The EU 2020 Strategy and the Regions

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The Destree Institute

The ATELIERS
of the Committee of the Regions

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A European strategy for smart, sustainable and inclusive growth

The Three Mutually Reinforcing Priorities by 2020

Europe 2020 puts forward three mutually reinforcing priorities :

- *smart growth: developping an economy based on knowledge and innovation;*
- *sustainable growth: promoting a more ressource efficient, greener and more competitive economy;*
- *inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.*

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The Five Europe Headline Targets by 2020

The employement rates of the population aged 20-64 should increase from the current 69% to at least 75%, including through the greater involvement of women, older workers and the better integration of migrants in the work force.

The EU currently has a target of investing 3% of GDP in R&D. At present, this spending is below 2% (US = 2,6 − Japan = 3,4). The Commission proposes to keep the 3% target in particular by improving the conditions for R&D investment by the private sector while developing an indicator which would reflect R&D and innovation intensity.

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The EU should reduce greenhouse gas emissions by at least 20% compared to 1990 levels or by 30% if the conditions are right, increase the share of renewable energy in our final energy consumption to 20%, and achieve a 20% increase in energy efficiency.

A target on educational attainment which tackles the problem of early school leavers by reducing the drop out rate at 10% from the current 15%, whilst increasing the share of the population aged 30-34 having completed tertiary education from 31% to at least 40% in 2020. US = 40%, Japan = 50 %.

The number of Europeans living below national poverty lines should be reduced by 25%, lifting 20 million people out of poverty.

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Five Europe headline targets by 2020:
- 75% of the population aged 20-64 should be employed;
- *3% of the EU 's GDP should be invested in R&D;*
- *the « 20/20/20 » climate/energy targets should be met (including to 30% of emissions reduction if the conditions are right);*
- *the share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree;*
- *20 million few people should be at risk of poverty.*

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Two important points:

-The targets are interrelated!

-The targets are representative, not exhaustive! -> They should be translated into national targets and trajectories.

The Europe Seven Flagship Initiatives by 2020

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The Commission is putting forward seven flagship initiatives to catalyse progress under each priority theme:

- « Innovation Union »;
- « Youth on the move »;
- « A digital agenda for Europe »;
- « Resource efficient Europe »;
- « An industrial policy for the globalisation era »;
- « An agenda for new skills and jobs »;
- « European Platform against poverty ».

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Three importants points:

- *All EU policies, instruments and legal acts, as well as financial instruments, should be mobilised to pursue the strategy's objectives.*
- *Economic, social and territorial cohesion will remain at the heart of the EU 2020 Strategy.*
- *Cohesion policy and its structural funds, while important in their own right, are key delivery mechanisms to achieve the priorities of smart, sustainable and inclusive growth in Member States and regions.*

1. Is the role of European regions and cities properly recognised in the EU 2020 strategy? In which specific priority areas of the strategy could local and regional authorities participate most effectively?

1.1. Nowadays, most of the national states, in particular federal states, use to associate their regions to their strategic plans and initiatives. The reference to the Cohesion policy in the EU 2020 encourages the national states to closely associate their regions and cities.

1.2. The EU strategy is based on a systemic approach in which all the priorities, headline targets and flagship initiatives are interrelated. All the tools and competences should be activated

at the regional and local levels in order to achieve the 2020 EU strategy. Employment policies as well as climate & energy, education policies, innovation and struggle against poverty are tools that should mostly be activated at the local and regional levels.

2. How can regions and cities in Europe better mobilise their own resources and build capacity to deliver on both domestic and European goals under the EU 2020 strategy? Could the Committee of the Regions or other EU institutions mediate successfully in this process?

2.1. Regions and cities should work in a partnership logic with the European Commission and the Committee of the Regions in order to implement the EU 2020 Strategy. A specific and attractive methodology should be built to support the imple-mentation process of the EU 2020 strategy at the regional and local levels, as it was done for the RIS / RITTS (Regional Innovation Systems / Regional Innovation and Technology Transfer Strategy) with the aims of committing all the actors

(SME, NGOs, Civil servants, universities, local governments, s.o.) to construct and activate actions plans at the local / regional levels.

2.2. The Committee of the Regions should be a central actor in the process with the aim of committing the regions and cities, as well as making them aware of the challenge repre-sented by the EU 2020 Strategy at the local and regional levels. The CoR should also support the conception of the implementation process of the strategy, in partnership with the Commission DGs acting at the regional level (cfr short experience of Mutual Learning Platform in the Lisbon Strategy).

3. What is the scope of local and regional authorities in implementing the EU 2020 objectives? How could national and local budgets, as well as EU funding, be better matched in order to achieve optimal results under the EU 2020 strategy?

3. In the implementation strategy, a funding system based on a logic of additionnality should be used. Regarding the elected projects, the Commission funding should be governed by a three third system : for 1/3 coming from the EU level, the private at the local level should add 1/3 from and the national / regional level should add 1/3, with an equalisation mechanism in order to assume the cohesion policy.

Thank you !

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