 019/04	Opinion of the Committee of the Regions — Industrial Policy Package	15
2015/C 019/05	Opinion of the Committee of the Regions — Innovation in the Blue Economy: realising the potential of our seas and oceans for jobs and growth	24
2015/C 019/06	Opinion of the Committee of the Regions — Effective, accessible and resilient health systems.	28
2015/C 019/07	Opinion of the Committee of the Regions — An Alpine macro-regional strategy for the European Union	32
2015/C 019/08	Opinion of the Committee of the Regions — Multimodal travel information, planning and ticketing services.	36
2015/C 019/09	Opinion of the Committee of the Regions — Reconnecting Europe with its citizens — more and better communication at local level	40

EN

2015/C 019/10	Opinion of the Committee of the Regions — Neighbourhood at the Crossroads: Implementation of the European Neighbourhood Policy in 2013	45
2015/C 019/11	Opinion of the Committee of the Regions — EU Quality Framework for anticipation of change and restructuring	50
2015/C 019/12	Opinion of the Committee of the Regions — The efforts to promote genuine solidarity on a real European migration policy	54
2015/C 019/13	Opinion of the Committee of the Regions — The importance of a more interconnected Europe, focusing on the potential of the ICT sector as a source of growth	59
2015/C 019/14	Opinion of the Committee of the Regions — Internet Policy and Governance	65
2015/C 019/15	Opinion of the Committee of the Regions — European film in the digital era	70
2015/C 019/16	Opinion of the Committee of the Regions — Recognition of skills and competences acquired through non-formal and informal learning	75
2015/C 019/17	Opinion of the Committee of the Regions — ‘mHealth’	80

III *Preparatory acts*

COMMITTEE OF THE REGIONS

2015/C 019/18	Opinion of the Committee of the Regions — Policy package on organic production	84
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I

(Resolutions, recommendations and opinions)

RESOLUTIONS

COMMITTEE OF THE REGIONS

109TH PLENARY SESSION, 3—4 DECEMBER 2014

Resolution of the Committee of the Regions on the European Commission's communication 'An Investment Plan for Europe'

(2015/C 019/01)

THE COMMITTEE OF THE REGIONS,

having regard to the European Commission's Communication on 'An Investment Plan for Europe':

1. welcomes the fact that the new Commission has put investment in growth and jobs at the centre of its agenda and stresses the Committee of the Regions' willingness to cooperate with the European Union institutions, in particular with the European Commission and the European Investment Bank, in order to ensure the necessary political ownership for the success of the plan which combines enhanced investments with structural reforms;
2. welcomes the recognition in the proposed investment plan of the role that local and regional authorities will play in boosting investment for jobs and growth given that sub-national governments carried out around 55 % of total public investment in the EU-28 in 2013 ⁽¹⁾;
3. welcomes the acknowledgment by the European Commission of the current significant under-investment with current investment levels EUR 230 to EUR 370 billion per year below average;
4. highlights that the investment plan should be the start of a wider EU investment strategy, closely connected with the revision of the Europe 2020 strategy, interlinked with removing regulatory burdens;
5. suggests that the investment rate per Member State should be used as a criterion of macroeconomic surveillance;

Unblocking financing resources to fuel investment at EU, national and regional level

6. emphasises that public investments have to comply with the sustainability of the public debt; stresses that quality public investments constitute a stimulus and often a prerequisite for private investment and that their re-launch should aim at producing output effects delivering a decline in the debt-to-GDP ratio;
7. calls on Member States, regional and local authorities to respond positively to the appeal for voluntary participations to the European Fund for Strategic Investments (EFSI);
8. endorses the Commission's suggestion to exempt the public investments that support projects under the EFSI from deficit calculations under the Stability and Growth Pact;

⁽¹⁾ Sixth report on economic, social and territorial cohesion: investment for jobs and growth — COMM473-2014.

9. considers that this exemption is consistent with the Committee of the Regions' demand that national co-financing of the European Structural and Investment Funds be exempted from deficit calculations of the Stability and Growth Pact and therefore asks the European Commission to assess the feasibility of this demand;
10. endorses the Commission's assessment that without the regional authorities' financial and project-based involvement the Investment Plan will not reach appropriate leverage effects into the real economy;
11. questions whether the envisaged 1:15 leverage ratio, can be achieved throughout the EU, taking into account that some less developed regions lack a robust private sector that could provide additional financing for projects;
12. welcomes the announcement by the Commission that the new EFSI will be established in addition to the European Structural Investment Funds; underlines that any overlap between EFSI and ESIF must be avoided and requests clarification on the complementarity needed between these investment funds, including on the use of financial instruments;
13. urges accessibility for small-scale projects contributing to job creation at local level, and stresses the need for a balanced urban-rural investment plan;
14. stresses that this package must not have any negative impact on projects launched or planned under the existing COSME and Horizon 2020 programmes;
15. considers that capital injections should not only focus on quantitative leverage in general but also on quality investments in areas such as education, training, research, transport, infrastructure, health, energy efficiency, sustainable development which increase the growth potential;

Local and regional authorities as key facilitators in matching funding to key investment projects

16. welcomes the Commission's intention to cooperate with all public and private stakeholders at regional level, in order to facilitate key investment projects and ensure their access to appropriate sources of funding; underlines that public private partnerships could deliver competitiveness but need to have well-defined areas and agreed goals; urges the Commission to require Member States to apply transparency in the selection of projects, sharing the process with the regional and local authorities;
17. stresses that a stronger involvement of national and regional development banks is needed in the implementation of the investment package;
18. suggests that the OECD principles on public investment should be taken into account when assessing the foreseen investment projects;
19. endorses the idea of a one stop shop investment advisory 'Hub' to guarantee European priority-setting; highlights the capability of local and regional authorities to bridge with project promoters, investors and public managing authorities to facilitate key investment projects and ensure the right projects access appropriate sources of funding;
20. welcomes the plan's initiative to support risk financing for SMEs; however, as SMEs are known to be the most vulnerable enterprises during times of economic and financial instabilities, support should be fully guaranteed by the EIB and not be priced on market terms; underlines that the support for risk financing must also be available to small and micro-enterprises and expresses concerns that the broad definition of mid-cap companies might lead to the support benefiting mostly larger mid-cap companies;
21. supports the initiative of organising 'Investing in Europe' workshops at regional level and confirms its willingness to contribute to their success with its expertise;

A more efficient environment for public administrations in the implementation of investments

22. underlines that the capacity and the quality of local and regional administrations to identify and prepare suitable projects is often the biggest bottleneck for more private investment; points out that local and regional authorities may be exposed to additional financial administrative burdens during the plan's implementation phase; stresses the importance of working with local and regional authorities in identifying regulatory and non-regulatory barriers given that local and regional authorities implement about 70 % of EU decisions;
23. consequently, stresses that more dedicated technical assistance is needed to support the administrative capacity of sub-national public administrations in order to efficiently cope with structural reforms aimed at improving the investment climate;
24. calls for simplified procedures allowing for timely approval of projects to avoid any delays in the implementation of the plan;
25. shares the view that efficient and timely transposition of EU public procurement rules, including on innovative partnerships and the promotion of e-procurement tools will improve the conditions for investment; stresses, in this respect, that many contracting authorities do not currently have the facilities to process electronic invoices and thus various Member States should target actions towards developing appropriate IT systems and providing solutions to the existing gap;
26. commits itself to provide its contribution to the draft regulation implementing the investment plan which is expected to be adopted by the Commission in January 2015;
27. instructs its president to forward this resolution to the European Parliament, the Council, the European Commission and the president of the European Council.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

OPINIONS

COMMITTEE OF THE REGIONS

109TH PLENARY SESSION, 3—4 DECEMBER 2014

Opinion of the Committee of the Regions — Promoting quality of public spending in matters subject to EU action

(2015/C 019/02)

Rapporteur	Catiuscia Marini (IT/PES), President of the Umbria region
Reference document	

I. GENERAL COMMENTS

THE COMMITTEE OF THE REGIONS,

1. stresses that the conditions for financing of the real economy are being fundamentally reshaped by the on-going financial, economic and social crisis. Against this backdrop, support for both public and private investment in the long term is becoming more and more essential. Indeed, public investment may be not only a stimulus for private investment but also a prerequisite, as it may be helpful in setting the appropriate structural conditions in which the economy is operating in a given region and may have a countercyclical effect in times of negative economic conditions. Beyond the complementarity with private investment, public investment may be useful in implementing objectives of general interest in areas (such as education, training, research, infrastructure, health, environment ...) where public intervention is needed because the wider benefits to society are not matching private investment patterns;
2. notes that while worldwide direct investments are rising at an almost double-digit rate⁽¹⁾, private investment in the European Union is declining. At the same time, the currently extremely low real interest rates provide limited incentives for the private sector to support public investment in the short-term. It is therefore important to create favourable conditions that stimulate private investment, whilst at the same time increasing the level, quality and effectiveness of public investment, to compensate for the lack of private demand by public demand;
3. highlights that according to the IMF World Economic Outlook of October 2014⁽²⁾ 'for economies with clearly identified infrastructure needs and efficient public investment processes and where there is economic slack and monetary accommodation, there is a strong case for increasing public infrastructure investment';
4. highlights that within the European Union public investment declined by 20 % in real terms between 2008 and 2013. Recognises that underspending in public investment began prior to the crisis and worsened considerably since then. During the crisis, public investment was indeed further constrained by public intervention for the recapitalisation of banks, which had in particular to face the consequences of private over-investment in property in some eurozone countries. According to the latest Commission forecasts for 2013 and 2014, public investment in the EU-27 will reach historically low levels in 2014, having done so in respect of the private sector in 2013⁽³⁾;

⁽¹⁾ See United Nations World Investment Report 2014, 24 June 2014, http://unctad.org/en/PublicationsLibrary/wir2014_en.pdf

⁽²⁾ <http://www.imf.org/external/pubs/ft/weo/2014/02/pdf/c3.pdf>

⁽³⁾ See 6th Cohesion Report, p. 142.

5. supports therefore the growing consensus that it will prove impossible to restore sustained growth in the EU without stimulating growth-friendly investment ⁽⁴⁾. Stimulating growth-friendly investment is essential because it has the highest fiscal multiplier effect, i.e. induced impact on real GDP growth, in comparison with other types of expenditure such as government consumption, social transfers, VAT cuts or increased social contributions by employees ⁽⁵⁾;

6. points to the risk that a persistent low level of quality public investment would further deepen the dividing lines in terms of cohesion and convergence analysed in the European Commission 6th cohesion report;

7. draws attention, however, to the fact that both the high level of debt in certain Member States and the crisis-driven increase of expenditure on social services and transfers of capital to companies are reducing the 'fiscal room for manoeuvre' for public investment;

8. notes that the deterioration in public finances and the fiscal consolidation measures implemented since the end of 2010 have resulted in significant changes in the composition of public expenditure in a number of Member States. In particular, growth-friendly expenditure has been cut back disproportionately as part of fiscal consolidation measures and decreased in the EU-27 between 2008 and 2012 from 36,7 % to 35,6 % ⁽⁶⁾;

9. reiterates that sub-national governments play a key role with regard to public investment, as they carried out around 55 % of total public investment in the EU-28¹ in 2013. However, the share of sub-national government investment has declined from 2,2 % of EU-27 GDP in 1995 to 1,8 % in 2013, with a continuous fall in real terms since 2010 ⁽⁷⁾. This fall is also to a large extent due to a worsening of borrowing conditions. The introduction of rules governing sub-national authorities' borrowing or a tightening of those already in place as part of fiscal consolidation measures in many OECD countries is necessary in many cases in order to limit public debt but also leads to a further reduction of their capacity to invest;

10. underlines that Member States are responsible, according to Protocol 12 to the Treaty of the Functioning of the European Union (TFEU), for deficits of the general government, which includes all levels of government. At the same time, however, the effect of EU fiscal rules on European local and regional authorities differs widely. The impact depends on: i) how Member States have translated the EU fiscal rules into national legislation, ii) the level of fiscal decentralisation within a Member State, iii) the level of competences of local and regional authorities and iv) the financial situation of local and regional authorities which may vary significantly even within Member States;

11. stresses that while public investment is apprehended indirectly through the macroeconomic requirements set by the Stability and Growth Pact (SGP) to have the deficit and public debt below the thresholds of 3 % and 60 % of GDP respectively, the only specific reference to public investment contained in the EU Treaties appears in the context of the excessive deficit procedure (EDP), within which there is no differentiation of the different kind of expenditure. Indeed, Article 126(3) TFEU stipulates that the report preceding the launch of an EDP 'shall also take into account whether the government deficit exceeds government investment expenditure and take into account all other 'relevant factors''. The list of the relevant factors in the regulation on the EDP includes 'developments in primary expenditure, both current and capital ... the implementation of policies in the context of the common growth strategy of the Union, and the overall quality of public finances'.

⁽⁴⁾ For a definition of growth-friendly expenditure see European Commission, *The Quality of Public Expenditure* (2012).

⁽⁵⁾ See CEPII Policy Brief no 4, July 2014: *A new Architecture for Public Investment in Europe* by Natacha Valla, Thomas Brand and Sébastien Doisy, p. 4.

⁽⁶⁾ 6th Cohesion Report, p. 142.

⁽⁷⁾ 6th Cohesion Report, p. 144.

12. notes that no EU strategy on public investment has been conceived so far and that the European Commission has mostly limited itself to issuing non-binding recommendations to the Member States: ‘Credible and growth-friendly consolidation that improves the efficiency of the tax structure as well as the quality of public spending will contribute to stimulating growth. (...) The Member States should strive in particular to maintain an adequate fiscal consolidation pace while preserving investments aimed at achieving the Europe 2020 goals for growth and jobs⁽⁸⁾’. This recommendation was further specified in the 2013 Annual Growth Survey (AGS) which underlines that ‘Investments in education, research, innovation and energy should be prioritised and strengthened where possible, while ensuring the efficiency of such expenditure (...)’; insists that any European strategy would have to comply strictly with the principle of subsidiarity;

13. welcomes, however, the fact that the 2014 Country-Specific Recommendations (CSRs) put a stronger emphasis on long-term measures to boost growth and recognise that short-term fiscal consolidation measures should be accompanied, in a rebalanced policy-mix, by long-term investments for growth and jobs. The CSRs refer frequently to research and innovation, knowledge, education, market access for SMEs (13 countries), the energy sector (12 countries) and transport and broadband infrastructure (8 countries)⁽⁹⁾;

14. recalls that the ‘Compact for Growth and Jobs’ adopted by the Heads of State or Government on 28–29 June 2012 stated that ‘particular attention must be given to investment into future-oriented areas directly related to the economy’s growth potential and ensuring the sustainability of pension systems. The Commission is monitoring the impact of tight budget constraints on growth enhancing public expenditure and on public investment. It will report on the quality of public spending and the scope for possible action within the boundaries of the EU and national fiscal frameworks’. To this mandate, the European Commission replied by presenting a rather academic contribution, which neither had a proper legal status nor contained any kind of policy recommendations⁽¹⁰⁾;

15. is of the view that the recommendation included in the European Council conclusions from December 2012 to ‘(exploit) the possibilities offered by the EU’s existing fiscal framework to balance productive public investment needs with fiscal discipline objectives (...) in the preventive arm of the SGP⁽¹¹⁾’ have not been followed up but remain highly topical as underlined by the President of the ECB on 22 August 2014 when he stated: ‘since 2010 the euro area has suffered from fiscal policy being less available and effective, especially compared with other large advanced economies [...] it would be helpful for the overall stance of policy if fiscal policy could play a greater role alongside monetary policy, and I believe there is scope for this, while taking into account our specific initial conditions and legal constraints’;

16. recalls that the SGP allows for flexibility in its application in exceptional and temporary circumstances, which have been defined by Regulation (EC) No 1177/2011, and that according to the Commission’s own evaluation, ‘the EU fiscal framework offers enough scope to balance the acknowledgment of productive public investment needs with fiscal discipline objectives’⁽¹²⁾.

II. POLICY RECOMMENDATIONS

17. Referring to the conclusions of the European Council of 27 June 2014, which confirmed that ‘... the Union needs bold steps to foster growth, increase investments, create more and better jobs and encourage reforms for competitiveness’ and that ‘this also requires making best use of the flexibility that is built into the existing Stability and Growth Pact rules’, asks the Commission to publish a communication on how it intends to apply the existing flexibility provisions of the SGP in order to promote the public investments needed to boost economic growth;

18. recalls that, in order to provide an adequate and sustainable level of net public investment, it is important to prevent governments — when fulfilling fiscal adjustment requirements — from cutting investment spending. In fact, experience shows that at the height of the crisis governments decided to cut investment rather than current spending. It is well-known, however, that investment is crucial to driving effective structural action by Europe’s regions and cities, as beneficiaries of the ESI Funds; without that stimulus, it would not be possible to ensure that they play an active participatory role in the Europe 2020 strategy;

⁽⁸⁾ Commission Communication on “A Blueprint for a deep and genuine EMU — launching an European debate” COM(2012) 0777 final, 30.11.2012, point 3.1.6.

⁽⁹⁾ See: CoR analysis of the Country-Specific Recommendations for 2014, July 2014.

⁽¹⁰⁾ http://ec.europa.eu/economy_finance/publications/occasional_paper/2012/pdf/ocp125_en.pdf

⁽¹¹⁾ Conclusions of the European Council of 14 December 2012 on Completing EMU, point 2.

⁽¹²⁾ EC, Quality of public expenditure, p. 31.

19. reiterates its support for the European Parliament's call to exclude national co-financing of investments co-financed by the European Union under partnership agreements and, in that context, asks that investment made by local and regional authorities in the context of the Structural Funds and the Cohesion Fund be excluded from the rules of the Stability and Growth Pact; but also points out that all levels of government must strive to limit their levels of public debt in order to lower the burden of repayment for future generations;

20. expresses concern over the fact that the new Eurostat accountancy norm ESA 2010, to be implemented as of September 2014, does not distinguish between expenditure and investment. Moreover, in certain Member States, the transposition in national law of these norms translates into local and regional authorities being obliged to apply maximum investment ceilings per year and per inhabitant. These ceilings hinder in particular local and regional authorities in certain Member States from providing the co-financing needed for ESIF projects. These ceilings also block those LRAs which have financial means in reserve to launch significant investment projects not related to ESIF. Urges therefore the European Commission to present a report on the implementation of ESA 2010;

21. stresses that excluding the co-financing from deficit calculations would be of particular importance in order to speed up and facilitate the process of implementing European programmes. Stresses, in addition, that this exclusion would also be important for those Member States that have been most affected by the crisis and have received financial support under a programme from the Balance of Payments Mechanism for countries not in the Euro area (Romania, Latvia and Hungary) or from the European Financial Stabilisation Mechanism for countries in the Euro area (Greece, Ireland and Portugal) and where the national co-financing rate for structural funds has been lowered since 2011. Excluding the co-financing rate from deficit calculations would, moreover, facilitate access to and greater co-financing for local and regional authorities, which in turn would allow EU funds to be spread to cover more projects and thus increase their leverage effect and promote quality public investment;

22. considering that EU public investment through the cohesion policy is already determined by considerations about the differentiated quality of public investment through the principle of thematic concentration (EU 2020 earmarking/menu setting), asks the European Commission why the EU should not consider applying similar assessment criteria to the consideration of national public spending;

23. calls on the European Commission to present a White Paper setting out an EU-level typology for quality of public investment in the accounts of public expenditure according to its long-term effects. Eventually, such a typology could lead to a weighted consideration of the quality of public investment in the calculation of budget deficits and/or to a better consideration of the actual macroeconomic cycle/context with the ultimate objective of introducing a 'golden rule' allowing for a separation in public accountancy between current spending and investment so as to avoid public investments with long-term net benefits being accounted for their short-term negative 'costs' only;

24. also confirms its support for the recommendations made in November 2012 by the European Parliament in its report on a 'Social Investment Pact — as a response to the crisis' ⁽¹³⁾. Recognising the long-lasting effects of the current economic and financial crisis i.e. on the quantity and quality of social investments in Europe, the report called for a renewed approach to Social Investments in Europe. Indeed, the European Parliament suggested that, based on the model of the 'Euro Plus Pact', Member States should consider signing a 'Social Investment Pact', setting investment targets to meet the objectives of the Europe 2020 Strategy related to employment, social policy and education. The Committee therefore calls in addition for the public investment strategy to be oriented towards environmental and social objectives;

25. calls for a review of the methodology for calculating the 'structural deficit' in order to take account of the intrinsic characteristics of national economies and of the structural differences of public expenditure ⁽¹⁴⁾;

26. requests the European Commission to include a chapter on the quality of public investment, including at subnational level, in every annual report on Economic and Monetary Union (EMU) public finances;

⁽¹³⁾ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2012-0419+0+DOC+XML+V0//EN&language=EN>

⁽¹⁴⁾ For an explanation of why public expenditure differs from one country to another see Céline Mareuge/Catherine Merckling: 'Pourquoi les dépenses publiques sont-elles plus élevées dans certains pays?', Note d'Analyse France Stratégie, Juillet 2014.

27. draws attention to the fact that the quality of spending is determined to a large extent by good governance. In this regard, shares the view that 'spending reviews appear as an adequate instrument of expenditure performance. They consist in seeking a "smarter" expenditure allocation across national policy priorities based on a selective and sustainable expenditure-based consolidation; i.e., an in-depth and coordinated examination of baseline expenditure in light of the policy outcomes pursued. They offer in principle a more sustainable approach compared to linear across-the-board expenditure cuts which may generate some negative economic and social impact in the medium and long term' ⁽¹⁵⁾;
28. suggests that the European Commission officially endorses the Organisation for Economic Cooperation and Development (OECD) recommendation establishing a set of principles for public investment ⁽¹⁶⁾ (March 2014). Welcomes the fact that throughout the areas of policy action (coordination of public investment, capacity-building, setting of framework conditions), the recommendation recognises the important and growing role of regional and local authorities in planning and implementing public investment;
29. welcomes the announcement of the 'Juncker package', which should mobilise up to EUR 300 billion in total for investment in sectors such as broadband, energy and infrastructure in industrial areas and in the field of communications; and asks in this connection for more information on the origin of resources, their true additionality and the amount of private resources intended to be activated, calling for local and regional authorities to be properly involved in the process of planning and implementing the support measures;
30. proposes in the framework of the mid-term review of the Europe 2020 Strategy that an indicator relating to the investment rate be included in the macroeconomic scoreboard;
31. insists that a European Strategy to step up the fight against tax evasion and curb tax avoidance would at the same time free revenues to relaunch quality public investments and guarantee a better and fairer level playing field in terms of corporate competition;
32. suggests that the establishment of a European savings account could contribute to the financing of the EUR 300 billion investment package.
33. expects that the revenues of the Financial Transaction Tax which 11 Member States intend to establish on the basis of a reinforced cooperation would be coordinated with the EUR 300 billion investment package;
34. pleads for a stronger coordination between the EIB and the national investment banks with a possible pooling of financial capacity around shared projects in order to create cross-border spill over effects;
35. welcomes the first European project bond for superfast broadband launched by the European Commission and the European Investment Bank (EIB) on 23 July 2014 and calls for the launching of further cross-border/European project bonds to support infrastructure development;
36. supports a further increase in the paid-in capital of the EIB by EUR 10 billion, on the model of the successful increase of mid-2012 which allowed the lending to SMEs to almost double. A further increase of another EUR 10 billion would allow another increase of up to EUR 80 billion in EIB lending, insofar as it falls within the EIB's mandate in the individual Member States.
37. In this context, asks the European Commission to examine the possibility that a small part of the EU budget, possibly around EUR 5 billion annually, be used as a risk buffer to allow the EIB to lend additional resources for financing infrastructure projects (project bonds) and to promote innovation, which could generate up to EUR 40 billion of investment;

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

⁽¹⁵⁾ See European Commission Economic Paper 525: Public Spending Reviews: design, conduct and implementation, Summary for non-specialists, July 2014.

⁽¹⁶⁾ <http://www.oecd.org/gov/regional-policy/oecd-principles-on-effective-public-investment.htm>

Opinion of the Committee of the Regions — Sixth report on economic, social and territorial cohesion

(2015/C 019/03)

Rapporteur	Nicola Zingaretti (IT/PES), President of the Lazio region
Reference document	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Sixth report on economic, social and territorial cohesion: investment for jobs and growth COM(2014) 473 final

THE COMMITTEE OF THE REGIONS,

I. GENERAL COMMENTS

A central policy for Europe in the midst of globalisation

1. considers **cohesion policy to be one of the hallmarks of the European model** and the policy most suited — given its potential to reform economies and administrations and its far-reaching and multilevel influence — to contributing to a system that can enable the EU and its regions to address the major challenges of our time, from globalisation to climate change, energy supply and sustainable development.

... which has proven its worth during the crisis ...

2. highlights how, during the economic crisis, cohesion policy has demonstrated its **contribution to maintaining public investment levels in various Member States**, in terms of both quantity and quality, on account of selection mechanisms that ensure consistency with EU strategies.

... helping the regions to tackle the crisis ...

3. believes that **local and regional authorities often have primary administrative responsibility for public spending on investment**, and that cohesion policy, which is a vital tool enabling those authorities to play a key role in the EU, ought to increase their ability to offer quality services to the public.

... and which must be continuously adapted to tackling the new challenges.

4. considers that the impact of the financial and economic crisis on public finances across Europe has increased **the need to relaunch sustainable public and private investment** and to pay more attention to the spending processes involved so as to ensure their efficiency, regularity and promptness;

5. stresses the need to improve the coordination between cohesion policy and the Europe 2020 strategy, for which the mid-term review will take place in 2015. In practice, this could involve including a chapter on economic, social and territorial cohesion in the Annual Growth Survey presented every September at the beginning of the European Semester, to replace the progress reports on cohesion published in the past between cohesion reports;

6. believes that **cohesion policy has a central role to play** at a time when the balance between austerity and growth measures and the framing of a new development model that responds to the pressures of globalisation are crucial issues on the EU's agenda. It is against this backdrop — and in the context of pressure on public finances — that EU intervention here must continue to support growth, direct action towards strategic goals for the individual regions and the European economy and build an effective European administrative system for tackling the challenges of globalisation. To this end — and specifically to coincide with the launch of the 2014-2020 programming period — feels that it would be useful to reflect on how to maximise the role of cohesion policy, tap into its synergies with other instruments and increase awareness of it among the public;

7. **welcomes the Sixth report**, considering it to be an important source of information on the state of cohesion policy, its results and operational difficulties, the problems it is required to tackle in the coming years and the possibilities opened up by its effective use.

II. PREREQUISITES FOR A MORE EFFICIENT COHESION POLICY

Good governance — at EU and national levels — as a prerequisite ...

8. underlines that properly functioning **multilevel governance**, combined with an effective set-up for responding to the requests of the public and business, and transparent and innovative public procurement, is crucial to enhancing the impact of cohesion policy. To that end, and in line with the Sixth report, the Committee recommends that the resources and knowledge made available by cohesion policy be used to significantly bolster administrative capacity, including through greater use of new technologies and a drive for more streamlined procedures;

9. thinks that, in order to enhance the **quality of public spending**, beyond focusing on effectiveness in resource allocation, consideration should be given to regional differences and specific features that could impede growth, the effects of these on spending should be analysed and that spending adapted so as to increase the impact of cohesion policy ⁽¹⁾;

10. stresses that, given the specific vulnerabilities of many economies in the current crisis, public policies should concentrate on the ability to **rapidly and effectively respond** to economic shocks. The Committee believes that the Structural Funds, which were designed for long-term structural and economic adjustment, should be accompanied by short-term stimulus measures;

11. underscores, as pointed out in the Sixth report, that the development of new entrepreneurship depends partly on the **ease of doing business** and that this varies considerably within the Member States. On this point, the Committee feels that further action is needed on simplifying rules and instruments, cutting red tape and enhancing the framework conditions for investment and encouraging entrepreneurial skills in the spheres of education and training.

... for smart, inclusive and sustainable growth

12. agrees on the importance of smart growth as an opportunity to promote **more competitive regional economies** that are less vulnerable to external shocks. The Committee thus encourages regions and cities to develop consistent, ongoing initiatives for **stimulating enterprise** in innovative sectors and to focus their investment on sectors 'of the future', such as the agri-food sector (agricultural, veterinary and food technologies), the green economy, the creative industries, e-Health initiatives, tourism, the social services, and the so-called silver economy. To that end, the Committee calls on the Commission to support regional authorities so as to ensure that the 'smart specialisation strategies' that they devise in accordance with the EU framework are implemented effectively at regional level;

13. believes that changes linked to the globalised economy are having a massive impact on the world of work, and that this should focus attention on **modernising the labour market** to help Europeans find employment and on gearing training to creating the skills required by the new challenges facing the economy. The Committee would highlight here the central role of the European Social Fund (hereinafter referred to as the ESF) in supporting active policies and, in particular, policies aimed at enhancing workers' knowledge and helping them adapt to social, technological and cultural changes;

14. notes that cohesion policy allocates a share of its funding to initiatives in the field of education and training, and points out that one of the effects of the crisis has been the sharp increase in **youth unemployment**. The Committee would highlight the key role played by local and regional authorities in this field, and considers it necessary to strengthen the links between the Youth Employment Initiative ⁽²⁾ and the activities funded by the ESF, with specific regard to the Youth Guarantee and facilities for gaining access to employment;

15. considers that, in the light of the growing poverty and social exclusion across Europe, public policies should **bolster the tools available to support the most deprived people in society**, including through the use of EU-level initiatives and cohesion resources;

16. endorses the fact that urban issues are high on the Sixth report's agenda, given the importance of cities in the globalised economy and the potential impact in terms of sustainability, but is disappointed that the major gaps in development between rural and urban areas are not given greater attention, and therefore maintains the need to promote **growth that is polycentric and geographically balanced between the various regions, inter alia**, through action to decisively tackle the digital divide and a sustainable transport policy underpinned by a strategy that is differentiated to take account of specific regional features;

⁽¹⁾ CDR_3609-2013_00_00_TRA_AC.

