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"Macro-regions: the future for policy delivery?"

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Ladies and gentlemen,

With the Baltic Sea Strategy the European regional policy has entered a new territory. To a large extent the macro-regional approach can be justified by the fact that development challenges - both problems and opportunities - do not recognise administrative or political borders. More and more of them require solutions shared between regions, countries and continents.

I am pleased to open this important workshop the purpose of which is to debate how and to what extent the Baltic Sea Strategy with its particular governing structures and implementation methodology can be adapted to meet the needs of other macro-

regions, as well as to assess the implications of this pioneering approach for territorial cooperation and for the future architecture of cohesion policy.

Within the institutional framework of the two main objectives of the European cohesion policy - convergence and competitiveness - there is no space for international cooperation. At the same time, the third objective, the territorial cooperation has a very limited space for projects others than exchange of experience and "soft cooperation". With the Baltic Sea Strategy, the EU has proposed a framework for a deeper cooperation, with stronger commitments.

We are entering the phase of the implementation of the Strategy and it is certainly the time to ask questions on many issues which can be decisive for the future of similar undertakings.

The idea of creating a strategy with the same approach in other macro regions leads us to the first crucial question on this process. Should it be a top down or bottom up process. based on partnership of those who share common challenges to be tackled on a macro regional level.

In this context, the idea of a functional multiregional area seems convincing. Defining regions by the policy area or through identification of common allows for better identification of needs and allocation of resources. This approach allows for flexibility in defining physical boundaries of a macro region.

The second issue relates to the need to identify the content of such a strategy, shared problems and opportunities seem to be the right criterion to identify the strategy content. In case of the Baltic Sea area this has been a relatively easy task.

The third issue which is worth reflecting on is the involvement of third countries. The approach of the Baltic Sea strategy, that it is an internal strategy of the European Union, which does not constrain third countries, proved to be an effective approach in the planning phase. However, the approach might need to be carefully reconsidered in other macro-regions; especially in view of future EU enlargements. Let's not forget that most of the potential macro regions, if not all of them, have external borders.

There is another angle from which we need to examine this new concept: one cannot avoid reflecting in this context on the post 2013 EU Cohesion Policy. Will and should macro regions play an important role in programming and delivering EU regional policy in the future? And if yes, what role should they play? Should they be part of the European territorial cooperation objective? Or should they be regarded as specific bottom-up initiatives within cohesion policy and hence a new scheme should be set up for macro regions in the post 2013 policy architecture?

Having said all this, I would like to highlight some of the key elements of the Baltic Sea Strategy. I would like to underline the value of the process itself which, in my view, contributed to the success of its approach. This initiative is unique in the history of European regional policy in that it is the first time that the EU has

developed a strategy that will be implemented on a macro regional level. The Baltic Sea is a macro region, an area of regions and states with shared opportunities and challenges that justify a **common approach**. As the Green Paper on territorial Cohesion points out the territorial diversity of the EU can be turned into strengths through the development of new ways of cooperation, coordination and partnerships; and indeed this fact was emphasised by the European Parliament¹, which without prejudice to the other two objectives of cohesion policy, called for the reinforcement of the European Territorial Cooperation Objective for the next programming period. I believe this strategy will make it possible to replace the often very fragmented policy responses with a genuine shared response to common development problems and opportunities. By doing so, it will contribute substantially to deeper regional integration in the area will strengthen cohesion lead to better use of recourse and enhance European Social Capital.

Furthermore, the European Parliament has several times stressed the importance of the **partnership principle** pointing out that partnership contributes to effectiveness, efficiency, legitimacy and transparency and insisting that stakeholders should be involved at an early stage in all the phases of Structural Fund programming and implementation, to better use their experience and knowledge.² In this respect, I was pleased to note that the preparatory phase of the strategy was a prime example of

¹ Recommendations for the future of territorial cohesion (27.), INI/2008/2174, 20/02/2009, Rapporteur: Mr Lambert Van Nistelrooij, EP resolution: 24/03/2009, INI/2008/2174

² Governance and partnership at a national, regional and project basis in the field of regional policy, European parliament resolution, INI/2008/2064

partnership, including not only European institutions with 20 DGs of the European Commission working on the State, but also member States, regional and local authorities, business and academic communities and non-governmental organisations. Needless to say, the stakeholders, the local and regional authorities are key players in the creation of a strong Baltic Sea Region. By presenting their views in the extensive public consultation process³ preceding the drawing up of the Strategy, they have played an important and constructive role, and I strongly hope that they will be able to continue to do so in the implementation phase.

