



Cohesion Policy: Atlantic Urban Views

Working Document - to be approved by General Assembly

General Secretariat

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1. On the draft regulations: Some observations

Since its inception, the Conference of Atlantic Arc Cities (CAAC) has contributed to put forward the expectations of the cities of the Atlantic façade with regard to cohesion policy. Concerning the next period, the CCAA wishes to highlight the importance given to integrated approaches and the urban dimension, as well as the inclusion of all regions, in particular the transition regions. The CAAC welcomes the proposals made by the REGI Committee of the European Parliament (EP) on the regulations, wanting to highlight a number of particularly important points for Atlantic cities:

- Given that the **conditionality** in the terms proposed by the Commission, could significantly weigh on regional and local authorities, this network welcomes the amendment of the European Parliament to article 17 on the ex-ante conditionality and to articles 18 to 21 and recitals 18 and 19, removing the references to the performance reserve and the macroeconomic conditionality.
- The definition of the **regions in transition** must be as broad as possible in order to ensure the inclusion, against criteria that are not currently clear. Also, the CCAA considers essential the reference to the latest available period in the allocation of resources.
- CAAC especially appreciates the efforts of the EP searching for an **effective and positive multilevel governance**, with the reinforcement of the code of conduct and the enforcement of the agreement with the regional and local authorities (art. 5, 14, 15 and 48 and annex I) that must be involved from the first moments. The role of the latter should not be limited to inform the Commission about the territorial diagnosis, but reflected in a direct participation in strengthened monitoring committees. This principle, as well as association should be reflected in articles 91, 93, 95, 113, and in the title III.
- This network wants to express its concern about the **excessive emphasis that regulations on the thematic concentration**. It should take into account that the 2020 strategy is a policy that applies a rule of greater range, as it is the Treaty (art. 81 and 87.2). Thus, the selection of topics, its content and the distribution of funds should allow a bottom-up analysis of the territories (also art.87 and ITIS) that is adapted to real needs and potential.
- Atlantic cities consider **fundamental the new urban dimension of cohesion policy**. However, the strategic vision and the articulation of the various devices must be subject to a more thorough discussion, especially in cities located in macro-regions. Similarly, Atlantic cities want to highlight that the allocation of 5% of ERDF seems not very ambitious, even as a minimum, since it does not correspond to the goals expressed in the regulations. In addition, they defend the full inclusion of **all** the cities in this urban dimension, supporting the proposal of the European Parliament to remove the list of cities

in the urban development platform (article 14.b. ii) and to strengthen local action groups (art. 2.2).

In this sense, the CCAA wants to draw attention to the importance of the **territorial networks of cities**, created by the will of local authorities to cooperate between them.

- This network recognizes the importance given in the formulation proposed by the European Parliament to the role of the Member States involved in **macro-regions** (articles 131 to 140 and annex I). However, the **macro-regional perspective** should be taken into account in the articles concerning the management and control (arts. 63 and 64), financial management (66 and 71 to 75).
- Macro-regional approach should also appear on the chapters concerning the programming (title II), the monitoring, evaluation, information and communication (title III), technical assistance (title IV) and management and control (Title VI). In particular, macro-regional perspective must be articulated with the requirements expressed by article 87, with the proposal of territorial integrated investments and leaving open a possibility for cities to become focal points of macro-regions (art.99.3).
- Similarly, the CAAC wants to highlight that it is necessary an additional effort with regard to the **simplification** of cohesion policy. The organizational scheme is still too dense, rather than aiming at the reduction of the number control levels and to the improvement of the management of projects. In this sense, this network defends the idea of a financing strategy where investment funds are complementary and non-compulsory. In addition, some essentials should be taken into account, such as the necessity of pre-funding (art. 67, 72, 92), simplifying payments (art, 102, 112, 114, 124,125) and terms adapted to the natural rhythms of the States (a single rule of N+3).

On the **Cohesion Fund**, the CAAC proposes that all the regions whose GDP is less than the EU average 90 would be eligible, eliminating excessively restrictive and abstruse criteria. The excessive thematic concentration leaves out key elements such as the habitat, the connections between rural and urban areas and connections between ports and their hinterlands, which are, among other, nodes of the polycentric development of the European territory.

On the **ERDF**, the CAAC regrets a downward trend in funding dedicated to this Fund, which also is too restricted by the thematic concentration. In addition, as already mentioned above, the tool of integrated territorial instruments is not ambitious enough in terms of financing, and neither are clear its relationship with the macro-regions or the other instruments of local development. Also, once again the CCAA expresses its disagreement with the urban development platform and its possible declination in a variable geometry of the ERDF to the cities. This platform is irrelevant, since it replaces artificially not only the URBACT programme, but cooperation initiatives created by local authorities: networks.

With regard to the **ESF**, it should be noted the relevance of a delegated management that responds to the specific needs of the territories. Also, the ESF not must be completely absorbed by the thematic concentration neither join in a binding manner the platform of urban development should it be created.