⁽²⁾ CDR_00789-2013_00_00_TRA_AC.

17. points out the importance of growth that creates new economic opportunities through the **development of clean and efficient energy**. The Committee welcomes the fact that local and regional and local authorities have increased public investment in the environmental sector in recent years, and notes the commitment of European regions and cities to making the transition to greener growth. In this regard, the Committee calls for the Covenant of Mayors to be strengthened in order to increase and enhance the commitment of local and regional authorities to combating climate change.

18. recommends that EU cohesion policy, with its objectives of economic, social and territorial cohesion, should continue to make a significant contribution to implementing the Europe 2020 strategy's goals in future. By strengthening the links between targets for growth and convergence, cohesion policy can help to reduce disparities within the European Union with a view to achieving the strategy's headline targets, and thus to achieve long-term gains in prosperity throughout Europe. This potential needs to be exploited systematically, by using the partnership-based approach to cohesion policy to ensure that strategies established at regional level specifically address local circumstances and potential;

III. POLICY RECOMMENDATIONS

Increase resources for growth and regional balance ...

19. reiterates its request that public spending by Member States and local and regional authorities as part of Structural and Investment Fund co-financing not be included among national or equivalent structural expenditure as defined within the **Stability and Growth Pact**. Such a shift would free up resources for investment — selected on the basis of European interest — and speed up expenditure procedures;

20. underlines, as pointed out in the Sixth Report, that the guidelines for developing the Trans-European Transport Network set the goal of having a genuine multimodal network at EU level — which must include the railways — by creating a new infrastructure, but also by upgrading the existing infrastructure. On this point, the Committee considers it necessary to have sustainable, competitive, energy-efficient and more environment-friendly means of transport, to encourage intermodality, the complementary use of different modes of transport and to carry out infrastructure projects in the least developed regions (such as the outermost and mountain regions) which are up against physical barriers to the Internal Market and are experiencing territorial cohesion problems;

21. in order to increase and enhance the volume of investment directed at growth, would like to see better synergies between the budgetary instruments of the various tiers of government in the Member States and the **EU's financial instruments**. Here, the Committee would consider it a priority to look in more depth at the role of the European Investment Bank (EIB) and the European Investment Fund with a view to broadening their remit and bolstering their capital. The Committee points out that the launch of the programming period might be an appropriate time to establish EIB funding specifically for regional development, with durations and conditions designed to meet the needs of spending administrations. In addition, the possibility should be explored of giving the EIB an oversight role over certain investments initiated by local and regional authorities. In particular, the EU's financial institution could assess the quality of those investments and whether they are in keeping with Europe's major strategic choices, partly in order to obtain preferential treatment for the loans needed to implement them under the Stability Pact.

... compatible with the EU's desired balance between austerity and cohesion ...

22. reiterates its concern that macroeconomic conditionality might cause the effectiveness and usefulness of the Structural and Investment Funds to be compromised by Member States' macroeconomic policies;

23. calls on the Commission to evaluate the extent to which requirements in the area of *ex ante* conditionality contributed to the considerable delays in concluding the partnership agreements and operational programmes;

24. points out that the indicators used under the **macroeconomic imbalance procedure** introduced in the 'six-pack' legislative package are exclusively economic. The Committee recommends that social, environmental and territorial indicators in line with the Europe 2020 strategy's headline targets should also be taken into account in the scoreboard used by the Commission to decide whether to issue a preventive recommendation to a Member State or, in more severe cases, to launch the macroeconomic imbalance procedure. The Committee believes that the close link between financial and fiscal objectives and cohesion policy could weaken the implementation of territorial cohesion measures;

25. calls for better respect to be given to Article 174 of the Treaty on the Functioning of the European Union (TFEU) on territorial cohesion, in particular in rural areas, areas affected by industrial transition, and regions that suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with low population density and island, cross-border and mountain regions. Consideration should also be given to other demographic challenges that have a major impact on regions, such as depopulation, an ageing population and highly dispersed populations. The Committee of the Regions asks the Commission to pay particular attention to the most geographically and demographically disadvantaged areas when implementing cohesion policy;

26. underscores the essential support that cohesion policy provides as a vector for growth and change to the least developed regions that require sustained long-term efforts;

27. also calls for greater attention to be focused on the specific features and constraints of the outermost regions, as identified in Article 349 TFEU, when framing and applying cohesion policy.

... through a genuinely bottom-up policy...

28. considers that, given the discrepancies that have emerged with regard to levels of innovation, the **territorial dimension** should be given full consideration in the framing and implementation of the Europe 2020 strategy. To this end, believes that bestowing a greater role on local and regional authorities would increase their level of accountability, fostering more effective decision-making as regards priority investments, and would suggest that regional indicators be introduced to monitor progress made;

29. regrets that the Sixth cohesion report does not include an explicit assessment of the regional impact of EU sectoral policies on cohesion policy. In view of the links between cohesion policy and the other sectoral policies, the Committee suggests that the Commission include a specific chapter on this aspect in the report, as used to be the case in the past and in line with the provisions of the TFEU, which require EU policies to promote cohesion in Europe;

30. points to the importance of adopting instruments for **assessing the territorial impact** of policies, the main objective of which being to consider the territorial impact of EU policies on local and regional authorities and to draw greater attention to that impact in the legislative process;

31. calls, therefore, for a priority **territorial dimension** within operational programmes, incorporating the issues linked to the Europe 2020 strategy, so that territorial cohesion can secure a balanced territorial structure able to ensure regional interdependence;

32. reminds the European Commission of its previous work on beyond GDP and on the need to look at regional challenges in a more acute way (such as how ICT and high speed broadband projects could be supported using the ERDF); considers that reliance on a region's GDP has a number of weaknesses which undermine the credibility of Cohesion Policy, particularly in terms of classifying regions and allocating ESIF resources.

... with a strong focus on administrative efficiency and assessment of results ...

33. in order to ensure rapid implementation of the programmes, encourages the adoption of measures to **simplify and streamline** the procedures for accessing EU funding, project management and the oversight arrangements, to achieve greater efficiency;

34. urges the relevant authorities to make a special effort to harmonise and properly transpose the basic cross-cutting rules which form the basis for managing cohesion policy resources, and particularly the rules governing procurement ⁽³⁾;

35. considers that the Commission should ensure that unnecessary red tape does not hinder the effectiveness of measures; urges the Commission to review the practice whereby more efficient operational programmes are subject to the same administrative burdens as programmes characterised by a high incidence of errors or fraud. Moreover, the Committee of the Regions calls on the Commission to adopt the measures required to expedite the approval of operational programmes so that the new programming period can be launched as soon as possible;

⁽³⁾ CDR 3609-2013_00_00_TRA_AC.

36. agrees with the report on the need to concentrate the Structural and Investment Funds on a limited number of objectives so as to maximise their impact on the ground. However, the Committee expresses its concern regarding the **lack of flexibility** as to the choice of thematic objectives, which should instead be established on the basis of the specific nature and needs of the various regions;

37. is concerned about the weakening of the principle of additionality for the 2014-2020 period, where verification is required in only 14 Member States, and would ask the Commission to assess the application of this principle across the EU, in order to avoid the ESIFs being used to substitute Member State investments;

38. does not endorse the creation of an EU performance reserve at national level, as it feels that such an arrangement might lead to the setting of easily achievable objectives with modest results. The Committee considers that one of the biggest challenges regarding the **performance framework** is that of setting targets and indicators that are ambitious but at the same time achievable;

39. points out that there has been a decline in public and private investment in recent years, reaching negative spikes in some Member States. Tight budgets and spending cuts have seriously compromised investment in sectors capable of stimulating economic growth. In this respect, the Committee would call on the Commission to **carefully assess** — taking into account possible repercussions on growth and jobs — **the cases involving financial corrections or suspension of payments**;

40. urges the Commission and Member States to speed up negotiations and adoption procedures for the partnership agreements and operational programmes, highlights how important the European Structural and Investment Funds are to investment activities in local and regional authorities, and therefore calls on the Commission and Member States to work in close cooperation to guarantee the quality of these procedures and to minimise the negative impact of further delays in the run-up to the new funding period;

41. calls on the Commission to define **forms of administrative assistance** on key issues such as setting targets for initiatives, assessing their results through appropriate indicators and determining the next steps to be taken. The aim is to ensure that this is done in a uniform manner by the various authorities involved and to help to establish an administrative culture based on monitoring and evaluation across the EU. On a similar note, the Committee considers it important to ensure assistance to local and regional authorities on 'financial engineering' initiatives, which are crucial to increasing resources and investments, and on public procurement, which should increasingly feature as a public administration tool for spurring innovation and creativity.

... greater participation of stakeholders and the public ...

42. is convinced that the **Code of code of conduct on partnership** will strengthen participation in programming in the regions, in form and substance, and has a fundamental role to play in boosting the effects of cohesion policy and consolidating its impact. The Committee calls on the Commission to monitor how the Code is implemented in the individual legal systems so as to ensure broad and transparent participation of local stakeholders, given that, unless they are fully involved in drafting the programming documents, their participation will be less effective at the implementation stage, particularly when it comes to the instruments that require participatory programming by the various tiers of government;

43. at a time when, with a view to fully justifying the policy and deepening EU integration, public awareness ought to be raised and the people informed about the results of projects funded by the Structural Funds and the effects of EU policies in their area, the Committee would point out that there is no specific focus in the Sixth report on **communication and information**. On this point, and in order to maximise efforts to raise public awareness of cohesion policy, the Committee calls on the Commission and the Member States to give local and regional authorities greater involvement in communication campaigns. At the same time, the Committee sees a need to give full effect to provisions that require transparency regarding the allocations made and the outcomes expected from the measures, inter alia, by making full use of IT tools, and to enhance the use of the data collected (Open Data) for the purposes deemed most useful and efficient for the public.

... ever closer interaction between the authorities of the various Member States and with neighbouring countries ...

44. thinks that the cohesion report pays insufficient attention to **European territorial cooperation**, given that this has been a fully-fledged cohesion policy objective since the 2007-2013 programming period. Its cross-border cooperation component, in particular, influences the cohesion of cross-border regions. The Committee therefore proposes that the report should in future include an assessment of the cohesion of Europe's cross-border regions, including an analysis of their key problems, as well as an assessment of the impact of cross-border cooperation operational programmes. This instrument should be given greater attention not least because it promotes cooperation and pools experience between authorities across the Member States and moves towards an administrative system that is increasingly based on shared values and operating methods;

45. regrets that the essential role of cohesion policy in supporting **macro-regional strategies** has not been further developed in the Sixth report on cohesion;

46. calls for **closer coordination between cohesion policy and EU neighbourhood policy** and for better assessment and dissemination of the results of projects.

... and greater political 'weight' in the European debate.

47. recommends the creation of a '**Cohesion Policy Council**' comprising the ministers responsible for cohesion policy at the relevant level of government in the Member States. The Committee feels that this could raise the profile of cohesion and ensure ongoing political debate on the issue. The Committee would be willing to play an active role in the political discussions on the creation of such a structure with a view to ensuring that the point of view of local and regional authorities is fully taken on board ⁽⁴⁾.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

⁽⁴⁾ CDR_2233-2012_00_00_TRA_RES (rapporteur: Marek Wozniak (PL/EPP)).

Opinion of the Committee of the Regions — Industrial Policy Package

(2015/C 019/04)

Rapporteur	Markku Markkula (FI/EPP), Member of Espoo City Council
Reference documents	Communication from the European Commission — <i>For an European Industrial Renaissance</i> , COM(2014) 14 final, and Communication from the European Commission — <i>A vision for the internal market for industrial products</i> , COM(2014) 25 final

I. KEY MESSAGES BASED ON THE COR'S EUROPE 2020 MONITORING ACTIVITIES

1. Since 2010, the CoR has addressed industrial policy primarily from the standpoint of the related flagship initiatives in the Europe 2020 strategy, which it has assessed in a series of surveys and conferences ⁽¹⁾. This work culminated in the CoR's comprehensive overall assessment of the Europe 2020 Strategy, presented on 7 March 2014 in the Athens Declaration ⁽²⁾ on a territorial vision for growth and jobs, accompanied by a Mid-term Assessment Report ⁽³⁾. In brief, the CoR advocates:

- a. giving Europe 2020 a territorial dimension, and setting differentiated targets at regional level through a mixed bottom-up and top-down approach;
- b. designing and implementing Europe 2020 on the basis of a multi-level governance approach;
- c. adequately funding the long-term investments needed to support growth and jobs;

THE COMMITTEE OF THE REGIONS:

2. notes that by involving cities more closely in all stages of the policy-making cycle, the EU will be better able to manage the changes that citizens are facing all across Europe. This requires a multilevel governance approach, working together with all tiers of governments (vertical partnership) and in cooperation on different scales with all stakeholders (horizontal partnership);

3. proposes that the Commission increase its activities in regional and local benchmarking, exchange of experiences and peer learning — all of which are crucial to building industrial innovation capacity and are therefore of great relevance to Europe 2020. To take on a coordinating role and offer partners a platform for finding solutions, LRAs' administrative capacity in these areas needs to be strengthened;

Additional analysis on territorial dimension of the industrial package

4. The CoR has analysed the territorial dimension of the Industrial Policy Package and identified the main issues and needs of LRAs when implementing industrial policy: (1) the role of local and regional areas in the global value chain; (2) the uneven and persistent impact of the crisis on territorial, economic and social cohesion; (3) multi-level governance and policy coordination; (4) the institutional capacity and strategic governance of industrial policies; (5) the capacity to promote entrepreneurial discovery and to regulate the market fairly and efficiently;

5. notes that the analysis also included evaluation of links between these problems and needs and the Industrial Package communications, and benchmarking of some best practice cases. The outcomes include proposals for LRAs to support and promote industrial activity;

⁽¹⁾ <http://portal.cor.europa.eu/europe2020/Pages/MTAR.aspx>

⁽²⁾ <http://portal.cor.europa.eu/europe2020/Documents/2210%20Athens%20declaration%20A5%20indd.pdf>

⁽³⁾ <http://portal.cor.europa.eu/europe2020/Documents/CoR%20Europe%202020%20mid-term%20assessment%20report.pdf>

6. Based on this analysis, the CoR recommends that LRAs pay special attention, in their research and innovation strategies based on RIS3 smart specialisation, to the following, where in many cases implementation will require Commission measures:

- a. Performing a needs analysis based on the situation and potential at local level;
- b. Identifying the appropriate context-specific priorities for structural change;
- c. Peer reviews of strategy;
- d. Integrating regional and local strategies in the national system;
- e. Promoting the development of institutional and governance capacity;
- f. Implementing a sound monitoring and evaluation system, so that outcome and impact objectives are supported by flexible administrative guidelines and auditing practices;
- g. Promoting market rules and a bottom-up approach to policy design;
- h. Exploring and promoting context-specific KET integration and development;
- i. Job-creation capacity and mobilisation of local know-how in processes, especially production and service processes.

II. BASIC POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

7. agrees with the Commission that a strong industrial base is of prime importance to Europe's competitiveness and steady growth. Stressing that industry means much more than the traditional manufacturing sector which it is typically used to refer to, and stressing that industrial processes and ecosystems have an enormous impact throughout society, the CoR urges rapid implementation of the measures proposed in this statement;

8. points out that Europe's competitive advantage in the global economy derives mainly from its sustainable, high-added-value products and services, and therefore that reducing during a period of economic crisis the innovation investment that is essential to industrial renewal has come to pose a serious threat to Europe's future;

9. urges Europe to recognise its need to pursue global leadership in strategic sectors with high-value jobs. For this, existing industry needs to be stimulated by investing in new technologies, by improving the business environments, by easing access to markets and to finance, as well as by ensuring that workers have the relevant industrial skills;

10. stresses that the longest crisis ever experienced by the EU has underlined the importance of strong, competitive and sustainable industry as a cornerstone of citizens' well-being. Industry accounts for more than 80 % of Europe's exports and 80 % of private research and innovation. Nearly one in four private sector jobs is in industry, often requiring a high level of professional skills. Every new job in manufacturing results in 0,5-2 jobs in other sectors;

11. underlines that, in addition to measures taken by society, the responsiveness of, and measures taken by, each industrial business itself are crucial to enabling industry — as the backbone of the real economy and prosperity — to develop in a competitive way;

12. draws attention to change management skills at the local level across Europe. Industrial and also political competencies more than ever include an understanding of business processes, knowledge and technology management, as well as personal interaction skills. Industrial activities within value chains and networks are becoming ever wider and ever more complex, as large companies and SMEs operating in different sectors and countries interconnect with each other. The policies of large businesses and SMEs in the industrial sector must be effectively linked to the particular industrial policies of the states and regions in which they are located;

13. points out that the traditional product chain concept with its fixed phases and production factors is becoming blurred, because the reality is based on complex interactions in globally networked ecosystems. Technologies play a key role as enablers for new, sustainable approaches;

14. highlights the importance of emphasising the modernisation of traditional EU industries, above all those whose competitiveness was predominantly a factor of labour costs and in which there is a high level of know-how which can be capitalised on;

15. acknowledges the recent industrial development in which industrial products and services complement each other. Services represent about 40 % of the value added in European manufacturing exports. About a third of the jobs generated by these exports are located in companies that supply the exporters of goods with auxiliary services. Services such as maintenance and training are crucial elements in the delivery of complex manufactured products. Expert services — such as financing, communications, insurance and Knowledge-Intensive Business Services (KIBS) — are playing an increasing role in the production of manufactured goods. This is one of several explanations for the increasing contribution of services to the overall output of an economy;

16. wishes to highlight the consequences of the ICT paradigm shift. Today, mobile networks are more prevalent in cars, consumer electronics, industrial production and healthcare than in people's everyday activities. A modern machine tool company often has more than ten times as many computers and network devices as an office environment. Networked activities require effective knowledge management: information modelling for systems, as well as open innovation and cooperative activity, with benefits for all concerned. There is an urgent need for regional information modelling in urban planning, and process management at municipal and regional level;

17. wishes to promote the adoption of corporate social responsibility concepts in European industrial policy as a basis for a more productive, sustainable and inclusive economy;

Main priorities defined in the Commission communication and the European Council decision in March 2014

THE COMMITTEE OF THE REGIONS

18. agrees with the Commission on calling on the Member States to embrace the cause of revitalising industry and find common ways to strengthen European competitiveness and sustainable growth; believes that the European Commission must better harness all the potential in the area of industrial policy in the spirit of Article 173 of the TFEU, particularly by opting to 'take any useful initiative to promote ... coordination (of Member States in the area of industrial policy), in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation';

19. stresses that the industrial strategy cannot be put into practice as a stand-alone policy, as it has numerous interactions with many other policy areas. Industrial strategy must be closely linked with energy, training, RDI, trade, infrastructure, social responsibility and health and safety policies; therefore asks for a more integrated and interdisciplinary approach to the industrial policy;

20. notes that SMEs should be recognised as a strategic component of European industrial policy, ensuring the effective application of the Communication on the Small Business Act;

21. draws attention to the important role played by heavy primary industry in developing bioindustries in Europe, and recommends that the EU introduce new cooperation and financing mechanisms for applying the latest European technology and other know-how in complex, large-scale projects for renewing primary industry, especially in areas suffering from intractable unemployment;

22. wishes to emphasise the priorities proposed by the Commission to be pursued in support of the competitiveness of European industry. The CoR, however, stresses that those are basic requirements which need further development and concrete implementation;

23. welcomes the important decisions with respect to increasing industrial competitiveness made by the European Council on 20—21 March 2014. The Council stated that key enabling technologies (KETs) should be consolidated by defining projects of European interest as soon as possible, and also paid special attention to the role of cleantech as a cross-cutting element for enhancing the competitiveness of industry;

24. considers it necessary, in connection with Regulation (EC) No 1260/2012 implementing enhanced cooperation in the area of the creation of unitary patent protection, to stimulate innovation and ensure the maximum exchange of knowledge which could be a source of future technological progress. At European level, it is necessary to prevent the use of patents as a strategic weapon, for example through the abusive use of patent thickets or the fragmentation of patents, and to promote strict patenting criteria to avoid awarding patent monopoly rights to patents with a low added value;

25. acknowledges that the Council, in addition, urged the Commission and the Member States to address shortages in the area of science, technology, engineering and mathematics (STEM skills) as a matter of priority, with the increased involvement of industry. Measures are urgently needed to put this into effect, and the Committee recommends that these also include measures to improve language skills and thus improve the performance of the internal market;

26. calls for the Commission to take re-industrialisation measures that focus on excellence and promoting excellence across Europe's industrialised regions, supported by the Horizon 2020 programme. INTERREG programmes are certainly necessary instruments for strengthening networking between universities of applied sciences located in industrialised regions, however, in light of the ever greater interaction between the worlds of science and industry, the CoR sincerely regrets the absence of the 'Knowledge Regions' tool of the Horizon 2020 programme from the 2014-2020 programming period, a tool which had previously proven its worth in framework programmes in terms of coordinating the research agendas of regional clusters for a period of almost 10 years; underlines that the Horizon 2020 programme's first year of operation has shown that no sufficiently effective new tool has been developed to meet this requirement. The 'Knowledge Regions' tool should be rapidly re-developed and implemented;

27. encourages the Commission to stress the relationship between science, business, society, the public and policy-making, and supports the important role of regions in bringing together all relevant stakeholders on the basis of the Triple Helix and Quadruple Helix models;

28. highlights that the Council also emphasised that all available instruments, including EU structural and investment funds, should be used to achieve the objectives for Europe's competitiveness and sustainable growth;

Investment package for growth and jobs

29. stresses the joint responsibility of the European Commission, Member States and local and regional authorities for creating and implementing the 300-billion investment package for promoting growth and jobs, since they hold complementary legal and budgetary competences in this respect. New solutions with both short- and long-term impact can be based on the following principles:

- Industrial renaissance requires developing more effective financial instruments with better public and private integration, including venture capital, innovative public procurement, and loans or guarantees with greater risk capacity;
- Investments supporting industrial growth and jobs require new combinations of facility and infrastructure investments with industrial process renewal and new forms of university-industry research and innovation collaboration. This development can be sped by breaking silos and learning from latest research and industrial applications in different business sectors;
- Industrial recovery can be accelerated by enhancing the use of digital technologies and online services, and especially by finally implementing the European Digital Single Market;

30. supports the research of alternative sources of finance to strengthen ecosystems; such sources include crowdfunding, venture capital, and other innovative tools to break free of the traditional dependence on bank loans;

III. GENERAL RECOMMENDATIONS WITH RESPECT TO EU POLICY

THE COMMITTEE OF THE REGIONS

31. acknowledges that Europe's competitive advantage in the world economy is based on sustainable, high value-added goods and services, the effective management of value chains and access to markets throughout the world;

32. points out that a stable and predictable regulatory environment is a prerequisite for investment in industry to take place in the EU. This stability and predictability must be achieved both at local and regional level, and at national and EU level. Stability and predictability as a guarantee of legal certainty for businesses must be driven by EU legislation, preferably via directives;

33. supports the Commission policy of developing the Single Market as a cornerstone of competitive and sustainable industry. In addition, the CoR points out that the internal market legislation for products and services is a key factor not just for the competitiveness of European industry but also for consumer and environmental protection;

34. supports the Commission statement that to remain competitive, the European market for industrial products and services needs a regulatory framework that facilitates innovation and does not create unnecessary barriers to the timely take-up of new technologies and introduction onto the market of innovations. EU legislation and standards need to allow new products, services and technologies to be made available on the market rapidly so that Europe can avail itself of a first mover advantage in the global marketplace;

35. underlines that regions must be able to define their own growth potential and drive innovation, involving in this definition local and regional authority bodies, in a mixed top-down and bottom-up approach;

36. reiterates its proposal for territorial pacts to organise the levels of cooperation involved in regional development projects and promote cooperation between regions; proposes that this process be covered by a single programming document, ensuring that at the regional level, national and local policies reflect EU sectoral and cohesion policies;

37. calls for investments linked to these single programming documents to be included within a set of loans issued by the European Investment Bank (EIB) working to create new territorial ecosystems for economic and social innovation. This could be an excellent way to foster innovative solutions, provide demonstrators for companies and promote consortia in areas where companies need to establish new partnerships. These ecosystems would be public/private partnerships and would have to meet the dual objective of making companies more competitive and the public sector more efficient (thus helping to rationalise public spending);

38. is convinced that the key building block to support the EU's industrial ambitions is represented by the regional policy of smart specialisation RIS3, founded on a systematic analysis of existing regional specificities and potential for innovation and growth;

39. suggests that Member States adopt spatial planning policies that allow them to decide in good time on the location of entrepreneurial areas and that do not create unnecessary obstacles which make the location of firms unviable;

40. urges regions to evaluate the need for technologies to promote the intended development in their own RIS3 smart specialisation strategies, and to take the necessary measures to promote industrial policy as a key funding priority as well as measures to increase their partnerships across the EU to achieve their targets;

41. calls on the Commission to support interregional networks in particular, cooperation between them and mutual learning. One example is the Vanguard initiative, which has put the industrial renaissance at the core of their S3-activities with a view to promoting an exchange of experiences, creation of stairways of excellence and joint processing of project applications;

42. calls on the EU to deliver financing for regions in helping them to create efficient innovation ecosystems and take joint European initiatives. The CoR stresses that decentralised EU supported innovation activities are the only way to achieve the RIS3 targets across Europe;

43. stresses that compared to the previous programme period 2007-2013, the rules and practices defined by the Member States and regional authorities should be renewed to emphasise and measure the outcomes and the impact. This essentially requires increased participation of all key RDI players in the region in implementing the region's RIS3, as well as effective networking at the EU level;

44. agrees with the concerns voiced by many players across Europe that the Member States and regional authorities have not followed the Commission guidelines in cutting red tape, renewing the financing to be based on RIS3, and in building the flexible user-driven ESIF funding system;

45. urges the Member States to assess local business conditions with a view to making administrative procedures more efficient and cutting red tape for companies. This will make it possible to compare how different procedures and ways of applying rules affect the local business environment;

46. urges the regions jointly with the Commission to review their RIS3 and European Partnership plans with respect to KETs. According to the S3 Platform report, regional policy-makers have a lot of questions related to state aid and financing of KETs, including rules of financing demonstration projects and infrastructure;

47. points out that national instruments must also be deployed, notably market-based and other innovative funding instruments. The new funding priorities agreed on by the Commission and the EIB provide a significant opportunity for cutting-edge companies to invest in KET technologies;

48. emphasises the importance of the European Structural and Investment Funds (ESIF) and the Horizon 2020 programme for strengthening the industrial competitiveness of the EU. It is particularly important to enhance multidisciplinary top-level research and the practical application of its findings at regional level. Multifund packages of measures are needed through which in particular the latest ICT and KET research knowledge is used to modernise the various industrial sectors and to create the new practices needed to achieve lasting social outcomes;

49. in addition, support from the European Globalisation Adjustment Fund (EGF) continues to be an important practical tool that helps people and regions to recover from the consequences of the economic crisis and the impact of globalisation by helping people who have been made redundant to find new jobs;

50. draws attention to the crucial role of human capital, first-rate know how and skills in tackling industrial challenges. Skills mismatches and training issues will be a key challenge for EU industry in the coming years, especially as progress in manufacturing technologies increases demand for specific skill and training sets; believes that public awareness needs to be raised and multidisciplinary and cross-sectoral training and educational programmes need to be established so that the findings of research and innovation can be further developed, made permanent and implemented;

51. challenges the young digital generation and their start-ups to contribute to the design and implementation of regional smart specialisation strategies by helping to identify gaps and to fix the processes in the necessary value chains in the regions. The new innovative solutions should focus on both public and private industrial processes and behaviour of citizens as customers;

52. urges the EU, Member States and regions to direct cohesion funds and Horizon 2020 into competitiveness enhancing investments in industrial cross-regions, cross-border and cross-sector opportunities. Particular attention needs to be paid to energy, transport and digital infrastructure, enabling cooperation between countries, supply chain integration, and enhanced internal EU trade;

Urgent need to speed up change

THE COMMITTEE OF THE REGIONS

53. has pressed in its opinions for structural reform of industry and emphasised the importance of society's and companies' responsiveness in the competitive environment created by globalisation and digitalisation. These recommendations are also tied to measures raising the level of skills required, and to lifecycle thinking that emphasises overall impact and climate change targets. These statements include:

- a. Industrial policy needs to be one of the pillars of the European venture, treated as a genuine political priority on the same political footing as cohesion, infrastructure and agriculture; Forward-looking management of skills and change should be viewed as a crucial component of industrial strategy at every level⁽⁴⁾. The EU must provide financial support for regions that introduce innovating mechanisms for forward-looking change management;
- b. A comprehensive approach above all creates great opportunities to develop new sustainable materials and helps meet the CO₂ targets enshrined in the EU 2020 strategy. A consistent lifecycle approach already starts in the product [the word 'car' is used in the original opinion] design phase. This also covers environmentally relevant effects in the production process, as well as the operational phase and, finally, recycling and/or processing for subsequent re-use as well⁽⁵⁾;

54. has already identified the key changes needed to industrial policy and the necessary investment for modernising business activity as well as the means for implementing these. The following quotations from the CoR opinion adopted three years ago show that these same guidelines are still in preparation and that EU measures are too slow to respond swiftly to changing economic and business needs. The CoR⁽⁶⁾:

- a. agrees that progress needs to be made on smart specialisation to make industry more competitive, and calls on regional and local authorities to give impetus to their own innovative niches. Smart specialisation is the key link between the Communication on industrial policy and the Flagship Initiative Innovation Union;
- b. considers that the public authorities could be a significant driver of business competitiveness through innovative public procurement;
- c. agrees that there is an urgent need for structural reforms given the sweeping changes that are affecting the business environment;

55. emphasises that the pace of change can be enhanced by allocating more resources to the local and regional levels. We need innovative and high-quality pioneering activities and replication of results across Europe. The regions are ready to start experimenting and rapid prototyping, which is a key for success;

56. has indicated in a number of its opinions what should be stressed in implementation. The following examples taken from the opinion on Horizon 2020⁽⁷⁾, which the CoR adopted two years ago, are relevant, among others, when it comes to implementing the Industrial Policy Package. The CoR:

- a. notes that internationally successful products are the result of world-class expertise based on value chains and ecosystems. Horizon 2020 needs to be able to create the conditions for functional innovation chains; only then will it be possible to respond to major societal challenges and the need for industrial regeneration;
- b. emphasises the role of key enabling technologies in Horizon 2020. Technologies should not only be developed in separate science and technology programmes; rather, they should be linked as early as the R & D stage to industrial value chains and global innovation value networks, and to activities that develop regional ecosystems and innovation clusters and strengthen expertise;

⁽⁴⁾ CdR 2255/2012 fin.

