

EUROPEAN UNION



**Committee of the Regions**

## **ATHENS DECLARATION**

### **ON THE M I D- T E R M R E V I E W O F E U R O P E 2020 - A T e r r i t o r i a l V i s i o n f o r G r o w t h a n d J o b s**

COR-2014-00750-02-00-DECL-TRA

### **The Bureau of the Committee of the Regions,**

- considering the European Commission's ongoing preparations for a preliminary stocktaking of the Europe 2020 strategy in view of the 2014 European Spring Council and the more complete mid-term review of the strategy expected in 2015;
- considering the Committee of the Regions' Bureau decision of September 2012 establishing a strategy and roadmap for the mid-term assessment of Europe 2020, with the aim of presenting a report and political declaration at the Athens summit of regions and cities in March 2014;
- considering the findings of the CoR's Mid-term Review Assessment Report on Europe 2020, including evidence found through a series of conferences on the regional and local impact of the Europe 2020 Flagship Initiatives and several workshops attended by about 1,500 stakeholders and the results of the consultation "**Towards a mid-term assessment of Europe 2020 from the standpoint of EU cities and regions** " in which more than 1 000 regional and local authorities participated;

### **For a renewed Europe 2020 strategy based on stronger partnership and ownership by all levels of government**

1. calls for a new commitment by the European Union and its Member States to deliver a stronger, more competitive, but also more inclusive and sustainable Union able to restore citizens' confidence; suggests that **a renewed Europe 2020 strategy be based on stronger partnership and ownership by all levels of government**, introducing a territorial dimension, more transparency and accountability and multi-level governance;
2. calls for an inclusive and multi-layer **mid-term evaluation process** of Europe 2020 to take place in 2014, involving the EU institutions as well as national and sub-national authorities and other stakeholders; suggests that the renewed Europe 2020 strategy undergoes a territorial impact assessment based on an updated European Spatial Development Perspective; calls for an **evaluation** of the renewed strategy by 2018 in view of the elaboration of a strategy for the next decade beyond 2020; asks that progress of the renewed Europe 2020 strategy is monitored in a structured way in partnership by all relevant stakeholders, first of all the different levels of government, including sub-national governments;

### **Giving Europe 2020 a territorial dimension**

3. confirms the **adequacy** of the three pillars of smart, sustainable and inclusive growth of the Europe 2020 strategy, as well as the relevance of the selected headline indicators;
4. calls, however, for the introduction of a "**territorial dimension**" for Europe 2020, setting territorially differentiated targets so that regions and cities contribute to country targets building on their starting points and potentials. To this aim, the European Commission and

the European Council should promote an approach based on a mixed top-down and bottom-up planning process that adheres to the principle of subsidiarity and involves all relevant levels of government, including the sub-national authorities. This process should build on the ongoing preparation of the Partnership Agreements and Operational Programmes 2014-2020. As a consequence, country targets should be reviewed and updated where necessary and any changes should be taken into account in reviewing the EU-level targets;

5. all **regions should establish at least a limited number of quantitative targets**; alternatively, they should set a qualitative approach of a positive "path to change" contributing to the targets;
6. calls for the introduction of an **enhanced monitoring system for Europe 2020 at regional level**, which requires the timely development of an adequate statistical basis at regional and local level and the possible development of **regional progress indicators**;
7. welcomes efforts made by the European Commission in this area, notably by Eurostat<sup>1</sup> and DG REGIO's Cohesion Reports, and suggests a that also the OECD is strongly involved in reporting on this monitoring process, to strengthen international benchmarking of progress towards the targets at regional and local level;

#### **Designing and implementing National Reform Programmes in partnership**

8. calls on Member States to involve their local and regional authorities as partners in the preparation and implementation of the National Reform Programmes, drawing on the experience of "Partnership Agreements" 2014-2020; to that end, appropriate arrangements should be set committing each partner to contribute to the implementation and monitoring of jointly agreed objectives, such as the "Territorial Pacts" proposed by the Committee of the Regions<sup>2</sup>; calls on the Commission to monitor the implementation of its guidelines requesting participation of local and regional authorities in the preparation of the National Reform Programmes which should entail a specific "governance" section; suggests that regions should be invited to submit an input on their own contribution to their National Reform Programmes, through either "Regional Reform Programmes" or similar documents, building, as appropriate, on Regional Development Strategies, Smart Specialisation Strategies and Operational Programmes; in addition "Regional Jobs Plans" should complement, and contribute to, the National Jobs Plan;

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<sup>1</sup> See Eurostat, "Smarter, greener, more inclusive? - Indicators to support the Europe 2020 strategy", 2013 edition, and Europe 2020 statistics available at [http://epp.eurostat.ec.europa.eu/portal/page/portal/europe\\_2020\\_indicators/headline\\_indicators](http://epp.eurostat.ec.europa.eu/portal/page/portal/europe_2020_indicators/headline_indicators).

<sup>2</sup> "Territorial Pacts to achieve the objectives of the Europe 2020 strategy", document adopted by the CoR Bureau on 24 September 2010.