On the **territorial cooperation objective**, the CAAC wants to express its disappointment at the imbalance between the funds assigned to cross-border dimension regarding the transnational dimension, which does not take into account the enormous progress and influence exercised by the latter, nor the particularities of the transnational cooperation. The growing importance of the macro-regional phenomenon in that assignment is also ignored. The thematic approach must

correspond to a realistic assessment that comes directly from the territories, without artificial restrictions and that primes the consistency with the regional OP's and the macro-regions. At the same time, this analysis must include the rest of instruments, to avoid an overlapping of actions. Local authorities should play a key role in the ETC, in a truly participatory approach.

With regard to the **European globalisation adjustment fund**, the CAAC wishes to stress the role of local authorities in the implementation of policies against the cyclical and structural unemployment, training and monitoring of the unemployed. Cities are heavily exposed to the consequences of globalization and they remain the *context* of relocation. Therefore local authorities should be able to directly submit a request to the Commission. In the same vein, the programme of the European Union for **social innovation and social change** should have a shared management that includes the cities.

2. On the Common Strategic Framework:

The Conference of Atlantic Arc Cities wants to congratulate the Commission for the publication of an essential document as it is the Common Strategic Framework (CSF) and for the opening of a consultation on this document. This network also wants to highlight the positive approach that this document gives to local development and multilevel governance. Also, the combination of funds is essential in terms of efficiency and synergies.

In this sense, the MEC should crystallize in a **more specific and brief document**, pointing the possibilities offered by the regulations with respect to integrated approaches and offering precise guidelines for its implementation on the ground. These guidelines should focus on the requirements of implementation and evaluation, as well as facilitating the drafting of the Partnership Contracts. It is essential to insist on harmonization and simplification.

On the contents, the Conference of Atlantic Arc Cities would like to highlight the following points:

- The need for **real flexibility**. For example, ex-ante conditions should be proposed only when they are justified and have a direct influence on the ground or on the requirements of the project in particular. In addition, the CSF must explain the requirements of a "multi-fund" initiative and consider the possibility of projects that span several dimensions or sectors. So, a door must be left open to other programs that may be compatible, rather than limiting the choice to an exhaustive list.
- Similarly, the obligation of the thematic objectives should be clarified. In the same way, the flexibility should also apply to the thematic concentration, opening the door to sensitive issues such as rural relations, the promotion of innovation, the recognition of culture as a growth factor and soft measures of protection of the environment. Also, the CAAC wishes to recall that sustainable development is not confined to the environment, but it is declined in three dimensions: social, economic and environmental.
- **Complementarity and consistency** between the various instruments proposed. In this document there is some confusion between integrated approaches and key actions, as well as between thematic objectives and priorities of the various funds. It is necessary to delve into the definitions of the new local and sub-regional development instruments, and how they are articulated among themselves and with the other tools. Also, the relevance of the program Connecting Europe must be substantiated within the cohesion policy and concerning its influence on territorial issues of transport, with regard to accessibility, contactability and urban mobility in the European territories.

In the same way, it should be noted that macro- regions, which represent the first experiences of combination of funds, should not be equated to transnational cooperation. It is necessary to delve

into the role these play within the future cohesion policy, assimilating them with integrated approaches (ITI) at the correspondent territorial level.

- The importance of the **territorial dimension**. Being a key element of the new regulations and the Treaty of Lisbon (art 174 and 349), this dimension appears eluded in the CSF. This document must take into account determining factors such as the importance of cities, the need of a diagnosis that comes from the territories, balances between neighboring territories and the role to be played by the programme INTERACT as a guarantor of the synergies between funds and programmes. Also this dimension must be properly integrated in the annexes, specifying the possible differences between the objective "Investment for the growth and employment" and "European Territorial cooperation" objective in annex I and between cross-border and transnational cooperation in the annex II.

3. On the European Code of Conduct on Partnership

The Conference of Atlantic Arc Cities would like to underline the initiative for the European Code of Conduct as a document that highlights the importance of a multilevel governance articulated in the cohesion policy. However, respect of this code, the CCAA wants to express its doubts with regard to its scope and legal statuts, which are similar to those expressed with respect to the CSF.

Also, this network considers that the flexibility and simplification to be applied by the code of conduct should result in real subsidiarity, proximity and proportionality, allowing effective participation and management by cities at all levels, not being subordinate to the regional scale. This should apply not only to new instruments of local development but also to the configuration of the Operational Programmes and/or the Partnership Contracts. This condition must extend equally to all phases, from the programming to the final impact assessment.

In this sense, economic and social partners and representation of civil society cannot be limited to the national level, they must be provided with the space and the means necessary for a meaningful participation of these actors at the local level.

Participation in the elaboration, understood in the terms of the code of conduct, remains advisory and symbolic. This participation should be geared towards a shared decision, recognizing the legitimacy of various stakeholders, especially local and regional authorities. A similar perspective must be included in the implementation and evaluation. With regard to the implementation phase, it would be necessary to clarify whether the participation of the partners in the monitoring committees is full or limited to an observer role, being this last inconvenient. It is perhaps relevant to reduce the emphasis on the possibility of a conflict of interest in the selection of projects, reinforcing the capabilities' focus (point 6) to avoid these situations to happen because of a lack of means.

For the exchange of good practices, it would be interesting to take on board the existing territorial networks (networks of cities, regions...) which are not only the natural depository of this information and the appropriate forum for exchange, but, above all, entities created by the will of the territories.