



Third CoR Monitoring Report on Europe 2020

October 2012 • Final Report



The EU's Assembly of Regional and Local Representatives





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Preface to the CoR's Third Monitoring Report on Europe 2020

by Ramón Luis Valcárcel Siso, President of the CoR, President of the Autonomous Community of Murcia

Europe 2020 enables the EU's member states to relaunch smart, sustainable and inclusive growth that is tailored to the specific situation of each region of the EU, and in a context of strengthening economic, social and territorial cohesion. With this in mind, I have made Europe 2020 the political priority of my term of office as President of the Committee of the Regions.



This third report shows that, two years after its launch, Europe 2020 has certainly brought about positive results, including the creation of a

"common language" between all levels of government, as well as encouraging more ambitious goals at local and regional level. Multi-level cooperation aimed at achieving the Europe 2020 objectives is appearing here and there – no doubt encouraged by partnership experience deployed in the context of cohesion policy.

However, this report also bears witness to a lack of coordination between different policy instruments, exacerbated by a lack of financial resources for the Europe 2020 goals. It also highlights a major need for administrative simplification and for building the operational capacity of local and regional public administrations. The report shows that the economic crisis, public sector debt and euro stabilisation policies are hitting local and regional expenditure hard. In order to be able to sustain social spending brought about by the crisis, many local and regional authorities have had to make significant cuts in the investments that would boost growth. Joined-up multi-level governance, which is a prerequisite for the success of Europe 2020, is far from being common practice. The National Reform Programmes do not yet bear its hallmark. The EU, in its next Annual Growth Survey and its country-specific recommendations, must therefore strongly urge the different levels of government to work in partnership.

In parallel with the publication of this Third Monitoring Report on Europe 2020, the CoR has launched an evaluation exercise involving the strategy's seven flagship initiatives. A series of seven conferences will be held between December 2012 and 2014, and their conclusions will underpin the CoR's contribution to the 2014 Summit of Regions and Cities of Europe. The summit will provide an opportunity to draw conclusions with an eye to the mid-term review of the strategy. You are warmly invited to take part in this evaluation process and debate, for Europe can only be built from the bottom up.



Preface to the CoR's Third Monitoring Report on Europe 2020

by Michel Delebarre, CoR Member, Political Coordinator of the Europe 2020 Monitoring Platform, Mayor of Dunkirk and Senator

The 3rd CoR Europe 2020 Monitoring Report provides a timely opportunity to take stock of how the Europe 2020 Strategy is progressing and, more generally, of economic governance in the European Union.

At a historic point in time when the European Union's economic policy rests on the difficult balance between keeping a tight rein on public expenditure and the proposals for structural reforms aimed at unleashing growth (liberalisation, reforming the labour market, reforming pensions), local and regional authorities are pointing out that it is impossible to pursue an ambitious growth strategy without providing the funding for its implementation across the European Union.



Furthermore, the quality spending needed to pave the way to recovery should not be sacrificed on the altar of the essential requirement to cut public debt. A high level of employment is essential for successfully achieving budgetary consolidation and re-launching the economy by keeping up the level of consumption and ensuring that more people are helping to finance the welfare state.

Europe 2020 must be given adequate funding and remain at the forefront of the Union's three pillars of political priorities in order to effectively bring about smart, sustainable and inclusive growth.

Finally, against the background of the European Semester, the new tool for coordinating EU and Member States' policies, European citizens need to become more democratically involved through their parliaments, local and regional authorities and the social partners to ensure the success of Europe 2020.

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1. Main conclusions and recommendations

The Committee of the Regions is strongly committed to the success of the Europe 2020 strategy by promoting smart, sustainable and inclusive growth on a local and regional level throughout the European Union. Monitoring its implementation and impact on the ground on an annual basis is a key objective of the CoR, underlining the need for all tiers of government to work in partnership so that Europe 2020 can deliver on its promises.

This Third Monitoring Report on Europe 2020 expresses the CoR's views ahead of the 2013 Annual Growth Survey, to be published by the European Commission in November 2012. The monitoring results summarised in this report are based on surveys carried out by the CoR's Europe 2020 Monitoring Platform, on two studies carried out by external consultants and on contributions from several National Delegations of the CoR. The CoR will further develop this monitoring activity in the next two years, in view of the Europe 2020 mid-term review in 2014.

Achievements so far

The EU local and regional authorities (LRAs) are increasingly familiar with Europe 2020Two years after its launch, this far-reaching European strategy provides a platform and a "common language" of exchange in which the LRAs communicate and coordinate with each other as well as with other levels of government (national, EU) and relevant stakeholders (section 5.1).

Europe 2020's goals and targets set at country level are seen by a majority of respondents to the latest CoR survey as appropriate to their territories (section 5.1), while case studies collected on the ground show that the strategy's flagship initiatives have encouraged local and regional authorities to address their specific needs by setting more ambitious goals in several policy fields (sections 4.2 and 5.2 to 5.4). In some cases, Europe 2020 is used as a framework for overall policy planning at regional level (section 4.1). Respondents also stressed the importance of the exchange of experiences and learning processes.

Moreover, a series of initiatives based on different forms of multilevel governance (section 4.5) reveal an increasing awareness that, to grasp the value added by Europe 2020, cities and regions must coordinate and integrate their policies with those of other tiers of government. This was certainly helped by the practical example of multilevel governance provided by cohesion policy, which is also the main source of funding for Europe 2020-related policies (section 4.4).

Challenges

The CoR monitoring exercise revealed that Europe 2020 faces a series of severe constraints and challenges.

First of all, the economic crisis and austerity measures to stabilise the euro area are taking a heavy toll on public budgets at the national and local levels. While private investment stagnates, public expenditure is increasingly focused on short-term interventions to cushion the impact of the crisis on the labour market and on the weakest social groups, thereby crowding out long-term objectives (sections 3.2 and 4.1).

Moreover, multilevel coordination and governance is still far from widespread: the Europe 2020 National reform programmes are still decided mainly by national governments, in spite of more frequent consultation with the various bodies representing local and regional authorities. Thus, Europe 2020 is failing to bring the benefits of coordination and integration of policies or to take account of and adapt to different socio-economic perspectives (sections 4.3 to 4.5).

At EU level, a series of constraints were identified in the lack of coordination between different policy instruments; in the scant resources available to fund Europe 2020-related policies; and in the need for administrative simplification and to support the building of administrative capacity at regional and local levels (sections 4.4 and 4.5).

Insufficient ownership of the strategy by citizens and by the most decentralised levels of public administrations was also highlighted by the latest CoR survey (section 4.1).

Recommendations in view of the 2013 Annual Growth Survey

These conclusions show that the 2013 Annual Growth Survey should address the following priorities:

- 1. first and foremost, boosting growth, through concerted action, adequate financial support and a conducive legislative framework;
- 2. implementing partnerships between different tiers of government and multilevel governance, first of all in the drafting process of the next National Reform programmes;
- 3. taking the new Common strategic framework for the Structural Funds, and the Partnership Contracts that will implement it at country level, as an *opportunity* for national governments, regions and cities to sit around the table and mobilise *all* their available resources in a coordinated and integrated manner to make the most of Europe 2020;
- 4. providing Europe 2020 with additional funding. To this end, the following budgetary issues should be addressed:
 - a. the EU budget should remain of a meaningful size, and cohesion policy should have adequate means and cover all regions, while focusing on the ones most in need;

- b. national budgets, which remain the biggest source of public money, should be more focused on Europe 2020 insofar as this is possible;
- c. local/regional budgets need to remain at a critical mass in order to contribute to Europe 2020;
- 5. strengthening communication towards citizens and stakeholders to increase ownership of Europe 2020.

2. Introduction

2.1 Europe 2020 and the new EU economic governance

Europe 2020¹, the EU strategy for smart, sustainable and inclusive growth, was launched in 2010 as the successor of the Lisbon Strategy, from which it differs in four main respects:

- it sets broader goals not only in terms of competitiveness, but also of inclusion and sustainability;
- it is more flexible in taking into account each Member State's specific situation: national governments were invited to set their own country targets as a contribution to the EU headline targets²;
- seven Flagship Initiatives³ were launched, under the three main pillars, to help focus and coordinate the relevant EU and country policies;
- the thematic approach is complemented by cross-cutting policies⁴ aimed at completing the single market, providing funds to invest in growth and promote further openness in international markets.

The Europe 2020 strategy also constitutes a part of the response of the European Union to the economic and financial crisis and the subsequent sovereign debt crisis in the euro area. In fact, since 2008 the EU undertook an overhaul of its economic governance, aimed at:

- preserving the stability of the euro area, by providing financial support to Member States in a sovereign debt emergency. The temporary European Financial Stability Facility (EFSF) will soon be replaced by the permanent European Stability Mechanism;
- strengthening fiscal responsibility by Member States in particular, euro area members and increasing EU surveillance through the Stability and Growth Pact, the Euro Plus Pact and the Fiscal Compact;

More on Europe 2020 on its official website: http://ec.europa.eu/europe2020/index_en.htm

The EU and country targets are available here: http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/targets/index en.htm

On the Europe 2020 Flagship Initiatives: http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/flagship-initiatives/index_en.htm

⁴ See http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/eu-tools-for-growth-and-jobs/index_en.htm

- promoting structural reforms, particularly through Europe 2020, to reduce macro-economic imbalances, strengthen competitiveness and create more and better jobs;
- boosting growth via the Growth Compact;
- repairing the financial sector, paving the way for an EU banking union.

2.2 The European Semester and the Europe 2020 policy cycle

The key coordination tool of this new economic governance is the European Semester, taking place in the first half of every year. It allows Member States to plan their budgetary, macroeconomic and structural policies along EU guidelines and in a coordinated manner. Currently, the policy cycle of Europe 2020 during the Semester proceeds with the following steps:

- As a prologue, the Commission's Annual Growth Survey (AGS) is published in November, reviewing the state of play of both Europe 2020 and structural and budgetary policies and proposing guidelines for the implementation of Europe 2020 for the year to come;
- In March, based on the AGS, the Spring European Council adopts main orientations and priorities for Member States to follow;
- In April, Member States submit in parallel their Europe 2020 National Reform Programmes and their Stability or Convergence Programmes, to stress the need for coordination of fiscal and structural policies;
- At the end of May the Commission publishes its draft Country Specific Recommendations, which are then endorsed by the June European Council and adopted by the Council in July;
- In the second part of the year, the EU countries' annual budgets will reflect the orientations and engagements taken at EU level.

2.3 The CoR on Europe 2020

The CoR welcomed the Europe 2020 Strategy because it aims at growth not only in quantitative, but also in qualitative terms (growth should be smart, sustainable and inclusive), and because it can be flexibly adapted to different country situations. In several opinions adopted since 2010⁵, as well as in many statements of its leadership and in the conclusions of several meetings⁶, the CoR has reiterated that Europe 2020 will deliver its expected results only if:

- it is adapted to specific regional and local situations, which includes making use of regionalised indicators;
- it is designed and implemented by all tiers of government working in partnership, including by means of multilevel governance tools, in order to better adapt it to local and regional needs, grasp its

A list of CoR adopted Opinions relevant to Europe 2020 can be found in the Annex.

For more information, see the "Activities" section of the website of the Europe 2020 Monitoring Platform: http://www.cor.europa.eu/europe2020/

potential synergies and systemic effects, and increase ownership of the strategy by citizens and all relevant stakeholders;

- it goes hand in hand with cohesion policy, while taking into account that the latter has to fulfil its mission enshrined in the Treaty;
- it is adequately funded, countering the impact of the economic and sovereign debt crisis on regional and local budgets.

Besides adopting Opinions on the Flagship Initiatives and other specific themes⁷, a CoR landmark proposal is that of designing and implementing Europe 2020 by drawing up Territorial Pacts between all relevant tiers of government, as a practical tool of multilevel governance. Moreover, not only does the CoR support the proposal of a Common Strategic Framework⁸ to rationalise and focus the Structural Funds in the 2014-2020 programming period, it also sees it as a powerful tool to promote multilevel governance of Europe 2020 – to the extent to which cohesion policy's priority will be focusing on the Europe 2020 goals, while fulfilling its redistribution task set out in the EU Treaty.

Against this backdrop, the CoR has made it its mission to advocate the viewpoint of local and regional authorities in the EU during the Europe 2020 policy cycle, by intervening during its main stages: before the adoption of the Annual Growth Survey (a Bureau declaration on the AGS and the annual CoR Monitoring Report on Europe 2020), before the Spring Council (Territorial Dialogue) and before the adoption of Country-specific Recommendations (CoR's political leadership meeting with the President of the European Council). The chart at the end of this chapter summarises the Europe 2020 policy cycle and the role of the Committee of the Regions within it.

To support its contribution to Europe 2020, the CoR has promoted the Europe 2020 Monitoring Platform, composed of over 160 regions and cities from all EU Member States, as a tool to assess how and to what extent local and regional authorities are involved in the Europe 2020 policy cycle, while, at the same time, allowing the LRAs to have a say in the strategy's policy process. The Platform collects evidence-based information through meetings of regional and local representatives and experts as well as consultations of Platform members and other local and regional authorities. The progress and outcomes of this activity are presented on the Platform's website ⁹.

