

Speech for Commissioner Hahn for the Swedish Interreg Forum in

Stockholm

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Ladies and Gentlemen,

I am very happy to be able to participate in this 3rd Forum on European Territorial Cooperation.

A lot of European regions are looking to Sweden.

Your ideas and ways of working are a role model for a lot of other European regions, whether it be flexicurity, addressing environmental issues, or driving innovation.

The Baltic Sea Strategy – which I understand is the overall theme of this conference – is pioneering a new way of working together. It is no longer a theoretical exercise. It is a daily reality that provides a common focus for anybody or any organisation who wants to engage in making this region a better and more attractive place to live and to work.

I think interregional cooperation plays a very important role in this exercise and help spreading know-how and experience.

So, I can only congratulate to your achievements and pioneering spirit between the different regions of this initiative.

Future of Cohesion Policy

Ladies and Gentlemen,

This event takes also place at a very crucial moment in time for Cohesion Policy.

Just ten days ago we marked the end of a very intensive and fruitful consultation on the future of the Cohesion Policy; indeed some of you may have attended the Cohesion Forum in Brussels.

We have come a long way with the debate on the future of Cohesion Policy. The image of this policy has changed considerably during the last year. Even if the successes of Cohesion Policy on the ground have been plain to see over the years, this has not always been recognised.

But today Cohesion Policy has moved to the heart of the European agenda. Our policy proposal from November sparked a lot of interest among policy makers, academics and beneficiaries.

Why?

Because we delivered a convincing idea to make Cohesion Policy a key delivery mechanism for Europe 2020 and a synonym for European investment policy to drive growth and jobs.

And I am therefore convinced that we need a Cohesion Policy for all regions in Europe.

No region has a guarantee of prosperity.

A successful European Cohesion Policy that drives growth and jobs in all regions of Europe is very much in Sweden's interests 58,2% of all Swedish exports go to other EU members. The main destinations for exports are Germany, United Kingdom and Denmark. But we see that for example the exports to the New Member States like Poland increased by 51% between

2000 and 2009, making Poland the 8th biggest export destination for Sweden after China.

I think that illustrates that it is in our all interests to increase the effectiveness, the European added value and the accountability of the Cohesion policy.

That is why our ideas on thematic concentration and conditionality – or success factors for Cohesion Policy as I would rather call them – are an integral part of this reform and helped us considerably to win support.

But let me be clear:

Conditionality is not about sanctions.

It is about learning new and better ways of doing things, by addressing preventively problems which could hinder the smooth progress of operations.

For example, there are still regions and countries in the European Union which do not have a land register or where a land register is not properly established.

You can imagine that such a lack of clear property rights creates major delays in project implementation.

Many examples of conditionality are already present in the current system. We propose to turn today's unsystematic and ex-post checks into few, shared, and ex-ante defined principles.

This will ultimately increase the effectiveness and EU added value of cohesion policy investments.

The same is true of thematic concentration.

Setting priorities and maintaining flexibility are not contradictory.

From your own experience with the Interreg programmes you know better than I do that there are varied fields in which Cohesion Policy can make a difference when it comes to smart, sustainable and inclusive growth.

Each region has its individual needs and specific situation.

Therefore, each region has a different job to do and has to find its own thematic mix for success.

Our proposals will respect that.

Ladies and Gentlemen,

As I already said: Conditionality and thematic concentration are the core elements of the reform.

We need to hold firm to these principles.

We need to demonstrate that our policy is a serious effort to equip Europe with a regional policy that brings results.

This is essential to win support for an adequate budget for Cohesion Policy. And without an adequate budget all regions will see their funding squeezed. If the cake gets smaller, so do the slices.

The Commission is well aware of the issues of demographic handicaps in Northern Europe, and we believe a comprehensive investment strategy for these regions is needed.

The same is valid for territorial cooperation. I strongly welcome the importance Swedish authorities attach to Cooperation programmes.

Territorial cooperation

The upgrading of Territorial Cooperation to a third objective of European Cohesion Policy in 2007-2013 was an important and necessary step.

We want not only to maintain this objective but also to strengthen it, strategically and if possible in terms of budget.

I would like to see European Territorial Cooperation integrated into all strategic planning.

This is the only way to ensure coherence and complementarity between ETC and other policies and programmes, and to avoid inefficient fragmentation of funding.

Therefore we aim to strengthen the strategic dimension of ETC.

We are currently reflecting on how to better link ETC programmes with Convergence and Competitiveness programmes and of course to link them also with other sectoral policies and programmes such as innovation, environment or transport.