⁽⁵⁾ CdR 1997/2013 fin.

⁽⁶⁾ CdR 374/2010 fin.

⁽⁷⁾ CdR 402/2011 fin.

IV. SPECIFIC POLICY RECOMMENDATIONS WITH RESPECT TO THE BUSINESS ENVIRONMENT

THE COMMITTEE OF THE REGIONS

57. acknowledges that the global competitive environment has changed fundamentally and it is necessary not just to adapt to the situation but also to become a motor of change in many respects. The long-term global competitiveness of EU business needs to be given greater weight when evaluating existing EU regulation and deciding how to target RDI funding;

58. underlines that the EU legislation on industrial products lays down the main requirements for companies in respect of safety, health and other matters of public interest. It is particularly important that industry should not be excessively burdened with pointlessly frequent regulatory changes, but, on the contrary, have concrete mechanisms available aimed at facilitating and supporting business investment. Controlled dismantling of regulatory barriers is important as technology develops ever more rapidly and global supply chains become even more interconnected;

59. encourages European regions and cities to create and implement a regulatory framework that stimulates innovation and ICT investment throughout the economy in their territories. The EU's re-established role as a global innovator will trigger a virtuous circle of productivity gains, growth and job creation;

60. points out that the Commission has promised to ensure that regulation is stable over the long term and that rules are substantially simplified. This objective is an immediate priority. Thorough impact assessments should be carried out of new rules. EU standards serve in practice as a model throughout the world, and the Commission will continue to promote a system of international standards;

61. once again, calls on the Commission to enhance its powers of analysis and its support measures for businesses, by looking into the possibility of creating, as it has agreed for the agri-food industry, a new category of mid-sized enterprise somewhere between SMEs and large enterprises, employing between 250 and 750 workers and with a turnover of under EUR 200 million. This category could receive appropriate rates of aid, higher than those for large enterprises and lower than those for SMEs⁽⁸⁾;

62. points out that new state aid rules for General Block Exemption Regulation GBER and Research, Development and Innovation RDI came into effect in July 2014⁽⁹⁾. The new rules enable increased R&I investment, especially in large-scale, complex project clusters, with one aim being to significantly influence industrial renewal;

63. notes that facilitating the implementation of EU structural and investment funds by extending the scope of application of the GBER represents a significant improvement;

64. notes that the GBER sets out the conditions under which state aid is exempted from the obligation of prior notification to the Commission, and that the GBER sets out increased notification thresholds and aid intensities, and introduces additional new categories of exempted aid such as aid to innovation clusters and investment aid to research infrastructure;

65. notes that the framework for state aid for RDI includes aid for experimental development and industrial research and that higher maximum aid intensities for applied research are now possible;

66. emphasises that the Important Projects of Common European Interest IPCEI instrument has an extended scope beyond R & D which includes first deployment, and the deployment of IPCEIs often requires a significant participation from public authorities since the market would not otherwise finance such projects;

⁽⁸⁾ See point 18 CdR 2255/2012 fin.

⁽⁹⁾ Communication from the Commission 2014/C 188/02 and Commission Regulation (EU) No 651/2014.

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67. reiterates that IPCEIs may represent an important contribution to economic growth, jobs and competitiveness for the EU economy and industry in view of their positive spill over effects on the internal market and EU society;
68. underlines that Member States and industry should make full use of the possibilities offered by new state aid rules when promoting business activity, industrial renewal and job creation in Europe;
69. highlights that even though unfair conditions are imposed on European companies operating in key emerging markets, European companies should improve their innovation capacity and become key players within dynamically expanding networked value chains.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

Opinion of the Committee of the Regions — Innovation in the Blue Economy: realising the potential of our seas and oceans for jobs and growth

(2015/C 019/05)

Rapporteur	Mr Adam Banaszak, Member of the Kujawsko-Pomorskie Regional Assembly (PL/ECR)
Reference document	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Innovation in the Blue Economy: Realising the potential of our seas and oceans for jobs and growth COM(2014) 254 final/2

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. believes that using the potential of blue growth represents an opportunity to boost the local economy and creates quality jobs in knowledge- and investment-intensive economic sectors;
2. points out that protecting the environment should continue to be one of the primary objectives of the European blue growth strategy;
3. believes that the assessment of scientific data can significantly contribute to a successful reform of the common fisheries policy and is a major condition for the implementation of the regionalisation component of the policy;
4. reaffirms its belief that developing and supporting European aquaculture represents a key element for the creation of jobs in structurally weak areas and ensures the supply of high-quality seafood for European consumers;
5. endorses the initiatives taken by the European Commission aimed at stimulating the growth of the blue economy;
6. stresses the need to use a cross-policy integrated approach in the coordination of research policy, economic policy, the common fisheries policy and transport policy. To make the EU's action for the blue economy more effective, the above policies should not be treated exclusively as separate areas. Ensuring synergies between them will make the initiatives adopted more effective and provide greater added value;
7. draws attention to the need to use scientific research for implementing the reform of the Common Fisheries Policy, protecting marine ecosystems and managing risks in crisis situations; stresses, however, that the use of scientific research and the implementation of innovation should primarily focus on blue growth understood not only in terms of economic growth in the marine economy but also as growth that has a positive impact on other parts of the economy;
8. notes that while the process of unlocking the potential of our seas and oceans for jobs and economic growth is both necessary and desirable, it must not lead to the deterioration of the natural environment or the destruction of marine ecosystems;
9. calls for a broader focus on the aquaculture sector and marine, coastal and cruise transport when introducing innovation in order to ensure more economic growth and create new jobs;
10. calls for broader and more effective coordination between the blue growth strategy and other EU strategies and programmes, in particular the Europe 2020 strategy;

Research and innovation for blue growth

11. emphasises that the process of conducting scientific research and introducing innovation — while aimed at fostering blue growth — should not only have an impact on the marine economy but also on other areas of the economy;

12. calls for the creation of a specific Knowledge and Innovation Community for the Blue Economy as a further measure for the development of skills and the transfer of ideas from marine research to the private sector;

13. agrees that gaps in knowledge and data about the state of our seas and oceans, seabed resources, marine life and risks to habitats and ecosystems represent one of the key problems hampering the development of the blue economy. Increased knowledge of our seas will promote growth in the blue economy, through both a better knowledge of the resources it contains and a better understanding of how these can be used, in tandem with achieving our environmental objectives;

14. stresses the importance of the availability of data about the state of our seas and oceans for the development of the blue economy. Improving the supply of data and making them more accessible will drive forward innovation and competition, making it possible to manage crisis situations effectively and to reduce uncertainties connected with marine areas;

15. notes that the availability of data about the state of our seas and oceans should not be limited to general information that is relevant only at EU or individual Member State level. It is vital to take account of the needs of individual regions and to make more information available to them in the above area which they can use effectively both in the public and private sectors;

16. notes that while it is important to make available data about the state of our seas and oceans at local, regional and national level, the whole process must be coordinated at EU level. This will increase the effectiveness of the data used and allow for an appropriate exchange of information among the interested parties;

17. calls on the European Commission to further extend the use of scientific research in its efforts to achieve regionalisation in the common fisheries policy. The wider use of scientific research will both reflect the principle of a cross-cutting approach towards the blue economy and improve the rational management of fisheries resources;

18. emphasises that the European Union should continue to support aquaculture as one of the fastest growing areas in the food production sector. Appropriate scientific research which gives businesses access to new, wider information about the state of our seas and oceans can make businesses more competitive and, accordingly, trigger growth in employment, particularly in structurally weak areas;

19. highlights that collecting and sharing marine information should not create any disadvantages or additional administrative burden for local and regional authorities and economic operators;

20. notes that adequate access to information about the state of our seas and oceans is not only important for implementing innovative solutions, protecting our environment and managing fisheries resources and aquaculture but can also be a key enabling factor for risk management and the adoption of appropriate supporting action in crisis situations. Accordingly, the Committee of the Regions calls for steps to be taken towards the elaboration of a mechanism for the use of satellite imaging data delivered by the Copernicus satellite service to assist LRAs in their initial response to natural disasters;

21. emphasises the need to monitor the implementation of innovation and growth in the blue economy on an ongoing basis to ensure that the action taken is as effective as possible. The Committee of the Regions therefore recommends the development of clearly defined performance indicators for growth and innovation in the blue economy. Indicators that are defined in this manner will not only be useful for the Commission but will also help identify appropriate objectives for Member States and regions;

Environmental protection of seas and oceans

22. notes that the key issue for the blue economy is not just about using marine information to boost economic growth but mainly about using it to preserve marine ecosystems and maintain the quality of the marine environment. Protection and conservation of marine ecosystems must be a key element in European maritime policy;

23. stresses that a marine environment should be clean and healthy. Accordingly, the idea of drawing up plans for the removal of military material leftovers and chemical waste dumped at sea, as set out in a previous opinion of the Committee of the Regions ⁽¹⁾, should be officially taken into consideration, while information about our seas and oceans should also be used to help cleanse and replenish our marine environment, which will help ensure its biological diversity and fertility;

24. highlights that a clean and healthy marine environment based on Marine Protected Areas is also important for the development of tourism, e.g. sustainable diving, which represents a strategic tool for acquiring knowledge about the marine environment and for raising public awareness about it;

25. notes that increased competitiveness and employment in the aquaculture sector will help make the development of this sector more dynamic. This must not, however, lead to any deterioration in the quality of marine products in favour of their quantity. Accordingly, all necessary action should be taken to ensure that European consumers are supplied with high-quality products. In particular, this means a lack of authorisation to supply genetically modified organisms (GMOs) to consumers;

Participation of private sector businesses in the blue economy

26. appreciates the importance of the European Commission's initiatives aimed at extending the use of scientific research and innovation in the blue growth strategy. It is important, however, to remember that the main and most desirable outcome of the blue growth strategy should be to develop entrepreneurship based on the untapped potential of our seas and oceans;

27. notes that the communication does not take account of some areas with the biggest share in the blue economy such as shipbuilding, maritime transportation and blue energy. It is clear that the communication is paving the way for future innovation and scientific initiatives; however, the above economic sectors continue to be the drivers of the blue economy;

28. considers that, when assessing the possibilities of introducing innovation into the blue economy, particular consideration should be given to the development of marine transport and tourism, which harbour huge potential in terms of increasing employment;

29. emphasises that businesses from the private sector can play a key role in terms of innovation and using it to boost economic growth and create new and better jobs. Businesses from the SME sector in particular can play an important role in this area;

30. notes that the Commission's plans to increase SME participation in the blue economy should be backed by adequate financial assistance under both existing and future programmes. The need for funding is particularly visible in the aquaculture sector; micro-businesses represent 90 % of this sector and are capable of generating the desired level of innovation;

31. an enhanced policy framework for the inclusion of private business in the blue economy is necessary. To ensure optimal synergy between the public sector and the needs of the private sector, businesses should have an important voice in identifying research needs as well as in formulating norms, standards and business-friendly solutions;

32. notes that the wider inclusion of private businesses in the blue economy should take place without any unnecessary burdens on the private sector;

33. calls upon the Commission and the Member States to work towards improving the competitiveness of European maritime economic operators. If we understand private sector needs in relation to participation in the blue economy, it should be easier to adapt measures and policies at EU, national and regional level in line with them;

34. stresses that entrepreneurship in the blue economy extends beyond operations in our seas and oceans. It is important to plan appropriate support for onshore businesses related to the blue economy such as local fish processing plants to create a sustainable business environment for local fishermen;

⁽¹⁾ CDR 2203/2012, Blue Growth — Opportunities for marine and maritime sustainable growth; rapporteur: Adam Banaszak (PL/ECR).

35. notes that the introduction of innovations in the blue economy for economic growth and new jobs also requires selecting appropriately skilled people. Close coordination between policy making, education and business is needed in order to make offshore jobs more popular and desirable among young people;

36. emphasises that the benefits arising from the blue economy will be felt in both the public and the private sectors. All public funding has its limitations, however. It is therefore important to also raise private capital to finance operations in this area. In view of this, broad cooperation should be encouraged between the public and the private sectors, not least through public-private partnerships, in which the public sector can benefit from the financial capacity of the private sector as well as its expertise, business experience, management skills and intellectual potential in order to develop and implement innovative solutions for the blue economy;

37. emphasises that, owing to the differences that exist between EU Member States in terms of legal arrangements for public-private partnerships, the European Commission has a crucial role to play in promoting best practices and solutions for the use of PPPs in the blue economy. Particular consideration should be given to the possibility of implementing institutionalised public-private partnerships in view of the potential creation of new jobs;

38. notes that it will not be possible to engage private sector representatives — including those of small and medium-sized enterprises — in cooperation with the public sector, unless such cooperation is promoted at local and regional level. There is a need to facilitate and support work by local and regional authorities to get representatives of the private sector involved in projects carried out in the form of public-private partnerships;

39. notes that PPPs should not only be used for the blue economy for the purpose of acquiring large businesses as private partners. If they are to be properly implemented, public-private partnerships should take account of the financial potential and risk management capacity appropriate for the small and medium-sized business sector which will also allow smaller authorities to use the resources held by such businesses;

40. welcomes that the principles of subsidiarity and proportionality, as laid out in Article 5 of the Treaty on European Union and Articles 3 and 4 of the Treaty on the functioning of the European Union, are upheld in the communication.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

Opinion of the Committee of the Regions — Effective, accessible and resilient health systems

(2015/C 019/06)

Rapporteur	Mr Karsten Uno Petersen, Regional Councillor (DK/PES)
Reference document	Communication from the Commission on effective, accessible and resilient health systems COM(2014) 215 final

I. POLICY RECOMMENDATIONS**General comments**

THE COMMITTEE OF THE REGIONS

1. values the Commission's communication, which states that health systems should be able to add more years to life, but also to add more life to years, and thereby help to improve citizens' health. A person's health, defined as including both physical and psychological well-being, is also determined by factors other than healthcare measures;
2. calls for health to be recognised as a value in its own right, so that health system expenditure is seen as an investment in population health, one which can have additional benefits in the form of greater productivity, increased labour supply and sustainable public finances;
3. notes that decentralised levels of government face the same challenges right across the EU: rising health care costs and ageing populations with an increase in chronic disease and multimorbidity, resulting in a growing demand for health care. The Committee points out that responsibility for addressing these challenges lies at national, regional and local level;
4. welcomes and endorses the right of EU citizens to have access to effective, good quality treatment and the fact that, in the light of experience in recent years, the Commission wishes to help the Member States to develop strategies to make health systems more efficient, improve access to care and create more resilient health systems;
5. confirms the need to comply with Article 168 TFEU, which stipulates that public health is in the first instance a national responsibility, and to uphold the subsidiarity principle in this area. The Committee takes this opportunity of reiterating that the Member States are responsible for health policy, and that in most cases a considerable part of the responsibility for health affairs lies with local and regional authorities;
6. notes that in 2013, eleven Member States received a recommendation for reform in their health systems as part of the European Semester. In this respect, the Committee would like to draw attention to fact that differences in Member State health systems are a reflection of different societal choices and that under Article 168 TFEU, the EU's role in the area of public health is meant to complement national policies;
7. agrees that the healthcare sector is strongly driven by innovation and acknowledges that it has major economic significance, but recommends that the common values underlying European healthcare systems — universality, access to good quality care, equity and solidarity — as recognised by the Council (health) in 2006, should always override concerns dictated by the current economic situation;
8. realises that the economic crisis has put added pressure on Member States' financial resources, but would also point out that healthcare systems must be sustainable, so as to safeguard common basic values in the future, while ensuring that they are met at the present time;
9. is pleased to see that, in its efforts to assist Member States in making use of health system effectiveness assessments, the Commission intends to cooperate more closely with international organisations, such as the WHO and the OECD;

10. advocates caution on the part of the Commission when it comes to introducing a comprehensive reporting system for evaluating health system outcomes and notes that one of the advantages of cooperating more closely with the WHO and the OECD could be to make better use of existing data;
11. encourages Member States to strengthen, and where necessary expand, existing capacity so as to ensure ongoing and regular collection of health-related data, as this will contribute to the quality of international data available in organisations such as the WHO and the OECD;
12. draws attention to the need for health outcomes to be based on general and easily accessible indicators, such as survival rates for certain types of disease or waiting times, and would welcome a framework containing a number of common EU criteria for assessing health outcomes on which Member States can base policy debates and set priorities;
13. agrees that increasing mobility on the part of patients and health professionals means that Member State healthcare systems interact more closely with each other, and points out that, if they are to work more closely in addressing this development, they will need to draw on the knowledge available at regional and local administrative level;
14. notes that a well-trained workforce with good opportunities for skills development, availability of skills, good leadership and a correct flow of information in the system are to a large extent the hallmark of healthcare systems in which delegating competence to regional and local levels is an established feature;
15. draws attention to the fact that integrated care should go hand in hand with increased focus on patient involvement and quality of care, and observes that the work of the Commission's expert panel in this and other areas should be discussed with local and regional authorities, possibly in the form of public hearings on the panel's findings;
16. recognises that healthcare systems need to demonstrate resilience, the capacity to adapt to different environments and to rise to considerable challenges at a time of limited resources, and considers that these qualities should be secured from the outset by giving regional and local authorities responsibility for public health;
17. is pleased that the Commission recognises the importance of the health sector in combating the social consequences of the economic recession, but stresses that decisions intended to tackle over-arching economic crises/problems must be analysed with respect to their potential negative impact on public health, so that such effects can be avoided;
18. welcomes and endorses a social inclusion strategy, including broad access to affordable and high-quality health services with the aim of stemming the rising health inequalities among the Member States;

Strengthening the effectiveness of health systems

THE COMMITTEE OF THE REGIONS

19. welcomes and endorses the ongoing work on patient safety at EU level, and calls for work on patient experience and patient involvement — a key aspect here — to be given higher priority in future EU health initiatives, along with efforts to develop human resource skills;
20. draws attention to the fact that health outcomes are difficult to define, making comparisons among Member States a tricky exercise, but agrees that it is appropriate to measure and compare the effectiveness of healthcare systems;
21. also thinks that the exclusive purpose of making comparisons among Member States should be to learn from, and exchange, best-practice experiences; this will give Member States the opportunity to track their own progress from an international perspective in their efforts to make ongoing improvements;
22. acknowledges that in some areas, where data from international organisations such as the WHO and the OECD is not sufficient, there might be a case for setting up an EU database for Europe;

Increasing the accessibility of health systems

THE COMMITTEE OF THE REGIONS

23. sets store by the fact that the Commission's communication reiterates the principles underpinning the European Social Pact, which highlights the importance of transparent criteria for access to medical treatment and the obligation to ensure that no segments of the population are excluded from access to healthcare;
24. agrees that it is difficult to measure access to healthcare services, but would make the point that indicators based on feedback of people's personal experiences are an important weathervane in terms of the public's perception of access to healthcare services;
25. agrees that in assessing access to healthcare services, the focus should be on both the proportion of the population with health coverage and the extent of this coverage, but reiterates the point that discrepancies in the type and scale of coverage are a reflection of societal choices made nationally, regionally and locally;
26. agrees that accessibility is a prerequisite for accessing healthcare and that 'accessibility' includes waiting times, distance and the size of the workforce in the health sector; nevertheless, it would point out that concentrating specialist treatment centrally, even though it might involve making longer journeys, may be necessary in order to provide adequate expertise in specific fields of treatment. However, steps must always be taken to ensure that populations in regions that suffer demographic and geographical disadvantages also have access to specialist health services of this kind;
27. points out that regions with geographical and demographic disadvantages (highly dispersed population, low population density, acute demographic ageing, island or mountain regions) present specific challenges that are particularly sharply felt in the health field;
28. recognises that integrated care models and e-health options are a way of solving the problem of health service accessibility in the Member States, and that this is particularly the case for regions with geographical and demographic disadvantages;
29. misses in this context a reference to the fact that especially people with disabilities sometimes have limited access to health-care services and reminds the European Commission against the backdrop of Article 9 of the United Nations Convention on the Rights of Persons with Disabilities of its commitment [COM(2010) 636 final] to pay special attention to people with disabilities when implementing strategies to fight health inequalities;
30. finds it encouraging that the European Parliament and Council directive on the application of patient rights in cross-border healthcare has focused more clearly on health system responsibility for access to treatment;
31. is pleased that the Commission is focusing on the important counselling role that health personnel will have the future, in cooperation with other sectors, and reiterates that regional and local authorities have a wealth of expertise in this type of cooperation that can usefully be brought to bear in further developing this aspect;
32. welcomes the exchange of information on how to improve access to medication, but again points out that decisions on pricing and patient reimbursement are the result of societal choices and national, regional and local priorities. The Committee draws attention, however, to the fact that greater transparency in pricing medical products will make for more efficient use of resources;
33. notes the Commission's intention to continue to support Member States in their workforce planning in the health sector as a way of helping them to meet the challenges posed by health personnel mobility;
34. agrees that the Member States should ensure that the European Parliament and Council directive on the application of patient rights in cross-border healthcare is properly implemented;

Improving resilience of health systems

THE COMMITTEE OF THE REGIONS

35. notes that the Commission recommends that Member States undertake health system reforms as part of the European semester, and draws attention here to Article 168 TFEU, stipulating that the EU's role in the area of public health should complement national policies;
36. welcomes the fact that the Commission is assisting Member States in their health system reforms by introducing initiatives to help them learn from and exchange best practices with the other Member States and regions;
37. points out that adequate long-term investments in health systems can, in the long run, be cheaper than short-term investments determined by cyclical financial constraints, and thinks that there should be a more forward-looking focus on identifying the short- and long-term effects of health investments;
38. recognises that health systems must be financially resilient; cautions that health as a value in itself, patient safety and participation, and the development of human resource skills should not be eclipsed by short-term, cyclical financial considerations;
39. acknowledges and endorses the work carried out by the Commission in identifying six resilience factors that can help health systems safeguard accessible and effective healthcare services for their population;
40. subscribes to the Commission's support for setting an ambitious objective for the HTA (Health Technology Assessment) network established under the European Parliament and the Council directive on cross-border healthcare and agrees that this will reduce duplication of work by the authorities;
41. takes note of the Commission's focus on channelling patient-level information flows to the necessary healthcare providers and calls on the Commission to assist Member States in this task by promoting knowledge-sharing and exchange of best practices in information flows;
42. reiterates that there is a wealth of regional and local knowledge on the public's perspective of healthcare and believes it is more important to draw on this knowledge than to explore the potential of a comprehensive European research infrastructure consortium;
43. believes that the potential synergies between health services in border regions have not yet been fully harnessed. This would however help to make health systems more accessible, benefiting patients. The Committee of the Regions urges the public authorities of the Member States to encourage cooperation agreements in this regard;
44. observes that making use of existing data through closer cooperation with the WHO and the OECD will also benefit research infrastructure.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

Opinion of the Committee of the Regions — An Alpine macro-regional strategy for the European Union

(2015/C 019/07)

Rapporteur Herwig Van Staa (AT/EPP), President of the Tirol Regional Assembly

THE COMMITTEE OF THE REGIONS

1. welcomes the European Council conclusions of December 2013, which invited the European Commission, in cooperation with the Member States, to draw up an EU strategy for the Alpine region (EUSALP) by June 2015;
2. stresses that this also significantly strengthens the role of the regions in the process of drawing up and implementing the EUSALP, the consequence being that, in order to promote further development, Europe needs to acknowledge and make the most of its own diversity rather than seek to suppress it. Macro-regional strategies are an instrument that can make a tangible contribution to capitalising on the specifics of development in different areas, respecting their natural potential and characteristics;
3. welcomes the concept of the macro-regional strategy as an integrated framework, endorsed by the European Council and supported by the European Parliament, for Member States and third countries in the same geographical area to tackle common challenges and step up cooperation regarding economic, social and territorial cohesion ⁽¹⁾;
4. is committed to continuing to support the development and implementation of macro-regional strategies, as previously stated in its opinion on the added value of macro-regional strategies ⁽²⁾, and stresses that the added value of existing macro-regional strategies is already recognised in both political and strategic terms ⁽³⁾;
5. notes that the EUSALP will be the fourth macro-regional strategy, after the EU strategies for the Baltic Sea region, the Danube region and Adriatic and Ionian region and, given the challenges facing other European macro-regions, declares its support for the establishment of additional macro-regional strategies;
6. welcomes the fact that the EUSALP will involve cooperation between five EU Member States (Austria, France, Germany, Italy and Slovenia) and two third countries (Liechtenstein and Switzerland), thus making a major contribution to pan-European integration. This integration component gives the macro-regional strategy particular added value ⁽⁴⁾;
7. stresses that it was the Alpine regions that took the initiative to produce a common strategic position for the Alps at EU level, and that the EUSALP was developed on the basis of a genuine bottom-up process, from the regions concerned, via national level in the Alpine States, up to European level;
8. welcomes the efforts being made by the European Commission, in consultation with the Alpine countries and regions, in the EUSALP steering committee to develop a specific action plan to implement the strategy;
9. welcomes the fact that a wide-ranging public consultation on the priorities developed to date for the EUSALP has given all citizens and stakeholders the opportunity to evaluate those priorities, to propose and prepare different or additional topics and to identify interested actors, in order to develop the right goals and the most appropriate tools to achieve the high level of development and prosperity sought by all local authorities in the Alpine region;
10. highlights the fact that there is already a long-standing tradition of cross-border cooperation in the Alpine region that has produced a variety of cooperation instruments since the 1970s. These include the Working Community of Alpine Countries, the Alps-Adriatic Alliance, the Alpine Convention, the EU Alpine Space Programme, bilateral and multilateral cooperation structures such as the Alps-Mediterranean Euroregion and the European groupings of territorial cooperation *Senza Confini* and the Tyrol-South Tyrol-Trentino Euroregion, and various civil society organisations;

⁽¹⁾ COM(2013) 468 final.

⁽²⁾ CDR5074-2013_00_00_TRA_AC.

⁽³⁾ See Council conclusions of 22 October 2013 on the added value of macro-regional strategies.

⁽⁴⁾ COM(2013) 468 final.