2.4 Methodological note and reading guide

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A full list of CoR Opinions and Resolutions on the matter can be found in the annex.

The Commission has proposed that, in the 2014-2020 programming period, the Structural Funds (ERDF, ESF, EAFRD and the EMFF) be regulated by a Common Strategic Framework. See: Elements for a Common Strategic Framework 2014 to 2020, Commission Staff Working Document, Brussels, 14.3.2012 SWD(2012) 61 final.

www.cor.europa.eu/europe2020

Since 2010, the CoR has published an annual Monitoring Report on Europe 2020¹⁰. The first two reports have been widely acknowledged in the European inter-institutional debate. This third report is based on the outcomes of the activity of the Europe 2020 Monitoring Platform. In particular, the present report relies on first-hand information collected through:

- an annual overview survey on Europe 2020: Europe 2020: what is happening on the ground? Edition 2012 (hereinafter the *2012 Platform Survey*);
- a survey of CoR National Delegations regarding preparation of the 2012 National Reform Programmes;
- thematic surveys on policies to support SMEs, policies to promote social innovation and the proposal of a Common Strategic Framework for cohesion policy;
- the 2012 Territorial Dialogue, held on 13 June 2012;
- two studies carried out by external contractors ¹¹.

In particular, between April and July 2012, the Committee of the Regions undertook an extensive assessment of the actual implementation of Europe 2020 to assess whether the strategy, now in its second year,

- was providing added value to EU cities and regions, in the double sense of (a) taking into account their differentiated situations and needs in an adequate manner, and (b) allowing them to set more ambitious policy programmes than they would have conceived in its absence;
- was being implemented in partnership by all relevant tiers of government, in light of the assumption stated in Chapter 2 of this report that multilevel governance based on such a partnership is a prerequisite for achieving the Europe 2020 goals and targets.

This assessment was carried out by the Europe 2020 Monitoring Platform using the 2012 Survey referred to above. Questions focused on whether respondents' country-specific targets were appropriate for their territories, and on whether Europe 2020 and their NRPs encouraged them to set more ambitious goals and related policies ¹². The basis of this survey was a study published in spring 2012 to assess, on the basis of eight case histories, how Europe 2020 was shaping regional and local policymaking ¹³. In addition, a

Is Europe 2020 delivering? A preliminary enquiry to the CoR general overview survey on Europe 2020 for 2012, to be available early 2013 and On the role of the local and regional authorities in the Europe 2020 National Reform Programmemes, October 2012; both studies will be available at: http://portal.cor.europa.eu/europe2020/Pages/Publications.aspx.

13 Is Europe 2020 delivering? A preliminary enquiry to the CoR general overview survey on Europe 2020 for 2012, by RIMAS, Vienna University of Economics and Business, under the framework contract CDR/ETU/96/2012.

To access previous editions of the Report: http://portal.cor.europa.eu/europe2020/Pages/Publications.aspx.

Forty local and regional authorities from 17 Member States participated in the survey (11 from municipalities, 6 from provinces, 18 from regions and 4 from associations of cities and regions). Despite the fact that LRAs from ten EU Member States did not participate in the survey and that an overwhelming number of replies were received from some countries, the geographical distribution of contributors is adequately balanced, covering regions and cities from across all EU main areas. Respondents are listed in the Annex. All contributions are available at:

http://portal.cor.europa.eu/europe 2020/Closed Surveys/Pages/Invitation to take part in the survey on Europe 2020 what 's happening on the ground 2012 Edition.

textual analysis of the NRPs¹⁴, complemented and checked by information collected among the CoR's National Delegations¹⁵, was carried out to assess whether and how the LRAs had been involved in preparing the new 2012 National Reform Programmes, submitted by mid-April¹⁶. The outcome of this work has been presented as follows:

- Chapter 3 is an overview of basic regional statistics, showing how far each EU NUTS II region is from its country's Europe 2020 targets (section 3.1). It summarises the state of subnational public budgets, which are challenged by the economic crisis and constrained by fiscal consolidation policies (section 3.2), and announces the construction of a regional performance indicator to monitor Europe 2020's progress;
- Chapter 4 analyses how respondents to the 2012 Survey of the Europe 2020 Monitoring Platform perceive Europe 2020 and the added value it brings to them (section 4.1), through its Flagship Initiatives and National Reform Programmes (section 4.2). An enquiry on the involvement of the local and regional authorities in the preparation of their countries' National Reform Programmes is also summarised (section 4.3), based on the survey as well as on input from the CoR National Delegations. Their views on how Europe 2020 should be funded are in section 4.4, while section 4.5 looks at the (unfortunately limited) extent to which different tiers of government work in partnership;
- Chapter 5 shows how EU cities and regions value Europe 2020 in terms of its targets and Flagship initiatives (section 5.1), and how cities and regions are contributing to achieving the targets under the strategy's three main pillars (sections 5.1 to 5.4).
- Chapter 6 contains factual and practical annexes.

On the role of the local and regional authorities in the Europe 2020 National Reform Programmes, by Ecologic Institute, Berlin, under the framework contract CDR/ETU/96/2012

The following CoR National Delegations participated in the survey: Austria, Cyprus, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Romania and Sweden. Delegations from Belgium, the UK and Greece submitted written statements without filling out the questionnaire.

The National Reform Programmes for 2012 can be found here: http://ec.europa.eu/europe2020/europe-2020-in-your-country/index en.htm.

	October	November	December	January	February	March	April	May	June	July	September	October	November
European Commission	200.000.000	ial Growth Gurvey						cour	idance including ntry specific nmendations				Annual Growth Survey
Council of Minis ters				Debate					Adoption guidand				Mid October Peer review of draft budget
Europ ean Parliam ent				k orientations									
European Council					guida	uropean Council – nce of the 2012 pean semester			Endorsement CSRS	of			
Mem ber States						Adoption – Nation (NRPs) & Stabil Prograr							
Committeeof the Regions	CoR Monitoring Report Europe 2020	on		CoR pre messag Europear	e to the				2012 Territorial D		CoR's Bureau Declaration on the Annual Growth Surv		CoR ring Report on rope2020

3. Current trends and challenges for EU cities and regions: what the statistics say

In its seventh progress report on economic, social and territorial cohesion¹⁷ the European Commission presented in November 2011 the first comprehensive overview of how Europe's regions are meeting the Europe 2020 targets. The report measured the distance of EU regions (NUTS II) from their national 2020 targets in the period 2008-2010 and provided each region with a baseline to be used in developing, monitoring and evaluating their regional development strategies. The report also stated that not all regions can reach the national 2020 targets: for some regions, the distance to the targets is simply too great to be realistically bridged by 2020, for some others, hitting the target would not require any substantial improvement – due to the presence of R&D clusters, for example. The report therefore sent a powerful message that local and regional authorities have to define their own development strategies to address their specific weaknesses and build on the strength of their territories. The European Commission does not publish an annual report on how the regions are meeting the Europe 2020 targets; however, updated charts are available on the DG Regio website¹⁸.

The Committee of the Regions is convinced that the success of Europe 2020 largely depends on its impact at local and regional level, which underlines the need for ongoing monitoring of the strategy's progress on the ground. Such an update would allow us to:

- detect underlying regional trends, possibly showing whether the distance to the targets is changing;
- identify those regions that have made the biggest progress, and those that have lagged further behind;
- identify the general pattern of Europe 2020 delivery on the ground.

This chapter will therefore provide a snapshot of the situation of local and regional authorities vis-à-vis the Europe 2020 targets based on the most recent data from 2009-2011 (section 3.1). It will also try to combine these findings with recent findings on subnational finances and the impact of current austerity measures (section 3.2). Finally, it will make the case for a regional performance indicator which could provide useful information about the state and outlook of Europe's regions with regard to the Europe 2020 objectives (section 3.3).

3.1 The situation of local and regional authorities in meeting the Europe 2020 targets

Starting from the key Europe 2020 targets, data available at NUTS II level¹⁹ give further information about the key targets and indicators. While substantial data is available up until 2011, some of it only covers the period until 2009 or 2010. It is therefore not possible to provide a complete and timely

^{17 &}lt;a href="http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/interim7/interim7_en.pdf">http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/interim7/interim7_en.pdf

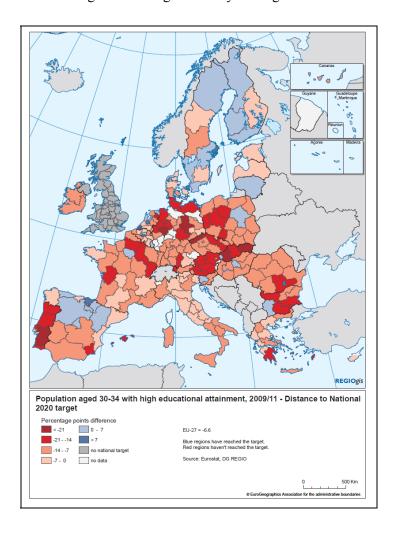
¹⁸ http://ec.europa.eu/regional_policy/information/brochures/pages/country2012/index_en.cfm

Only national figures were available for DE, FR, NL, PT, RO, UK and only NUTS 1 for BE, EL and HU regarding poverty and material deprivation.

overview of the situation on the ground. This makes it difficult to monitor the progress of Europe 2020 at local and regional level. The data, however, can give an initial indication of the situation at local and regional level.

Tertiary educated aged 30-34

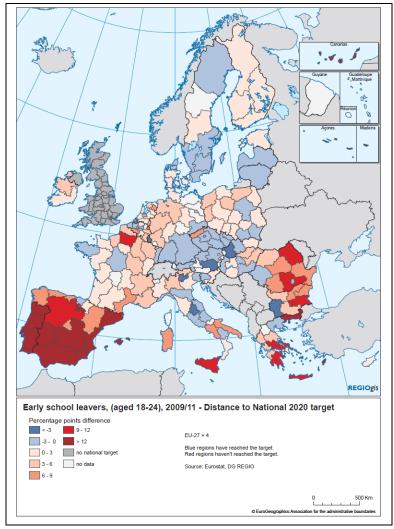
The most recent data of 2011 show that the regional pattern of tertiary education in Europe with regard to the national Europe 2020 target has changed significantly. Despite some progress, the national Europe 2020 targets in this field remain a great challenge for many EU regions.



Early school leavers aged 18-24

The distribution pattern of early school leavers from education and training in the various NUTS II regions show that, while some improvements can be seen in some regions, there are high regional differences in Europe. Reducing the high drop-out rates is still a key challenge for regions in Spain, Italy,

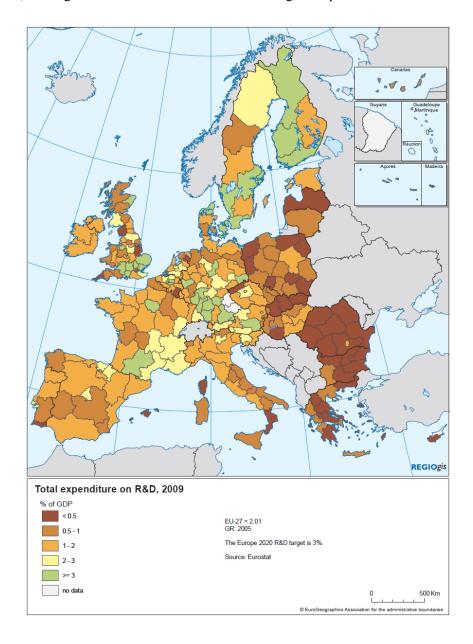
Romania, Hungary and Greece. There is also a relationship between high drop out rates and the level of youth unemployment in these countries. If no further measures are taken it is certain that the country's Europe 2020 target in this field will not be met as planned.



Expenditure on R&D as a percentage of GDP

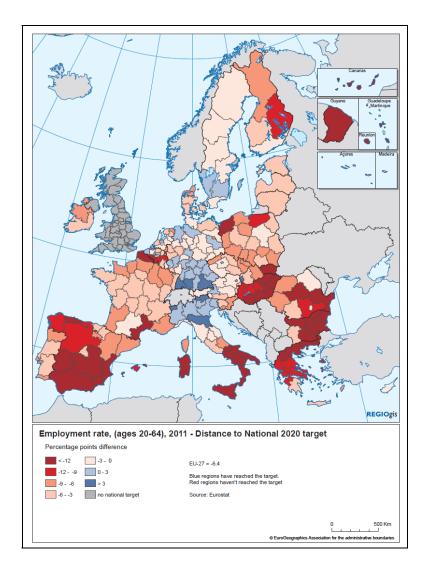
The available figures for 2009 show that in most European regions the level of R&D investment compared to GDP remained stable or even increased. Only in regions in Latvia – which was hit by the financial crisis earlier than others – can the decrease in R&D spending already be seen in the available figures. The overall share of R&D expenditure as a percentage of GDP in the European Union slightly increased from 1.9% in 2008 to 2% in 2009. Given the key role of the public sector in R&D spending in less developed regions in particular, it can be expected that these figures will worsen over the coming years as a consequence of the crisis.