My Colleagues in the Commission and I are establishing thematic task forces to co-ordinate thinking on priorities. This should improve the value added of Cohesion Policy as a whole and on co operation in particular.

Macro-regional strategies are new form of strategic cooperation striving towards greater alignment of policies and funding, to achieve a better impact.

It is very much thanks to your good work that we can already point to important achievements in our pioneer macro-region in the Baltic Sea Region, in the form of new and important Flagship Projects.

We are very thankful for Sweden's efforts, especially during your presidency, to give the work a good start. We are now in intensive discussions with the up-coming Polish presidency to ensure that the momentum is kept for the implementation and that a good first review is conducted during the autumn.

We can already see how the EU Strategy of the Baltic Sea Region is influencing co-operation in the region. The Priority Area Coordinators of the Strategy are playing an increasingly important role in driving forward projects and building on the results achieved. This has led to a better co-operation between national, regional and local levels as well as between different stakeholders.

Interregional Cooperation

Ladies and Gentlemen,

As Cohesion Policy has moved to the heart of the European agenda, expectations are high and Cohesion Policy is under scrutiny.

So, the size of the overall budget for Cohesion Policy will depend to a large degree on current performance.

It is hard to negotiate a higher or even the same budget if the money allocated for this period is not fully used or not used in meaningful ways reflecting European added value.

Unfortunately, in some countries implementation is slow.

Although there may be various reasons for this we can identify two main causes: lack of capacity and lack of good projects.

I think Interregional cooperation could be a valuable tool to put things right.

Interreg IVC programme is the only Structural Funds programme that allows every region in Europe to cooperate with any other region, no matter where they are located.

It enables regions anywhere in Europe to benefit from the strengths of other regions which share their concerns.

Secondly, by focussing on innovation, knowledge economy and environment, this programme has anticipated to a large extent the agenda of Europe 2020.

This means that the regions already involved in a networking process within this programme are in pole position to implement Europe 2020.

And, Interregional cooperation programme should continue to focus on European priorities, as laid down in the thematic menu we will propose.

The experience that you have gained here in Sweden needs to be shared: first in your own regions, and then throughout Europe, as we develop and deepen our understanding of good practice in regional development.

To achieve this we need to help regional and urban networks test innovative ideas and enable a rapid transfer into the operational programmes under all three objectives, as we do within the "Regions for Economic Change" initiative and fast track networks projects.

But we need to be aware that interregional cooperation and the exchange of good practice and experience is not an end in itself.

We also have to be sure to use the results to maximum effect.

Regions participating in interregional cooperation programmes need to implement the results and make this blueprint available to other regions.

Follow-up action is as important as the initial research. We need to think how to ensure there is the necessary follow-through.

One option in future could be to find financial allocations from regional programmes for implementation activities, with a better link between co operation programmes and those in the other two objectives.

Secondly, we need to "capitalise" on experience that has already been built up. Networks working on the same themes should be regrouped with a view to identifying transferable good practice, and communicating the results achieved and lessons learned.

There are many examples I could point to, but let me just mention one. The project "EU 2020 goes local" – where Sweden is lead partner – represents in a nutshell what we aim to achieve Europe wide.

That means in particular building on the stock of tried and tested successful experiences at the local implementation of the former strategies and improving delivery with regard to Europe 2020, particularly with regard to the sub-theme "Energy and Sustainable Transport".

EU policies cannot be realised without the active participation of all involved stakeholders: politicians, public authorities, administrative bodies, development agencies and not least the local population.

So "EU 2020 goes local" make online-tools on energy efficiency in administrations of towns/municipalities or the process oriented broad consultation/inclusion of municipalities in a "national pact for climate and

sustainable development" aiming (amongst other targets) at more efficient energy use available for different partners to further improve and modernise their regional policy.

Ladies and Gentlemen,

The Baltic Sea Strategy offers a vast potential to promote drivers for economic growth such as innovation. The BSR Stars initiative will create leading research and innovation hubs in the Baltic Sea Region and help achieve stronger critical mass, and a competitive international position. However, it will be up to regions and interregional cooperation whether on a national or European level to spread benefits like this.

I am convinced that interregional cooperation and the tireless engagement of the managing authorities involved, helps build respect for cohesion policy and will continue to strengthen its impact in the future.

So, I hope this conference will be useful to each of you, and that you will return to your respective regions with a new determination to work together to achieve more for citizens in your part of Europe Thank you!