11. stresses that the EUSALP is heavily based on a bottom-up approach and is intended to incorporate the substantial work done by existing cross-border cooperation instruments in the Alpine region and further improve the efficiency and effectiveness of this wide-ranging cooperation under one roof;

12. points out that a key element of the added value provided by macro-regional strategies consists in tackling common challenges using targeted activities by interested actors, making the best possible use of appropriate financing instruments such as public-private partnerships;

13. notes that the EUSALP will provide joint responses to the challenges facing the Alpine region. These challenges include maintaining quality of life, a high level of environmental protection and sound economic development against a background of globalisation, climate change and demographic change, in particular fundamental structural changes in the fields of agriculture and tourism, deindustrialisation, the digital divide and limited access to services of general interest in certain areas;

14. stresses that the reference point for the strategy is the mountain range of the Alps, and that the Alpine region comprises both the mountainous region at its heart, as laid down in the scope of the Alpine convention, and its surrounding areas, including a number of large cities. These areas are linked together by close interactions and functional relationships, all of which influence economic, social and environmental development;

15. realises that the mountain areas often have different concerns and priorities from the surrounding areas and cities, and highlights the need to strengthen dialogue on an equal footing between the heartland of the Alpine region and the surrounding area, in order to strike the right balance between the interests of the people living in each area;

16. advocates taking a flexible approach to the EUSALP's area of application, so that the scope of strategic cooperation can be determined on a case-by-case basis, according to the requirements of the specific field of action and with due consideration for the functional relationships between the Alpine heartland and its surrounding area;

Objectives and themes of the EUSALP

17. shares the view that the EUSALP should be able to make a specific contribution, tailored to the needs of the Alpine region, to implementing the Europe 2020 strategy for smart, sustainable and inclusive growth, in order to further economic, social and territorial cohesion in Europe;

18. calls for the strategic priorities of the EUSALP to be chosen in such a way that the interests of the core Alpine mountain regions are prioritised and that those of the surrounding areas and their cities are given appropriate consideration, so that relations between these regions can be of mutual benefit;

19. believes that innovative approaches enabling the development-oriented components of the strategy to be reconciled with the need for environmental protection are of crucial importance in ensuring the success of the EUSALP; this is the only way of preserving and sustainably tapping into the potential of the Alpine region with its inhabitants, economic activity and nature in the heart of Europe;

20. refers to European Parliament Resolution 2013/2549 (RSP) of 23 May 2013 on a macro-regional strategy for the Alps, and also points out that the content of the strategy must be consistent with the Alpine Convention;

21. stresses that it is important for all local and regional stakeholders to work together as partners to develop and implement the EUSALP. It also welcomes the details so far drawn up by the EUSALP steering committee, with equal participation by the regions, States and European Commission, under the following three pillars: 'ensuring sustainable growth and promoting full employment, competitiveness and innovation by consolidating and diversifying specific economic activities with a view to reinforcing mutual solidarity between mountain and urban areas'; 'promoting a territorial development that is focused on an environmentally friendly mobility, reinforced academic cooperation, development of services, transports and communication infrastructures policy'; and 'promoting sustainable management of energy and natural and cultural resources and protecting the environment and preserving biodiversity and natural areas';

22. with regard to the integrated further development of these details in the action plan, calls for particular attention to be paid to the following themes: stimulating employment; developing alpine value chains, tourism and a network of Alpine businesses on the macro-regional scale; strengthening services of general interest and solidarity between people living in different areas of the Alpine region; improving networking and eliminating the digital divide in less favoured areas; boosting transport intermodality and interoperability, for example by linking local and regional transport networks to higher-level European transport infrastructure; seeking to shift freight transport from road to rail; improving energy efficiency and the sustainable generation of renewable energy, particularly hydroelectric power; making sustainable and efficient use of natural and cultural resources; and further developing natural hazard management in view of climate change, with particular attention to the protection of the hydrogeological structure and of the environment;

23. expects the action plan to develop synergies between the various existing programmes and to focus on a limited number of priorities so that resources can be concentrated;

Multilevel governance

24. notes with interest the European Commission's report on the governance of macro-regional strategies ⁽⁵⁾, but would point out that it does not take sufficient account of the decision-making role of the regions;

25. highlights the role of local and regional authorities in ensuring that the EUSALP takes the down-to-earth approach that the public expects. It is necessary to develop the right conditions so that local and regional authorities can also run flagship projects;

26. points out that the EUSALP can only be successful if the leadership of this multilevel governance process continues to be shared with regional and local political actors — including European Groupings of Territorial Cooperation — and if the subsidiarity principle enshrined in EU law is respected; it would be useful, in this connection, to encourage the participation of other social, economic and cultural stakeholders in the territories involved;

27. calls for methods to be developed for implementing the strategy that, in keeping with the principle of multilevel governance as set out in the Committee of the Regions' Charter ⁽⁶⁾, ensure that, within its competences, the regional level is involved on an equal footing with the national level;

28. stresses that its Alpine Macroregion interregional group, set up in June 2014, is intended to assist the European Commission and the Alpine states, via their national contact points, in developing and supporting a strategy for the Alps; to support the development of the action plan; to give the Alpine region a higher profile at regional, national and European level by emphasising its common identity; and thus to highlight the region's huge potential;

29. recommends that the EUSALP establish a rotating presidency, to be assumed by the Member States or regions from each of the Member States, to set the main guidelines for the strategy. On the basis of an agreed system of rotation, each of the Member States of the Alpine strategy would hold the presidency for one year. This would enable the states and regions involved to contribute in a balanced way to the development of the EUSALP and would spread the load of leading it evenly. The presidency could also be involved with establishing and organising a strategic forum;

30. recommends that the EUSALP Member States and regions create a coordinator position analogous to the European TEN-T coordinators. This coordinator would not hold any political office during his/her tenure or have any executive power, and would support the European Commission and the presidency and make it possible to embed the strategy more firmly within the European institutions;

31. recommends that the position of EUSALP coordinator should be filled by a public figure from the regions in question, with experience in the field of interregional and cross-border cooperation in the Alpine region. This is particularly vital in view of the bottom-up approach taken by the strategy;

32. takes the view that a balanced overall configuration of the political leadership structures should ensure that the interests of states and regions are given equal weight alongside the European Commission;

33. recommends that the European Commission play a key role in the strategic leadership of the EUSALP, in particular by ensuring that it is consistent with the EU's policies and positions and that the macro-regional concept is taken into consideration in EU measures, particularly in European financing programmes and instruments;

⁽⁵⁾ COM(2014) 284 final.

⁽⁶⁾ COR-2014-01728-00-00-PAC-TRA.

34. feels that governance of the implementation of the strategic priorities should start with the individual focal points within the 'pillars', with a view to spreading responsibilities widely, and that specific organisational forms will need to be developed, especially for cross-cutting issues such as climate change;

35. is quite convinced that it will be impossible to implement European strategies and policies effectively without multilevel governance, and recommends that the European Groupings of Territorial Cooperation should also be envisaged as instruments for implementing strategies within their own areas of competence;

36. refers to European Parliament Resolution 2013/2549 (RSP) of 23 May 2013 on a macro-regional strategy for the Alps, and also points out that existing cross-border cooperation structures and networks should be involved in implementing the EUSALP;

37. realises that tangible results for ordinary Europeans can only be achieved by means of specific projects implementing the EUSALP action plan, and advocates removing legal and administrative obstacles to its implementation;

38. stresses that macro-regional strategies form an appropriate framework for involving civil society partners in the political decision-making process, in order to achieve synergies with existing initiatives and to optimise the use of resources; in this connection, and to make the involvement described above more tangible and the access and use of financial resources more effective, it seems expedient to establish cooperation agreements and protocols with these civil society bodies, such as industry associations, chambers of commerce, universities and other economic and social bodies in the participating areas;

39. advocates involving the Council of Europe, in particular the Congress of Local and Regional Authorities, in the Alpine macro-regional strategy, particularly given that two of the states included in this macro-regional strategy — Liechtenstein and Switzerland — are not EU Member States, but are members of the Council of Europe;

Financing

40. welcomes the fact that the Common Provisions Regulation and European territorial cooperation mean that macro-regional priorities can be supported by all the Structural Funds, and urges the European Commission to determine how these funds can be used in line with the partnership agreements and regional operational programmes in the Alpine region;

41. recognises that the 'three noes rule' (no new regulation, no new EU institutions and no additional funds) helped ensure that European territorial cooperation funds were used more effectively in the regions where a macro-regional strategy is already in place. It would, however, underline the importance of longer-term funding. Long term funding is particularly necessary for organisations in charge of coordinating a strategy's implementation. The Member States concerned and their local and regional authorities must shoulder more responsibility, in the context of multilevel governance, and provide adequate resources for implementing the Alpine macro-regional strategy;

42. stresses, as it said in its opinions on existing macro-regional strategies (⁷), that there should also be 'three yeses' (more coordination in the use of existing funding, more institutional coordination and more new ideas and projects), and advocates getting local and regional authorities effectively involved in this coordination;

43. welcomes the fact that one of the priorities for the Alpine Space 2014-2020 cooperation programme will be used to support innovative governance models;

44. expects the EUSALP to achieve closer coordination of funding available at European, national, regional and local level. It therefore calls in particular on the European Commission and its services administering both operational programmes related to European Structural and Investment Funds and programmes under direct management to act within their remits in order to enable implementation of EUSALP objectives and actions within these instruments and policies.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

(⁷) See, for example, opinion CDR1272-2012_00_00_TRA_AC on the revised EU strategy for the Baltic Sea region.

Opinion of the Committee of the Regions — Multimodal travel information, planning and ticketing services

(2015/C 019/08)

Rapporteur	Petr Osvald (CZ/PES), Member of Plzeň City Council
Reference document	Commission Staff Working Document 'Towards a roadmap for delivering EU-wide multimodal travel information, planning and ticketing services' SWD(2014) 194 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. notes that an updated and functional Europe-wide information system catering to drivers and travellers and covering all transport modes is a key instrument for exercising one of the EU's fundamental freedoms, namely the free circulation of people. To make this a reality, it is not enough merely to do away with any obstacles: it must be made as easy as possible for the public. It should be mandatory, therefore, to publish timetables and other travel information and make it accessible — fully and without distinction — to all the EU's citizens in such a way that they can all use it as easily and effectively as possible. The EU and all its Member States should also make sure that no public transport operator is favoured in this system at the cost of others. They should also guarantee all travel and transport operators equal access to such systems. European legislation — later transposed into national legislation — should therefore also be drafted with the broader picture in mind. This approach should be taken not only to 'static' transport information — i.e., fixed timetables —, but also to 'dynamic' information, such as the real-time location of public transport vehicles en route. This requirement to gather data on real-time location of vehicles will also encourage the use of the Galileo space segment;
2. welcomes the European Commission's attention to multimodal information for transport and ticketing services for travellers and finds the publication of the present working document a step in the right direction that will stimulate further debate, the search for solutions and the implementation process;
3. is aware of the complexity of the whole question and, while welcoming the inclusion of individual as well as public transport in the Commission's approach, believes that a new extension of its field of application, while it undoubtedly has the merit of being comprehensive, nevertheless very much complicates the problem in its entirety at this stage, which means a solution will be delayed and more difficult to achieve; therefore recommends proceeding in stages, starting with public passenger transport and only subsequently adding individual transport to the operational systems of public transport. The pace of integration of the various transport modes is likely to vary in different EU regions depending on which part of the market runs a particular mode;
4. points out that, in the longer term, individual transport also requires careful attention and the development of legal and technical solutions; therefore calls for a schedule to be drawn up to make sure work is sufficiently effective;
5. points out that the working document shows quite clearly that the most complicated stage in terms of travel information and service provision is that of the first/last mile, which is generally that part of the journey in the hands of local and regional authorities. It is absolutely essential, therefore, to get local and regional authorities involved in both implementing all the methods and monitoring how they work to make sure the whole system functions well;

6. notes that there are a number of stages involved in using public transport (including ticketing services) that need to be addressed: 1) finding the right connections, 2) booking a seat, 3) paying for the ticket, 4) using the ticket while travelling; a method has to be found, then, for each of these steps — also bearing in mind the crucial importance of getting the first of these right (finding connections), since the rest depend on this;

7. points out that most Member States do not currently even have a national system bringing together all static transport timetables in operation and enabling public transport connections to be looked for and booked within a single country; thinks it essential, therefore, for each Member State to create such systems, since it is at the national level that legislation can be enacted to oblige transport operators — public and private — to give the State such information about their timetables. Each Member State should set up a national timetable information system, which should include all regional timetables of public and private carriers. Regular updating and maintenance of this system should also be assured, especially when timetables are altered. This is the first step needed to create a similar system for Europe as a whole. Each Member State should also guarantee the accuracy of the information in its national system; it should also be possible to use this system without restriction to book and pay online. This means that information must be provided not just about timetables but also about the fares of all carriers;

8. thinks that the way to get the minimum amount of information needed to guarantee the quality expected of the system is through consultation of interested parties and experts in the field and from the results of tests and a pilot programme;

9. believes that, since the regional, rather than the national, level gathers and processes timetable data most frequently and since there is even a raft of regional information systems, these systems should first be connected to one another and subsequently across borders. The Committee of the Regions welcomes that information on multimodal transport is part of the thematic objective 7 on 'Promoting sustainable transport and removing bottlenecks in key network infrastructures', but points out that a better coordination and concentration of the instrument within, and between, individual operational programmes of the European Structural and Investment Funds has to be ensured, in order to achieve such interconnection, especially cross-border;

10. considers it essential, if information and ticketing services for all modes of transport are really to be taken forward, that ESIF resources, mainly in individual corresponding operational programmes, be allocated to the actual implementation of systems and not merely to research and development or other related measures;

11. stresses the need, on this front, to start addressing the issue as a whole by tackling some of its simpler yet tangible challenges. These include harmonising current terminology and symbols within the EU, compiling static timetables in each Member State and ensuring their use across borders. When it comes to ticketing, a reference model should be created for the entire sector that shows both the system's failings and its potential, while seeking ways to open up booking systems on a reciprocal basis among all transport operators and providers;

12. points out that modern electronic ticketing systems using rechargeable smart cards that do not work in neighbouring countries erect new borders and encumber cross-border movement; calls, therefore, for a new European smart ticketing system to be designed for public transport that would work in all the Member States and for journeys across borders;

13. thinks it unrealistic in the short term to frame Europe-wide mandatory standards on this question, but sees a need to ensure interoperability — i.e. that different systems can communicate with one another. To this end, it would be expedient to establish a joint specification for the various interregional and cross-border connections, to be tested in a pilot operational phase. It would make sense to use this as the basis for a 'joint technical specification' that would enable existing or newly created systems in a particular area to communicate with one another. To this end, it would also be good to ensure that compliance with this 'joint technical specification' is not seen as a discriminatory criterion in procurement procedures;

14. also thinks it would make sense, when connections between the different information systems are being put in place, to rely not only on the static information provided by predefined timetables, but also on the huge potential of information obtainable from GNSS systems, including Europe's Galileo navigation system. This would make it possible to use systems that process only static data as a basis for creating intelligent systems that react to real-time transport movements and the capacities of operators. These systems will then be able not only to give travellers traffic information in real time and give them alternatives, but also provide broader just-in-time information to public and individual transport providers, enabling them to respond swiftly. It is this transformation of existing local and regional systems to benefit from dynamic transport information — and at the same time their transformation into significantly better systems — that should deliver the main stimulus for establishing interconnected information systems. There are benefits to be had in enlisting the existing Galileo European navigation system for gathering dynamic transport information, since, unlike similar systems, it also offers a service with a defined quality of location signal. This information, which is essential to modern transport management, can be used not just by transport providers, but also by information systems for multimodal transport and by national, local and regional authorities. These can use the data obtained by various applications for long-term planning (of timetables and itineraries, for example), strategic decision-making and crisis management;

15. proposes, with a view to solving various — especially crisis — situations and enabling public transport providers (in great part local and regional authorities) to respond rapidly, that multimodal transport information systems should also be interconnected with the EU Copernicus programme for monitoring and environmental security (formerly GMES). The various applications employed by these two sources would make it possible not just to identify potential crises, but also, for example, to propose the necessary measures not only to find alternative routes, but also the replacement means of transport that needs to be deployed and then to propose other itineraries to every traveller;

16. also points that, if travellers are to be able to use the multimodal transport information system fully and actively, they must have guaranteed access to broadband networks in public transport vehicles, waiting rooms and bus stops etc., ticket offices and boarding stages. This necessitates an uninterrupted, high-quality connection so that the system can operate smartly and travellers can enjoy the benefits offered by processed dynamic information on current network conditions;

17. notes that European passenger rights only apply separately for each contract of carriage; as it is impossible to buy through tickets on many cross-border journeys, or in case of multi-modal journeys, passengers cannot rely on the usual passenger rights; calls therefore for legislation establishing a European passenger rights scheme for multi-modal transport;

18. notes that systems providing information on multimodal transport must be as user-friendly as possible; to this end, they must be accompanied by up-to-date maps and geographical support. It would also be expedient, and appreciated by users, if these systems could be linked to applications relating to local and regional tourist information — accommodation options, for example, or tourist destinations, and cultural and other events;

19. stresses that the interconnecting of complex multimodal transport information systems with GNSS systems, especially Galileo, with maps and geographic support, with the Copernicus programme and other sources of information and data paves the way for creating a vast range of applications. These applications can be used to plan transport routes effectively, to react swiftly to requirements as they arise, to resolve various exceptional or crisis situations, to markedly improve the efficacy of transport (which means energy savings, a significant reduction in CO₂ emissions and environmental improvement in general), to boost people's mobility by giving them more opportunity to answer job adverts, and so on. Above all, however, an entirely new branch of industry will emerge in data processing, the creation and administration of applications and the exploitation of their outcomes, which will in turn create a large number of jobs. In many cases, these new jobs will have the advantage that they can be performed away from the workplace, thus providing work opportunities in outlying and less developed regions;

20. Notes that more and more mobile applications on multimodal travel planning and information services are available and that these are often developed by creative private developers; calls on the relevant operators and authorities to cooperate and make their data available on an open source basis;

21. points out, finally, that, because local and regional authorities are key pillars in the creation of this comprehensive system, the following questions need to be resolved if these authorities, and the bodies operating under them, are to play a far more active role and become a motor driving the whole process forward:

- a) public funding — if necessary by means of a block exemption for this sphere;
- b) the right to give the private sector information it can use, the right to ask other public and private entities to provide information and the right to gather, process and use this information;
- c) funding options for the entire process and for each activity that ensure the work carried out in the creation and, above all, the management as such does not place further strain on the already stretched budgets of local and regional authorities, but on the contrary generates savings and revenue for these budgets. This work will have significant repercussions not only on the budgets of Member States, but above all on the private sector, including in areas other than transport.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

Opinion of the Committee of the Regions — Reconnecting Europe with its citizens — more and better communication at local level

(2015/C 019/09)

Rapporteur Christophe Rouillon (FR/PES) Mayor of Coulaines

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General principles

1. notes that antagonism towards institutions and politics in general, the increase in votes for anti-EU parties in the European elections of 22–25 May 2014 and a historically high abstention rate are another warning calling for prompt action;
2. stresses that restoring public approval of the European Union and stimulating people's engagement with Europe is a political and democratic challenge as well as a communication challenge that must be addressed by a joint effort of all EU levels of government, including the local level;
3. points out that it is the responsibility of the European institutions to put forward a new, partnership-based approach to communication about the European project so as to strengthen people's attachment to the EU. This decentralised, creative process should entail the institutions agreeing on a unifying communication concept that explains the advantages of the European Union, its identity, rationale, values and the actual results of its policies in people's lives. The communication concept must respond to ordinary people's concerns;
4. observes that regions and cities have a proven tradition and expertise in consultation and dialogue with the general public, based on participatory mechanisms that are major assets for the EU's official communication effort;

Principle of multilevel governance and communication in the European Union

5. notes again that in order to bring the European Union closer to its citizens, the basis must be provided for improving the decision-making process and for a more democratic and more transparent dialogue between citizens and the institutions at local, regional, national and European level;
6. welcomes initiatives to improve the context of civic and democratic participation at EU level, such as the European Citizens' Initiative, and regrets that the budget of the Europe for Citizens programme has been cut under the new multiannual financial framework;
7. as stated in the resolution adopted on the occasion of its 20th anniversary and in its Charter for Multilevel Governance in Europe, insists that any action the EU takes should reflect public concerns more closely and offer real added value, while respecting the subsidiarity and proportionality principles;
8. firmly believes that local and regional authorities should be given more responsibility in their capacity as key partners in providing communication aimed at building bridges with Europe's citizens. CoR members should be important promoters of European integration in their own constituencies, alongside regional and local political representatives, as well as conveying to the European institutions the opinions of the general public in their locality. Reciprocally, it is up to the regional and local authorities, notably to those who are elected, to inform all citizens through an exhaustive awareness-raising activity on the EU interventions on their own territories, as foreseen anyway by the rules governing the communication about structural funds. In order to fully assume these mutual responsibilities, they should ideally be involved in local and European events;
9. believes it is important to avoid fragmentation and proliferation of communication channels, priorities, resources and styles, with a view to achieving better coordination of strategies and communication activities between the institutions and bodies of the European Union;

10. also notes the need to bring about a convergence between the branding approaches of each of the European institutions so as to give citizens an overview of the European project as well as the need to 'translate' EU-specific language and terminology for citizens, and to use clear information material to help improve people's understanding of the EU's institutional structures;

11. feels that the EU institutions must continue their efforts to professionalise and optimise their communication and participation policies. Communication must concord with ordinary people's interests and not be limited to official campaigns and last-minute efforts just before the European elections. For instance the work carried out by the European Parliament with the support of Political Parties during the European elections campaign should serve as a model in the day-to-day communication of the EU;

2015-2019 Communication Plan: reconnecting Europe with its citizens

12. calls on the European institutions to make a joint commitment to the *2015-2019 Communication Plan: reconnecting Europe with its citizens*, with a view to the next European elections, by setting quantifiable and measurable objectives for mobilising people and raising public awareness about the European project, based on coordinated and decentralised communication initiatives and strategic priority areas;

13. emphasises that this plan should step away from the usual top-down approach of explaining and 'selling' Europe. The emergence of dialogue with and between citizens will allow two-way communication and feedback from grassroots level;

14. would wish that by May 2019 a majority of respondents in the Standard Eurobarometer public opinion survey should consider that their voice counts in the European Union, that they understand the main decision-making processes and major policies of the EU and that they are well-informed about European issues, and should report that they have a positive image of the EU ⁽¹⁾;

Content and narrative of the 2015-2019 Communication Plan: reconnecting Europe with its citizens

15. believes that the content of EU communication should be adapted to local cultural, social and economic circumstances and take account of national issues, and believes it would be more relevant and functional to 'europeanise' the existing public domain at local, regional and national level rather than to try and create a uniform European public sphere;

16. recommends that communication is targeted and tailored according to the needs and interests of citizens, especially young people, the growing elderly population and inhabitants of rural and periurban areas;

17. specifically emphasises that one target group that is equally important in all regions is that of young people. Young people who have been able to participate actively in EU mobility programmes, school exchanges, semesters abroad, international youth exchanges and school partnerships are the European Union's ambassadors of tomorrow; therefore calls for the opportunity to take part in European programmes and partnerships to be opened to as many young people as possible, for example via the Erasmus+ programme, which should be more heavily publicised in the regions;

18. considers it indispensable for the success of the 2015-2019 Communication Plan to create publicity tools that will help to involve and motivate the public and develop the emotional aspect of *being and feeling European*. To this end, many local and regional authorities have web/social platforms that can be very useful for reaching out to the public and succeeding in involving them in the European project;

19. reiterates the need to highlight hard data about the scope and impact of EU policies on people's everyday lives;

20. notes the importance of multilingualism and therefore calls for information to be made available in all the official EU languages;

21. encourages the EU institutions to provide information to counter rumours and false information aimed at discrediting Europe by distorting the facts; calls on political representatives at all levels to directly counter unfounded 'Brussels-bashing' especially when practiced by national governments and political parties for domestic policy reasons; wishes to build on the efforts of those men and women who are shaping Europe day by day and to try and debate European affairs on the basis of objective and accurate information;

⁽¹⁾ Standard Eurobarometer 81, June 2014.

22. supports the effort to encourage an European narrative that would allow a public debate in Europe about the historical, cultural, philosophical and sociological foundations of European integration, including the costs of 'Non-Europe', without this being imposed from the top down or becoming an exercise in legitimising EU policies *a posteriori*;

23. stresses the importance in this context of making use, at the local, regional, national and European levels, of innovative, Europeanised and as yet under-utilised sectors such as sport to strengthen the 'European narrative' on the basis of a shared narrative and an educational approach;

24. recommends that this European narrative be strengthened by using communication tools such as video clips; applications for portable devices or comic strips to relate a family history against the background of major European events, and that personalities representing EU values feature on euro banknotes; recommends also providing platforms and framework conditions to facilitate networking and exchange between cultural professionals and intellectuals who contribute to this new narrative;

Organisation of the 2015-2019 Communication Plan: reconnecting Europe with its citizens. The role of communicators

25. calls for the Interinstitutional Group on Information (IGI) to meet every quarter, co-chaired by the European Parliament, the Council of Ministers and the Commission, with a clear brief to formulate, implement and evaluate joint strategic priorities and to better meet the communication needs of each institution; also recommends mobilising the Council's Working Party on Information to set up systems in each Member State for coordination between the people responsible for communication about the EU at national and subnational level;

26. thinks that the European Parliament demonstrated the appropriateness of a centrally coordinated information campaign — in which the Committee of the Regions was very much involved — during the 2014 European elections, but notes that pan-European communication activities mean developing decentralised cooperation with the regions and municipalities, civil society and the media; notes, in this respect, the restructuring of the European Commission's communication policy which is expected to help this cooperation to be achieved;

27. proposes that the EU institutions organise 500 'citizens' dialogues' over a five-year period, covering the whole of Europe and without organising events only in large cities; emphasises that such citizens' meetings should systematically involve the European Parliament information offices, Commission representations, the Committee of the Regions and local authorities with the necessary resources, experience and knowledge of local particularities. Citizens' dialogues should take place in venues with symbolic significance and should be devoted to an EU sectoral policy and to issues of critical importance for a population or region. Regional and local policy-makers, especially CoR members and MEPs, would be asked to lead such events and ensure explicit follow-up; it would be useful for this initiative to be coordinated with the Europe Direct network of information centres set up by the European Commission, which covers all the Member States and has experience of promoting the European project at regional and local level;

28. would like to see a visit of one European Commissioner organised annually to each of Europe's 277 regions to listen to their fellow citizens and to raise the profile of EU action;

29. it would be useful for Members of the European Parliament and Committee of the Regions members to take part each year in the *Back to school* initiative, as European Commission officials do every year;

30. commends the 'pilot' communication campaigns launched by the European Commission during the second half of 2014 in six Member States, which could form another pillar of the 2015-2019 Communication Plan as grassroots campaigns demonstrating the actual impact of European policies and legislation; suggests that this initiative be extended to other Member States, that regions and municipalities also be included, and that it also be given an interactive dimension;

31. calls for official EU communication bodies based in the Member States (European Commission representations, information offices of the European Parliament, Europe Direct information centres, managing authorities responsible for the overall implementation of European funds) to cooperate more actively with local and regional authorities and their national associations and to include relevant information on the Committee of the Regions' work on EU legislation in the decision making process so as to draw attention to the importance and impact of European policies at local level and to promote initiatives taking note of citizens' doubts and concerns and enable them to express their concerns;

32. calls on the communication services located in the Member States to draw up a list of public and private citizen participation initiatives for conveying messages, and thus achieve message interactivity and greater impact at local level. To this end, it is recommended that networks be created and incorporated into the Communication Plan as essential dissemination tools;

33. observes that local and regional authorities often have media of their own with a wide audience that can be used to communicate and initiate debate on European news as it is relevant to the local context. The EU could send these 100 000 or so local authorities ready-to-use, jargon-free communication materials (articles for information brochures, diagrams, video clips, etc.). National associations of local authorities and the CoR national delegations are the proper gateway for connecting with this target group of subnational authorities;

34. reiterates that local authorities are responsible for implementing a very substantial proportion of EU legislation. It is therefore essential to grant them every opportunity to take part in the European legislative process on the best possible terms. However, the recent joint proposal by the Commission and the European Parliament, which would oblige local authorities and associations of local authorities to register as lobbyists, severely limits their chances of participation. The Committee of the Regions therefore calls for this element of the proposal to be reviewed and for local authorities and associations of local authorities to be exempted from the registration requirement, as are the regions;

35. asks the European Commission to strengthen the communication commitments associated with granting EU aid to European local authorities (size of hoardings, location, EU logos on communication media, etc.). The words 'co-funded by the EU' should replace abbreviations such as ERDF, EAFRD and ESF, which mean nothing to the average person. The example should be followed of certain regions that have taken steps to merge the communication budgets of the various European structural and investment fund programmes and thus improve the effectiveness of campaigns. Synergies should also be sought (using the europa.eu portal) between the various online projects⁽²⁾ of the European Commission, the Member States, the European Parliament and the CoR, which are all based on interactive maps showing local EU-funded projects;

36. recommends making more and better use of online communication tools and social media, as key instruments of the 2015-2019 Communication Plan; welcomes the initiatives to develop novel approaches to online participation and collecting citizens' input in several Member States, and points to the huge multiplier potential of local and regional players given the number of people they can reach through social media;

Means and resources of the 2015-2019 Communication Plan

37. opposes decreasing the current resources available to the EU institutions for communication during the period 2014-2020;

38. suggests that 20 % of the EU's communication budget should be decentralised to national and local level, e.g. to the Europe Direct and Europe House information centres, with a view to reinforcing these bodies and establishing practical cooperation arrangements with local or regional partners and reaching a wider audience;

39. recommends enhancing publicity campaigns to raise the profile of EU action and improve understanding of EU decision-making mechanisms. Partnership agreements could be concluded with 500 local print media, television and radio stations to organise debates and give a voice to those who are living and building Europe every day; stresses that these partnership agreements must accord full editorial independence to the editors and broadcasters. The European institutions support the Committee of the Regions' efforts to inform and raise the awareness of local and regional journalists by organising regular activities with them;

40. recommends drawing up new models for co-financing EU communication strategies, which would replace the management partnership programme that was discontinued in 2013, emphasising that the system devised should also allow for direct partnerships with local and regional authorities in the Member States. The strategic partnerships recently piloted between Commission representations and regional authorities could serve as a model and be scaled up, provided that they include reciprocal financial commitments;

41. recommends that 500 strategic partnerships backed by funding be concluded between the Commission representations and local and regional authorities under the 2015-2019 *Communication Plan: reconnecting Europe with its citizens*.

⁽²⁾ Websites, portals, databases and other online tools.