The updated regional maps on R&D expenditure in Europe confirm the persistence of large divergences in R&D spending across Europe's regions. There are still a significant number of regions – particularly in Portugal and Spain, but also in other countries – that fall short of the European or national Europe 2020 targets in this field. Given the key role of R&D investment in improving productivity and competitiveness, much greater efforts are needed whilst taking local potential and conditions into account.



Employment rates in the regions

Employment rates in Europe at regional level have largely grown from 2000 to 2008 in most EU regions. Since then a significant fall in employment rates can be seen, particularly in those countries most severely affected by the current public debt crisis, with a few exceptions such as Germany or Sweden. The distance of many regions in Europe from the 75% Europe 2020 target has increased. The regions most severely affected are in the southern parts of Spain and Italy, in Greece and in countries in Eastern Europe.



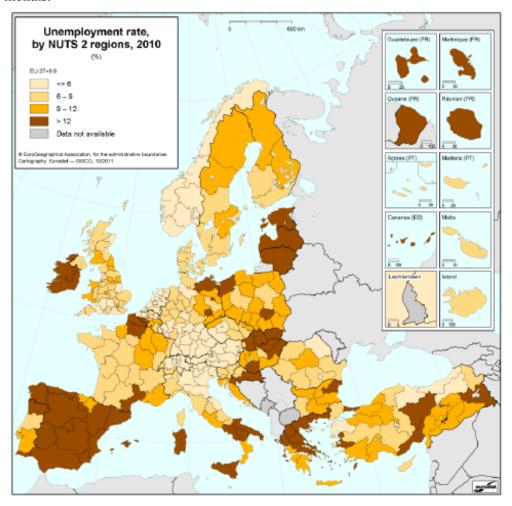
Unemployment rate

The regional pattern of unemployment in the European Union provides a strong indication of the impact and the current challenges of the ongoing economic and financial crisis. Among the 271 NUTS II regions of the EU-27, 44 had an unemployment rate of 4.8 % or less in 2011, half the average for the <u>EU-27</u>. At

the other extreme, 17 regions had a rate of 19.2 % or higher, double that of the EU-27: 10 regions in Spain, 4 French Overseas Departments and 3 regions in Greece.

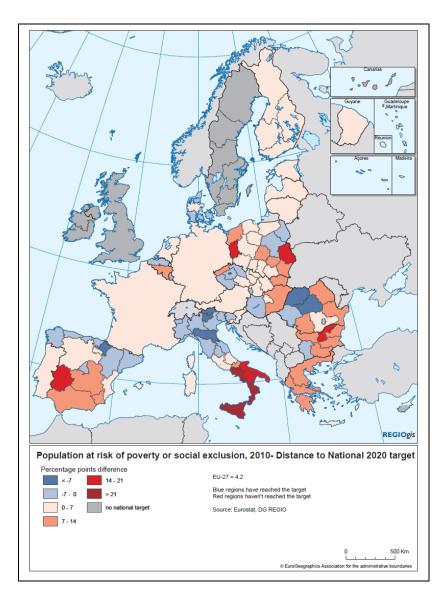
In 2011, the average <u>unemployment rate for young people</u> aged between 15 and 24 in the EU-27 was 21.4 %. Regional differences in the unemployment rate for young people are very marked however. In more than three quarters of the EU-27 regions the unemployment rate for young people was at least twice that of total unemployment.

The long-term unemployment share, which is defined as the percentage of unemployed persons who have been unemployed for 12 months or more, stood at 43.1 % on average in the EU-27 in 2011, and varied significantly across the regions. In 60 regions more than half of the unemployed had been out of work for at least 12 months.



At risk of poverty or exclusion

Taking into account the most recent figures on population at risk of poverty for 2010 it can be stated that, in general, there is no fundamental change in the overall challenge of poverty and social exclusion at regional level. However, it has to be noted that some Member States, such as France and Germany, provided only national data and that countries such as Ireland, the UK and Sweden did not set any national targets in this field.



GDP per capita

The latest available figures for the GDP per capita at regional level in the European Union for 2009 show that countries where the financial and economic crisis hit very early on in particular have suffered a significant loss of GDP compared to the previous year, such as Lithuania (-7%), Latvia, Ireland and Estonia (all -5%).

GDP/capita measured against the EU average was down on 2008 figures in 124 of the 271 NUTS II regions of the European Union. However, the figures also show that in some Member States, such as France, the significant fall in GDP/capita measured against EU average was arrested, while in other regions the decline could only be slowed, for example in some UK and Irish regions.

Furthermore, it can be said that most of the NUTS II regions in the new Member States have made better progress than many of the other regions, which is also linked to the impact of cohesion policy in these countries. The full impact of the current crisis is not yet reflected in the figures at regional level, which have to be monitored carefully.

Taking all these data into account the following observations can be made:

- Regions in Southern Europe currently face the biggest challenges in meeting Europe 2020 targets on the ground.
- Regions in other parts of the EU also have to increase their efforts in a number of fields, such as R&D investment and tertiary education, in order to line up with Europe 2020 objectives.
- The impact of the economic and financial crisis is slowly appearing in subnational statistics, as well, particularly with regard to unemployment, GDP development and poverty.

3.2 The impact of the public debt crisis on subnational governments and its potential impact on reaching the Europe 2020 targets

The European Commission recently published the "Report on public finances in the EMU"²⁰, for the first time devoting a large part of the analysis to the state and the development of subnational finance in the European Union.

	Share			ments expenditure	e in general	Subnational governments expenditure in % GDP						
	1995	2007	2010	Change 95-07	Change 07-10	1995	2007	2010	Change 95-07	Change 07-10		
AT	31.4	30.6	34.5	-0.8	3.9	17.7	14.9	18.1	-2.8	3.2		
BE	33.0	37.1	37.0	4.1	-0.1	17.2	18.0	19.7	0.8	1.7		
BG	23.7	16.9	18.2	-6.9	1.3	10.8	6.7	6.9	-4.1	0.2		
CY	4.2	4.6	4.8	0.4	0.2	1.4	1.9	2.2	0.5	0.3		
CZ	19.2	26.1	27.0	6.9	0.9	10.2	10.7	11.9	0.5	1.2		
DE	33.2	37.9	37.5	4.7	-0.4	18.2	16.6	18.0	-1.6	1.4		
DK	53.7	63.3	63.4	9.6	0.1	31.8	32.1	36.9	0.3	4.8		
EE	26.7	27.8	24.6	1.1	-3.2	11.0	9.5	10.0	-1.5	0.5		
EL	4.2	5.5	5.6	1.3	0.1	1.9	2.6	2.8	0.7	0.2		
ES	33.1	49.9	47.9	16.8	-1.9	14.7	19.6	22.0	4.9	2.4		
FI	30.5	39.6	39.9	9.1	0.3	18.7	18.8	22.1	0.1	3.3		
FR	17.6	20.7	20.5	3.1	-0.3	9.6	10.9	11.6	1.3	0.7		
HU	23.5	23.2	25.4	-0.3	2.2	13.1	11.8	12.6	-1.3	0.8		
IE	31.1	19.6	10.2	-11.4	-9.4	12.7	7.2	6.8	-5.5	-0.4		
IT	24.1	31.3	30.7	7.2	-0.6	12.6	14.9	15.4	2.3	0.5		
LT	24.1	24.0	27.6	-0.1	3.6	8.3	8.3	11.3	0.0	3.0		
LU	13.4	12.2	11.5	-1.2	-0.6	5.3	4.4	4.9	-0.9	0.5		
LV	19.2	31.0	26.6	11.8	-4.4	7.4	11.1	11.8	3.7	0.7		
MT	1.5	1.4	1.6	-0.1	0.2	0.6	0.6	0.7	0.0	0.1		
NL	40.2	34.0	33.3	-6.3	-0.7	22.7	15.4	17.1	-7.3	1.7		
PL	18.9	31.4	32.5	12.4	1.2	11.0	13.2	14.8	2.2	1.6		
PT	11.6	15.1	13.8	3.5	-1.2	4.8	6.7	7.1	1.9	0.4		
RO	12.0	25.5	23.9	13.5	-1.6	4.1	9.8	9.8	5.7	0.0		
SE	37.8	46.9	47.5	9.0	0.7	24.6	23.8	25.1	-0.8	1.3		
SI	14.5	19.8	20.4	5.3	0.5	7.6	8.4	10.2	0.8	1.8		
SK	13.1	17.6	16.0	4.5	-1.6	6.4	6.0	6.4	-0.4	0.4		
UK	25.8	28.5	27.4	2.7	-1.1	11.3	12.5	13.8	1.2	1.3		
EU27		29.2	28.9		-0.3		13.3	14.6		1.3		

Source: Commission services.

The report underlined that subnational expenditure in most EU Member States has steadily grown in recent years, as shown in the following graph, whilst significant differences between the Member States have endured. Subnational government expenditure amounts to more then 45% of general government expenditure in Spain and Sweden, and more than 60% in Denmark, which is far beyond the EU average of nearly 29%.

) http://ec.europa.eu/economy_finance/publications/europea

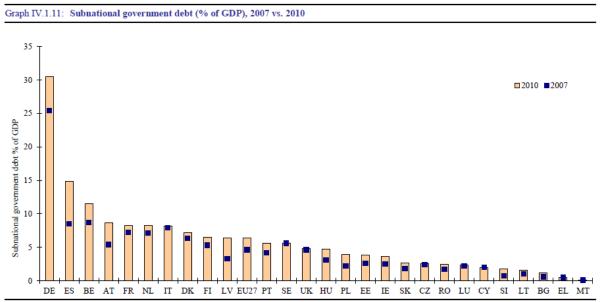
Table IV.1.3: Percentage of subnational government expenditure by economic function - 2010

	Intermediate consumption	Compensation of employees	Interest	Subsidies	Social benefits	Other current expenditures	Capital transfers	Investment
AT	51,1	45,4	3,8	52,9	17,4	18,5	50,0	70,0
BE	69,2	77,0	8,3	20,0	12,7	16,0	57,1	88,2
BG	38,7	30,1	0,0	7,7	0,0	1,5	0,0	29,8
CY	8,8	5,0	7,1	0,0	0,0	2,7	0,0	18,4
CZ	51,6	47,4	0,0	63,2	4,1	5,9	14,3	71,9
DE	70,8	78,5	44,0	60,0	15,3	30,7	35,3	85,7
DK	65,7	71,7	10,5	53,8	71,1	3,6	14,3	61,9
EE	38,7	38,7	100,0	27,3	3,4	4,2	16,7	45,8
EL	14,5	10,7	0,0	0,0	0,0	0,9	0,0	20,7
ES	80,4	78,2	19,0	50,0	17,5	19,5	37,5	71,8
FI	64,6	73,6	7,1	13,3	9,6	3,6	0,0	68,0
FR	43,1	26,1	4,2	41,2	4,3	11,4	28,6	74,2
HU	43,0	50,5	2,4	18,2	3,3	2,9	12,5	66,7
IE	24,6	15,4	0,0	0,0	5,0	1,7	0,9	64,9
IT	69,5	42,3	4,5	63,6	13,6	3,4	27,3	71,4
LT	37,5	47,3	0,0	0,0	7,4	1,0	0,0	51,1
LU	32,4	21,3	0,0	11,8	0,5	3,6	0,0	39,0
LV	31,9	45,5	11,1	28,6	6,6	12,8	0,0	74,4
MT	6,6	0,7	0,0	0,0	0,0	0,0	0,0	4,5
NL	59,3	66,3	15,0	26,7	7,8	1,9	17,2	65,7
PL	58,1	57,4	3,8	16,7	7,1	3,9	18,2	58,9
PT	32,0	17,2	3,1	14,3	3,2	7,6	7,1	45,9
RO	33,8	34,7	12,5	16,7	7,3	2,3	33,3	37,9
SE	64,9	76,7	18,2	40,0	21,2	5,0	0,0	50,0
SI	31,9	33,9	0,0	13,6	2,6	3,3	7,1	57,1
SK	40,8	39,0	0,0	23,1	0,5	3,5	0,0	64,0
UK	37,4	46,1	6,5	33,3	11,9	0,0	9,1	50,0
EU27	54,3	52,3	14,3	46,2	12,4	11,1	24,0	65,4

Source: Commission services.

Subnational expenditure totals nearly two-thirds of public investment in the EU, aimed at providing local or regional public goods.

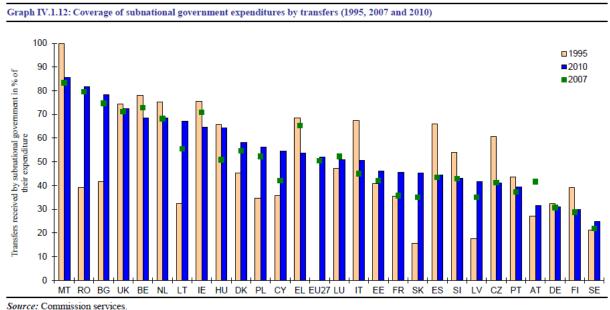
At the same time, the EU average for subnational public debt lies at 6.5% of GDP and did not



Source: Commission services.

significantly change between 2007 and 2010, with some exceptions such as Germany and Spain.

