

Professor Danuta Hübner
**Chair of the Committee on Regional Development in the European
Parliament**

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As we could see in our debates, in many respects this crisis provides countries with the opportunity to reconsider their development trajectories and devise new policies and instruments to accompany the change. Then the question is how can we devise interventions striking the right balance between sheltering existing jobs while creating new ones. How can we help firms to face the crisis and prepare to go the distance. Many of these issues can be best addressed through place based policy approach. It is legitimate to ask whether central governments know enough, whether we can target investment from policies decided and designed in the capitals. How can we adjust policy priorities to reflect local preferences. It is essential to understand local preferences and use local knowledge in order to channel public resources towards the most productive investment. That is why the regional dimension of the cohesion policy can allow to better target public resources on growth enhancing investments.

In order to facilitate the contribution of cohesion policy to crisis exit strategy, the European Commission has proposed to address specific concerns related to the implementation of programs. Measures that have been introduced by the European

Commission through amending cohesion policy financial management since November 2008 have aimed at speeding up the implementation of the policy programs on the ground with a view to ensure that all available policy resources are fully mobilized to support recovery efforts of the member states. These are important resources. While during the financial perspective 2007-2013 negotiations cohesion policy funding available to individual member states has been capped, at local and regional level structural funds are often the major source of public investment funding. This is very much in line with observed trend of growing public investment at sub-national level accompanying declining public investment at national level.

The crisis related amendments to cohesion policy management system include recommendations and legislative instruments designed to accelerate investment and simplify the implementation of more than 440 policy programs. The idea is to offer greater flexibility, give regions a head start and target expenditures on smart investment with a view to lead and facilitate the structural transformation through new investment patterns.

When proposing those measures, we benefited from the fact that cohesion policy programs have already had a strong strategic focus on what we see today as smart investment: sustainable jobs and businesses, infrastructure and energy, research and innovation. This was achieved thanks to the reinforced strategic approach in regional policy taking into account the reality of multi level governance in the EU of today. The new Lisbon treaty which extends the subsidiarity principle to local and regional level gives us a chance to strengthen European governance. It is our common responsibility to win this chance.