42. stresses the usefulness of well-organised networks, such as the CoR's annual EuroPCom conference that brings together over 700 communication professionals in Brussels each year, and of support measures to strengthen the communication capacity of local, regional and national authorities. The Committee aims to bring at least 5 000 municipalities, cities and regions into the Friends of Europe network by 2019 in order to mobilise, train and help communication professionals in the Member States;

43. encourages the representations of the Commission and the Parliament in the Member States to hold meetings at regional level, in Brussels and in Strasbourg with public communication professionals and staff of local and regional authorities;

44. recommends that the impact of the 2015-2019 Communication Plan be evaluated, and that more regional Eurobarometer surveys be carried out that capture local and regional data. A common methodology should also be introduced in order to measure the local impact of communication about the EU, drawing on the expertise of local authorities and their understanding of public opinion.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

Opinion of the Committee of the Regions — Neighbourhood at the Crossroads: Implementation of the European Neighbourhood Policy in 2013

(2015/C 019/10)

Rapporteur	Olgierd Geblewicz (PL/EPP) Marshal of the West Pomerania region
Reference document	Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Neighbourhood at the Crossroads: Implementation of the European Neighbourhood Policy in 2013 JOIN(2014) 12 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

Main points

1. would like to emphasise the importance of the European Neighbourhood Policy (ENP) as an EU external policy instrument targeted at countries situated to the south and east of the EU, with a view to achieving closer relations between these countries and the EU;
2. stresses the comprehensive and multilevel nature of ENP relations and the policy's multilevel governance. In view of this, support is needed for the ENP's regional and local dimension complementing cooperation at the level of national governments;
3. calls therefore on the newly appointed high representative to involve the local and regional level both in the EU and in the ENP countries in the further development of the policy and to work closely with the CoR in order to improve the design, implementation and acceptance of the ENP on the ground;
4. stresses also the need for more flexible action together with a customised, 'tailor-made' approach to supporting democratic changes and economic reforms in the individual beneficiary countries;
5. emphasises the importance of two initiatives, i.e. the Eastern Partnership and the Union for the Mediterranean (UfM). These are regional dimensions of the ENP, and are not just thematic aspects of EU policy, but also reflect EU Member State foreign policy priorities at central, regional and local level;
6. calls for subnational governance levels to participate more actively and be more closely involved in the process of ENP implementation. The Committee of the Regions' establishment of two platforms for dialogue and cooperation operating in parallel, i.e. the Euro-Mediterranean Local and Regional Assembly (ARLEM) and the Conference of Regional and Local Authorities for the Eastern Partnership (CORLEAP), provides opportunities to develop this dimension of the ENP further through concrete cooperation and direct dialogue at local and regional level;
7. appreciates the European Union's efforts to support constitutional and economic reform processes through appropriate financial and technical support for ENP beneficiary countries; however, these efforts require further simplification and organisation. Increased EU support for neighbouring countries should be conditional on the progress of constitutional changes, democratisation, respect for the rule of law and gender equality. This progress is even more urgently needed following recent tragic events; it must be made ensuring full respect for human rights, and with the countries concerned granting full citizenship to citizens of all religious and ethnic minorities;
8. points out that that the regional and local level has a fundamental role to play in properly forecasting, planning, implementing and monitoring support programmes and instruments; also argues that local and regional authorities (LRAs) should have easier access to funding, and that the associated mechanisms and procedures are in need of simplification;

9. emphasises the need to promote strong and democratic governance at subnational level; draws attention to the issue of local democracy in partner countries, and to problems relating to the work of local and regional government; is therefore in favour of decentralisation, particularly in the field of taxation; also recommends supporting bottom-up initiatives and acknowledging the role of local and regional authorities in carrying out the requisite domestic reforms;

Introductory remarks

10. stresses that 2013 saw huge changes in the region covered by the European Neighbourhood Policy. The goal of the ENP is to develop special relations between the EU and individual neighbour countries, in order to enhance security, prosperity and neighbourly relations. Some of these objectives were met last year but a number of important set-backs have also been suffered. The ENP as a whole needs to be critically examined in order to assess if it is adequate in its current form;

11. on the positive side, the pace of difficult democratic reforms in some countries of the southern neighbourhood such as Tunisia, Morocco, and to a certain extent Egypt, was stepped up. Furthermore, November 2013 saw the approval of two association agreements (including documents on deep and comprehensive free trade areas) with two eastern neighbourhood countries, i.e. Georgia and Moldova, and then, in 2014, by Ukraine. The signing of the agreements by the first two countries was the culmination of a lengthy negotiation process, establishing a basis for work on an agenda implementing the commitments set out in those agreements;

12. notes, however, that 2013 was also a period of considerable political turbulence and socioeconomic crises in many ENP countries. Security threats at national and regional level (in both southern and eastern ENP countries) have multiplied. Dramatic events in Ukraine, civil war in Syria and escalation of the conflict between Israel and Palestine mean that the challenge of a consistent European policy to promote stability with a strong local and regional dimension is becoming even greater;

13. calls for appropriate steps to assist local authorities in dealing with the humanitarian crises, in particular the waves of refugees caused by instability in many ENP countries, especially currently in Syria and Ukraine. Migration flows notably in the Mediterranean area, require a long-term and comprehensive approach, with the active involvement of all Member States including local and regional authorities and not only those geographically concerned. The countries, regions and local authorities situated on the EU's external borders should receive appropriate support in controlling these borders and in handling the emergencies, including health emergencies, arising from immigration;

14. notes that there are big differences between the different ENP countries concerning the agendas and the political will to carry out the necessary political, social and economic reforms. Initiatives under the ENP should therefore be adapted according to the real willingness of individual governments to make the necessary changes and deepen relations with the EU, as well as on their determination to promote the reforms and secure public support for them. Local and regional authorities play a central role in this respect but are often dependent on national governments — nevertheless they should be considered as key interlocutors;

15. agrees that building democracy in partner countries is crucial for the EU. Democratisation and decentralisation are essential for socioeconomic development, and are of fundamental importance for transformation processes in the Eastern Partnership region and the Mediterranean basin. The ENP is an excellent initiative to support those processes, and CORLEAP and ARLEM are appropriate platforms promoting partnership and openness in the process of building democracy and civil society;

16. fully supports the idea set out in the Joint Communication that the ENP should continue to act as an attractive cooperation initiative responding to partners' needs. The EU should indeed act as a strategic partner for ENP countries, helping them to steer economic development and work towards better governance, while respecting their sovereignty;

17. recalls that future EU membership is one of the key incentives which the EU has to induce partner countries to embark on reforms. It is therefore of crucial importance that this instrument is used in an appropriate, transparent and realistic manner, depending on the specific situation in the country in question;

18. points out that LRAs play a key role in promoting and shaping democratic processes. They are strategic partners in good governance and achieving beneficial development, and they also have a key role to play in the EU's external policy;

19. at the same time, emphasises the need to also evaluate ENP implementation in future based on the extent to which LRAs and their representatives are involved at supranational level — something which is lacking in the Communication under review;

Comprehensive, effective and multilevel mutual relations

20. emphasises the need to enrich the bilateral ENP with regional and multilateral cooperation initiatives, based on the introduction of a mechanism to support cooperation between the EU and neighbouring countries, and also between individual countries. This could take place by upgrading and increasing cooperation arrangements in the context of existing EU initiatives, between regions and networks of European regions both inside and outside the EU;

21. notes that the European Neighbourhood Policy is an interactive initiative, effective implementation of which requires involvement of and collaboration between all stakeholders at different levels of governance. Only then will ENP countries which are willing to carry out domestic reforms be able to work together effectively with the EU, opening the door to EU political support, comprehensive trade agreements, visa facilitation measures as well as technical and financial assistance;

22. notes that differences between approaches in neighbouring countries to carrying out reforms and building close relationships with the EU as well as the diverse nature of challenges recently faced by individual ENP countries have meant that the EU has had to adopt a customised, 'tailor-made' approach to the ENP not only in relation to its geographical dimension (southern and eastern) but also, above all, expectations, possibilities and tasks for specific partner countries;

23. agrees that the EU should invest in sectoral, thematically structured financial instruments. Such an approach is conducive to broader exchanges of best practices and definition of development strategies in selected key policy areas, such as reforming public administration, fiscal decentralisation and territorial cooperation;

24. would like to emphasise the importance of supporting efforts to build stronger democracy and achieve political reforms in partner countries. There can be no doubt that a neighbourhood policy implemented in and by regions can be an effective means of promoting EU fundamental values: human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of people who belong to minorities;

25. calls for particular attention to be paid to the importance and benefits of involving local and regional authorities in concrete projects of cooperation by the EU and ENP countries. Indeed, success in achieving the policy's objectives closely depends on the level of regional development and the capacity of individual countries to govern effectively at central, regional and local levels;

26. calls on the European Commission and Member States to take into account the recommendations and experience of the CoR members in support of the processes of political and economic change in partner countries and more effective collaboration at all levels of government;

27. emphasises that the multilevel nature of individual countries' foreign policies is also relevant. A basic challenge here is to generate synergies between national and subnational foreign policy dimensions in individual countries. In this connection, CORLEAP and ARLEM are ideal forums enabling the identification of needs and exchange of experience;

Effective action and coordinating cooperation at different governance levels

28. would like to point out that, thanks to their international contacts and active involvement in economic life, local and regional authorities are helping to stimulate economic and social development, which is one of the fundamental goals of European integration. Bearing this in mind, local and regional authorities should participate in ENP planning, implementation, monitoring and evaluation processes, especially in fields where they have direct competences and experience;

29. is aware that building institutional and administrative capacity is of key importance for the majority of ENP countries. A key aspect of this dimension of the policy concerns local and regional authorities. The CoR and LRAs should therefore play an active role in framing and implementing Comprehensive Institution-Building programmes (CIB) initiated by the European Commission and Member States to support institutional and administrative capacity building in Eastern Partnership countries;

30. encourages local and regional authorities to participate together with central governments in drawing up and applying association agreements, strategy documents and action plans agreed between the EU and partner countries;

31. emphasises the importance of well-coordinated bottom-up initiatives and of support for cooperation between local and regional authorities from EU and ENP countries, thus helping to support the process of developing the structures of local democracy and civil society;

32. feels that it makes sense to support initiatives in areas of practical concern to ENP cities and regions which can be implemented by subnational authorities, e.g. cooperation between partner cities, as well as cross-border, cultural, economic, etc. cooperation;

33. believes that democratic administrative reforms at the level of central government should be complemented by measures at local and regional level. This is of great relevance to institutional capacity building and applying agreements with the EU, for example agreements on association or the development of Deep and Comprehensive Free Trade Areas;

34. emphasises that regional development in partner countries should be a key goal for EU funding, with clearly defined criteria for its use based on defined and agreed regional development strategies, specific objectives and results. LRAs and civil society should be appropriately represented in bodies monitoring the use of such funding;

35. calls for the introduction in both ENP dimensions of mechanisms encouraging direct dialogue, the exchange of information and the transfer of expertise, benefiting local and regional levels in ENP countries (e.g. based on the existing Local Administration Facility);

36. wants to see more effective use of support instruments such as Twinning and TAIEX between EU local and regional authorities and their counterparts in ENP countries, with a view to helping ENP countries to develop modern, efficient administrative structures, for example through close cooperation between administrations that includes as a key feature the secondment of officials from a Member State public administration to that of an ENP country. EU regions could also step up their role in supporting potential participants in EU programmes for the 2014-2020 period focusing on third countries such as IPA II (Instrument for pre-accession assistance), the international relations strand of Horizon 2020 and EU programmes involving the participation of EU and non-EU countries, such as the 2007-2013 ENPI CBCMED programme, which will also continue to finance cross-border cooperation during the 2014-2020 ENPI CBCMED programme;

Strengthening the role of the Committee of the Regions

37. is convinced that closer CoR involvement in the work of the thematic platforms will enable local and regional authorities to achieve more effective action and higher-quality results. Indeed, the CoR has a key role to play in this respect, thanks to its complementary nature and its support for decisions taken by CORLEAP and ARLEM;

38. stresses the CoR's commitment to advising the European Commission and its services in designing the criteria for EU funding and application procedures, to ensure that such funding is accessible and useful to local and regional authorities from European Neighbourhood Policy countries. However, these criteria must not overlook the need for ENP local authorities to take greater responsibility for both organisation and outcomes;

Appropriate communication, information flow and exchange of experience

39. feels that EU efforts to create lasting political and administrative structures should also include training programmes (on-site or distance learning) for representatives of local and regional administration to upgrade their professional skills and enable effective use of funding;

40. recalls the projects already under way in the CoR to monitor and evaluate the devolution of powers in the neighbourhood countries. These tools, including an online platform could be used in the future not just as an information source but also as a basis for developing new priorities or amending existing ones;

41. believes that information on available funding programmes and application procedures for EU funding should be provided to all those concerned in ENP countries. For their part, LRAs should communicate their needs for training and other measures in support of 'good governance' at local and regional level to the appropriate national and supranational partners. Effective communication and dialogue between partners should be what holds the European Neighbourhood Policy together;

42. recommends drawing up an e-guide to ENP countries and to available funding instruments which are targeted at and available to local and regional authorities in ENP countries, based on the existing Inforegio regional policy website. This guide could be used to provide local and regional authorities in both the EU and partner countries with clear and up-to-date information;

43. finally, calls on the European External Action Service (EEAS) to appoint 'contact persons' in each EU representation office in ENP countries. On the one hand, such contact persons could provide information to host country territorial organisations and LRAs on planned and existing initiatives at subnational level, and on the other they could pass on messages from the CoR to partners in ENP countries.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

Opinion of the Committee of the Regions — EU Quality Framework for anticipation of change and restructuring

(2015/C 019/11)

Rapporteur	Pavel Branda (CZ/ECR), Deputy Mayor of Rádlo
Reference document	Communication on the EU Quality Framework for anticipation of change and restructuring COM(2013) 882 final

I. GENERAL COMMENTS

THE COMMITTEE OF THE REGIONS

Relevance to the local and regional level

1. points out that restructuring and structural change are generally seen as an integral part of natural economic development;
2. points out that the effects of restructuring are clearly felt at regional level. They can influence a region's structural development and its competitiveness in the medium or even long term. In view of this, regional approaches are needed (decentralised policies taking local needs into account and implemented with the involvement of key partners) ⁽¹⁾;
3. points out that restructuring hits the less developed regions particularly hard, as they usually have a less competitive and innovative industrial fabric and high levels of unemployment, making it necessary to give special attention to this type of region;

An approach involving all key partners

4. is therefore pleased that the Quality Framework acknowledges the shared responsibility of all stakeholders, including regional authorities. The Committee argues that this is also an issue of concern for local authorities, large cities in particular, which have the main concentrations of employers and play a key role in determining the economic situation of smaller urban centres in their catchment areas;
5. notes that shared management is an essential prerequisite for the success of the proposed approaches. The EU, too, should support the strengthening of partnerships between all the important players. The State and regional/local authorities also have a key coordinating role to play, given that employees and employers often have different perspectives on restructuring processes;

Link with the objectives of the Europe 2020 strategy

6. feels that in order to successfully implement the Europe 2020 strategy, it is essential in the current socioeconomic climate to focus all efforts on boosting employment (creating and maintaining jobs);

Targeted anticipation of change (internal market/requisite skills)

7. attaches great importance to anticipating change and the adaptability of all stakeholders. There are three issues here:

— completing the EU's internal market and promoting EU employment;

⁽¹⁾ See the draft summary of the study by the Eurofound foundation on the Effects of regional restructuring and approaches for dealing with its consequences, presented at a consultation session by the rapporteur with key partners on 30 June 2014 in Brussels.

- helping employees, job seekers and, more broadly, all economic stakeholders to acquire and fine-tune the skills they need throughout their active lives (ability to anticipate change, self-assessment, creativity, autonomy and entrepreneurship);
- improving working conditions as job insecurity and restructuring can hinder competitiveness;

Role of the EU

8. welcomes Commission-led initiatives such as the European Monitoring Centre on Change (EMCC) or the European Restructuring Monitor (ERM) ⁽²⁾ and proposes these be further strengthened with, for example, tailor-made consultancy for local and regional authorities in specific situations;

9. also appreciates the focus in Eurofound research activity on the regional consequences of restructuring, thus effectively addressing the lack of information in this field over the last few years;

10. welcomes the fact that the Commission lists in its communication the best practices that it suggests should be adopted on a voluntary basis. It further recommends that the Commission address the calls by the European Parliament and the Committee of the Regions ⁽³⁾ to revise the legislative framework on the information and consultation of workers in relation to anticipation and management of restructuring, the shortcomings of which the Commission discusses itself in this communication;

11. recommends that the Commission cooperates with all interested stakeholders when evaluating Quality Framework implementation, while ensuring that this process also takes into account existing procedures or agreements between partners in each of the Member States;

Subsidiarity and proportionality principles

12. points out that the Commission's proposed Quality Framework, comprising a set of recommendations and best practices, that the Commission recommends be adopted on a voluntary basis, makes no reference to a specific legal basis in the treaties and constitutes a sui generis legal instrument that is also not explicitly provided for in the treaties. As a result, the Commission's approach does not allow the European Parliament to express a useful position. However, given that the Commission's proposal is within the scope of the competences shared between the EU and the Member States regarding social policy, as set out in Articles 151 and 153 TFEU, and that exchanges of experience and best practices at EU level offer clear added value, the proposal appears to be consistent with the subsidiarity and proportionality principles;

II. POLICY RECOMMENDATIONS

The role of local and regional authorities in anticipating change

Mapping of jobs and skills needs

13. highlights the role that LRAs play in forecasting skills needs and matching them with labour market needs ⁽⁴⁾ through measures in the areas of education, training and support for young entrepreneurs in particular. The Member States should be aware of this role and provide LRAs with the right resources to facilitate the transition of young people from education into employment, since local authorities in particular often have a role as service providers in education, training and employment ⁽⁵⁾;

⁽²⁾ For example, see the European Foundation for the Improvement of Living and Working Conditions (Eurofound) database on restructuring support instruments, which provides information on measures taken in EU Member States and Norway.

⁽³⁾ See point 12 of the CoR resolution on its political priorities for 2014 based on the legislative and work programme of the European Commission (RESOL-V/009, 29.11.2013) and point 29 of the CoR opinion on CARS 2020 (ECOS-V/039, rapporteur: Mr Buchmann (AT/EPP), 8 October 2013).

⁽⁴⁾ In response to the Europe 2020 strategy monitoring platform's survey evaluating the 'Agenda for New Skills and Jobs' flagship initiative, the majority of local and regional authorities surveyed felt that the economic crisis had accelerated structural change in labour markets, while increasing unemployment and exacerbating the mismatch between available skills and employers' needs.

⁽⁵⁾ COR-2014-00111 — Opinion on a Quality Framework for Traineeships.

Promotion of mobility

14. reiterates the fact that issues such as professional mobility or balancing supply and demand on the labour market at local level have a critical impact on the effectiveness of restructuring mechanisms. Workers' mobility should be fostered through the provision of personalised job-seeking services, work experience and training courses so they can adapt their skill set to the requirements of the labour market⁽⁶⁾. This particularly applies to specific groups facing long-term unemployment (young people, low-skilled workers, older people, migrants and the disabled);

15. for border regions, stresses the importance of promoting true cross-border labour mobility by removing barriers in labour law and social security (eradicating tax barriers, exporting unemployment benefits and making pension rights transferable)⁽⁷⁾. LRAs can also play an important role in the field of advice for commuters using the EURES services or existing cross-border structures⁽⁸⁾;

16. encourages local authorities to cooperate more closely on exchanging information on job opportunities in a given local or regional labour market. Joint action to promote individual mobility and exchange labour market information could boost employment in occupations where there is high demand and a lack of training at local or regional level;

Promotion of regional economic adaptation

17. welcomes the European Commission's communication on a European Industrial Renaissance (COM(2014) 14) presented in January 2014 and invites the Commission to incorporate the anticipation of change and the management of restructuring as active measures to support broader European industrial policy. Structural changes have an impact on industry in regions and cities. We therefore think that any discussion of structural change must also tackle the role of industrial and regional policies in the anticipation of these changes;

18. stresses the role of LRAs in the use of EU Structural Funds such as the ESF and the ERDF, as well as the European Globalisation Adjustment Fund in relevant regions, to promote job creation and inclusive transitions. Funding for measures relating to the anticipation of change and restructuring should come from several different sources, in order to ensure continuity;

19. underlines the importance of research and innovation strategies based on smart specialisation (RIS3) for enabling the changes prioritised by regions. By its very nature, an RIS3 is a process intended to achieve changes to the business environment first and foremost, helping regions to gain access to the best innovation skills and the best partners. The European cooperation emphasised in RIS3 processes adds considerable value to the implementation of structural changes;

The role of LRAs in managing restructuring processes

Facilitation of partnerships

20. feels that the most important role for LRAs in restructuring is coordinating all the stakeholders. In practice, permanent coordination structures have proven crucial in ensuring rapid and effective responses at regional level;

⁽⁶⁾ CdR 340/2006 fin — Outlook Opinion of the Committee of the Regions on Success factors for local and regional restructuring strategies.

⁽⁷⁾ CDR1186-2012_00_00_TRA_AC — The role of local and regional authorities in promoting growth and boosting job creation.

⁽⁸⁾ 87% of the replies to the survey on 'Mid-term evaluation of the EU 2020 strategy from the perspective of cities and regions' suggested that cross-border relations should be taken into account and that strategies (including target setting) should link regions based on geographical proximity and interconnections.

21. endorses the EESC's call for closer coordination and cooperation at EU level between Commission policies and services, agencies and the numerous observatories, so that companies that are restructuring receive clear, consistent support in their decision-making. In particular, suitable and specific support and mentoring systems should be available to SMEs and micro businesses to help them with planning ahead for restructuring ⁽⁹⁾.

Brussels, 3 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

⁽⁹⁾ CCMI/102 — CESE 1591/2012 — Restructuring and anticipation of change: what lessons from recent experience?

Opinion of the Committee of the Regions — The efforts to promote genuine solidarity on a real European migration policy

(2015/C 019/12)

<p>Rapporteur-General François Decoster (FR/ALDE) Member of Nord-Pas-de-Calais Regional Council</p> <p>Reference document</p>

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General recommendations

1. stresses that a stronger focus on the EU's commitment to guaranteeing the principles of solidarity and responsibility-sharing is needed to create a fully-fledged migration policy addressing all the issues facing local and regional authorities. In this respect, the CoR welcomes the priority placed by the Italian Presidency on an over-arching migration strategy and the emphasis on promoting genuine solidarity on a real European migration policy for migrants, third countries of origin and countries of transit, as well as countries, regions and cities of destination, and between the different levels of governance;
2. welcomes the fact that the Italian Presidency is setting as a clear priority the development of a Common European Migration Policy based on the full respect for human rights, solidarity, mutual trust, international obligations and shared responsibility between Member States and local and regional authorities, capable of contributing to the EU's Growth Agenda and matched with a strategy for promoting economic growth in migrants' countries of origin;
3. believes that multilevel governance is a key instrument and a prerequisite to achieving optimum results in integrating migrants and second generations. All levels of government through the Union should share responsibility for the reception and integration of refugees and migrants, and for improving inter-regional cooperation, coordination and solidarity through the introduction of a responsibility-sharing mechanism between the European Union, Member States, regions and local authorities that takes account of structural constraints, resources, labour market needs, demographic situations and other relevant factors (such as family reunification). In this framework, it is crucial that the EU, national and sub-national authorities work in close cooperation with civil society, migrants' associations, home and transit countries of migrants outside the EU and local communities and be receptive to their input;
4. wishes to congratulate Italy on its activities in the context of the Mare Nostrum operation to save lives in the Mediterranean Sea; deplures, therefore, the decision of the EU to replace it with an operation of Frontex which does not have a clear focus on saving lives and rescuing people in distress; calls urgently on the European Union and the Member States to provide the necessary means to avoid deaths at sea;
5. considers that, in such a sensitive and strategic area, the European Union and its chief institutions should shape a genuine migration policy and assume the political responsibility for its implementation. This task should not be left up to individual states, particularly border states; instead, states and local authorities should be included in a common migration strategy flanked by suitable operational measures;
6. recalls that 15 years after the first attempts to draw up a common migration policy, there is still a wide gap between practice and the principles and stated values. There has been insufficient recourse to Article 80 TFEU for adopting measures implementing solidarity and fair sharing of responsibility with regard to mobility, including its financial implications, between the Member States. Commitments concerning migration and repatriation have been entirely voluntary, and in some cases it has been local authorities that have taken the lead in making these commitments a reality;

7. welcomes the European Council's Strategic Guidelines for legislative and policy planning in the area of freedom, security and justice of June 2014 which makes the full and effective transposition and implementation of the Common European Asylum System (CEAS) an absolute priority;

8. recalls that the European Union needs migration both for the freedom of movement of its citizens between Member States, and as immigration from third countries, to respond to demographic change and potential labour market shortfalls; encourages the European Council to continue its action, also taking into account the need to address the issues of a lack of solidarity and the fair sharing of responsibility. However; the focus in the next legislative phase should not be solely on consolidating and implementing the existing rules while there is still no precise definition of how the solidarity principle might be encouraged and while there is no real comprehensive EU migration policy;

9. emphasises that, to ensure an effective implementation of the Strategic Guidelines at all levels, the involvement of local and regional authorities is key. The Committee of the Regions is ready to cooperate closely in drafting an action plan. As of 2015, the scope of the European Integration Forum, established by the Commission and the European Economic and Social Committee, will be broadened to encompass the area of immigration and asylum policy. This action plan could benefit from the expertise of an enlarged forum to which the CoR contributes. Therefore, the CoR reiterates the call to become a member of the Bureau of the future European Migration Forum alongside the European Commission and the European Economic and Social Committee;

A Europe based on a pragmatic and legal approach to solidarity and sharing responsibility

10. Local and regional authorities currently shoulder a considerable financial burden as regards the reception of migrants. However, reception is unevenly spread both within and between Member States, with some local and regional authorities taking a far greater share of the responsibility by processing a large proportion of new arrivals which often exceeds the capacities of individual regions;

11. sees the uneven distribution of asylum-seekers and refugees between states, and between and within regions, as a major challenge for local and regional authorities. Another issue is the lack of forward planning and inability to prepare for reception sufficiently in advance. Improvised solutions can have negative social consequences, making it harder for new arrivals to adequately equip themselves for starting the integration process;

12. therefore believes that it is time to establish more clearly and realistically what solidarity in the EU and within the Member States might entail when it comes to asylum and migration issues. It is clear that different countries, regions and local authorities have different ideas about what constitutes reasonable sharing of responsibility or solidarity, based on their specific circumstances and wishes;

13. points out that solidarity is a principle which is a driving force in the decisions taken by local authorities that receive large numbers of migrants. Places such as Lampedusa in Italy, Ceuta and Melilla in Spain and Calais in France are only a few of the entry and transit points for asylum seekers and migrants within the EU, however they are illustrative of the considerable difficulties that some local authorities have to cope with in terms of reception of migrants, management of migrants fleeing their countries and humanitarian responses;

14. feels that effective cooperation and trust between local, regional, national and EU levels with regard to the sharing of resources and responsibilities are absolutely essential for sustainable and fair reception of asylum-seekers and migrants;

15. considers that existing structures provide tools and a channel for the policy dialogue between the EU level, Member States at national level and civil society organisations, but the policy dialogue between the local/regional and European levels is fragmented or carried out on an ad hoc basis;

16. suggests a review of the accessibility of financial resources designed to allow local and regional authorities to fulfil their obligations regarding migration and integration, ensuring they have access to national and EU Funds (such as the Asylum and Migration Fund, the Neighbourhood Policy Instrument, the European Social Fund and the External Borders Fund);

Solidarity as a coordinated response to a security and humanitarian problem

17. stresses that the strengthening of border controls and measures to tackle irregular migration is essential, but cannot take precedence over international obligations (under UNCLOS, SOLAS and SAR, for example) to save lives and respect human rights, or over the right to seek asylum in the EU, which must remain a place of refuge for people in need of international protection. The CoR also wishes to underline the importance of always observing the UN Convention on the Rights of the Child with regard to the reception of minor asylum-seekers, refugees, migrants and unaccompanied child refugees;

18. calls for the strengthening of Frontex for more effective and efficiently reinforced and streamlined cooperation between national border authorities and for protecting migrants as well as the EU's external borders and cooperating in combating human trafficking;

19. supports the efforts to continue monitoring and implementing the strategies outlined in the 'EU action on migratory pressures', calling on the European Union to focus its attention on the need to coordinate the action taken by the Member States with the central role played by the relevant EU Agencies, such as the European Agency for the Management of Operational Cooperation at the External Borders (Frontex), EUROPOL and the European Asylum Support Office (EASO);

20. considers it essential to continue efforts towards the further development of an integrated and balanced border management in order to improve external border control and deal more effectively with irregular immigration, the smuggling of migrants, human trafficking and other forms of cross-border crime and transnational crime linked to human trafficking;

21. supports the 'smart border package' aimed at speeding-up, facilitating and reinforcing border checking procedures for foreigners travelling to the EU, including the Registered Traveller Programme (RTP) and the Entry/Exit System (EES), but recalls some of the concerns regarding the protection of privacy and the cost-effectiveness of the proposals it expressed in 2013. The CoR takes note of the results of the technical study by the European Commission and eu-LISA which proposes a long-term solution for the operational management of large-scale IT systems, which are essential instruments for implementing the EU's asylum, border management and migration policies;

22. suggests paying particular attention to increasing the synergies between the various bodies and systems set up to date, on the basis of their specific remit and scope: for example Frontex, SIS II and EUROSUR, operating within the framework of migration and the movement of persons and, in terms of security, EUROPOL and EUROJUST, working to prevent and eradicate the criminal offences associated with illegal transits;

23. promotes, with special regard to EUROSUR, the full implementation of the recently- adopted Regulation in order to reduce the risk of loss of lives at sea;

24. encourages efforts to look into measures for preventing irregular migration, to create safe and legal alternative routes into Europe, in order to avoid further loss of human lives during dangerous journeys. These could include establishing a 'humanitarian corridor', issuing more visas on humanitarian grounds, increasing resettlement quotas and setting up reception centres in countries of transit for processing asylum applications or determining eligibility for legal entry into EU countries ⁽¹⁾. The local and regional authorities could play a very useful role in this respect;

25. welcomes the Task Force Mediterranean ⁽²⁾, that was set up following the Justice and Home Affairs Council of 7–8 October 2013 to provide a European Union response to the situation. Its primary aim is to identify the appropriate tools to avoid a repetition of the tragic events that have occurred off the coast of Lampedusa and to develop a more strategic, holistic and long term approach to the migration situation in the Mediterranean area. The CoR recalls, in this context, its own work in ARLEM and in particular the recommendations contained in the report on 'the role of local and regional authorities in managing migration in the Mediterranean', recently adopted by the ARLEM ECOTER commission;

⁽¹⁾ OIM Discussion Paper: Addressing Complex Migration Flows und Upholding the rights of Migrants along the Central Mediterranean Route (21 October 2013); Communication — An open and secure Europe: making it happen, COM(2014) 154 final, 11 March 2014.