Direct transfers from the central government play a key role in allowing subnational governments to carry out their activities, as shown in the following graph. In 2010, transfers provided more than 50% of the resources for subnational expenditure in 16 Member States. The graph shows that between 1995 and 2010



these transfers sharply increased in the new Member States, while in many EU 15 Member States they were significantly reduced and replaced by other sources.

In conclusion:

- local and regional authorities in the EU play a key role in providing services and investments that have an impact on efforts to reach the Europe 2020 targets;
- subnational expenditure is increasingly hit by the economic crisis and austerity measures decided at national level. On the revenue side, recent data²¹ show that revenues of subnational budgets remained almost unchanged in 2011, with respect to 2010 (+0,2%), mainly because of severe cuts in central transfers (-4,9% in 2011, after having scored 6% in 2010). These transfers constitute 44,1% of total infra-national resources in 2011;

Dexia, Finances publiques territoriales dans l'Union Européenne (Local and regional public finances in the European Union), July 2011.

- on the expenditure side, after ten years of an upward trend, subnational spending decreased for the second consecutive year (-0,2% in 2011, -0,1% in 2010). Due to the need to preserve social spending in a period of crisis, local public investments had to be cut by 7.6% in 2010 and by 6.6% in 2011;
- data available for 2011 show that this trend will continue. Prolonged austerity measures and stronger economic governance, implying increased controls on public budgets, are reducing the room for local policies.

3.3 Proposal for a regional performance indicator for the Europe 2020 targets

The previous paragraphs have shown that several EU regions are still far from their respective country's Europe 2020 targets, and that the economic crisis and fiscal consolidation policies are aggravating the situation.

Whether the Europe 2020 targets can be met at local and regional level in the years to come is very much dependent on the potential and future performance of cities and regions. Merely focusing on the gap between the target and the current situation does not provide a sufficient picture.

Based on the available data from EUROSTAT, the Committee of the Regions therefore proposes to develop a regional performance indicator which can provide additional insight into the future potential of local and regional authorities in meeting the targets.

The available data could be clustered around the key Europe 2020 objectives (smart, sustainable and inclusive growth) and some micro- and macroeconomic indicators. The performance indicator would show for each NUTS II region whether it has improved, stagnated or declined in relation to the Europe 2020 objectives.

This indicator could also be used to benchmark NUTS II regions in Europe and to detect successful regional strategies in promoting growth and competitiveness in Europe.

4. Europe 2020 governance and Europe 2020's impact on regional and local policymaking in the EU

4.1 Perceived benefits and challenges of Europe 2020

Two years after the launch of the Europe 2020 strategy, around 90 per cent of respondents to the 2012 CoR survey on Europe 2020 seem "fully" or "substantially" familiar with it.

Asked about the "main opportunities and challenges arising from implementing the Europe 2020 strategy at local/regional level", respondents' answers show how the potential offered by the strategy is coupled with corresponding challenges.

The first and toughest challenge comes from the economic, financial and fiscal crisis and its consequences for public budgets. Several respondents stressed the heavy toll it has taken on employment, and in particular youth employment. Europe 2020 will not work without a fresh wave of private and public investment, but neither side is investing at present. While private investment stagnates, in spite of the present very low level of interest rates, restrictive fiscal policies force regions and cities to cut their budgets, postponing long-term investments needed to increase competitiveness and create new jobs.

In spite of the critical situation and dire effects of the ongoing financial and economic crisis, respondents state that they were doing their best to "do more with less". Their answers suggest, however, that as long as growth does not resume, Europe 2020 risks looking like a sound engine with no fuel.

A major benefit provided by Europe 2020 is that it gives all tiers of government – as well as all other relevant stakeholders – a "common language" to talk to each other about growth and jobs. As some casestudies have shown²², this shared vision is a key asset in analysing the needs of countries, regions and cities and assessing the policy goals and actions needed to address them. However, several respondents mentioned that, for this common language to translate into shared action, awareness of Europe 2020 goals and policies should be raised among both EU citizens and the most decentralised levels of public administrations. At present, a lack of awareness leads to a fatal lack of ownership.

A second benefit provided by Europe 2020 is the incentive it provides for closer coordination between local policymaking and higher levels of government. This is most visible with the Structural Funds: their regulations provide a multi-level coordination mechanism – as well as a financial lever attracting national, local and private funds – that is potentially vital for many regions and cities to pursue Europe 2020related policy goals. Another reason supporting this view is that the Structural Funds help to give Europe 2020 the flexibility needed to adapt to the broad variety of socio-economic situations that exist across the EU. The potentialities of this approach are shown by the Danish Growth Forums, the Flanders in Action strategy and the Greater Poland regional strategy.

Obviously, the Structural Funds will only unleash their full potential with respect to Europe 2020 in the next programming period (2014-2020), since the ongoing programmes (2007-2013) were drafted before the strategy was launched.

²² Is Europe 2020 delivering? (see footnote 11 above).

Danish Growth Forums, Denmark

Regional Growth Forums are established in all five Danish regions (Northern Jutland, Central Jutland, Southern Denmark, Zealand, Capital Region) and additionally one Growth Forum in the regional community of Bornholm. The regional growth forums were set up to monitor regional and local growth conditions and develop a regional business strategy around regions' industrial specialisation and particular parameters. Drawing on the strategy, the growth forums submit recommendations both to regional councils on the use of the resources that the region has earmarked for business development, and to the government on the use of EU Structural Funds. In recent years, regional growth forums made proposals worth around DKK 1 billion, including almost DKK 0.5 billion from EU Structural Funds for business development activities in areas such as innovation, entrepreneurship education and tourism. http://www.danmarksvaekstraad.dk/english

Flanders in Action, Belgium

The goal of Flanders in Action (ViA) is to lift Flanders into the top five European regions in a wide array of economic, ecological and social fields. With the integration of Flanders in Action in the coalition agreement, the Government of Flanders is following through on its commitment to carry out ViA in full and to make substantial steps forward in achieving the objectives of the Pact 2020 during this term of office (2009–2014). Widespread public support has been generated through the Pact 2020. The Pact 2020 is the translation of ViA into 20 concrete goals and has been co-signed by approximately one hundred civil society organisations. The government has taken various initiatives to fulfil its commitment to implement the plan effectively, such as the ViA Round Tables with stakeholders from all sectors and policy fields, the establishment of the ViA steering group, and the identification of 143 indicators with which the Pact 2020 is monitored. http://vlaandereninactie.be/

The Regional Strategy for the Greater Poland Voivodship, *Poland*

Work is currently being done in Greater Poland on the updating of the voivodship's development strategy for the period to 2020 to ensure that the strategy takes account as far as possible of circumstances connected with the opportunities and challenges posed by Europe 2020 and its flagship initiatives. The work on the next regional operational programme for the new financial perspective 2014- 2020, now beginning, will also take account of the assumptions and objectives of the Europe 2020 strategy. In that respect, the voivodship's development strategy is in some sense a continuation of the Europe 2020 strategy at regional level, and the next regional operational programme, as an instrument for implementing the regional strategy, will be one of the instruments in the Europe 2020 strategy. http://iw.org.pl

Source: 2012 Platform Survey

According to several respondents, there are at least two serious challenges to overcome in order to make implementation of Europe 2020 a reality on the ground:

- First of all, the National Reform Programmes are not, in general, the outcome of a partnership between all tiers of government. As the following section will show in detail, in most cases the EU national governments have once again only consulted the local and regional authorities while drafting their NRPs for 2012. This option falls short of the multi-level partnerships necessary to achieve the synergies (in each specific policy field) and the systemic effects (stemming from integration of sectoral policies based on coordination between different tiers of government).
- Second, the subsidiarity principle should be more firmly asserted and respected. According to some respondents, their Member States took decisions that should have been left to cities and regions, in particular when it comes to setting goals and targets adapted to specific situations. And in some cases this has led to setting country targets which do not reflect specific regional and local situations, while imposing an unnecessary burden on the local and regional authorities. As an example, this is what has been stressed with respect to both Catalunia and an EU outermost region (the Autonomous Region of Madeira). Overall, the percentage of respondents stating that their countries' targets are "appropriate" for their territory varies between a maximum of 63% (Energy efficiency) and a minimum of 33% (R&D)²³. There seems, therefore, to be much scope for more flexible application of targets to different conditions.

4.2 Flagship Initiatives and 2011 National Reform Programmes: value added to local and regional policymaking

Respondents to the 2012 Platform Survey were asked to assess their knowledge and the relevance of Flagship Initiatives and the National Reform Programmes adopted in 2011.

Slightly more than a half of the respondents found that five of the Europe 2020 Flagship Initiatives (FI) helped them in a "substantial way" to "establish more ambitious policy goals / actions". Taking into consideration those who stated that the FIs help them only "to a limited extent", almost all respondents acknowledged that the FIs have had at least some positive impact on their policymaking. The reason is that the FIs provide an opportunity to address the needs and related policy goals of specific territories. Similarly, about half of respondents think that other indicators and targets should be used "to reflect the specific situation" of their territory.

Turning to the National Reform Programmes – and with respect to the question about the extent to which "your country's 2011 NRP encouraged your regional/local authority to establish more ambitious policy goals and actions" - 49% of respondents saw the NRPs as helpful only "to a limited extent" and 19% "substantially".

²³ For a more detailed analysis of how the FIs are perceived, see Chapter 5 below.

To what extent has your country's 2011 NRP encouraged your regional/local authority to establish more ambitious policy goals/actions?

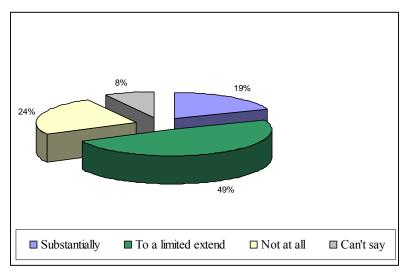


Fig 4.1 – Source: 2012 Survey *Europe 2020: What is happening on the ground?* (total answers 37, missing 3)

This answer, significantly less satisfactory than the one on the FIs, is arguably linked to the lack of involvement of LRAs in drafting the NRPs for 2011²⁴. Indeed, to cite the Danish National Municipalities Association,

"it is difficult to say whether this [the action municipalities undertake for growth and jobs] is due to the NRP and the goals of the Europe 2020 strategy or whether the Danish government would have done this anyway".

In some cases, respondents observed a clear positive link between their policies and their NRPs. This was the case with two Polish regions: the Mazowieckie and Wielkopolskie voivodships, whose development strategies align with the National Regional Development Strategy – itself linked to the Polish NRP. It was also the case with the EGTC involving Galicia and Northern Portugal (supporting manufacturing and service sectors), the Murcia Region (supporting SMEs and entrepreneurship) and Carinthia (various kinds of sectoral support measures are at least partly coordinated between the provinces and the federal government, including through individual provincial agreements).

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As shown in the Second CoR Monitoring Report on Europe 2020, December 2011, available at http://portal.cor.europa.eu/europe2020/news/Pages/2ndCoRMonitoringReportonEurope2020.aspx.

The number of respondents who saw the EU Country-Specific Recommendations (CSR) for 2011 as "substantially" reflecting their local/regional needs was also limited (18%), while approximately two thirds stated that these were reflected in the CSR "to a limited extent". This outcome does not necessarily imply disapproval of the country recommendations as a whole: what two thirds of respondents find is that the CSR – besides providing *general* objectives undoubtedly useful for their territories – pay little attention to other specific needs of their regions. As some additional comments highlight, the problem of the CSRs seems to be their lack of region-specific comments.

4.3 2012 National Reform Programmes: still the business of national governments

Given that the first and most important country document on Europe 2020 is the National Reform Programme, the CoR undertook an analysis of the 27 NRPs²⁵ for 2012, submitted in April 2012, to check for any elements useful to assess:

- whether the LRAs were involved in their preparation, and to what extent, and
- the quality of the NRPs in terms of the extent to which they fulfilled the Commission's request to explain how the LRAs were involved in designing and implementing Europe 2020, how Europe 2020 was communicated to citizens, and how best practices were disseminated ²⁶.

This assessment translated into a cumulative score (see chart below) based on a standardised set of answers to 14 assessment questions drafted by the consultant in charge of the work: the higher the score, the more exhaustive the information given in the NRP on the involvement of the LRAs in Europe 2020. Belgium, France and the UK scored best, while Slovenia, Portugal, Estonia, Greece and Lithuania obtained the worst scores, hardly mentioning the LRAs. In comparison with 2011, the overall picture was substantially unchanged for most Member States, improved for Austria, Italy, Latvia and Poland and not worse for Romania, Spain, Hungary, Slovakia and some others.

In other words, this desk research entailed assessment of the documents as such and how they presented the role of LRAs in domestic implementation of Europe 2020. It was not a measure of their actual involvement.

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On the role of the local and regional authorities in the Europe 2020 National Reform Programmes – analysis of 2012 National Reform Programmes, by Ecologic Institute, Berlin/Washington D.C., and WU/RIMAS, Vienna, 31st July, 2012. The Member States receiving financial assistance from the EU and the IMF (Greece, Ireland and Portugal) were not obliged to submit a new NRP in 2012. However, they did submit one, mainly focused on implementation of the fiscal consolidation programmes agreed within the context of the financial assistance programme.