The Baltic Sea Strategy is to be discussed and adopted by the European Council in October 2009. This will give green light to the start of the implementation phase with a series of further meetings to launch the projects and priorities outlined in the Action Plan. The important challenge will be not to lose the value of the preparatory process.

Implementation will require genuine cooperation, commitment and leadership, and I believe that the proposed governance system will ensure that objectives will be attained.

Of course an effective system of governance is a sine qua non of success. It outlines the coordination between different actors the

³ In total 109 authorities, institutions or individuals responded to the consultation and presented their views. Out of these, 8 were Member States (every Member State presented a position paper), 3 non Member States (Russia, Belarus, Norway), 31 were Regional and Local Authorities, 48 were Inter-Governmental and Non-Governmental Bodies, 19 were representatives from the private sector out of which 2 were experts / researchers and 3 were individuals. (Source: http://ec.europa.eu/regional_policy/consultation/baltic/consultation_en.htm)

interaction of which will create a complex structure of decision making and policy implementation. The European Parliament has expressed the need⁴ to foster multi-level governance and called upon local and regional authorities to increase their cooperation and contact with national governments as well as with the Commission.

The governance system planned for the implementation of the Baltic Sea Strategy was one of the key points emerging from the public consultation procedure. The contributions clearly stated the need for better governance between the different levels (European, national, regional and local). It was generally agreed that there is no need to create new institutions at the macro regional level. On the contrary, stakeholders want existing organisations to be more involved and they expressed their appreciation of the European Commission's involvement in the design and the implementation of this initiative.

The overall result of these discussions is that policy orientations will be formulated by the Council, the Commission will be in charge of coordination, monitoring and follow-up. The implementation on the ground, the ownership of the strategy will be given to the Member States and other stakeholders. Taking a closer look at the Commission's role, in fact it had the "soft" role of a facilitator capable of bringing different national and sectoral interests together. My question in this context is whether the strategy can be

⁴ Governance and partnership at a national, regional and project basis in the field of regional policy, European parliament resolution, INI/2008/2064

effectively implemented without a strong leadership coming from our investigation.

At this point we again can raise the question as to what extent the same approach can be applied in other regions? Can this governance structure be proposed as a model for other macro regions? The success of an approach to governance and partnership depends on several factors, such as the social and political culture of the countries involved as well as the openness towards participatory processes. However, the experience of previous programming periods of the Structural Funds, especially in the case of the new Member States, shows that there is room to create opportunities for very innovative practices. The approach and governance structures of the Baltic Sea Strategy does not necessarily need to be considered as a "one size fits all" concept, some flexibility is needed when starting a similar process in other macro regions.

Let me stress one more point: I am glad that plans to systematically evaluate the achievements have been drawn up and that the first review of the Baltic Sea Strategy and the Action Plan will be presented under the Polish Presidency, in the second half of 2011. In addition annual meetings will be organised to allow partners to assess the experience of the first months, to draw lessons and conclusions and to make recommendations on implementation. The first annual forum will take place 2010, before the formal review of the Strategy.

It is needless to say that evaluation is very important, as it improves the efficiency and the effectiveness of the strategy. Once again, we need to ask the questions of how to evaluate, measure and follow up achievements? However, it should not be forgotten that when looking at the delivery of such a strategy one should also keep the less visible outputs in mind, such as more intense networks, stronger stakeholder relations, improvement of means of cooperation, etc.

The results of evaluation should be taken on board in the development and implementation of future macro regional strategies. A study⁵ on governance and partnership in regional policy conducted by the European Parliament showed that policy learning from the evaluation phase remains under-exploited in EU regional policy. Especially in view of the high level of interest shown by other macro regions, I believe it is essential to distil out and build upon the valuable lessons that will be drawn in the Baltic Sea region.

Territorial co-operation is a potential means of providing European-level responses to macro regional challenges. While drawing up the Baltic Sea Strategy, we have seen the outcome of the consultation process in favour of the involvement of the European level in both the planning and the governance structure.

The expectations are high and two fold. On the one hand this Strategy is desired to deliver positive results in the Baltic Sea area,

⁵ Governance and partnership in regional policy, 04/01/2008

and on the other hand it can serve as an example for other potential macro regions such as the Danube Region or the Mediterranean and the Adriatic. Member States already have expressed interest in developing a European Danube Strategy. The European Council has asked the Commission to present a regional strategy for the Danube area by the end of 2010.

This is why the discussion on macro-regions, the role in the future architecture of cohesion policy is very important and comes at the right time. I look forward to listen to today's debate and hear your valuable contributions to the ongoing discussion about macro-regions and policy delivery in the European Union.

Thank you for listening.