⁽²⁾ COM(2013) 869 final, SWD(2014) 173 final.
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/jha/139937.pdf

26. wishes to highlight that the 'Frontex Plus' operation, launched on 27 August 2014 and scheduled to take the place of Mare Nostrum, does not cover the activities currently carried out by Mare Nostrum. The Frontex budget has been limited under the multi-annual financial framework. Frontex Plus will have to rely on Member States' contributions. Leaving aside the financial considerations, the spirit of the two operations is also different — Mare Nostrum follows a humanitarian approach while Frontex responds to a primary concern for border control;

Building bridges with third countries at local level

27. encourages the further development of dialogue and cooperation with third countries of origin and transit of migratory flows, in line with the EU Global Approach on Migration and Mobility, via the Mobility Partnerships instrument and via regional dialogues and processes, such as the Rabat Process;

28. supports Frontex efforts aimed at concluding operational cooperation agreements with third countries on border control and irregular immigration, which should promote ownership by the third countries concerned;

29. welcomes the initiative launched by the Italian Presidency to establish a similar dialogue with the countries of Eastern Africa. The promotion of legal migration is intended to help the EU's efforts for growth and thereby prevent the possible abuse of legal migratory channels which may lead to the credibility of the entire European migration system being undermined;

30. stresses the importance of the concept of circular migration which would help to balance the impact of migration on both home and host regions, contributing to the development of both. This includes the need for an effective and sustainable return policy, which fully respects the rights of migrants and takes into account the specific features of the countries of origin. For this purpose, practical cooperation between the local authorities and the relevant third countries must be improved in order to encourage and create the most efficient voluntary return systems;

31. believes that the authorities at all levels must be actively committed to protecting and promoting dialogue and cooperation with third countries to give concrete support to legal channels of entry at political and economic levels, as well as to prevent and deal with irregular immigration and all related forms of crime by improving the institutional and operational capacities of the competent authorities of those countries;

32. emphasises that local and regional authorities can play a role in the joint effort with the EU and national level and with the third countries to address and prevent irregular migration through activities in the countries of origin (e.g. awareness-raising campaigns, information about the risks of illegal border crossing, measures preparing people for integration, training, assistance with family reunification, language courses and measures to improve intercultural dialogue) and in the countries of destination (e.g. setting up local selection systems in line with local needs, reception and support measures, etc.). They can also help to identify and protect the victims of human trafficking and help with the re-integration of irregular migrants who return to their countries. At the same time, effective legal migration and integration policies at local and regional level are a means of combating racism and xenophobia;

33. suggests that stepping up the resettlement of refugees in the EU must be an integral part of EU efforts to support the countries in the Southern and Eastern Mediterranean receiving large numbers of refugees⁽³⁾. This is an area in which European cities and regions have played a major role, promoting the integration of refugees into local communities and taking steps to boost social cohesion;

34. calls for 'Migration and Integration Partnerships' between cities and regions of the countries of origin and destination to be promoted, in order to increase cooperation and mutual trust and thereby ensure a more decentralised management of migration. The Committee of the Regions also reiterates its suggestion⁽⁴⁾ that local and regional authorities should be involved in the development of 'Migration and Integration Partnerships' with third countries;

⁽³⁾ In 2007, these countries received 39 % of all refugees in the world. Philippe Fargues (ed.) CARIM Mediterranean migration 2008-2009 report, Robert Schuman Centre for Advanced Studies, European University Institute, 2009, in http://cadmus.eui.eu/bitstream/handle/1814/11861/CARIM%20Migration_Report%202008-2009%20revised%20Oct09.pdf?sequence=3

⁽⁴⁾ CoR Resolution 2333/2014.

Solidarity comes with awareness: sharing best practices, data and common guidelines?

35. emphasises that the Commission communication on the renewed European Agenda for Integration ⁽⁵⁾ called for more action to be taken at the local level and points to the need for a genuine 'bottom-up' approach for the development of integration policies;

36. argues that local and regional authorities should play a more significant role in establishing the broader context when it comes to tackling migration policy;

37. underlines the need for the sharing of best practice among local and regional authorities and Member States in processing the claims of asylum-seekers and refugees, integration policies and tackling irregular migration. The Committee of the Regions can help in this process to achieve more effective involvement of local and regional authorities in designing and implementing immigration and integration policies, in line with multilevel governance and the subsidiarity principle; this could also help to address disparities among Member States and regions in the conditions in which asylum-seekers, refugees or migrants are received and hosted;

38. suggests that the Agency for Large Scale IT Systems, eu-LISA, develop in the near future a complete data sharing system on the subject of migration and local authorities, based on the VIS system. Such a system could be very helpful in sharing expertise and pooling experience in terms of housing management, processing the claims of asylum-seekers and refugees, integration policies and tackling irregular migration and would offer practical solutions for encouraging the principle of solidarity between local authorities;

39. the Committee proposes that a database be developed to help track migration flows between Member States. This database would include information on flows of people from countries of origin to countries of destination. Knowledge of these flows would facilitate decision-making at local, regional and European levels;

40. believes that cooperation and solidarity would be considerably easier if more were done as regards practical and pragmatic solutions. Local and regional authorities' expertise must not be overlooked when attempting to identify the main issues;

41. believes that the EU should seize every opportunity to cooperate with institutional partners and to foster the debate in all relevant frameworks. Organisations such as the International Organization for Migration (IOM) and assemblies such as the CoR's Euro-Mediterranean Regional and Local Assembly (ARLEM) are important partners in this respect;

42. welcomes the fact that the next ministerial conference of the International Organization for Migration (IOM) to be held in October 2015 will focus on how cities can contribute to migration management and will serve as an excellent platform for global dialogue between cities. Wishes to be involved in this conference and looks forward to contributing to the discussions.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

⁽⁵⁾ COM(2011) 455 final.

Opinion of the Committee of the Regions — The importance of a more interconnected Europe, focusing on the potential of the ICT sector as a source of growth

(2015/C 019/13)

Rapporteur Anne KARJALAINEN (FI/PES), Member of Kerava City Council

I. THE IMPORTANCE OF A MORE INTERCONNECTED EUROPE

1. At the request of the Italian presidency of the EU Council, the Committee of the Regions is drawing up robust proposals on how an interconnected Europe can be the basis for harnessing the great potential offered by the ICT sector as a source of growth and new jobs, especially over the next five years.

2. In the era of the new industrial revolution, Europe can use digitisation to drive social and economic growth in line with the Europe 2020 strategy. It is necessary to understand what type of service the client requires and know how to develop the relevant technology, and to realise that the customer does not want to buy just a product but rather productivity, job security and customer satisfaction. All this can be achieved by harnessing digitisation. The circular economy, digitisation and service design can be used to generate new, green jobs and revitalise traditional industry. According to Commission studies, by 2020 Europe could increase its GDP by 4 % by stimulating growth of the digital internal market, and public administration could cut its costs by 15-20 % by digitising public services⁽¹⁾. Even during a period of high unemployment the internet is creating five new jobs for every two that are lost. It has been estimated that joint EU measures under the digitisation strategy could create as many as 3,8 million new jobs over the long term across all economic sectors.

3. However, Europe's capacity to generate growth and create jobs through digitisation is not adequate in every respect. People's ICT skills must be developed, since fully half of the population have low ICT skills or none at all. Since in a global environment services are developed using IT, it is important for Europe's competitive position as a producer and developer of services to be improved. Businesses also operate in a challenging environment: no European ICT company is among the top ten ICT companies based on sales.

POLICY RECOMMENDATIONS: Key messages

- Synergies between the different funding mechanisms and between the public and private sector need to be encouraged and well-planned so as to put in place high-quality and affordable infrastructure capable of supporting cloud computing, big data and high-speed broadband connections.
- EU, national, regional and local authorities should make it a priority to provide people with the digital and entrepreneurial skills that enable them to make full use of new technologies, analyse big data, understand issues of cybersecurity, increase their employability and create new business opportunities.
- EU, national and subnational authorities should aim to establish a flexible regulatory framework that reduces the cost and facilitates the creation and operation of ICT-business while allowing easy access to financing and encouraging innovation, including evaluation and reward policies.
- The key role and potential of local and regional authorities with respect to digital training of citizens, creation and management of digital infrastructure — often in cross-border or interregional collaboration — the innovation and entrepreneurial discovery process and implementation of eGovernment should be considered in all future legislation to complete the digital single market.

⁽¹⁾ Europe's Digital Challenge — European Commission contribution to the European Council of 24–25 October 2013 http://ec.europa.eu/europe2020/pdf/20131010_en.pdf

II. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

4. has welcomed proposals for measures relating to the internal market for electronic communications that would promote dynamic and sustainable growth in all sectors of the economy and create jobs, also ensuring a high level of consumer protection. The key role and potential of local and regional authorities in the implementation of eGovernment should be considered in all future legislation to complete the digital single market;

5. notes the crucial role of the flagship initiatives, including the Digital Agenda, as tools for growth. The flagship initiatives should serve as a lever to enhance policy coordination at all levels with a view to the Europe 2020 targets and should be used in the milestone documents. Local and regional authorities should also keep using the flagship initiatives as a reference framework, not only for their policy planning, but also when interacting with higher levels of government and other stakeholders. Moreover, LRAs (and public bodies such as libraries, hospitals, or schools) could play a greater role in publicising and using Horizon 2020 results;

6. points out that economic growth and jobs cannot be achieved through partial optimisation: rather a holistic mindset, leadership and measures are needed. For example, local and regional authorities are better able to apply digitisation in their own activities if their budget practices and indicators require a good overall outcome and encourage cooperation between sectors. To allow new innovative administrative procedures to be developed, it is also important to maintain a balance between the role of public authorities and new innovative development. There have been positive experiences with experimental funding, used to preempt problems or to develop and trial new social innovations;

7. advocates combining bottom-up measures with top-down strategic leadership. Local and regional players are a driving force in the development and application of digitisation. Local and regional decision-makers, workers and ordinary people are enabling resources, provided that they have the necessary knowledge and skills, as well as a positive attitude to digitisation. Local and regional players are responsible for securing these skills. The local and regional level should monitor itself to ensure that local and regional players do not become obstacles to their own development;

8. points out that in a citizens' Europe digitisation makes it possible for people to build networks and maintain contacts so that they can discuss, learn from each other, form shared opinions and bring their own hopes and objectives to bear on decision-making and the strengthening of a shared European identity. New jobs are based on markets, and markets will be created more easily if Europe has a strong digital identity and people want to use digitisation and indeed demand new digital solutions;

9. points out that by changing working methods digitisation has inevitably rendered some jobs obsolete and this means that companies and the public sector must be able to enhance and deploy a well-educated workforce to create more added value. Digitisation also enables people to seek a livelihood based on micro-entrepreneurship. In addition, digitisation should be used to aspire to high-growth entrepreneurship, since it allows products and services to be created and delivered without time or locational constraints. Even operators in remote regions have the same opportunities to benefit from digitisation;

10. emphasises that a growth strategy is needed at European Union and Member State level that takes account of the opportunities offered by a digital strategy to support the creation of better and more permanent jobs for young people in particular. Employability is not just the responsibility of the individual: all stakeholders — businesses, universities, schools and colleges, local authorities and young people — should be involved;

11. notes that securing the supply of natural resources and reducing the carbon footprint are key aspects of sustainable development. Europe's economic growth should thus be based on something other than increasing the production of consumer goods. Products and services that can be made and sold digitally can create growth with a lower burden on natural resources ⁽²⁾;

12. calls on local and regional authorities to assess the scope for using ICT, information modelling and a PPP-based approach to enhance the lifecycle sustainability of publicly owned assets — particularly the built environment and buildings;

13. notes that in addition to technology-based product development, it is important to focus on developing human-centric techniques, services and products, including user-centric design, co-creation and rapid piloting. The Committee supports the Connecting Europe Facility initiative, which can be used to develop new infrastructure for digital public services and to better match the problems of different regions with proposed solutions from different parts of Europe. These measures will ensure that digital products meet real market needs, including public sector needs, more promptly and effectively, and that the competitiveness of European products and businesses improves;

14. recommends establishing whether the gap between ICT and 'business activity' could be bridged by managing information system services using Enterprise Architecture, i.e. not just information or operations management but a holistic approach. The key to the Enterprise Architecture model is to fit the desired information and technology environment in a well-managed systematic way to the strategic and operating needs of the core activity;

15. notes to this effect that local and regional authorities have a key role in ensuring equal and affordable broadband access in areas where the market fails, and urges that digital development projects in rural and sparsely populated areas be recognised as services of general economic interest ⁽³⁾;

16. points out that ICT can be used in innovation to address critical socioeconomic challenges, and proposes a new policy framework through which the European Union would encourage ICT-based business to move towards addressing major societal problems such as climate change, energy issues or ageing societies. *Active and healthy ageing* is one of the key European Innovation Partnerships, and digital services could be developed to support active ageing ('digital active ageing'). Investing in digital services to promote the health and social integration of elderly people could make Europe a pioneer in this field, creating the foundation for a new global export market, while reducing the cost pressure linked to ageing;

17. sees an opportunity to stimulate growth and employment by connecting digitisation with traditional strong European sectors such as tourism and culture in a new and innovative way. For instance, providers and users of services could come together through new innovative digital platforms and approaches. Local and regional operators can help providers of tourism and cultural services to find similar service providers in other parts of Europe so that they can network and jointly raise their profile using digital approaches. Consumers of tourism and culture can both use and produce content through crowd-sourcing. Public data repositories such as the digital resources of museums, archives and libraries can serve as sources of new tourism and cultural services;

18. recommends that digitisation be promoted by adopting complementary business models which can be used for instance by social enterprises and third-sector operators to produce services not covered by the public sector and where the private sector does not yet see business opportunities;

19. points to the finding that investment in ICT can contribute more to regional growth than other capital investment, and therefore recommends prioritising the completion of the Digital Single Market by 2015 and addressing the investment needs of telecoms infrastructure by making full use of the EU structural funds, facilitating the right mix of public and private investment, using other financing sources like the European Investment Bank and setting the right regulatory framework. Very densely populated regions could be supported by private investment in infrastructure, while other regions would need to access public funding to support their infrastructure;

⁽²⁾ CdR 626/2012.

⁽³⁾ CdR 5960/2013.

20. welcomes the European Commission's *Connected Communities* initiative, which is designed to give municipalities, the members of local broadband partnerships and operators guidelines on how to obtain funding and develop tailored business models for providing high-speed broadband to their community. The Committee would encourage local and regional players to make use of new EU broadband funding and support;

21. believes that deploying accessible high-speed networks and bringing down their cost will create jobs for European businesses, boost the development of modern services, promote e-commerce and provide business opportunities in the spheres of IoT (internet of things) and M2M (machine-to-machine) technologies. The Committee is concerned about the trend whereby next-generation technology (cloud computing, 3D-printing, e-health, e-government, smart cities, entertainment services, telepresence, big data, in-car internet, etc.) is demanding even greater bandwidth and seamless service across Europe and the business models developed to introduce this technology are creating unsustainable cost pressures for local and regional authorities. It is important for the total cost structure of broadband projects to take account not just of start-up costs but also of future costs that will be incurred as a result of rapid technological development;

22. points out that the European Innovation Partnership (EIP) on Smart Cities and Communities⁽⁴⁾ is a platform that effectively promotes digitisation-based sustainable growth. To work properly, product development and testing platforms also require a well-functioning innovation and business ecosystem. Cooperation between interconnected smart cities enables local and regional operators as effectively as possible to promote the scaling-up of solutions produced in companies and thus boost companies' competitiveness in a global business environment;

23. recommends that when devising a smart specialisation strategy (RIS3), the regions draw on digitisation in their chosen specialisation strategy in order to create more added value and thus faster growth in the region. The Committee encourages LRAs to create innovative and entrepreneurial discovery processes and governance mechanisms to optimise synergies between different public and private funding mechanisms, to orchestrate synergies among different regional and local project portfolios and to create a focus on building European Partnerships through Horizon 2020, INTERREG, macro-regions, etc.;

24. urges the Commission to take action to ensure that regions receive clear guidelines on how to implement RIS3 strategies through multifunded, large-scale 'mega endeavours' and project portfolios that are organised by orchestrating synergistic cooperation rather than managing individual projects. Digital project management tools and virtual working environments will be key to this development in working culture;

25. notes that it has previously endorsed the view that 'Instruments for the connection between the Research, Innovation and the Smart Specialisation Strategies shall be implemented both in Horizon 2020 and the Structural Funds in order to create objective indicators for the stairway of excellence and building the ERA'⁽⁵⁾. Indicators developed could be adapted to assess the benefits of research projects carried out with public funding. Evaluation should focus on outcomes and impacts such as benefit to local and regional authorities, new business opportunities and job creation, improving the design, functionality, usability and efficiency of service production, the overall quality of products and services or the contribution to innovation systems generally;

26. has emphasised in previous opinions the active use of innovative public procurement and simplification of procedures, and encourages local and regional administrators to apply these principles with a view to accelerating the expansion of digital approaches;

27. notes the importance for the functioning of the internal market and competitiveness of the digital economy of bringing together contributors to the value network — content creators, marketing players, distribution channels, e-commerce, software firms, telecoms operators and finance providers, and research and innovation, education and IPR specialists — to find digital solutions. The Committee recommends that local and regional players be more involved in putting together and orchestrating Europe-wide and interregional value networks;

⁽⁴⁾ http://ec.europa.eu/eip/smartcities/about-partnership/how-do-i-get-involved/index_en.htm

⁽⁵⁾ CdR 2414/2012.

28. notes that growth and new jobs can be boosted by opening up knowledge, processes, public spaces and innovation produced as a by-product of publicly funded R & D projects. For example, by making public spaces with online access and equipment available for an individually agreed fee, municipalities can support micro-entrepreneurs and mobilise different population groups;

29. notes that according to Commission studies, open access to data from the public sector and publicly funded entities boosts economic growth and creates new business opportunities, including for small businesses, regardless of their location. Open public data helps to improve the conditions for a functional digital internal market where consumers can be offered easy, safe and flexible access to legal digital content and services⁽⁶⁾;

30. points out that the technology needed to open up public data is already advanced, but that at local and regional level this technology may not necessarily be well enough mastered and there may not be the tools required to find information available for re-use⁽⁷⁾. Meta-data is an important aspect of information re-use and publishing meta-data in a standardised format would in particular enhance the cross-border transfer, accessibility and commercialisation of knowledge;

31. notes that the amount of information available on the internet is increasing apace. Use of 'big data', or large amounts of information, is expected to generate new business opportunities and jobs in the next few years, but such data is only just starting to be used in the public sector, for instance in healthcare, transport or employment services. Huge potential remains to be tapped from the integration of open data and big data, and public and private data repositories. European Union legislation should be framed in such a way as to allow the appropriate application of big data without violating individual data protection rights;

32. advocates making the EU's internet environment the safest in the world and recommends that Europe present itself on the global market as a safe and stable business environment with a good telecommunications infrastructure, based on which it could attract knowledge-intensive companies to invest and expand their activities in regions of Europe. Network breakdowns, attacks and crime should be contained as much as possible, since they harm a company's image, reduce labour productivity and damage the knowledge that is vital to businesses;

33. advocates the building of technological platforms in Europe and clarification as to whether for cybersecurity reasons a more restricted internet network needs to be developed alongside the current internet, which would give a competitive advantage to trust-based business, cloud-computing services and research. The European Union could also steer beneficiaries of EU funding towards these platforms and thus facilitate the commercial success of new solutions;

34. points out that it is critically important for security requirements at every level to be met in order to ensure optimum levels of privacy and protection of personal data and prevent unauthorised tracking of any kind of personal information and profiling using that information, including shopping preferences, medical status, health records, etc. Privacy protection should also be looked at in terms of how data from different files can be automatically merged to create highly personal profiles of individuals⁽⁸⁾;

35. is aware that digitisation — including Massive Open Online Courses (MOOCs) — is bringing about the same kind of change in higher education that has already transformed for instance the media business environment. Higher education in Europe risks falling behind other parts of the world that are investing in ICT-based strategies to modernise education. On the other hand, local and regional players can also use digitisation to modernise the education sector in collaboration with universities. This would improve conditions for European operators to succeed in a growing global education market and would also provide an opportunity to create new jobs in the higher education sector. Universities that have embraced digitisation can more credibly modernise other sectors in their own region, based on the Knowledge Triangle principle (education, research and innovation), and thus help companies to create new jobs and the public sector to develop eGovernment and e-services;

⁽⁶⁾ CdR 626/2012.

⁽⁷⁾ CdR 626/2012.

⁽⁸⁾ CdR 626/2012.

36. sees as positive the efforts in partnership with industry, through the Grand Coalition for Digital Jobs ⁽⁹⁾, to promote the necessary skills for ICT practitioners. Both organisations and individuals increasingly frequently need to adapt — learn new skills, and learn more — in order to keep pace with developments. This makes it all the more necessary for businesses and public administration to develop innovative ways of safeguarding skills availability in the future. Lack of the right knowledge and skills is regarded as the greatest obstacle to this. The digital skills of unemployed people in particular should be improved and people with a vocational or university qualification should be given the opportunity to learn e-commerce skills. The Committee of the Regions supports initiatives to develop European web entrepreneurship;

37. has endorsed the Commission's proposal to use the new educational programmes Erasmus+ and Horizon 2020 to support education providers in developing new business and educational models and launch activities to test innovative teaching methods, curriculum development and skills assessment ⁽¹⁰⁾. The Committee encourages local and regional players to make the educational establishments that they maintain and fund into environments for developing, testing and piloting new digital learning approaches (*living labs*);

38. points out that lifelong learning takes place at every stage of life, including outside the formal education system. Open technologies and internet courses allow all individuals to learn, anywhere, anytime, through any device, and with the support of anyone. This also makes it possible to develop citizens' ICT and data protection skills. Local and regional players should ensure that media literacy is developed systematically at all levels, from early education through to study leading to a vocational or academic qualification. For instance, standards and certification for accrediting digital skills could be improved and used as incentives in Europe;

39. welcomes the *e-Learning* portal launched by the Commission, and the Erasmus+ funding earmarked for it. In future, open learning resources produced for a single shared portal and for example the key findings of EU-funded R & D projects would enhance European knowledge and competitiveness.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

⁽⁹⁾ Multi-stakeholder partnership to tackle the lack of digital skills in Europe and the unfilled ICT-related vacancies. <https://ec.europa.eu/digital-agenda/en/grand-coalition-digital-jobs>

⁽¹⁰⁾ CdR 6183/2013.

Opinion of the Committee of the Regions — Internet Policy and Governance

(2015/C 019/14)

Rapporteur	Odeta Žerlauskienė (LT/ALDE), Member of Skuodas District Municipal Council
Reference document	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on internet Policy and Governance: Europe's role in shaping the future of internet Governance COM(2014) 72 final

POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. points out that, as a global information area, the internet is an inseparable part of modern society and has become a public resource, therefore its proper functioning is a matter of international public interest;
2. welcomes the current processes to strengthen international internet governance and in particular the steps taken by the United States government, which has played a key role during the development of the internet, to promote transition to comprehensive global internet governance;
3. calls for the European Union to be actively involved in the process of developing global internet governance, in order to consolidate and strengthen its role as an exemplary and responsible actor; therefore welcomes the Commission's initiative in publishing a Communication on internet policy and governance in order to clarify the EU's role in global internet governance policy, as well as European Commission president Jean-Claude Juncker's declared objective of creating a digital single market and a unified digital agenda;

VALUES-RELATED ASPECTS OF INTERNET GOVERNANCE POLICY

4. emphasises that the development of the internet as a technology-based area of human coexistence and data exchange, is inseparable from the values underpinning human relations, and therefore the EU's role in policies on improving the internet is cannot be separated from its fundamental values;
5. therefore underlines that the European approach towards the future of the internet shall be based on the principles of freedom, openness and neutrality;
6. emphasises the importance of the internet as a medium for maintaining and promoting cultural diversity, which is one of the European Union's fundamental values⁽¹⁾; therefore its role in internet governance policy must continue to reflect, preserve and promote cultural and linguistic diversity;
7. endorses the European Commission's view that multi-stakeholder processes relating to the internet must be consistent with fundamental rights, as well as meeting these requirements: transparency (possibility for all stakeholders to participate), inclusiveness and balance (those responsible must provide all stakeholders with every possible opportunity to participate), and accountability (commitment to regularly report on own activities to all stakeholders)⁽²⁾;

⁽¹⁾ Article 3 of the Treaty on the Functioning of the EU.

⁽²⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — internet Policy and Governance. Europe's role in shaping the future of internet Governance; COM (2014) 72 final.

8. refers to the current debate on the issue of whether internet access should be recognised as a human right, with decisions to this effect by various countries including EU Member States ⁽³⁾, and to the contrary view that the internet is only a technology enabling the enjoyment of fundamental rights ⁽⁴⁾; recommends declaring internet use as an inalienable civic right, which national, local and regional authorities can help to enforce within their remits;

9. points out that a broad interpretation is needed of the guidelines for internet development set out in the 2005 Tunis Agenda for the Information Society ⁽⁵⁾, according to which governments, the private sector and civil society should play a part in internet governance (point (34)); this certainly does not only refer to national governments, but also shall include local and regional authorities, as the level closest to each citizen;

10. points out that the more than 100 000 local and regional authorities representing the 28 EU Member States' tier of sub-national governance are key internet policy players, not only as developers of internet content but also in relation to improving internet access; in view of this, they should be given adequate scope for direct involvement at both national and European level in the process of formulating a European position on global internet governance policy issues;

11. emphasises that the EU's strategy on internet governance policy could be an effective means of creating an attractive overall image of the EU globally and raising the EU's profile as a key actor in shaping internet policy and defining global standards for good policy practices;

A COMMON APPROACH TO INTERNET GOVERNANCE

12. notes that there are only minor differences in approaches to internet governance at international level (as reflected in the Tunis Agenda, the conclusions of the NETmundial conference ⁽⁶⁾, the OECD declaration and the conclusions of the World Summit on the Information Society (WSIS) ⁽⁷⁾). This implies that a global consensus on internet governance is emerging;

13. emphasises the current relevance of the approach to the future of the internet set out in the Tunis Agenda, summarised in the acronym COMPACT. According to this, the internet is as a space of Civic responsibilities, One unfragmented resource governed via a Multi-stakeholder approach to Promote democracy and human rights, based on a sound technological Architecture that engenders Confidence and facilitates a Transparent governance both of the underlying internet infrastructure and of the services which run on top of it. Formulation of an European position should be guided by this approach;

14. welcomes the American government's commitment to reform allocation of top-level domains (ccTLD), with a move away from unilateral allocation embodied by ICANN (Internet Corporation for Assigned Names and Numbers) und IANA (Internet Assigned Numbers Authority) to a model based on global partnership; therefore, in line with the conclusions of the April 2014 global multi-stakeholder conference on the future of internet governance, calls for full implementation of this initiative;

15. welcomes the European Commission's initiative to develop a Global internet Policy Observatory (GIPO). This global platform will bring together all stakeholders, and is envisaged as a global online medium for developing and regulating internet policy and coordinating technological innovation;

⁽³⁾ For example, in 2009 the French Constitutional Council recognised the right to internet access as a basic human right. A similar decision was taken at constitutional level in Greece. There have been other similar judgments and political declarations, e.g. in Costa Rica, Estonia, Finland, Spain and even at UN level.

⁽⁴⁾ For example, this is the view of Vinton Cerf, one of the internet's founding fathers: Vinton Cerf, 'Internet Access Is Not a Human Right', <http://www.nytimes.com/2012/01/05/opinion/internet-access-is-not-a-human-right.html>

⁽⁵⁾ Tunis Agenda for the Information Society <http://itu.int/wsis/docs2/tunis/off/6rev1.html>

⁽⁶⁾ Declaration of the NETmundial multi-stakeholder conference of 24 April 2014, <http://netmundial.br/wp-content/uploads/2014/04/NETmundial-Multistakeholder-Documents.pdf>

⁽⁷⁾ See *Declaration of Principles. Building the Information Society: a global challenge in the new Millennium*, <http://www.itu.int/wsis/docs/geneva/official/dop.html>

16. welcomes the Commission's approach, which considers the future GIPO as a global resource in which individual participants or stakeholders will not be able to impose their will on others; calls on all stakeholders, and local and regional authorities in particular, to participate in the relevant consultative processes on internet governance issues;

17. emphasises that the fundamental principle of net neutrality must not be called into question in discussions on the future of the internet, regardless of the values invoked by individual stakeholders;

18. welcomes the Commission's intention announced in communication COM(2014) 72 to review risks of conflicts of laws and jurisdictions in relation to the internet, and develop an EU response mechanism;

TECHNICAL ASPECTS OF INTERNET GOVERNANCE

19. insists on continuing to apply the internet standards defined by the existing technical expert structure based on the internet Engineering Task Force;

20. welcomes efforts by technical circles to establish principles for defining specifications taking into account topical issues such as protecting privacy at protocol level, embedding options for multilingual domain names and improving accessibility for persons with disabilities; also appreciates the progress made by the EU when translating these achievements into legal acts ⁽⁸⁾;

21. given the differing interests of individual countries and their differing capacities to secure those interests, emphasises the challenges facing the EU in negotiations on the future of internet regulation and therefore stresses that the subsidiarity principle must not be ignored in negotiations on unified EU provisions on the future of the internet;

22. emphasises the vital importance of cooperation between public and private sectors on ensuring a reliable and efficient internet, especially given that most networks and information systems are privately operated; argues that businesses should not incur any further costs through this cooperation;

23. underlines the importance of network infrastructure, and in particular broadband network infrastructure, in ensuring that the internet functions smoothly, and calls on Member States to cooperate with local and regional authorities on ensuring maximum internet coverage, in terms of regional coverage and universal accessibility;

24. indicates the importance of comprehensive vertical partnership in exploiting possibilities, provided by current ERDF provisions, namely those related to the improvement of access, use and quality of information and communication technologies by extending broadband and high-speed networks and supporting the adoption of emerging technologies and networks for the digital economy, thus boosting the digital potential of Europe's regions and the EU as a whole;

25. is strongly opposed to censorship of the internet, regardless of its intended purpose; however, also points out that coordination of appropriate efforts is needed to prevent the internet from degenerating into a medium for extremist, radical or criminal activities, and in order to protect the rights of the most vulnerable population groups;

USING THE INTERNET TO IMPROVE PUBLIC ADMINISTRATION AND STRENGTHEN LOCAL DEMOCRACY

26. points out that public institutions, including local and regional authorities, should set the standard for a policy of safe and responsible internet use. By way of their actions and their exemplary role they can and should encourage innovative and resource-efficient technological development with a minimal environmental impact;

⁽⁸⁾ See Regulation (EU) No 1025/2012 of 25 October 2012 on European Standardisation, and Commission Decision of 28 November 2011 setting up the European Multistakeholder platform on ICT standardisation, 2011/C 349/04.