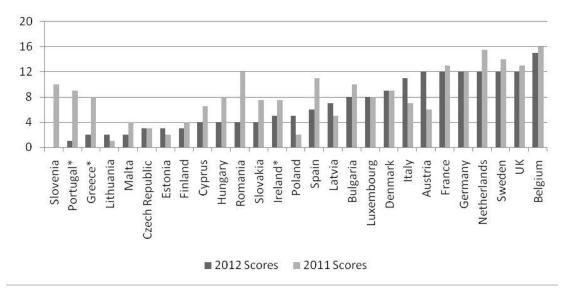


Figure 4.2: Ranking of the 27 National Reform Programmes in terms of thoroughness of information on the involvement of local and regional authorities in Europe 2020; EU Member States sorted by their 2012 NRP total point score for questions 1-11 – maximum 19 points (from: On the role of the local and regional authorities in the Europe 2020 National Reform Programmes – analysis of 2012 National Reform Programmes, by Ecologic Institute, Berlin/Washington D.C., and WU/RIMAS, Vienna, 6th August, 2012).

The key results of the **analysis** can be summarised as follows:

- as far as **implementation** is concerned, 24 NRPs out of 27 mentioned the role of the LRAs, identifying them as partners, and 23 devoted specific paragraphs or sections to them;
- the picture is radically different, though, when it comes to **preparation of the NRPs for 2012**. According to the CoR National Delegations surveyed²⁷, in most cases the LRAs were **consulted** by their national governments out of political will, i.e., without having the obligation to do so (12 cases, while in four cases there was an obligation to do so). The LRAs involved participated in technical working groups and/or submitted documents at both a final (seven countries) and intermediary (six countries) stage of preparation of the NRPs;
- half of respondents to the 2012 Platform Survey (i.e. individual LRAs) claimed they had not been involved at all in this process;
- when asked to what extent input from the LRAs was taken into account, only two National Delegations said that the viewpoint of the LRAs was "substantially" taken into account. In seven countries, LRA involvement had a rather limited impact on the final version of the NRP, while in four countries the viewpoint of LRAs was not taken into account at all²⁸;
- this consultation falls **short of full involvement of LRAs in the drafting** of NRPs, which is reported in only six cases;

Seventeen CoR National Delegations contributed to this analysis by answering a survey carried out in April-May 2012.

Three National Delegations (from Sweden, Poland and Denmark) admitted not seeing the final version of NRP before the deadline of the survey, so their impact on National Reform Programmes was impossible to assess.

- there are six cases of LRA involvement in **monitoring** the NRPs;
- five NRPs mentioned the LRAs with respect to the implementation of **subsidiarity and proportionality**;
- multi-level governance agreements are mentioned in ten NRPs (Belgium, Bulgaria, Denmark, France, Germany, Italy, the Netherlands, Spain, Sweden and the UK). The role of the LRAs in these agreements range from mere consultation to mandated and regular contributions throughout the whole process;
- 11 NRPs state that the LRAs were involved in measures related to the **economic and financial crisis**; the analysis also shows that, in comparison with 2011, no clear-cut improvement is discernible in the involvement of LRAs in the preparation of the NRPs.

4.4 How to fund Europe 2020: a local and regional viewpoint

Respondents are aware of the present difficulties of public finances at all levels of government, and of the need to fund efforts to achieve the Europe 2020 goals²⁹. Concerned about the present lack of growth and about the sovereign debt crisis, some of them looked at the overall **level of the EU budget**, suggesting an increase in the overall EU budget. To this end, some suggested an increase in the EU's own resources, and in particular the levying of a tax on financial transactions.

As for how to provide additional funding for Europe 2020, the following possibilities were mentioned by some respondents:

- issuing EU project bonds to fund investments in infrastructure;
- implementing financial engineering tools to raise private funding for investment in infrastructure;
- setting up a public fund to guarantee lending to private investors;
- making more extensive use of the leverage effect of the EU Structural Funds;
- increasing recourse to public-private partnerships (PPPs).

Respondents devoted much attention to **how Europe 2020 funding is managed**. The most frequently cited ideas were:

- cohesion policy, which will be the main EU funding channel for Europe 2020, needs to remain available in all EU regions, while remaining focused on backward regions;
- better coordination and integration of the EU Structural Funds is necessary (in line with the Commission's proposal for a Common Strategic Framework (CSF) for the Structural Funds, to be implemented at country level through a Partnership Contract). This is also what emerged from a Survey on the CSF³⁰, carried out by the Europe 2020 Monitoring Platform in May-June 2012: most

See Chapter 3 for statistics concerning the impact of the public debt crisis on subnational governments.

answers highlighted the key role of the CSF funds in delivering the Europe 2020 targets, while pointing out that it was important not to lose sight of the Treaty objective of reducing regional imbalances;

- Structural Funds should be administered in a flexible way, avoiding rigid earmarking: regions and cities should be able to set their own targets;
- complex problems should be addressed through coordination and integration of CSF Funds together with COSME (small business) and Horizon 2020 (research) funds;
- the 2014-2020 programming period should be taken as an opportunity to undertake substantial administrative simplification, including harmonising the way in which the different Funds work in practice;
- given the present budgetary circumstances of many local and regional authorities, advance payments by the Structural Funds would be useful;
- the instrument of global grants should be more widely used;
- more accurate monitoring and evaluation of EU-funded projects should be seen as a priority.

In terms of **policy priorities** on which to focus available funds, respondents listed the following:

- employment policies (youth unemployment, training);
- research and development;
- credit to SMEs, also by funding the COSME programme;
- entrepreneurship (seed capital);
- renewable energy sources;
- infrastructure;
- reforming the CAP.

4.5 Working in partnership? Not yet, but there is some good news

When asked whether they had had opportunities to design/implement Europe 2020 policies in partnership with their national governments, two-thirds of respondents said this was not the case. However, they also reported a variety of attempts – alongside the Structural Funds' Operational Programmes – to confront some challenges through multilevel partnerships³¹:

- conferences between the Spanish national government and the Autonomous Communities;
- the Danish Growth Forums involving the national and regional governments as well as the business community and other stakeholders;
- the forthcoming Territorial Contracts in Poland, as part of the National Regional Development Strategy 2010-2020;
- the relationships between the Belgian federal government and its regions;

The descriptions provided by respondents are included in their contributions, accessible at http://portal.cor.europa.eu/europe2020/Surveys/Pages/InvitationtotakepartinthesurveyonEurope2020what'shappeningontheground.aspx

- the Innovation Council of the Hungarian Ministry for Economic Affairs;
- agreements between the federal government and the provinces in Austria in the fields of energy policy and climate protection;
- the council created by the Bulgarian government to prepare the Partnership Contract 2014-2020;
- the coordination approach adopted by Regione Umbria as a governance tool for regional policies.

Overall, the picture remains unsatisfactory in terms of participation of LRAs in the design and implementation of Europe 2020. However, there is an increasing amount of good and promising examples of work in partnership between central and the regional and local authorities.

4.6 Towards the 2013 Annual Growth Survey

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Asked "What should the growth-related objectives be for 2013" that they would like to see in the Annual Growth Survey for 2013, to be published by the European Commission in November 2012, the primary concern of respondents is the short-term need for policies aimed at **boosting growth and employment**³². Their further comments stress the need to ensure that growth is:

- based on strengthened **competitiveness**, by strengthening the single market, increasing R&D expenditure, promoting patents and innovation, making labour markets more flexible, improving education and training to upgrade manpower skills, anticipating labour shortages, investing in infrastructure (in particular, ICT), and promoting entrepreneurship;
- **SME-friendly**, helped by administrative simplification and normal lending conditions;
- **sustainable**, by giving climate and energy targets a central position, not least as a driver of innovation through investments in green energy;
- **inclusive**, first of all by enhancing job opportunities for the unemployed, especially the young, by confronting the challenges of ageing and showing active solidarity with disadvantaged social groups;
- supported by enhanced **institutional capabilities**, which also implies modernisation of public administration.

The following **framework conditions** were also mentioned by some respondents as necessary to successfully tackle these challenges: reshaped **regulation of the financial** sector; greater **economic and fiscal integration** within the EU; a **differentiated** approach to **fiscal consolidation**; **adequate EU resources** to invest in supporting growth; **flexibility** in policies to take into account **regional differences**; **cohesion** policy applied across the **entire territory of the EU**, even if it remains focused on backward regions.

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See the "CoR's Bureau Declaration on the Annual Growth Survey 2013 of the European Commission" adopted on 7th September 2012, available at: http://www.toad.cor.europa.eu/AgendaDocuments.aspx?pmi=ha5jDW%2bOWSG8mlVIP%2bdCXSOCK9ZHTAgqdLxAYnYqvwO

Last, but not least, respondents suggested that the AGS should support a broad diffusion of the **multilevel governance** approach, beyond what is now requested by present cohesion policy regulations.

5. Regions and cities contributing to smart, sustainable and inclusive growth

5.1 Knowledge and perception of Europe 2020 targets and the Flagship Initiatives

Europe 2020 targets

The results of the 2012 Platform Survey show that more than half of respondents find their NRP's target for smart, sustainable and inclusive growth appropriate. Among the various targets, one that is perceived by more than a third of respondents as too ambitious is that for R&D. The targets that are perceived as mostly "appropriate" (i.e., >50%) by the large majority of respondents are those related to the employment rate, CO2 emissions, resource efficiency, early school leavers and tertiary education levels.

To what extent are your country's Europe 2020 objectives/targets appropriate for the territory administered by your regional/local authority?

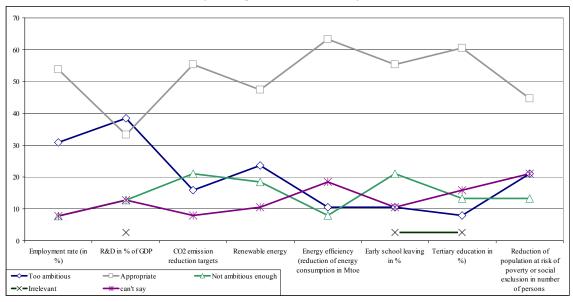
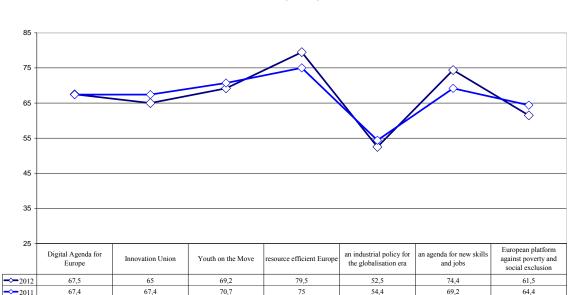


Fig 5.1 Appropriateness of Europe 2020 targets for the administered territory. Source: 2012 Platform Survey

Knowledge of Europe 2020 Flagship Initiatives

Regarding knowledge of the Flagship Initiatives³³, in comparison with the 2011 Edition the most familiar Flagship Initiatives remained "Resource Efficient Europe" and "An agenda for new skills and jobs", while "An industrial policy for the globalisation era" was the least well known.



In general, to what extent are you familiar with the seven Flagship Initiatives? 2011-2012

Fig 5.2: Knowledge of the Europe 2020 Flagship Initiatives. Only the answers "fully" and "substantially" are represented as an aggregate manner in the graph. Data Source: Europe 2020: What is happening on the ground? (2011 and 2012).

Appreciation and perception of the flagship initiatives

If we look at how the contribution of the flagship initiatives is perceived in terms of encouraging more ambitious policies and goals, we can observe that the *Digital Agenda for Europe* and *An agenda for new skills and jobs* are seen as the most helpful. Compared with the results of the 2011 edition, the Flagship Initiatives *An agenda for new skills and jobs*, *Digital Agenda for Europe*, *Resource Efficient Europe* and *Innovation Union* are perceived as more helpful than before.

study On the role of the local and regional authorities in the Europe 2020 National Reform Programmes, by the Ecologic Institute, Berlin, under the framework contract CDR/ETU/96/2012

As Flagship Initiatives are by nature interrelated and mutually reinforcing whilst retaining a specific focus, they contribute to several EU 2020 targets. Over the following pages we provide a selection of good practices on the ground that show the interrelation of objectives whilst also stressing the added value of a multilevel governance approach as discussed in previous chapters. Further policy examples implemented by LRAs and as mentioned in the 2012 National Reform Programmemes can be found in Chapter 3 of the

To what extent can the Europe 2020 Flagship Initiatives help you to establish more ambitious policy goals/action? 2011-2012

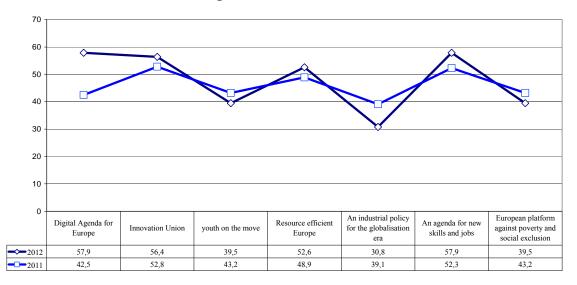


Fig 5.3. Appreciation of Europe 2020 Flagship Initiatives in encouraging more ambitious goals/action at local level. Only the answer "substantially" is represented as an aggregate manner in the graph. Data Source: Europe 2020: What is happening on the ground? 2011 and 2012 Editions.