### **Making multi-level governance the standard approach for Europe 2020**

9. calls thus on Member States to involve their local and regional authorities in multi-level governance arrangements for the planning, implementation, monitoring and evaluation of the achievement of Europe 2020 headline targets; advocates that multilateral thematic exchanges and peer reviews between Member States and their cities and regions are established;
10. requests that **Country-Specific Recommendations** take into account the actual division of powers and competences in the different Member States, and that they include a specific multi-level governance section highlighting in which policy areas multi-level governance can be further improved. **Country-Specific Recommendations should also be defined at territorial level**, acknowledging territorial differentiations within every Member State;
11. invites the European Commission to timely assess on an annual basis with the Committee of the Regions whether the **priorities of the Annual Growth Survey** are appropriate for local and regional authorities;
12. welcomes the measures taken by the Commission to make more consistent and better use of its Representations in the Member States to dialogue with local and regional authorities and inform them about Europe's long-term growth strategy and the European Semester process so that they can actively engage in policy coordination between the Commission and the Member State;

### **Aligning the European Semester with a genuine long-term investment focus for Europe 2020**

13. urges that the European Semester be brought more in line with Europe 2020 long-term goals and with the related need for long-term investments so that the Europe 2020 strategy be made more resilient to short-term economic cycles;
14. insists that fiscal consolidation should not affect those sectors that are crucial to the long-term Europe 2020 goals, such as education and training, R&D, innovation and infrastructures, and that Member States which include regions under severe budgetary constraints should not be left behind;
15. insists, within this context, on the need to avoid that macro-economic conditionality hinders progress towards both cohesion and the Europe 2020 targets and on the fact that the principle of ex ante conditionality is streamlined and preventive rather than repressive;
16. to this aim, advocates that the **Annual Growth Survey, the National Reform Programmes and the Country-Specific Recommendations** make explicit reference to the broader Europe 2020 goals and related policy areas covered by the Flagship Initiatives; asks that the National Reform Programmes contain a roadmap to deliver on the Europe 2020 goals and targets;

17. asks the Commission to publish a **regular report on achievements in implementing the revised Europe 2020 targets at national and regional level** prior to the Annual Growth Survey, taking account of the results of the strategic dialogues between the EU and the Member States with the involvement of the regions; advocates that the EP, the National Parliaments and the CoR, also through its National Delegations, be given formalized roles in monitoring these developments;

#### **Using Flagship Initiatives better for an enhanced policy coordination**

18. suggests **making the Flagship Initiatives a lever to enhance policy coordination at all levels in view of the Europe 2020 targets**; suggests that the Flagship Initiatives be used to increase internal coordination between different EU policies; suggests that regular reporting on progress on the Flagship Initiatives is done, also by means of "**monitoring scoreboards**";
19. proposes **renewed action plans for the Flagship Initiatives for the next five years** as part of a longer ten-year perspective such as in a "decade for innovation"; urges that culture, creativity and innovativeness be integrated in this perspective<sup>3</sup>;

#### **Mobilising funding for long-term investment and ensuring better quality spending**

20. welcomes the fact that the EU budget 2014-2020 in general, and **cohesion policy funding** in particular, has been **aligned with the Europe 2020 targets**, stressing that most of the European Structural and Investment Funds will be implemented at regional level on the basis of integrated territorial strategies;
21. calls upon the **European Investment Bank** to strengthen its technical support to local and regional authorities in order to increase the amount of quality projects eligible for European Investment Bank loans; invites the European Investment Bank to consider launching new (pilot) financing instruments, such as "micro-loans", for cities and townships that wish to engage in Europe 2020 geared investments others than the ones eligible under the structural and investment funds;
22. stresses that public expenditure should be made more effective by **horizontal and vertical coordination of public budgets**, which should go hand in hand with a synchronisation of policy and funding programming; calls the European Commission to publish a **Commission Green Paper on budget synergies** between all levels of government; underlines the need to further increase the **quality of public spending** at all levels and urges Member States to adhere to the **OECD principles on effective public investment**; suggests that further reduction of administrative burden and improvement of framework conditions for investment remain a top priority on the agenda of the European Semester;

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<sup>3</sup> CDR2391-2012\_00\_00\_TRA\_AC, point 36.

23. stresses the existing gap between the public funds available at the different levels of government and those necessary to implement the **long-term investments** needed to achieve the Europe 2020 goals; suggests that **private sources** play an important role in bridging this gap; to this aim, recommends exploring the use of innovative funding techniques, and financial instruments;

#### **Strengthening administrative capacity for more effective implementation of Europe 2020**

24. stresses that the Annual Growth Survey priority of **strengthening administrative capacity, as well as efficiency and innovativeness**, must be consistently addressed in the National Reform Programs and Country-Specific Recommendations; calls for benchmarking, exchange of experiences and peer learning between regions and cities to be strongly encouraged and supported by the EU and the Member States, also by mobilising EU instruments like the European Territorial Co-operation programmes and the European Grouping of Territorial Co-operation;
25. suggests dedicated actions for **public-sector innovation** as a key area for action in the renewed Europe 2020 strategy, among others, by increasing the flexibility of EU policy implementation, and also by considering to establish a "Right to challenge" mechanism, whereby local and regional authorities could apply for a temporary exemption from an existing rule or regulation if they bring evidence that set objectives can be better achieved through local innovative approaches; supports the establishment of a Public Sector Innovation Platform aiming at supporting and coordinating public sector innovation;

#### **Next steps for a Renewed Growth Strategy for Europe – Europe 2020**

26. intends to develop a Blueprint for a **Renewed Europe 2020** from a territorial perspective, encouraging EU local and regional authorities to commit to this renewed strategy; in so doing, the CoR will contribute to the review of Europe 2020 to be undertaken by the European Commission in 2014; the CoR will continue its intensive monitoring of Europe 2020 on the ground;
27. instructs the President of the Committee of the Regions to submit this Declaration to the President of the European Council, the present and incoming Presidents of the European Parliament and the European Commission, the President of the European Economic and Social Committee, the Greek Presidency of the Council of the European Union, the forthcoming Italian and Latvian Presidencies and the President of the European Investment Bank.

Athens, 7 March 2014.

The President of the Committee of the Regions

Ramón Valcárcel Siso