27. points out that public institutions, including local and regional authorities, can and should be pioneers in building a secure internet and setting high standards for its responsible use, for example by ensuring adequate protection of confidential personal data (which includes deleting data that are no longer needed for a specific purpose) or tackling cybercrime and putting in place the conditions for its prevention, including appropriate protection of ICT systems;

28. emphasises the internet's potential as a medium for providing public services, and calls on EU local and regional authorities to speed up the transfer of administrative services to the digital sphere; also calls on the Member States to put in place the requisite legal basis for this to happen;

29. calls on the EU's local and regional authorities to make wider use of the internet's potential to operate more effectively and transparently while becoming closer to the grassroots, as well as by getting more actively involved in formulating national and European positions on the future of the internet;

30. in this connection, particularly highlights the opportunities afforded by secure e-identification for citizens to amend their own registration data, and for regions in the EU Member States to introduce electronic voting;

LOCAL AND REGIONAL AUTHORITIES AND SECURITY ONLINE

31. given that the internet has become an essential aspect of business, administration and private life, points out that the need to ensure security and integrity of internet content and infrastructure is something that concerns all stakeholders;

32. points out that, with a growing number of internet users and the emergence of new technologies, abuse is becoming more widespread and having a more serious impact. Even local and regional authorities in the EU's Member States, with their active involvement in shaping the internet community, access to highly sophisticated internet infrastructure and high-profile position in society, often fall prey to cyber attacks;

33. notes that, while information and communication technologies help bring people together and enable them to exchange information, experiences and knowledge, they are unfortunately also often used for criminal purposes; therefore calls on the Member States and international organisations to use all possible means of combating cybercrime, and to work together with other stakeholders to create a general environment of zero tolerance for cybercrime;

34. notes that electronic media also enable other — often anonymous — activities that, while not always criminal (or not yet classed as such), do offend the human dignity of others; therefore calls for particular attention to be paid to preventing cyberbullying and other risks that may be found on the internet and that especially affect the rights of children and young people as well as other vulnerable social groups;

35. therefore emphasises that the internet can only succeed if the issue of its security is resolved; offers its support for the Commission's ambition expressed by Neelie Kroes of making Europe the world's safest online space ⁽⁹⁾; also calls on the Commission to look at internet security issues at the same time as internet governance;

36. emphasises the importance of cooperation between all Member States and external partners on combating cybercrime and resolving network and information security issues, not least in relation to implementation of decisions which have already been adopted ⁽¹⁰⁾ and inclusion of these measures in the EU's common strategy on internet governance policy;

37. emphasises the need for effective national measures to investigate cybercrime and for European mechanisms supporting responses to such threats;

⁽⁹⁾ Statement by N. Kroes of 13 April 2014 following the EP vote on the Cyber Security Directive. *Great news for cyber security in the EU: The EP successfully votes through the Network & Information Security (NIS) directive*, European Commission — STATEMENT/14/68, 2014 03 13, http://europa.eu/rapid/press-release_STATEMENT-14-68_en.htm

⁽¹⁰⁾ For example, see the proposal for a Directive concerning measures to ensure a high common level of network and information security across the Union, COM(2013) 48 final.

38. notes that, in relation to privacy, which is a human right, the strategy on global internet governance must sufficiently address the need for international rules on the requisition, use and storage of personal data, protection of such data from unlawful and accidental disclosure, and the loss, exchange and deletion of personal data stored in electronic data banks. Good practices in this field could be based on existing EU law⁽¹⁾;

39. recommends that the EU formulate and defend at international level a clear position on the use of personal data online. This position should be based on Article 8 of the EU Charter of Fundamental Rights (2010/C 83/02) and in particular on the principle of enabling individuals to decide for themselves which data they wish to hand over and which they do not, and, given the internet's global character and the ample scope for abuse, requiring that the use of any personal data online must be restricted and should only be allowed for specific, carefully defined purposes that are known in advance;

40. notes that major IT companies have repeatedly abused their structural power, illegally collecting and using users' personal data for both commercial and political purposes; calls on the Commission to make efforts to ensure that such abuses are prevented worldwide;

41. also emphasises that, when investigating responsibility for internet-related crime, it is very important to establish the principle that internet service providers cannot be held liable for content which they have not created themselves, but that this limited liability cannot be invoked as a reason for refusing legal requests for cooperation with law enforcement agencies, where judicial sanctions exist;

42. emphasises the EU's pioneering role in emergent internet governance structures as in many other areas; therefore, it can and must serve as a model for a global culture of responsible internet governance and use, thus helping to build a global internet culture.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*

Michel LEBRUN

⁽¹⁾ For example, see Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Opinion of the Committee of the Regions — European film in the digital era

(2015/C 019/15)

Rapporteur	Jean-François ISTASSE (BE/PES), Verviers Municipal Councillor
Reference document	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — European film in the digital era — Bridging cultural diversity and competitiveness COM(2014) 272 final

THE COMMITTEE OF THE REGIONS

1. endorses the European Commission's analysis that to establish a stimulating environment to enable the European film industry to reach its full cultural and economic potential, players must be mobilised at all levels: in the sector, in the Member States, from local to national level, and also often in a cross-border context;
2. highlights the major role that local and regional authorities play in promoting and raising the profile of culture, by preserving cultural heritage and fostering artistic innovation⁽¹⁾, and in defining cultural strategies, developing sectoral initiatives or providing the appropriate infrastructure;
3. considers that the cultural industries make a robust contribution to local and regional development as they make Europe's regions more attractive, generate sustainable tourism and develop new opportunities for lasting jobs⁽²⁾;
4. notes that the shift to digital opens up new prospects for creating interconnections between the various European regions and that the transition might provide an opportunity to attract new audiences, take advantage of unconventional content, provide new services, give a higher profile to content from other regions and support interregional cultural cooperation. The Committee would also stress that due consideration will have to be given to the fact that the costs entailed by this shift can pose a major challenge for regional and local authorities;

I. POLICY RECOMMENDATIONS**General comments**

5. is committed to contributing to the development of and follow-up to the new strategy for the European film industry launched by the Commission in its communication on 'Promoting cultural and creative sectors for growth and jobs in the EU'⁽³⁾, which is aimed at reinforcing competitiveness in these high-growth sectors and redistributing the profit they generate to other sectors such as innovation or information technology;
6. would like to play an active part in the work of the European Film Forum in order to spark a European debate on the increasingly rapid growth of the audiovisual sector and engage in a dialogue with all film industry policy stakeholders. Exchanges of best practice should serve in particular to sharpen Europe's competitive edge, get common projects off the ground and show respect for the cultural diversity of the public/consumers by reflecting demand. They should also promote effective EU-wide protection of minors, as well as the inclusion in the film world of people with visual impairments and hearing loss;
7. underlines the importance of dovetailing the current debate with the Commission's Digital Strategy for Europe⁽⁴⁾ initiative;

⁽¹⁾ CdR 293/2010 final.

⁽²⁾ COM(2010) 183 final.

⁽³⁾ COM(2012) 537 final.

⁽⁴⁾ COM(2010) 245 final.

8. welcomes the timing chosen by the Commission in publishing this initiative, given that the new Creative Europe programme and, more specifically, its MEDIA sub-programme were launched this year. One of the main objectives of this sub-programme is to boost demand for films, encourage cross-border distribution and reach potential audiences in the European Union and worldwide;

9. would stress the need to take a coordinated approach in order to respond to the new challenges associated with the rapid growth of the European film-making sector: first to respond effectively to the growing disconnect that has been observed between the European public and what is on offer in terms of culture in general ⁽⁵⁾, and second, to adapt to the public's new digital consumption behaviour ⁽⁶⁾. It is now essential that the sector succeed in harnessing and exploiting the various types of connected platform (streaming, video on demand (VOD), etc.) and the new consumer devices (smartphones, tablets and smart TV), in order to increase the number of potential opportunities for broadcasting European films and hence reach new audiences;

10. considers it necessary, given the abstract principle of cultural diversity on the one hand and the implications for competitiveness on the other, to develop an approach whereby the input of local, regional, national, interregional and European operators is coordinated to respond to the structural difficulties experienced by the European film industry in reaching potential audiences in the European Union and the wider world, as identified by the Commission, namely:

- the fragmentation of production and financing,
- limited opportunities and incentives to internationalise projects,
- the focus on production and limited attention to distribution and promotion, and
- shortcomings in entrepreneurial skills and cross-sectoral partnerships;

11. considers that, as they stand, the measures proposed in the communication do not appear to raise any issues regarding compliance with the principles of either subsidiarity or proportionality. Nevertheless, with respect to multi-level governance, it would be worthwhile ensuring that regional and local authorities are involved as a matter of course when it comes to planning, implementing and managing measures designed to promote growth in the European film-making sector;

Reviewing the financial framework — public financing schemes

12. notes that with over 600 national, regional and local support schemes ⁽⁷⁾, the Member States have put a wide range of measures in place to support the production of films, television programmes and other audiovisual products, on the basis of considerations that are as much cultural as industrial, with the prime cultural objective being to ensure that regional and national cultures and their creative potential are expressed through audiovisual media;

13. agrees with the Commission on the need to boost the overall complementarity and consistency of public funding in order to make it more effective in general, by encompassing regional, national, interregional and supranational levels of financing and covering the various activities financed;

14. would stress how important it is that local and regional authorities retain the opportunity to make demands as regards the territorialisation of expenditure, as this is essential in order to generate the critical mass of activity necessary to kickstart a trend that will secure the development and consolidation of the film industry;

15. would draw attention to the way in which economic investment funds aimed at supporting the audiovisual sector at regional level can provide structure, not least by setting up mechanisms to finance audiovisual productions and co-productions;

16. recalls that according to the study on the economic and cultural repercussions of territorialisation conditions in film support schemes, Member States allocate an estimated one billion euros of additional aid each year in the form of tax incentives for film making ⁽⁸⁾;

⁽⁵⁾ See results of the Special Eurobarometer on *Cultural access and participation*, published in November 2013 on the following website: http://ec.europa.eu/public_opinion/archives/ebs/ebs_399_en.pdf

⁽⁶⁾ Cfr. See Executive Summary of the study *A profile of current and future audiovisual audience* at http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=NC0114077

⁽⁷⁾ Communication from the Commission on State aid for films and other audiovisual works (OJ C 332, 15.11.2013), point 6 ff.

⁽⁸⁾ http://ec.europa.eu/archives/information_society/avpolicy/info_centre/library/studies/index_fr.htm#territorialisation

17. calls on public authorities to study the development of tax incentives designed to boost the production of audiovisual works and films, for instance by means of mechanisms that enable private partners to benefit from exemptions on taxable income;
18. reaffirms the Commission's observation on the need to strike a new balance between the production, distribution and promotion of films in terms of expenditure;
19. considers nevertheless that although, when it comes to redistributing budgets between production and distribution/promotion, the latter appear to have more limited resources, the budgets made available on a market like that of the US cannot be used as the basis for arguing in favour of this redistribution; it is commonly accepted that aid is important to support European audiovisual production and that it is difficult for producers to secure sufficient initial commercial support to gather the financial resources necessary to carry projects through, the direct consequence being that certain films are under-funded with their quality suffering as a result. Increasing promotion and release costs would not be enough to resolve the problems linked to under-funding of film production or to enable a wider public to be reached; although an increase in distribution and promotion budgets would be welcome in absolute terms, it must not in any way be carried out at the expense of budgets earmarked for the production of European films;
20. notes that the difficulty European films often have in finding an audience is sometimes the result of a failure to think about the target audience at the film project design stage. Films that target a niche audience at the scriptwriting stage generally find it easier to attract an audience than those aimed at the public at large. As the Commission points out, this can also sometimes be because promotion budgets are too small to allow for the widespread and high-profile dissemination of the film;
21. would note that the film industry produces prototypes and that it is impossible to predict with certainty whether a film will be successful or not;
22. would argue that a number of films would benefit if they were further developed before going into production; for this reason it is absolutely essential to make development support available, in conjunction with the grants provided under the Creative Europe programme and MEDIA sub-programme;

Reviewing the funding framework — involving new players in the value chain

23. takes the view that the funding of audiovisual production is being affected by gradual convergence, changes in consumer behaviour and the advent of new economic models. The tendency of VOD platforms to invest in original content is proof that these new players are potential investors in audiovisual content;
24. would highlight the need for new players (VOD platforms, telecommunications operators, over-the-top (OTT) operators) benefiting from European content to contribute to funding and be subject to the same constraints as national operators, so as to guarantee healthy competition between national operators and operators from outside the EU that have set up business in Europe and to boost financing for alternative content that guarantees cultural diversity;
25. intends in this respect to engage in a debate with the players concerned with the aim of reviewing the country of origin principle as provided for in the Audiovisual Media Services (AMS) Directive⁽⁹⁾, and assessing the way it operates in the context of the current transformation of the audiovisual landscape;
26. reaffirms the principles enshrined in the 2005 Unesco Convention on the Promotion and Protection of the Diversity of Cultural Expressions, including the right of states and authorities to conserve, adopt and implement appropriate policies for the protection and promotion of cultural diversity, in particular by promoting the publication, production and dissemination of content, whatever the medium (conventional, on-demand or internet television);
27. is of the opinion that the information gathered by art house cinemas (as part of the MEDIA programme) and also the statistics collected by the major internet operators, the main aggregators and the VOD sector, and public broadcasters (private, too, if they benefit from public aid or are in competition) should be shared and made available for the film industry at regional and national levels. What is needed is to dispel the current lack of transparency, as this tends to stop public authorities from legislating or regulating new operators or imposing on them the general policy requirements that currently apply to public broadcasters in the form of management contracts or other measures;

⁽⁹⁾ Directive 2010/13/EU (OJ L 95, 15.4.2010).

Establishing an innovative commercial environment

28. awaits the results of the public consultation launched under the Commission's green paper *Preparing for a Fully Converged Audiovisual World: Growth, Creation and Values*⁽¹⁰⁾, in order to assess the degree to which the AMS Directive⁽¹¹⁾ is still responding to its objectives of promoting the creation, distribution, availability and commercial appeal of audiovisual works within the digital single market;

29. would nevertheless highlight the difference in treatment by the AMS Directive of linear audiovisual services on the one hand, for which the directive sets percentages of European and independent works that EU broadcasters are obliged to schedule, and non-linear audiovisual services on the other, for which these obligations are worded in a more flexible manner. The take-off of non-linear services (VOD) and the experience that has been gained could be helpful in identifying and implementing more effective means of promoting European works in such services;

30. would argue that the rapid development of the sector should encourage the European Commission to run pilot initiatives with regard to media chronology (e.g. day and date release) in order to assess the possible need to relax the rules in terms of film availability windows. The CoR would underline that local players and rights-holders must be protected through a suitable business model, while also making the most of the new opportunities presented by digital technology and improving access to content for the general public. Account should also be taken of new behaviours and expectations on the part of consumers, who desire immediate access to new content when and where they want it, whilst enabling the development and consolidation of new business models for financing and distributing this content;

31. would note the need to work on the following aspects: establishing a modern framework regarding copyright to make it easier to deposit and access films on line in the EU so as to secure recognition and effective remuneration for rights holders; providing sustainable incentives for creativity, cultural diversity and innovation; broadening final users' access to legal content; nurturing the emergence of new economic models; and combating illegal content and piracy even more effectively⁽¹²⁾;

Strengthening the creative environment

32. agrees with the Commission on the need to foster talent and develop professional skills in the European industry and would encourage creative partnerships between film schools and the professional world; with respect to this objective would underline the importance of the support provided under the Creative Europe and Erasmus+ programmes;

33. would also point out the need to adopt a more proactive approach that will help to generate synergies between the cultural and creative sectors and also with economic and social players in other spheres in order to support new and innovative areas of activity, such as cross-media, social media, digital publishing and creative tourism, etc.⁽¹³⁾;

Accessibility and audience development

34. would underline the importance of finding and building up a new audience for European films and endorses the Commission's analysis regarding the need to design tools that widen access to and demand for European films, non-national films in particular;

35. acknowledges the usefulness of being able to target factors that might contribute to the success of a film, by collecting information on audience preferences; however, would also like to point out that while it may be true that films benefiting from national and regional public support have a tendency to target a local audience, it is not by erasing the local aspect of films that they will have more of a chance of accessing the markets of other European States and finding an audience. The CoR is of the opinion that it is by succeeding in its own domestic market that a film is likely to interest a foreign distributor and be shown elsewhere. It would be counterproductive to think that films should be designed on the basis of a European lowest common denominator. Indeed, cultural diversity requires that local and regional characteristics be brought to the fore as these are the special ingredients making up our European identity;

36. takes the view that the digital revolution could offer greater flexibility for film distribution by allowing for alternatives to the traditional distribution system that can respond to public demand for faster access to content in more formats;

⁽¹⁰⁾ COM(2013) 231 final.

⁽¹¹⁾ Directive 2010/13/EU (OJ L 95, 15.4.2010).

⁽¹²⁾ COM(2012) 789.

⁽¹³⁾ CdR 2391/2012 final.

37. considers it indispensable that public authorities encourage national VOD platforms to promote European films in their catalogues actively, by means for instance of advertising strategies or promotion campaigns, as part of either national and regional policies;
38. would also stress that co-productions, which are often financially and artistically essential in order to be able to make European films, also encourage the distribution of films; they could be improved by co-producers themselves doing more to anticipate conditions for release in the various co-producing countries;
39. welcomes the constructive 'Licences for Europe' dialogue, with particular regard to the need to digitalise, restore and make European film heritage accessible and the procedures for doing this, including the use of connected platforms, thus allowing the institutions in possession of this heritage to release works stored in their archives, while also ensuring that rights-holders receive their fair share of the income generated;
40. would highlight in this context the need to use these connected platforms to improve and develop the availability of a greater number of dubbed and subtitled versions of films in individual countries⁽¹⁴⁾, always with the aim of making Europe's film heritage accessible to as many people as possible;
41. would emphasise the need to modernise the film industry by means of digitalisation projects and training initiatives, deploying the EU's Structural Funds in order to involve the industry in local and regional development strategies aimed at the public, while also giving due consideration to cultural and linguistic diversity and the rich variety of national audiovisual landscapes;
42. notes that education in the area of film remains under-funded and that European financing should be made available; this is a key sector that can raise young people's awareness of the existence of alternatives to US films and of the way that film can act as a cultural vector for the many different facets of European identity;
43. considers that it is important that the Commission use its film industry policy to acknowledge the importance of the regional and local dimension and of public funding for the audiovisual sector at local, regional and interregional levels, not least to protect cultural diversity. This is where the European treaties and the Unesco Convention on the Promotion and Protection of the Diversity of Cultural Expressions can come into their own.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

⁽¹⁴⁾ http://ec.europa.eu/internal_market/copyright/docs/licences-for-europe/131113_ten-pledges_en.pdf

Opinion of the Committee of the Regions — Recognition of skills and competences acquired through non-formal and informal learning

(2015/C 019/16)

Rapporteur Marek Olszewski (PL/EA), Mayor of Lubicz

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

European context

1. Although Europe has strong assets, many challenges have to be tackled in the field of education, in order to achieve the ambitious objectives of the Europe 2020 strategy. Over the last few years, the recognition of non-formal and informal learning has been the subject of several comparative EU-wide analyses that have allowed a better understanding of the extent to which the recognition of prior non-formal and informal learning has been implemented.

2. Since 2004, the European institutions have supported national developments in this field through various initiatives, including the Common European Principles for the identification and validation of non-formal and informal learning⁽¹⁾, the European Guidelines for validating non-formal and informal learning (Cedefop, 2009)⁽²⁾ and several editions of the European Inventory on the validation of non-formal and informal learning⁽³⁾. These efforts resulted, in December 2012, in the adoption of the Council Recommendation⁽⁴⁾ inviting EU countries to establish the rules for validation linked to national qualifications frameworks and in accordance with the European Qualifications Framework allowing individuals to obtain full or partial qualifications on the basis of non-formal or informal learning. It is now time for LRAs to take the opportunity to express themselves on this issue.

Importance of validating skills acquired through non-formal and informal learning in the context of lifelong learning

— Highlighting better and more useful skills

3. Skills and competences are acquired not only through formal education but also through learning which takes place outside this formal framework. This involves the informal acquisition of a given competence during the course of an individual's life which is not linked to any formally recognised and validated qualifications. Such skills may, for example, be acquired during the course of housework, workplace-based learning, help on a farm, caring for older people, the sick, children, etc.

4. Non-formal learning on the other hand refers to situations in which an individual learns and acquires skills through various types of activity where learning takes place but without certification or accreditation of such skills. Examples of such activities include seminars, training courses which are open to all and internships, as well as, for example, amateur sport or volunteer work for local communities. Non-formally and informally acquired skills may have both technical aspects (e.g. practical experience) and social aspects (e.g. language skills).

⁽¹⁾ Draft Conclusions of the Council and of the representatives of the Governments of the Member States meeting within the Council on Common European Principles for the identification and validation of non-formal and informal learning (18 May 2004) http://www2.cedefop.europa.eu/etv/Information_resources/EuropeanInventory/publications/principles/validation2004_en.pdf

⁽²⁾ http://www.cedefop.europa.eu/EN/Files/4054_en.pdf

⁽³⁾ Cedefop: European Inventory on the validation of non-formal and informal learning — Home <http://www.cedefop.europa.eu/en/about-cedefop/projects/validation-of-non-formal-and-informal-learning/european-inventory.aspx>

⁽⁴⁾ Council recommendation of 20 December 2012 on the validation of non-formal and informal learning <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:398:0001:0005:EN:PDF>

5. The principle of lifelong learning currently forms the cornerstone of Europe's policy for education and employment and is therefore key to inclusion. The recognition and validation of competences and knowledge acquired through non-formal and informal education is one of the key tenets of this approach, which should lead to more flexible education processes, in turn leading to greater mobility among the labour force and enhanced employability, not least of young people, the inclusion of migrants and a re-think of the idea of education (especially adult education) in general. Thanks to the validation of non-formal and informal learning, individuals will not only receive certification that they have reached a certain level in a competence acquired outside the formal education system but, in certain cases, will also achieve transition to another level of education, subject to the appropriate accreditation framework.

6. In the Bruges Communiqué of December 2010 ⁽⁵⁾, the European Ministers for Vocational Education and Training, the European Social Partners and the European Commission declared that EU Member States should start to develop, no later than 2015, national procedures for the recognition and validation of non-formal and informal learning, supported, where appropriate, by national qualifications frameworks.

7. Meanwhile, there is still a substantial gap between these declarations and the reality on the ground. There are many significant regional and national differences in terms of the recognition and validation procedures of non-formal and informal knowledge/skills in education systems (over 100 different definitions of these processes at national and regional levels). Some EU countries and regions are lagging behind in terms of recognising non-formal and informal education and learning.

8. To this effect, the CoR urges the European to address this issue within the revision of policy priorities in the framework of the renewed Europe 2020 strategy and to deliver promptly on its commitment to create a European Area of skills and — qualifications acquired not only through formal but also non-formal learning, while ensuring permeability between different levels of education. This is a key priority for the CoR, also reflected in its proposals for the new EU legislative mandate ⁽⁶⁾, given that the mutual recognition of such qualifications facilitates, inter alia, cross-border worker mobility, boosts competitiveness and it enhances territorial and social cohesion.

9. Considering non-formal education as a means of integration into society, the CoR has on a number of occasions called for recognition and validation of the competences and qualifications acquired through non-formal education in its opinions. Over the years, non-formal learning and education have been repeatedly confirmed as key CoR priorities.

10. The Committee of the Regions takes the view that pan-European mechanisms for the recognition, validation and certification of non-formal and informal skills could lead to an increase in the effectiveness and value of non-formal education which takes place under programmes co-financed by the European Social Fund.

11. Across the EU, local and regional authorities have key responsibilities for education and training policy and they play an essential role in the fields of youth and employment policies.

12. Education institutions, universities and Vocational Education and Training (VET) providers and other providers, employment agencies, NGOs and public services that operate in a given region need to be involved and coordinated — and the same is true for businesses. Therefore, the territorial dimension must be taken into account when designing and implementing arrangements for the validation of non-formal and informal learning. However, the Committee considers it important that education institutions and businesses be open and adapt to the new circumstances created by the recognition of non-formal and informal education, and to harnessing the new possibilities and opportunities that they provide.

⁽⁵⁾ The Bruges Communiqué on enhanced European Cooperation in Vocational Education and Training for the period 2011-2020 http://ec.europa.eu/education/policy/vocational-policy/doc/brugescom_en.pdf

⁽⁶⁾ COR-2014-02333-00-00-RES.

13. Moreover, local and regional authorities are a valuable source of knowledge concerning employment opportunities, available education (non-formal and informal) and the needs of their regions and cities. Consequently, involvement of the local and regional authorities is essential in order to support the development of skills that match employment requirements.

— **Further strengthening links between education/training, mobility and the labour market**

14. The Committee of the Regions calls for cooperation based on partnership between government bodies at national and local level, businesses, employees and their organisations as well as civil society organisations in the realignment of resources for lifelong learning in line with the principle of validating non-formal and informal skills.

15. Stresses the importance of acquiring the widest possible cross-cutting skills, especially in the area of entrepreneurship, and the role of these skills in cooperation between formal, non-formal and informal education and the labour market.

16. Draws attention to the important role of key stakeholders operating outside the formal education system who have a vested interest in or are directly involved in recognising and validating skills acquired outside the formal system.

17. Emphasises the need to establish common quality frameworks for learners' traineeships. In this context, endorses the action of the Council of the EU which adopted a list of recommendations in this area in March 2014 ⁽⁷⁾.

Ensuring overall coherence of tools and policies, and implementing the learning outcomes approach

18. Specific legal and organisational measures that draw on public funds and are adopted in order to achieve certain aims should take account of the reallocation of expenditure in a given area.

19. By putting learners at the heart of lifelong learning policies, further improvements can be achieved regarding the effective deployment of resources for the development of education and training. Recognising the importance of the learner has led to a change in the focus of funding models for education and training, thereby avoiding any unnecessary duplication in terms of the allocation of resources from the various sources in question (formal, non-formal and informal) and tailored to the different learners' individual needs. Therefore, according to the principle of lifelong learning, in this context it is the learner rather than the institution(s) or system which is both the main driving force behind and beneficiary of the available resources.

20. This approach towards validating skills acquired outside the formal education system can significantly improve responsiveness to the new needs of learners. Such needs are to a significant extent dependent on economic and social changes which, in turn, require new skills and qualifications.

21. The Committee of the Regions takes the view that the wholesale application of mechanisms for validating skills acquired through non-formal and informal learning will not require a complete overhaul of vocational education and training systems. It points out that current training systems already include validation mechanisms, even if they are somewhat dispersed, incomplete and diverse in nature.

22. It is necessary for validation prior to further studies to be carried out in a local/regional context, where support for individual study plans, educational and careers advice, student finance issues, support for combining studies at different levels of education, and dialogue with the world of work regarding the match between the supply of and demand for skills are all handled.

⁽⁷⁾ Council recommendation on a Quality Framework for Traineeships (10 March 2014)
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lssa/141424.pdf

Ensuring clear rules and procedures for the recognition of skills and qualifications to enable further learning; placing greater emphasis on quality

23. The Committee of the Regions stresses the need to guarantee at EU level the appropriate quality and equivalence of validation procedures in order to ensure that certificates obtained through the validation process are mutually recognisable throughout the EU; therefore, considers the exchange of best practices amongst Member States in terms of quality assessment and validation procedures of utmost importance. These procedures must also not be overly cumbersome or protracted.

24. Calls for swift and thorough implementation of the proposals outlined in the Council's recommendations, with a particular emphasis on the need to link validation arrangements to national qualifications frameworks and to the European Qualifications Framework, and to establish clear rules for ensuring the quality of such arrangements in accordance with existing provisions.

25. Equally, the Committee of the Regions considers that, while placing due emphasis on quality, validation procedures should be clear and not too complicated in order not to deter those who wish to formalise their learning outcomes from doing so and to make lifelong learning a reality. Moreover, quality assurance mechanisms throughout the recognition and validation of non-formal and informal learning are key to ensuring that such learning is treated at par with formal learning.

Appropriate information policy

26. In order to ensure their legitimacy, validation procedures must have strong ties with the world of work. In many cases, recognition procedures for a given area of activity should be developed by, or in close cooperation with, the sector concerned.

27. The Committee of the Regions considers that a sufficiently broad, comprehensive and comprehensible information policy, targeting the public and businesses and informing them of the opportunities for and advantages of validating skills, is of key importance to successful validation procedures; this policy should also be designed with the people to whom it is targeted in mind.

28. Proposes that information activity be carried out separately for each reference level ⁽⁸⁾ (especially for reference levels three to six) of the European Qualifications Framework.

29. Also suggests that it should be coordinated and partly co-financed via the European Social Fund and Erasmus+, under Key Action 3 (support for policy reform).

30. In formulating these policy proposals, we note that throughout the European Union local and regional levels have key responsibilities for education and training policy.

31. It is the local and regional authorities that have key responsibilities for education and training and direct knowledge of both the skills required for the labour market in their area and the training requirements of their citizens. They are therefore well placed and able to contribute to policy development and implementation in the field of education and training, including the validation of non-formal and informal learning, in full respect of the subsidiarity principle.