5.2 Smart growth – developing an economy based on knowledge and innovation.

The purpose of the smart growth priority is to strengthen knowledge and innovation as drivers of our future growth. Three flagship initiatives aim to boost smart growth: A Digital Agenda for Europe, Innovation Union and Youth on the Move. The results of the 2012 Platform Survey show that more than half of respondents felt that their NRP's target for smart growth was appropriate. Among the various targets, the one that is perceived as too ambitious for more than one third of respondents is the target for R&D.

Some examples of local and regional contributions to achieving the abovementioned targets.

Regional innovation partnerships - Apulia Region (Italy)

This project is meant to promote the creation of public-private technology partnerships for regional agendas for research and innovation, which allow the Puglia region to address common challenges set by the Europe 2020 Strategy in its three complementary priorities of smart, sustainable and inclusive growth. The specific objectives of this action are: to integrate demand and supply of existing technology on the ground; step up the use of research results in the production chain; involve young researchers; and improve the state of the environment by supporting initiatives aimed at producing new green technologies. The 11 funded projects involve 59 companies and 8 research bodies. The total budget is EUR 12 724 411.70, funded by the ERDF regional operational programme 2007-2013.

www.sistema.puglia.it/portal/page/portal/PianoLavoro/Partenariati Source: 2012 Platform Survey

KWF Technology Transfer Initiative Objectives - Carinthia Economic Development Board

This project is intended to strengthen and develop business cooperation with universities and research institutes with the involvement of the appropriate funding bodies. It will be the first time that research activity has been systematised by being drawn up, structured and prepared nationally.

The benefit to businesses in Carinthia: an accelerated innovation process via more effective channelling of knowledge between science and industry, an increase in basic knowledge, access to existing and new problem-solving skill bases, and the development of strategic alliances with universities and research institutes.

Umbrella - City of Solna (Sweden)

The objectives of the Umbrella project are to establish contact with all young people under 20 years of age living in Solna who have completed compulsory school but are neither studying nor working and not registered at the employment agency, to assist them back into study or finding a job. The individuals are contacted by a coach who invites them to a meeting to discuss their current situation and hopes for the future. Expected outcome: the percentage of Solna pupils who finalise their secondary education in four years' time will increase (2009/2010 70.6 %, 2010/2011 75.0%) . www.solna.se. *Source: 2012 Platform Survey*

5.3 Sustainable Growth – for a resource efficient, greener and more competitive economy

The purpose of the sustainable growth priority is to build a more competitive low-carbon economy that makes efficient, sustainable use of resources, improving the business environment for SMEs in particular, and that helps consumers to make well-informed choices. The EU will boost sustainable growth through two flagship initiatives: *A Resource Efficient Europe*; and *An industrial policy for the globalisation era*. The results of the 2012 Platform Survey show that the majority of respondents find their NRP's target for energy efficiency appropriate. Regarding flagship initiatives, *A Resource Efficient Europe* seems to be the better known of the seven, while the flagship initiative *An industrial policy for the globalisation era* was less known by the contributors.

Some examples of local and regional contributions to achieving the abovementioned targets.

Transport Health Environment - intelligent solutions supporting sustainable growth of urban economies - the Marshal's Office of the Mazowieckie Voivodship, Warsaw (Poland)

This project was developed in order to make it possible to collate and coordinate existing and planned research and development programmes which are important from the point of view of intelligent transport systems, health and the environment, and also with a view to disseminating best practices and consistent targeting of actions in the field of new technology. In this connection, a consortium was set up bringing

together regions from four Member States: Aquitaine, Midi-Pyrénées (FR), Mazovia (PL), East Midlands (UK) and Molise (IT). In each of the regions a research cluster was established made up of a local government unit, a scientific institute and a company (i.e. a "triple helix"). The project is funded by the European Commission's Seventh Framework Programme (total budget: EUR 3 205 802.40, 13% provided by partners from the Mazovia cluster). www.theissue.eu

Salzburg 2050: climate-neutral, energy-independent, sustainable, Salzburg Land government (Austria)

The objective of the Salzburg 2050 project is to develop an advanced energy master plan for the city of Salzburg, with a focus on energy efficiency. The long-term goal is to make Salzburg a pioneer in achieving the EU climate goals. It aims to cut greenhouse gas emissions by 30%, generate 50% of its energy from renewables, and achieve 100% coverage of energy needs of buildings in Salzburg supplied through a combination of district heating and renewable energy sources. Reciprocal support between the federal government and the *Länder* (provinces) to implement mutually agreed measures within their respective fields of authority is in place. www.energieaktiv.at

The Employment-Environment Alliance, Bruxelles Environnement – IBGE, (Belgium)

The Employment-Environment Alliance aims, on the one hand, to develop a supply of local companies in the construction sector that are capable of meeting the challenges of new and ambitious energy standards for buildings. On the other hand, the alliance aims to adapt the supply of training (training, skills training, integration of unemployed workers) so as to have well trained workers for these new challenges. The minimum objective is to create green jobs in the construction sector and thus a "greener" construction sector. The EU 2020 objectives for climate and energy and for employment are catalysts for implementation of the Employment-Environment Alliance.

www.bruxellesenvironnement.be/Templates/Professionnels/Informer.aspx?id=32585&langtype=2060

Ecoeuskadi 2020, Basque Government (Spain)

EcoEuskadi 2020 is the Basque Country's Sustainable Development Strategy up to 2020. The Strategy basically focuses on three goals: economic prosperity: moving towards an innovative, competitive and eco-efficient economy; environmental protection: improving the quality of the environment, combating climate change and protecting our biodiversity; and equity and social cohesion: promoting quality employment and education and a healthy, cohesive and inclusive society. http://www.ecoeuskadi2020.net/

SME-friendly Regions and Cities³⁴

The present financial and economic crisis is generally seen by LRAs as having a negative impact on SMEs in their region. Moreover, the nature of the impact is seen as quite diverse. The most pressing

³⁴

The survey was launched on 12 March 2012, with a final deadline of 23 April 2012, by the Committee of the Regions' Europe 2020 Monitoring Platform. In total, 41 questionnaires were submitted by LRAs and other stakeholders from 17 EU Member States to the Europe 2020 Monitoring Platform's survey on "SME- friendly Regions and Cities". The full report and contributions are available at http://portal.cor.europa.eu/europe2020/ClosedSurveys/Pages/InvitationtoparticipateintheSurveyonSME-friendlyRegionsandCities.aspx

consequence mentioned by respondents was job losses. Financial issues (such as decreased investment or liquidity), falling demand (such as decreased consumer demand or orders), and declining performance (such as decreased production or R&D) were some of the main effects. LRAs have introduced a series of measures to help SMEs address the crisis. Key measures include supporting entrepreneurs and new startups; support through information, advice and consultancy; and promoting innovation. Financial support and administrative simplification were given less emphasis. The picture of whether regional or city legislation provides an SME-friendly environment is rather mixed: while more than a third of respondents said that their legislation is conducive to setting up or developing SMEs, a few argued that legislation has a somewhat negative effect (e.g. high taxes in general, or specifically on setting up new businesses). Among the main aspects covered by legislation conducive to SMEs are the tax system and improved and simplified administration. Legal changes at European, national and/or subnational level were mostly suggested for simplifying and improving administration. Most respondents felt that specific policy domains should be targeted to help SMEs become more competitive regionally. More than a quarter of them support SMEs in innovation and R&D, and a considerable number also help with training and education, access to finance, internationalisation and international cooperation. One priority is to concentrate these efforts on certain sectors.

European Entrepreneurial Regions (EER)

The European Entrepreneurial Region (EER) award label was launched by the CoR to encourage entrepreneurship at local and regional level. The awarded EER regions³⁵ have outlined renewed regional development strategies with a special focus on boosting their entrepreneurial potential, innovation capacity and business internationalisation. These regions are currently taking measures to implement the Small Business Act for Europe on the ground, and to focus on delivery of the Europe 2020 Flagship Initiatives. Numerous promising and forward-looking measures in the EER regions indicate that the EER label has not only helped to mitigate the effect of the economic and social crisis but also contributed to strengthening the competitiveness of the regions, promoting the principle "think small first", and regular sharing of best practice and development of common projects and cross-border cooperation.

Murcia Region Development Agency, Spain

Several measures have been implemented with a view to addressing obstacles faced by SMEs. These measures include providing entrepreneurs with alternative sources of funding, simplifying legal regulations, personalised advice and specialised training and mentoring schemes for entrepreneurs, upgrading skills in business plans, and education in economics.

Preston City Council, United Kingdom

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Since its inception, the EER label has been awarded to nine regions: Land Brandenburg (Germany), County Kerry (Ireland) and Murcia (Spain) for 2011; Catalonia (Spain), Helsinki-Uusimaa (Finland) and Trnava Self-Governing region (Slovak Republic) for 2012; Nord-Pas de Calais (France), Southern Denmark (Denmark) and Styria (Austria) for 2013. www.cor.europa.eu/eer

Preston City Council has been reviewing its procurement processes and procedures with the aim of simplifying them to encourage local enterprises to become suppliers to the local authority where possible. The City Council also works with the Chamber of Commerce to promote the Small Business Act.

5.4 Inclusive growth – a high-employment economy delivering economic, social and territorial cohesion

The purpose of the inclusive growth priority is to raise Europe's employment rate and to make more and better jobs available, especially for women, young people and older workers. It is about helping people of all ages anticipate and manage change through investment in skills and training. It aims to modernise labour markets and welfare systems. To boost inclusive growth the EU adopted two flagship initiatives: An Agenda for new skills and jobs and the European platform against poverty and social exclusion. The results of 2012 Platform Survey show that more than half of respondents find their NRP's target for education appropriate. It is interesting to note that for one third of respondents, the target on reduction of poverty and social exclusion seems to be too ambitious. Despite not being the best known flagship initiatives, both An Agenda for new skills and jobs and the European platform against poverty and social exclusion are perceived by the majority of respondents as useful in setting more ambitious policy goals and actions.

EU local and regional authorities working towards youth employment

Regions and cities promote many specific youth-related objectives, including:

- Supporting early school leavers and poorly qualified young people, especially those who are disadvantaged, e.g. helping early school-leavers, as well as children leaving school with no qualifications, to get vocational training qualifications (*Productive learning*, Mecklenburg-Western Pomerania, DE); getting young people, people with immigrant backgrounds and poorly skilled people into the labour market (*Opportunity Pool*, Vorarlberg, AT);
- Promoting entrepreneurial skills, e.g. disseminating a culture of entrepreneurship among primary school children (by promoting conduct and attitudes conducive to cooperation, coordination, conflict-resolution, problem-solving and taking responsibility) (*Emprender en mi Escuela*, Murcia Region, ES); organising competitions to reward the best innovative entrepreneurial initiatives (*Start Cup Puglia*, Puglia, IT);
- Promoting young researchers' employment, research and technology transfer, e.g. recruitment of
 young people for an innovative project as part of anti-crisis efforts (Provincial Council of Gipuzkoa,
 ES); Providing scholarships for postgraduate specialisation activities at home and abroad (Marshal's
 Office of Kujawsko-Pomorskie Voivodship, PL; Puglia Region, IT);

• Improvement of communication tools targeted at young people, e.g. development of websites providing information about EU mobility, learning and work opportunities (Marche Regional Authority, IT; Provincia di Roma, IT)

Specific *EU support* has been given through the ESF (e.g. in Mecklenburg-Western Pomerania, DE and Regione Umbria, IT), the ERDF (e.g. in Achim, DE) and the EER award (e.g. in Uusimaa, FI). In some cases when EU funding came to an end, the local/regional authority continued the programme with its own resources; in other cases it had to discontinue the project.

Local and regional authorities have been involved in various *forms of partnership* to implement their projects, sometimes by means of multi-level governance arrangements. Examples include regional growth forums in Denmark bringing together the national, regional and municipal levels in cooperation with schools; twinning agreements between cities (Porta Futuro involving Rome and Barcelona); and horizontal cooperation (between local/regional authorities, chambers of commerce, SME associations, universities).

Plug in South Smaland and Kalmar – The Regional Council of Kalmar County (Sweden)

This project involves developing methods of intercepting ESLs (Early School Leavers) at an early stage, pedagogical methods to meet ESLs, and sector interaction and cooperation concerning ESLs. The target group is represented by young people aged 16-20 at risk of leaving upper secondary school without a qualification. The European Social Fund contributes 50% of the total costs, equal to EUR 10.8 million in the nationwide project. Local, regional and national authorities contribute the remaining 50%. Regional authorities are leading and coordinating the project at regional level as far as municipalities are concerned, and schools are coordinating at local level. www.kalmar.regionforbund.se/sv/ Source: 2012 Platform Survey

Local Action Plan Frankfurt-Slubice 2010-2020, German-Polish Cooperation Center Frankfurt-Slubice, City of Frankfurt, (Germany)

This project consists of a public, German-Polish cooperation task force, working on cross-border cooperation and joint urban development of neighbouring cities Frankfurt (Oder), Germany, and Slubice, Poland. The local action plan is mainly focused on projects in infrastructure (e.g. public transport, reconstruction of historic buildings), education (e.g. foreign language teaching in schools, conferences/workshops on cross-border subjects), tourism development (e.g. European school tourism, cross-border cultural tourism offers) and economic development (e.g. advertising of cross-border locations). This project is co-financed by EU funding and the EFRD programme for cross-border cooperation "Poland (Voivodship Lubuskie) - Brandenburg 2007-2013". www.frankfurt-slubice.eu

Career agreement 2012-2013, Flemish Government (Belgium)

In connection with the 2020 Pact, the Flemish Government concluded a new career agreement with the social partners for the two next years in 17 February 2012. The Flemish Government will invest EUR 25 million annually to get more people into work. The Flemish Government's aim with the career agreement is to take action to activate older employees and reduce the number of early school leavers. This agreement represents a significant step by the Flemish Government towards a more tailored labour market. The agreement prioritises a further extension of career policy in order to facilitate the transition from one job to another with a view to increasing mobility.

http://www.werk.be/over-werk-sociale-economie/beleid/vlaams/akkoorden#Loopbaanakkoord

Support for mechanisms for entering society via economic activity (SIAE) and for assisted contracts, General Council of Ariège, (France)

The SIAE (structures d'insertion par l'activité économique) have a dual role: social and economic. Besides their permanent staff they employ workers with an inclusive aim. They provide enhanced support for people with difficulties to enable them access to regular employment after they follow an integration path. They are covered by an agreement with the state (Prefect - DDTEFP) and receive financial aid from the state, local authorities, and the European Social Fund. Grants from the Ministry of Employment are designed to offset the effort of mentoring and overseeing integration of employees. The support given to people with special difficulties allows for the design of a tailored project. The various types of contract have a fixed term and are renewable (maximum of 24 months). http://www.cg09.fr/v2/accueil.asp

6. Annexes

6.1 List of abbreviations and country codes

AGS	Annual Growth Survey	BE	Belgium
ALDE	Group of the Alliance of Liberals and Democrats for Europe	BG	Bulgaria
CAP	Common Agricultural Policy	CZ	Czech Republic
CdR	Comité des Régions	DK	Denmark
COM	Communication	DE	Germany
CoM	Covenant of Mayors	EE	Estonia
CoR	Committee of the Regions	IE	Ireland
EA	European Alliance Group	EL	Greece
EC	European Commission	ES	Spain
EER	European Entrepreneurial Region	FR	France
EGTC	European Grouping of Territorial Cooperation	IT	Italy
EMU	European Monetary Union	CY	Cyprus
EP	European Parliament	LV	Latvia
EPP	European People's Party	LT	Lithuania
EU	European Union	LU	Luxembourg
GDP	Gross Domestic Product	HU	Hungary
MP	Monitoring Platform	MT	Malta
NRP	National Reform Programme	AT	Austria
LRA	Local and Regional Authorities	NL	Netherlands
PES	Party of European Socialists	PL	Poland
R&D	Research and Development	PT	Portugal
SME	Small and Medium-Sized Enterprises	RO	Romania
TFEU	Treaty on the Functioning of the European Union	SL	Slovenia
YotM	Youth on the Move	SK	Slovakia
		FI	Finland
		SE	Sweden
		UK	United Kingdom

6.2 EU 2020-related CoR Opinions adopted in 2011-2012

Smart Growth

- Erasmus for All Yoomi Renström (SE/PES) (<u>CdR 400/2011</u>)
- Horizon 2020 (Framework Programme for Research and Innovation) Markku Markkula (FI/EPP) (<u>CdR 402/2011</u>)
- Creative Europe Gábor Bihary (HU/PES) (CdR 401/2011)

- Trans-European Telecommunication Networks Alin-Adrian Nica (RO/ALDE) (CdR 399/2011)
- Connecting Europe Facility Ivan Žagar (SI/EPP) (CdR 373/2011)
- Modernisation of Europe's higher education system Mia De Vits (BE/PES) (<u>CdR 290/2011</u>)
- Common Strategic Framework for EU Research and Innovation Funding Claude Gewerc (FR/PES) (<u>CdR 67/2011</u>)
- The European e-Government Action Plan 2011-2015 Ján Oravec (SK/EPP) (CdR 65/2011)
- Review of Small Business Act Constance Hanniffy (IE/EPP) (CdR 151/2011)

Sustainable Growth

- Future cities: Environmentally and socially sustainable cities Hella Dunger-Löper (DE/PES) (CdR 650/2012)
- A mechanism for monitoring and reporting greenhouse gas emissions Neil Swannick (UK/PES)
 (CdR 87/2012)
- Proposal for a regulation on the Programme for the Environment and Climate Action (LIFE) –
 Kay Twitchen (UK/NI) (CdR 86/2012)
- Energy Efficiency in cities and rural districts Brian Meaney (IE/EA) (<u>CdR 85/2012</u>)
- Proposal for a Regulation on Guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC – Heinz Lehmann (DE/EPP) (<u>CdR 20/2012</u>)
- The revision of EU air quality and emissions policy Cor Lamers (NL/EPP) (CdR 329/2011)
- Energy efficiency Jean-Louis Joseph (FR/PES) (CdR 188/2011)
- Contribution of the EU's local and regional authorities to the UN conference on sustainable development 2012 (Rio+20) – Ilmar Reepalu (SE/PES) (<u>CdR 187/2011</u>)
- A resource efficient Europe Flagship initiative of the EU 2020 Strategy Michel Lebrun (BE/EPP) (<u>CdR 140/2011</u>)
- EU LIFE instrument The way forward Daiva Matonienė (LT/EA) (<u>CdR 6/2011</u>)
- The role of regional and local authorities in promoting sustainable water policy Nichi Vendola (IT/PES) (CdR 5/2011)
- Energy infrastructure priorities for 2020 and beyond Michel Lebrun (BE/EPP) (CdR 7/2011)

Inclusive Growth

- Health for growth programme (2014-2020) Tilman Tögel (DE/PES) (CdR 67/2012)
- Proposal for a Regulation on the European Social Fund Konstantinos Simitsis (EL/PES) (<u>CdR</u> 6/2012)
- European Union Programme for Social Change and Innovation Enrico Rossi (IT/PES) (<u>CdR</u> 335/2011)
- The European Globalisation Adjustment Fund for the period 2014-2020 Gerry Breen (IE/EPP) (<u>CdR 334/2011</u>)
- Child poverty Cllr Doreen Huddart (UK/ALDE) (<u>CdR 333/2011</u>)

- An EU framework for national Roma integration strategies up to 2020 Alvaro Ancisi (IT/EPP)
 (CdR 247/2011)
- The new EU Agenda for Integration Dimitrios Kalogeropoulos (EL/EPP) (<u>CdR 199/2011</u>)
- Towards a European agenda for social housing Alain Hutchinson (BE/PES) (CdR 71/2011)

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Cross-priority CoR Opinions related to Europe 2020

- Proposal for a General Regulation on the Funds Covered by the Common Strategic Framework -Catiuscia Marini (IT/PES) (CdR 4/2012)
- Proposal for a Regulation on the European Regional Development Fund Michael Schneider (DE/EPP) (CdR 5/2012)
- Proposal for a Regulation on the Cohesion Fund Romeo Stavarache (RO/ALDE) (CdR 7/2012)
- Proposal for a Regulation on European territorial cooperation Petr Osvald (CZ/PES)(CdR 647/2012)
- Proposal for a Regulation establishing the Connecting Europe Facility Ivan Žagar (SI/EPP) (CdR 648/2012)
- Proposal for a Regulation on the Revision of the TEN-T Legislative Framework Bernard Soulage (FR/PES) (CdR 8/2012)
- Role of LRAs in Europe 2020 Strategy Markku Markula (FI/EPP) (CdR 72/2011)
- Legislative proposals on the reform of the Common Agricultural Policy René Souchon (FR/PES) (CdR 65/2012)
- Responsible businesses package Satu Tietari (FI/ALDE) (CdR 14/2012)

6.3 List of respondents to the Europe 2020 Monitoring Platform surveys

Quick Survey on 'the European Union Programme for Social Change and Innovation' 36

DE: City of Achim; Stadt Frankfurt; Stadt Mülheim an der Ruhr; ES: Local Development Agency Alicante; País Vasco; Asemblea de Extremadura; Parlament de Catalunya; Comunidad Autónoma de la Región de Murcia; EU Association of European Border Regions (AEBR); FR: Réseau des Pactes européens / European Pacts; Communauté urbaine de Dunkerque; HU: INNOVA Észak-Alföld Regional Development and Innovation Agency; IE: Border, Midland and Western Regional Assembly; IT: Acli Venezia; Emilia-Romagna Region; Lombardy Region (Regione Lombardia); PL: City of Bialystok; Wielkopolska Region Brussels Office; RO: Harghita County Council; SE: City of Malmö; SK: Prešov Self-Governing Region Office; UK: Belfast City Council; Scottish Government.

³⁶

The Quick Survey on "the European Union Programme for Social Change and Innovation" was launched on 10 November 2011 with a final deadline of 19 December 2011, by the Committee of the Regions' Europe 2020 Monitoring Platform. In total, 23 questionnaires were submitted by LRAs and other stakeholders from 12 EU Member States. Full report and contributions available at http://portal.cor.europa.eu/europe2020/ClosedSurveys/Pages/QuicksurveyEuropeanUnionProgrammeforSocialChangeandInnovation.a

Survey on 'SME-friendly Regions and Cities' 37

AT: Vienna; BE: German-speaking Community in Belgium/ Regional Economic Development Agency; CR: Krapina Zagorje County; CZ: Moravskoslezský kraj; DE: City of Erlangen; Landeshauptstadt Stuttgart; Stadt Achim; Bundesstadt Bonn; DK: Region Syddanmark – Syddansk Vækstforum; EE: Kose vald; ES: Barcelona Activa; FAMCP: Aragones Federation of Municipalities regions and provinces; European Grouping for Territorial Cooperation Galicia – Norte Portugal (GNP-EGTC); Alcalá de Guadaíra; Fundación Galicia Europa; Asamblea de Extremadura; Parlament de Catalunya; Murcia region Development Agency; FI: Uudenmaan liitto; IE: Border, Midland and Western Regional Assembly; IT: Apindustria Venezia; Province of Rome; Region Lombardia; LT: Lietuvos savivaldybių asociacija; NL: City of Eindhoven; PL: Gmina miejska Tczew; Gdańska Agencja Rozwoju; Instytucja Otoczenia Nauki i Biznesu; Województwo Łódzkie; Urząd Marszałkowski Województwa Warmińsko-Mazurskiego w Olsztynie; Marshal Office of the Wielkopolska Region; Pomorskie; SE: SALAR; Solna stad; Regionala utvecklingsledningen; Region Skåne; SK: Úrad Nitrianskeho samosprávneho kraja; Trenčín Region; UK: Preston City Council; Glasgow City Council.

List of respondents: Survey on the new Common Strategic Framework 2014 to 2020³⁸

AT: Vienna; Amt der Kärntner Landesregierung; DE: Stadt Achim; City of Frankfurt/Oder (Frankfurt-Słubice Cooperation Center); Munich; Land Baden-Württemberg; Thueringer Ministerium fuer Wirtschaft; DK: Kommunernes Landsforening; The Region of Southern Denmark; ES: Regional Government of Aragon; País Vasco; Asamblea de Extremadura; Generalitat de Catalunya / Gobierno de la Generalitat de Cataluña; Generalitat valenciana; Comunidad Autónoma de la Región de Murcia; FR: La Communauté urbaine de Bordeaux; Communauté de Dunkerque; Pactes Locaux / PACTES; Conseil Régional Nord Pas de Calais; HU:Fejér Megyei Önkormányzat; IT: Regione autonoma Friuli Venezia Giulia; Region Umbria; PL: Województwo Łódzkie; Urzędu Marszałkowskiego Województwa Śląskiego; Urząd Marszałkowski; Urząd Marszałkowski Województwa Opolskiego; SI: Trnavský samosprávny kraj; SK: Košice self-governing region; Prešovský samosprávny kraj; UK: Cornwall Council; Scotland Europa. The following respondents contributed to the working document of the CoR opinion: BE: Wallonia; ES: Generalitat de Catalunya; EU: CPMR General Secretariat; IE: Irish Delegation; PL: Marshall's Office of the Malopolska Region; SK: Prešov Region.