32. The Committee of the Regions takes the view that validation procedures for skills acquired outside the formal education system are a vital part of fundamental changes to the European model for vocational education and training. For the regions, they not only represent an important mechanism for developing a sustainable labour market but are also helping to create more flexible education systems which are more tailored to a rapidly changing world, thereby improving the interconnection between education, training and employment.

33. Considers it important to pool local and regional best practice in non-formal, informal and vocational education, to transfer knowledge and to ensure the participation of stakeholders in cooperation projects.

34. The Committee of the Regions notes that lessons may be learned from validation procedures for non-formally and informally acquired skills in cases where there is a mismatch between vocational education systems and labour market needs.

⁽⁸⁾ The European Qualifications Framework (EQF) foresees 8 levels of learning outcomes, enabling a much easier comparison between national qualifications.

35. The Committee of the Regions considers that common, pan-European frameworks should be established for systems validating non-formal and informal skills in order to ensure that they are mutually recognisable.
36. The validation of non-formal and informal skills should, in particular, encompass reference level five, as education courses for this level have practically disappeared in Central and Eastern Europe.
37. Calls for the creation of a concrete and common framework at EU level for the recognition of skills and competences acquired not only through formal but also non-formal informal learning, while ensuring permeability between different levels of education.
38. Political interest in the variety of practice-based educational processes that are subsumed under non-formal learning has increasingly been focused on quality standards, validation and strategies for recognition.
39. There is a strong need to create a pan-European strategy (in the form of guidelines and possible implementation scenarios) with a view to establishing a common framework for recognition of informal and non-formal education/learning in order to facilitate the creation of relevant national procedures.
40. It has to be clearly shown that the proposed actions cannot be sufficiently achieved by the Member States, but in view of their scale and effects can be better achieved at EU level. The proposed actions involve trans-national aspects that cannot be properly regulated by Member States or regional and local authorities acting alone. In addition, the proposed actions should provide clear benefits compared with actions at national, regional or local levels by virtue of e.g. a global evidence-based policy analysis or a common framework to support interaction with the rest of the world in the field of education and training. Given these trans-national aspects, trans-national cooperation structures (both public and private) must also be involved in developing validation procedures.
41. At the same time, the EU should act only to the extent necessary, while the content and form of action should be suitable and appropriate to achieve the intended objective. Where it is necessary to set standards at EU level, consideration should be given to setting minimum standards leaving freedom to Member States and competent regional and local authorities to set higher standards (proportionality principle). The proposed form of action should be as simple as possible in order to achieve the intended objectives and leave as much scope for national, regional and local decisions as possible.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

Opinion of the Committee of the Regions — ‘mHealth’

(2015/C 019/17)

Rapporteur	Martin Andreasson, Member of Västra Götaland Regional Council (SE/EPP)
Reference document	Green paper on mobile health ('mHealth') COM(2014) 219

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General comments

1. welcomes the open consultation that the European Commission has launched to canvas opinions on the Green Paper on mobile health ('mHealth'). The development of mHealth highlights a number of the most pressing issues for European healthcare systems, such as making more efficient use of existing resources, improving health, empowering residents, improving working conditions for healthcare workers, improving the uptake of innovations, and improving the quality of health care;
2. points out that success in developing mHealth will depend heavily on how those developments can be coordinated with other healthcare-related developments, and on how key challenges such as interoperability, privacy and quality control of data are handled;
3. particularly highlights the importance of public confidence in local and regional authorities' handling of information. The development of mHealth must take account of people's justified interest in protecting their privacy. The specific privacy risks connected with the public's use of mobile solutions to handle sensitive health-related and personal information must be resolved;
4. points out that the development of mHealth must benefit all EU citizens, and must not lead to further inequalities in terms of access to and use of healthcare services: steps must therefore be taken towards the use, free of charge, of networks providing access to mHealth services. The public interest in high-quality, secure health care must be at the heart of the developments brought about by mHealth;
5. stresses that mHealth is a key factor in efforts to empower the public and to put them in a better position to gain control over their own health. Particularly for older people and people with disabilities or chronic illnesses, mHealth can make a significant contribution to improving their safety and independence in daily life. Developments must therefore take account of people's different circumstances. New technical applications must be easily accessible, and give disabled, older and vulnerable people greater autonomy. Local and regional authorities have an important role to play in promoting training in the use of new technology and management of sensitive data, both for nursing and care workers and for the general public;

II. RELEVANCE FOR THE COMMITTEE OF THE REGIONS

6. notes that, in many EU Member States, local and regional authorities bear some of the responsibility for planning, designing, implementing and funding health and welfare policy. It is therefore evident that local and regional authorities must be closely involved in any reforms that impact healthcare and welfare;
7. notes that mHealth and eHealth are high on the agenda for many of Europe's local and regional authorities, but that progress in development varies between countries and regions. There is a need for more interregional cooperation and exchanges of practical and policy experience, to enable those at the forefront of mHealth to transfer their knowledge. The European Commission can play a role here, by collecting and collating knowledge and best practice;

8. notes that European healthcare systems face similar challenges: for example, rising healthcare costs, ageing populations, greater risks of chronic illnesses and multiple illnesses, shortages of certain health professionals, and inequalities in care provision and access to health care. Some of these challenges are also particularly evident in sparsely populated areas where people are widely dispersed. mHealth is one of a number of tools that can be used to tackle these challenges. One important factor in the development of health care and the future health and quality of life of people in Europe is therefore how well the development of mHealth is handled and translated into practical benefits for patients and health professionals;

Opportunities

9. feels that one of the success factors both in efforts to improve health care and in increasing the well-being of the population is for the public to have greater influence on and involvement in issues surrounding health and health care. mHealth is one of the basic preconditions for the provision of health-related information and the reinforcement of shared decision-making that will put people in a better position to monitor their health data, stay healthy and, where necessary, to manage their illnesses. It also provides new opportunities for family members and others, with the customer's permission, to be involved and properly informed and to play an active role when it comes to their relatives' health and contact with health and social care services;

10. would particularly highlight the fact that expanding digitisation and increasing levels of health-related knowledge may help to give more people in remote, sparsely populated or otherwise disadvantaged regions access to high-quality information and preventative healthcare measures, as well as to easily accessible medical treatment and follow-up; They will also help to provide better conditions for people to stay in their own homes and take care of themselves for longer. mHealth can contribute in a number of ways to a more person-centred healthcare system;

11. believes that mHealth has considerable potential in terms of promoting an evidence-based approach and of simplifying and improving the working environment for health professionals. It could do this by ensuring that the right information is available at the right time, by documenting important information prior to a meeting with the patient or by arranging a distance consultation with the patient. If mHealth is to become a real force for improvement and efficiency, it will therefore be necessary to ensure that the services developed and used genuinely do support health staff in their work with patients;

12. believes that good-quality and well-designed mHealth services can play an important part in increasing the quality and efficiency of health care. mHealth can, for example, help reduce the number of patients with chronic diseases entering hospital and shorten their stays, and help them to manage their own care to a greater degree. It is therefore important to ensure that mHealth is not developed entirely separately, outside healthcare systems, but is integrated as closely as possible, with the understanding that it is a tool for achieving better results for the public;

13. believes that a greater focus on mHealth could have a positive impact on entrepreneurship and employment in the regions. It would also contribute to the development of services that can be provided both nationally and internationally. A range of different initiatives will be needed to stimulate entrepreneurship further, including for example educational programmes, business competitions and guidance on market penetration. In order to be able to develop services that can exchange information with social and healthcare providers, entrepreneurs also need a better understanding of the technical and semantic standards followed by operators in the social and healthcare sector. Development activity must establish effective cooperation between the public sector and business;

Relationships

14. stresses that mHealth is both complementary to and an integral part of what has traditionally been regarded as health care. It is not a question of developing a parallel system, or of replacing the professional skills of healthcare staff. Nor is there any question of replacing all personal contact between patients and health professionals. Rather, mHealth helps to empower patients and make them better informed, and to forge new relationships between patients and health professionals. Therefore, if mHealth is to be an effective tool both for the public and for health professionals, there is a need for action in the form of communication tailored to the target audience, the development of competences, and effective change management;

15. notes that, to date, developments in eHealth have largely been led by the public health sector. However, the successful development of mHealth will require a broader perspective, and closer cooperation between public and private healthcare providers, suppliers and entrepreneurs, and of course patients and patient organisations;

Economics

16. notes that, while there are significant variations in this area, many of the reimbursement models in European healthcare systems are based on interventions, physical visits and the number of patients treated. As a rule, reimbursement is based on physically seeing a person who needs care, whereas helping someone stay healthy or manage their own care to a greater degree is not reimbursable. In order to achieve the full potential of mHealth — not least with regard to health promotion activities — it may therefore be necessary to discuss new, more value-based reimbursement models;

17. points out that, according to the EU's Economic Policy Committee (EPC), people aged over 65 account for 30-40 % of Member States' healthcare expenditure, and their proportion of the total population is forecast to rise from 17 % in 2010 to 30 % in 2060. This also means that, by 2050, there will be only two people of working age to every person over 65, compared with four to one in 2004. mHealth has the potential to help face up to these demographic challenges and rising healthcare costs, among other things by helping to reduce hospital admissions, promote self-care and improve public health among EU citizens;

Interoperability

18. believes that mHealth highlights the need for legal, linguistic and technical interoperability. Effective electronic sharing of data between different care providers, and between patients and care providers, is crucial to improving quality and effectiveness and empowering patients. This includes ensuring that the mHealth solutions developed allow data to be transmitted both between different applications and between applications and the working systems used in health care. These are essential requirements, because the countries of Europe are facing the same challenges. The EU has an important role to play here in efforts to push forward to the development of common standards and specifications. At the same time, greater interoperability also entails an important balance between openness and security, as increasing interoperability must not result in an uncontrolled flood of information. It remains essential for communication to be based on informed choices in the context of applicable regulations and security requirements;

Safety and privacy

19. stresses that the successful development of mHealth depends on ensuring that people's privacy is protected. It is vital for people to trust the health services and information about the health services if local and regional authorities are to be able to deliver good and safe health care. Among other things, this involves ensuring that sensitive information cannot be accessed by unauthorised persons and that data cannot be used for secondary purposes without the individual's consent. It may therefore be appropriate to discuss whether there is a need for further monitoring, guidelines or certification of the mHealth services that suppliers provide, on top of existing legislation in this field. The development of reliable and secure devices that identify individuals by means of biometric data should also be encouraged;

20. considers it important to ensure, when drafting legal acts, that they do not hinder research and systematic quality-improvement efforts above what is needed to ensure the protection of patient data. As broad a balance as possible needs to be struck between the need to protect people's privacy and the tradition in the healthcare sector of using collated information to try to improve quality and results for current and future patients. In this connection, the Committee of the Regions would particularly highlight the need to take account of this perspective when drafting a proposal for a new data protection regulation to ensure that a suitable balance is struck between the two objectives with a view to optimisation;

21. considers it extremely important for the public to be secure in the knowledge that the mHealth services they are being offered or recommended by health professionals are safe to use and will help to improve their health and quality of life. Among other things, this makes it necessary to guarantee the quality of mHealth services from a medical point of view as far as possible. In this connection, the Committee recommends making a clear distinction between lifestyle applications and medical devices. mHealth services in the latter category must be evaluated using widely agreed models for evaluating medical devices and methods, and must be subject to the Medical Devices Directive 93/42/EEC. There is also a need for clear information so that consumers, patients and health professionals can choose the mHealth service best suited to their current needs;

Subsidiarity

22. points out that competence for organising and providing healthcare services rests with the Member States. In many Member States, local and regional authorities are responsible for all or a significant part of health and welfare policy. This means that local and regional authorities have a key role in the development of health care and in its digitisation by means of eHealth and mHealth. It is therefore necessary to work closely with local and regional authorities and to ensure that the EU takes account of the principle of subsidiarity in its ongoing work on mHealth.

Brussels, 4 December 2014.

*The President
of the Committee of the Regions*
Michel LEBRUN

III

(Preparatory acts)

COMMITTEE OF THE REGIONS

Opinion of the Committee of the Regions — Policy package on organic production

(2015/C 019/18)

Rapporteur	Willemien Hester Maij, Member of the Council of Overijssel province (NL/EPP)
Reference documents	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Action Plan for the future of Organic Production in the European Union COM(2014) 179 final Proposal for a Regulation European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Council Regulation (EC) No 834/2007 COM(2014) 180 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

Objectives of the policy package

1. endorses the objectives set by the Commission for organic production: removing obstacles to the sustainable development of organic production, promoting the efficient development of the single market and ensuring fair competition for farmers and market participants and maintaining or increasing consumer confidence in organic products;

2. recommends improvements to the existing Regulation (EC) No 834/2007 on organic production and labelling of organic products. Although steadfast in its commitment to pursuing the principles of organic farming, the CoR expresses its preference for the policy option explored by the Commission of improving the status quo on the basis of improvements to, and more effective implementation of, the existing legislation. The CoR notes, however, that the Commission has in fact opted for a radical change to the law, with standards being tightened and all flexibility being removed. The CoR believes that the integrity of entrepreneurs and the production system, together with its adaptation to differing climatico-agricultural conditions and levels of development in the various EU regions are the basis for sustainable growth and consumer confidence. This is why integrity cannot be enforced solely by tightening the rules. The more stringent rules directly impact the continuity of the sector. The Commission believes that this effect will be temporary but the CoR considers that there is little evidence to support this view and, until an assessment shows it to be right, prefers the evolutionary option — improving the existing regulation — over the proposed revolutionary option of radical change to the law;

3. notes with approval that the Commission has drawn up an action plan for the transition to the new legal framework. However, the CoR is disappointed with the action plan for three reasons. First, it has no specific objective in the form of a target for expansion of the sector. Secondly, the plan has no budget of its own, except the EAFRD budget. This is limited and there is a danger that a large part of the available money will have to be used for the compensation arrangements (residue requirement) set out in Article 20. Thirdly, the local and regional dimension is missing even though it is mentioned in the general principles of organic production set out in Article 4 g) of the draft regulation. The CoR regards this as a missed opportunity, as local and regional authorities are directly involved in the development of organic farming as co-financiers of the rural development programme measures and calls for this action plan to be strengthened and better financed;

Subsidiarity and proportionality

4. Some proposed measures, notably the removal of the possibility for Member States to grant exceptions, raise concerns from a subsidiarity viewpoint since it is questionable whether they are necessary to achieve the intended objectives and provide a clear benefit. Moreover, the proposal goes further than necessary; the wholesale review of the existing legislation is premature and too far-reaching and presents a potential breach of the principle of proportionality since there are other less restrictive ways to achieve the desired results. The above concerns have been highlighted in the subsidiarity consultation carried out by the Committee of the Regions ⁽¹⁾;

Structure of the regulation

5. recommends that the delegated acts in Chapter III, Production rules, be developed as part of the main text in order to give the CoR the opportunity to express a view on this essential part of the rules.

The rules consist of a single regulation, plus appendices covering specific production rules. The regulation consists of 45 articles, of which 29 cover delegated acts. The CoR is not empowered to assess delegated acts. These occur in all parts of the regulation. The 13 delegated acts relating to production rules in particular are of essential importance for the continuity of the organics sector at local and regional level. Article 290 TFEU states that the essential elements of an area shall be reserved for the legislative act and accordingly shall not be the subject of a delegation of power. The structure of the regulation is thus at odds with the basic principles of the TFEU;

6. recommends that the proposal be dealt with together with proposal for a regulation on official controls. Controls on organic production and labelling rules are developed in the proposal for a regulation on official controls. In its opinion on this regulation the CoR objected to the Commission's power to adopt delegated acts for specific rules for the implementation of official controls. The CoR pointed out that it is essential for all provisions with a substantial impact on control activities and the budgets of the Member States to be included directly in the regulation;

Subject matter, scope and definitions

7. advocates clearly defining the scope of control and production rules, which should apply until the organic product has been packaged, labelled and made available to the end consumer in tamper-resistant packaging or, where appropriate, when marketed in bulk, removed from its original packaging or in packaging that is not tamper-resistant until it is marketed to the end consumer;

8. recommends that the definition of 'group of operators' in Article 3 also be based on the regional definition of the concept of 'small farmer', on the basis of turnover. The Commission defines the concept of 'group of operators' in order to alleviate the administrative burden on individual small farmers. The CoR acknowledges the Commission's intention but cannot endorse a definition of 'small farmers' based solely on the number of hectares of utilised agricultural area; 5 ha of glasshouse horticulture is considered large-scale, whereas 5 ha of upland pasture is small-scale;

⁽¹⁾ Consultation of the Subsidiarity Monitoring Network and the Subsidiarity Expert Group, which ran from 16 April to 26 May 2014. Report available at: [http://portal.cor.europa.eu/subsidiarity/Observations2014/COM%20\(2014\)%20180%20860ce890ec-c54e2dbf32defbd5e433c4/Report%20consultation%20Organic%20farming.pdf](http://portal.cor.europa.eu/subsidiarity/Observations2014/COM%20(2014)%20180%20860ce890ec-c54e2dbf32defbd5e433c4/Report%20consultation%20Organic%20farming.pdf)

The production rules

9. recommends leaving the option of parallel production open. With Article 7(1)(a) on general production rules, the Commission puts an end to the existing practice of combined organic and conventional farming. Around one quarter of organic farms in Europe produce both conventional and organic products. Parallel-production farms as a whole are overseen by the supervisory authorities for organic farming. The CoR believes that this mixed production is good for the interaction between organic and conventional farming and contributes to sustainability and innovation in agriculture. The CoR fears that the prohibition on parallel production will lead to the disappearance of some organic producers or cause them to resort to legal vehicles (split production) designed to circumvent this rule;

10. calls for agreements with breeders and producers on a realistic period for the transition to the 100 % organic reproductive material rule. The Commission is abolishing various exceptions to the rules and in Articles 10, 11 and 12 proposes that only organic reproductive material may be used for the production of plants, plant products, livestock and seaweed and aquaculture animals. In many regions this is by no means the case as there is insufficient organic reproductive material available. The Commission therefore provides for a transitional period to 31 December 2021. The CoR believes that this period will not be realistic unless it is backed up by specific support measures and calls for this deadline to be assessed in 2019 to ensure that it does not lead to a lack of reproductive material and a loss of production;

11. recommends that the rules for the inclusion of organic varieties in the official list be adapted before the exceptions for the use of seed are abolished. In its opinion on *Agricultural genetic resources — from conservation to sustainable use* (CdR 2014/1277 fin), the CoR notes that the rules on the inclusion of varieties in the official list are not geared to organic seed. The CoR believes that the new proposal for a Regulation on the production and making available on the market of plant reproductive material should offer an opportunity to certify organic seed on the basis of criteria which are geared to organic farming;

12. notes that the Commission is moving from a system of best efforts obligation to an obligation to achieve results by introducing in Article 20 a threshold for non-authorised substances in organic products. The CoR is not in favour of a separate system of obligation to achieve results for the organics sector and believes that all European foodstuffs should comply with the same food safety rules;

13. if a threshold for non-authorised substances in organic products were to be introduced in the longer term, the rules by which producers would be compensated by the Member States for past losses would need to be clarified in advance. It is almost impossible for organic farmers to prevent their products from containing residues if their neighbours using conventional methods do not take precautions to prevent possible contamination. The CoR believes that the cost of decertification damage of this kind should not be borne by the organic producer or the local or regional authorities. On the basis of the proposal for a regulation Member States are allowed to make national payments to farmers using CAP instruments in order to compensate them for past losses. The Commission does not, however, give any details on the budgetary consequences of this measure, as the compensation rules are not clear;

Trade with third countries

14. notes that the Commission is proposing a system whereby the equivalence principle for trade with third countries is dealt with as part of trade agreements. Comparison of control measures and production rules would thus become part of a trade agreement. The CoR considers this insufficiently transparent and possibly damaging to consumer confidence and advises that, with a view to equivalence, procedural rules be laid down in trade agreements on the basis of which the Commission can conduct transparent negotiations with third countries. In order to improve transparency during the negotiation of agreements, there should be a European Council mandate, with associated rules, and the Commission should have to report to the Council on the agreements concluded;

Procedural, transitional and final provisions

15. recommends that the existing practice of regular on-the-spot checks be maintained. Article 44(3) of the proposal for a regulation amends Article 23 of the proposal for a regulation on official controls. The existing practice of annual on-the-spot checks is thus replaced by a system of checks based on risk assessment. Cost-cutting is the reason for this change. Like the IFOAM, the AREPO and the EOCC, the CoR regards this as an undesirable development. The checks are important for consumer confidence and a reference for producers;

Organic farming action plan

16. recommends that a platform be established to supervise and evaluate the action plan. The platform would promote and evaluate the implementation of the action plan. The platform participants would come from the 'golden triangle' of business, government and education and research. Specifically, they would be representatives of business, education and science, the Member States and the regions together with a panel of consumers and environmental associations. The CoR advises the Commission to establish a target of 10 % organically cultivated land by 2020 for the action plan. Regional activities which could be coordinated by the platform are listed in points 17 and 18;

17. encourages the introduction of organic products in mass catering. Catering in educational and government bodies, care institutions and businesses can provide a stimulus to the development and organisation of local organic production. The introduction of organic products in catering facilities is often part and parcel of local policy measures. The CoR calls for efforts to ensure that 75 % of school canteen food consists of healthy, organic and/or local products, and for a database of information and ideas to be established on healthy, organic and regional products in mass catering;

18. calls for the protection of water resources and nature through organic farming. Various regions have accumulated positive experiences of protecting water resources and nature through organic farming. The CoR calls for exchange of experiences to ensure that local and regional authorities are encouraged to become involved in this.

II. RECOMMENDATIONS FOR AMENDMENTS**Amendment 1**

New Recital 9

Text proposed by the Commission	CoR amendment
	<p><u>It is appropriate to provide for some degree of flexibility in the application of production rules to allow rules and requirements to be adapted to local climate or geographical conditions, husbandry practices, and stages of development in organic production. This should enable exceptions to be provided for, but only within the limits and under the specific conditions set out in EU legislation. Greater flexibility must not come into conflict with certification efforts, which must be effective and harmonised, which means that clear criteria and rules will have to be set for applying exceptions and included in the basic regulation.</u></p>

Reason

The amendment is designed to ensure that the current draft regulation incorporates the flexibility required to allow for local conditions.

Amendment 2

Article 2(1)

Text proposed by the Commission	CoR amendment
<p>This Regulation shall apply to agricultural products listed in Annex I to the Treaty on the Functioning of the European Union ('the Treaty') and to some other products listed in Annex I to this Regulation, insofar as those agricultural products and those other products are intended to be produced, prepared, distributed, placed on the market, imported or exported as organic.</p> <p>The products of hunting and fishing of wild animals shall not be considered as organic products.</p>	<p>This Regulation shall apply to agricultural products listed in Annex I to the Treaty on the Functioning of the European Union ('the Treaty') and to some other products listed in Annex I to this Regulation, insofar as those agricultural products and those other products are intended to be produced, prepared, distributed, placed on the market, imported or exported as organic, <u>and until they are packaged, labelled and made available to the end consumer in tamper-resistant packaging or, where appropriate, when marketed in bulk, until they reach the end consumer removed from their packaging or in packaging that is not tamper-resistant.</u></p> <p>The products of hunting and fishing of wild animals shall not be considered as organic products.</p>

Reason

It is necessary to ensure that the scope of control and production rules is clearly defined from the moment the product leaves the farm to the moment when it becomes tamper-resistant and/or reaches the end consumer.

Amendment 3

Article 3(7)

Text proposed by the Commission	CoR amendment
<p>'group of operators' means a group in which each operator is a farmer who has a holding of up to 5 hectares of utilised agricultural area and who may, in addition to producing food or feed, be engaged in processing of food or feed;</p>	<p>'group of operators' means a group in which each operator is a farmer who, <u>in accordance with the standards applied in the relevant Member State, can be defined as a small farmer</u> has a holding of up to 5 hectares of utilised agricultural area and who may, in addition to producing food <u>and/or</u> feed, be engaged in processing of food <u>and/or</u> feed;</p>

Reason

The concept of 'small farmer' is greatly dependent on the local context. The Member States should therefore be able to define the concept themselves.

Amendment 4

Article 7(1)(a)

Text proposed by the Commission	CoR amendment
<p>Operators shall comply with the following general production rules:</p> <p>(a) the entire agricultural holding or aquaculture operation shall be managed in compliance with the requirements applicable to organic production;</p>	<p>Operators shall comply with the following general production rules:</p> <p>(a) the entire agricultural holding or aquaculture operation, <u>or a specific part of it</u>, shall be managed in compliance with the requirements applicable to organic production;</p>

Reason

Mixed farming is good for the interaction between organic and conventional agriculture. A ban on mixed farming will lead to the disappearance of some organic producers.

Amendment 5

Article 20

Text proposed by the Commission	CoR amendment
<p>Presence of non-authorised products or substances</p> <p>1. Products in which the presence of products or substances that have not been authorised in accordance with Article 19 is detected beyond the levels established taking account in particular of Directive 2006/125/EC, shall not be marketed as organic.</p> <p>2. In order to ensure the effectiveness, efficiency and transparency of the organic production and labelling system, the Commission shall be empowered to adopt delegated acts in accordance with Article 36 regarding the specific criteria and conditions for the application of the levels referred to in paragraph 1 and regarding the establishment of those levels and their adaptation in the light of technical developments.</p> <p>3. By way of derogation from Article 211(1) of Regulation (EU) No 1308/2013, and subject to an authorization by the Commission adopted without applying the procedure referred to in Article 37(2) or (3) of this Regulation, Member States may grant national payments to compensate farmers for the losses they have incurred due to the contamination of their agricultural products by non-authorised products or substances which prevents them from marketing those products as organic provided that the farmers have taken all appropriate measures to prevent the risk of such contamination. Member States may also use the instruments of the Common Agricultural Policy to cover totally or partially such losses.</p>	<p>Presence of non-authorised products or substances</p> <p>1. Products in which the presence of products or substances that have not been authorised in accordance with Article 19 is detected beyond the levels established taking account in particular of Directive 2006/125/EC, shall not be marketed as organic.</p> <p>2. In order to ensure the effectiveness, efficiency and transparency of the organic production and labelling system, the Commission shall be empowered to adopt delegated acts in accordance with Article 36 regarding the specific criteria and conditions for the application of the levels referred to in paragraph 1 and regarding the establishment of those levels and their adaptation in the light of technical developments.</p> <p>3. By way of derogation from Article 211(1) of Regulation (EU) No 1308/2013, and subject to an authorization by the Commission adopted without applying the procedure referred to in Article 37(2) or (3) of this Regulation, Member States may grant national payments to compensate farmers for the losses they have incurred due to the contamination of their agricultural products by non-authorised products or substances which prevents them from marketing those products as organic provided that the farmers have taken all appropriate measures to prevent the risk of such contamination. Member States may also use the instruments of the Common Agricultural Policy to cover totally or partially such losses.</p>

Reason

The CoR is not in favour of a separate system of obligation to achieve results for the organics sector.

Amendment 6

Article 30

Text proposed by the Commission	CoR amendment
<p>Equivalence under a trade agreement</p> <p>A recognised third country referred to in the first indent of Article 28(1)(b)(ii) is a third country which the Union has recognised under a trade agreement as having a system of production meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity as those of the Union.</p>	<p>Equivalence under a trade agreement</p> <p><u>1.</u> A recognised third country referred to in the first indent of Article 28(1)(b)(ii) is a third country which the Union has recognised under a trade agreement as having a system of production meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity as those of the Union.</p> <p><u>2.</u> <u>The Commission shall lay down procedural rules for the recognition of third countries under trade agreements.</u></p> <p><u>3.</u> <u>The Commission shall negotiate trade agreements on the basis of a mandate from the European Council, with associated rules.</u></p>

Reason

Comparing control measures and production rules is the basis for the equality principle with a view to strengthening consumer confidence.

Amendment 7

Article 36(3)

Text proposed by the Commission	CoR amendment
<p>Exercise of the delegation</p> <p>3. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.</p>	<p>Exercise of the delegation</p> <p>3. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament, and to the Council <u>and the Committee of the Regions.</u></p>

Reason

The CoR considers that, as the European advisory body, it should be able to issue an opinion on subjects which are of essential importance to the regions. As the Treaty does not allow the CoR to advise the Commission on delegated acts, the CoR would like to be able to advise the Parliament and the Council on delegated acts.

Amendment 8

Rule 44(3)(3)(c)

Text proposed by the Commission	CoR amendment
In relation to the rules referred to in point (j) of Article 1(2), the delegated acts referred to in paragraph 2 of this Article shall lay down rules on: (c) the frequency of official controls on operators, and the cases where and conditions under which certain such operators are to be exempted from certain official controls;	In relation to the rules referred to in point (j) of Article 1(2), the delegated acts referred to in paragraph 2 of this Article shall lay down rules on: (c) the frequency of official controls on operators, and the cases where and conditions under which certain such operators are to be exempted from certain official controls;

Reason

The regular on-the-spot checks are important for consumer confidence and a reference for producers. It is therefore important to maintain these checks.

Amendment 9

Annex II, Part II, 1.4.1

Text proposed by the Commission	CoR amendment
1.4.1. General nutrition requirements With regard to nutrition the following rules shall apply: a) feed for livestock shall be obtained primarily from the agricultural holding where the animals are kept or from other organic holdings in the same region;	1.4.1. General nutrition requirements With regard to nutrition the following rules shall apply: a) feed for livestock shall be obtained primarily from the agricultural holding where the animals are kept or from other organic holdings in the same region, <u>where resources allow; otherwise, with specific authorisation it may be obtained from outside the region;</u>

Reason

This requirement would cause many organic livestock holdings in a number of European regions to disappear, as nowadays it is very difficult for farmers to rely entirely on their own holding or another nearby to feed their livestock.

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*The President
of the Committee of the Regions*

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