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The survey was launched on 12 March 2012 with a final deadline of 23 April 2012, by the Committee of the Regions' Europe 2020 Monitoring Platform. In total, 41 questionnaires were submitted by LRAs and other stakeholders from 17 EU Member States (Including one response from Croatia, which will join the EU on 1 July 2012.). Full report and contributions available at

http://portal.cor.europa.eu/europe2020/ClosedSurveys/Pages/InvitationtoparticipateintheSurveyonSME-friendlyRegionsandCities.aspx

The full report and all contributions and their English translations are available on the Europe 2020 Monitoring Platform's website: http://portal.cor.europa.eu/europe2020/news/Pages/InvitationtotakepartinthesurveyonthenewCommonStrategicFramework2014to2020. aspx

List of respondents: Survey on Europe 2020: what's happening on the ground? 2012 Edition³⁹

AT: Amt der Burgenländischen Landesregierung; Amt der Kärntner Landesregierung; Land Salzburg; BE: Administration for the Environment for the Brussels Capital Region; BE: Vlaamse overheid - Stafdienst van de Vlaamse Regering Department Diensten voor het Algemeen Regeringsbeleid (DAR); DE: City of Frankfurt/Oder (Frankfurt-Słubice Cooperation Center); DK: Danish Regions; Kommunernes Landsforening (KL); EE: Kose vald; Keila Rural Municipality Council; ES: Diputación de Barcelona; Gobierno Vasco, País Vasco; Murcia Region; Asamblea de Extremadura; Gobierno de Catalunya; FI: Uudenmaan liitto; FR: Conseil Général de l'Ariège; HU: Innova Észak-Alföld; IE: BMW Regional Assembly; IT: Comune di Lecce; Region Umbria; Tulip Bologna ONG Bologna local authority; Regione Puglia; PL: Urząd Marszałkowski Województwa Mazowieckiego; Urząd Marszałkowski Województwa Wielkopolskiego; Urząd Marszałkowski w Łodzi; Zarząd Województwa Świętokrzyskiego; PT: Câmara Municipal de Ferreira do Alentejo; EGTC Norte de Portugal; Direção Regional dos Assuntos Europeus e Cooperação Externa; RO: Buzau County Council; SE: Huddinge Kommun; Storumans kommun; City of Solna; The Regional Council in Kalmar County; SK: Košický samosprávny kraj; Prešovský samosprávny kraj; UK: Belfast City Council; Preston City Council; Cornwall Council.

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All contributions and their English translations are available on the Europe 2020 Monitoring Platform's website: http://portal.cor.europa.eu/europe2020/news/Pages/InvitationtotakepartinthesurveyonEurope2020what%27shappeningontheground.as px

6.4 List of cases: Survey: Europe 2020: what's happening on the ground? 2012 Edition

Country	On behalf of	Title of the policy action	Website
AT	Office of the government of Carinthia	KWF Technology Transfer Initiative	www.kwf.at/?inhalt=Technologietransfer- Initiative&id=3-2-3-6
AT	Salzburg Land government	Salzburg 2050: climate-neutral, energy-independent, sustainable	www.energieaktiv.at
BE	Bruxelles Environnement - IBGE	The Employment-Environment Alliance (L'Alliance Emploi-Environnement)	www.bruxellesenvironnement.be/Templates /Professionnels/Informer.aspx?id=32585&la ngtype=2060
BE	Flemish Government	Organisation of a workshop on "Flanders in action and the Europe 2020 dimension" on 21 June 2012 in Brussels.	http://vlaandereninactie.be/home/workshop-flanders-in-action-and-the-europe-2020-dimension/?lang=en
		Career agreement 2012-2013	http://www.werk.be/over-werk-sociale- economie/beleid/vlaams/akkoorden#Loopba anakkoord
DE	City of Frankfurt	Local Action Plan Frankfurt-Slubice 2010-2020, German-Polish Cooperation Center Frankfurt-Slubice	www.frankfurt-slubice.eu
DK	KL – National Municipalities Association	Action plan on Europe 2020 (KL and the Region of Southern Denmark)	
ES	Basque Government	Ecoeuskadi 2020	http://www.ecoeuskadi2020.net/
ES ES	Barcelona Council	Local employment initiatives for revitalising and improving the quality of the sector providing services to individuals (ILOQUID Project)	www.diba.cat/es/web/promoeco/projectes/il oquid - http://comunitatiloquid.diba.cat/
		Legal Advice Service for Social Service Users (hereafter LAS)	www.diba.es/web/benestar/servei-d- orientacio-juridica
		Local Telecare Service – Making it easier for dependent people and/or those with insufficient personal independence to live at home with the best possible quality of life.	www.diba.cat/web/benestar/teleassistencia
		Promoting the Mayors' pact in the Province of Barcelona	www.diba.es/web/mediambient/pactealcalde s
ES	Government of Catalonia	Catalonia 2020 Strategy	This is not operational yet.

FR	General Council of Ariège	Leader support for the Pays d'Ariège Pyrénéees local action group	www.leader-pays-ariege.org
		Support for mechanisms for entering society via economic activity (SIAE) and for assisted contracts	
IT	Lecce Municipality	Lecce's application for nomination as European capital of culture in 2019 - Lecce 2019 and Europe 2020 - a shared journey.	www.comune.lecce.it
IT	Puglia region, Office for relations with the EU institutions	Regional innovation partnerships	www.sistema.puglia.it/portal/page/portal/Pi anoLavoro/Partenariati
11		Living Lab	http://www.sistema.puglia.it/
		Film Fund (support for audiovisual production)	http://www.apuliafilmcommission.it/
		Puglia Sounds	http://www.pugliasounds.it
IT	Tulip Bologna ONG	More information for better participation - Engaged citizens' journalism	www.europacheverra.eu
IT	Bologna local authority	Green gardens: a new policy of organic food production with zero waste	www.europacheverra.eu
PL	Marshal's Office of the Mazowieckie Voivodship	Transport health environment - intelligent solutions supporting sustainable growth of urban economies	www.theissue.eu
PL	Marshal Office of Lodz	Update "Lódz Regional Development Strategy for 2007-2020"	www.bip.lodzkie.pl/wps/wcm/connect/bip/b ip/urzadmarszalkowski/programy/strategiaw ojewodztwalodzkiego/aktualizacja_strategii _rozwoju_wojewodztwa_lodzkiego_na_lata _2007-2020
PL	Marshal's Office of the Greater Poland Voivodship	Innovative Greater Poland	iw.org.pl/
PL	Regional Government of the Swietokrzyskie Region	Direct support for the micro, small, and medium enterprise sector, implemented through the 2007-2013 Swietokrzyskie Regional Operational Programme.	www.rpo-swietokrzyskie.pl
RO	Buzau county council	Buzau county's sustainable development strategy 2007-2013	www.cjbuzau.ro
SE	City of Solna	The Solna model	www.solna.se
SE		Umbrella	www.solna.se
SE	Huddinge Municipality	Södertörn Job Matching	www.matchningsodertorn.se
SE	Storuman municipality	County project: priorities of Västerbotten county in relation to regional development efforts to 2014	www.regionvasterbotten.se
SE	The Regional Council in Kalmar County	Plug in Södra Småland and Kalmar län	

6.5 List of members of the Europe 2020 Monitoring Platform – August 2012

<u>Austria</u>
Oberösterreich (Upper Austria)
Mörbisch am See
Steiermark (Styria)
Wien (City of Vienna)
Belgium
Brussels Capital Region
Vlaanderen (Flanders)
Région wallonne (Walloon Region)
Deutschsprachigen Gemeinschaft Belgiens
(German-speaking Community in Belgium)
Bulgaria (C) 7
Стара Загора (Municipality of Stara Zagora)
~
Cyprus
Ένωση Δήμων Κύπρου
(Union of Cyprus Municipalities)
Czech Republic
Liberecký kraj (Liberec Region)
Olomoucký kraj (Olomouc Region)
Moravskoslezský kraj (Moravian-Silesian Region)
Zlín (City of Zlin)
Germany
Arnsberg
München (City of Munich)
Staatskanzlei des Landes Brandenburg (State
of Brandenburg)
Denmark
Ballerup (Ballerup Municipality)
Midtjylland (Central Denmark)
Næstved (Næstved Municipality)
R/CdR 1944/2012 item 10 - Annex

Sjælland (Zealand) **Syddanmark** (South Denmark) Estonia Pärnu linn (Town of Pärnu) Tallinn **Tartu Maavalitsus** (Tartu Municipality) Spain **Andalucía** (Autonomous Community of Andalusia) **Principado de Asturias** (Principality of Asturias) **Barcelona** (Province of Barcelona) Castilla y Léon (Community of Castille and Léon) **Catalunva** (Autonomous Community of Catalonia) Comunidad autónoma de la Región de Murcia (Autonomous Community of the Region of Murcia) **Guipúzcoa** (Guipuzcoa Province) Madrid (City) Madrid (Region) Navarra (Navarre Region) **Puerto Lumbreras** (City) Segovia (City) Valencia (Region) Finland **Helsinki Region** Itä-Suomi (East-Finland) Oulun Kaupunki (City of Oulu) Pohjois-Suomi (North Finland) France Aquitaine (Region) Basse-Normandie (Lower Normandy Region) Bretagne (Brittany Region) **Département de la Savoie** (Savoie Department)

Dunkerque (Dunkirk)

Île-de-France Lorraine (Region) Limousin (Region) Nord-Pas de Calais Provence-Alpes-Côte d'Azur (PACA Region) (Region)



Αναπτυξιακή Ηρακλείου Α.Ε. (Development Agency of Heraklion)

Δήμος Αφάντου (Municipality of Afandou)

Δήμος Ασπρόπυργος (Municipality of

Aspropyrgos)

Δήμος Λαμιέων (Municipality of Lamia)

Δήμος Μυκόνου (Municipality of Mykonos)

Δήμου Τήλου (Municipality of Tilos)

Νομαρχιακή Αυτοδιοίκηση

Δράμας-Καβάλας-Ξάνθης (Prefectural Authority

of Drama-Kavala-Xanthi)

Η Κρήτη (Region of Crete)

Γραφείο Περιφερειάρχη Αττικής (Region of Attica)

Περιφέρεια Notiou Alyaiou (South Aegean Region)

Hungary

Észak-alföldi régió (Great Plain Region)
Nyugat-dunántúli Régió

(Westpannon Region)

Ireland Border Midland and Western Region

Border Midland and Western Region Dublin Region Italy

Abruzzo

Basilicata

Comune di Bolzano

Comune di Cremona

Comune di Firenze

Comune di Milano

Comune di Morro d'Alba

Comune di Lecce

Comune di Pordenone

Comune di Roma Capitale

Comune di Rossano

Comune di Sora

Comune di Taleggio

Comune di Urbino

Emilia-Romagna

Langhe Monferrato

Lazio

Liguria

Lombardia

Piemonte

Puglia (Apulia Region)

Marche

Provincia di Arezzo

Provincia di Pisa

Provincia di Roma

Provincia di Torino

Sicilia

Toscana

Umbria

Lithuania

Vilniaus miesto savivaldibė

(Vilnius City Municipality)

Latvia

Rīgas reģions (Riga City & Region)

Luxembourg

Esch-Uelzecht (Esch-sur-Alzette)

Malta

Nadur

Netherlands



Delft

Den Haag (The Hague)

Enschede

Eindhoven

Hof van Twente

Lingewaard

Noord Nederland

(Northern Netherlands Provinces)

Provincie Gelderland

Provincie Overijssel

Poland



Łódź (City of Lodz)

Ostrołęka (City of Ostroleka)

Urząd Marszałkowski Województwa

Dolnośląskiego (Marshal Office of Lower Silesia)

Województwo Kujawsko-Pomorskie (Kuyavian-

Pomeranian Voivodship)

Województwo Łódzkie (Lodz Voivodship)

Województwo Małopolskie (Małopolska

Voivodship)

Województwo Opolskie

(Opole Voivodship)

Województwo Pomorskie

(Pomerania Voivodship)

Województwo Ślaskie (Silesia Voivodship)

Województwo Świętokrzyskie (Świętokrzyskie

Voivodeship)

Województwo Warmińsko-Mazurskie

(Warmian-Masurian Voivodship)

Województwo Wielkopolskie

(Greater Poland Voivodship)

Województwo Zachodniopomorskie (West-

Pomeranian Voivodship)

Portugal



Câmara Municipal da Covilhã (Covilhã

Municipality)

Câmara Municipal da Ferreira do Alentejo

(Ferreira do Alentejo Municipality)

Lisboa (Lisbon)

Madeira

Tavira

Romania



Braşov (Brasov city)

Cluj-Napoca (City)

Timişoara (Timisoara city)

Sweden



Göteborg (Gothenburg)

Jämtland

Malmö (Citv)

Mellersta Norrland (Mid-Sweden)

Östsam

Solna (City)

Sörmland

Sveriges Kommuner och Landsting (Swedish

Association of Local Authorities and Regions)

Västra Götalandsregionen (Region Västra

Götaland)

Slovenia



Skupnost občin Slovenije (Association of

Municipalities and Towns of Slovenia)

Slovakia



Bratislava (Bratislavský region)

Košický kraj (Košice Region)

Prešovský kraj (Prešov Region)

Trenčiansky samosprávny kraj (Trenčín Region)

Trnavský kraj (Trnava Region)

Žilinský kraj (Zilina Region)

United Kingdom



Belfast

Cornwall

East of England

Lancashire

Leicestershire

Nottingham

Preston City Council

South East England

Warwickshire

West Midlands

Yorkshire & Humber



EGTC Duero-Douro

EGTC Pyrenees-Mediterranean

