

COMMITTEE OF THE REGIONS
– DIRECTORATE E –
Horizontal Policies and Networks



QUESTIONNAIRE

ASSESSMENT ON TERRITORIAL IMPACTS

Submitted by Michael Schneider (DE/EPP)

Michael Schneider is the rapporteur for the CoR own initiative opinion on *Assessment on territorial impacts*. This opinion will discuss the European Commission's Staff Working Document on **Assessing territorial impacts: operational guidance on how to assess regional and local impacts within the Commission Impact Assessment system, SWD (2013) 3 final**. This questionnaire identifies important issues for the Committee of the Regions and is designed to assist in the drafting of the own initiative opinion on the assessment of territorial impacts.

Please complete and submit by **20 March 2013**. If you are member of the Subsidiarity Monitoring Network you can upload the completed questionnaire directly onto the Subsidiarity Monitoring Network website (<http://subsidiarity.cor.europa.eu> – remember to log in). Alternatively and in case you are not member of the Network, you can send it by email to subsidiarity@cor.europa.eu.

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Member of	SMN Europe 2020 Monitoring Platform Other

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If necessary, you can also contact the CoR Data Protection Officer (data.protection@cor.europa.eu). You have the right of recourse to the European Data Protection Supervisor at any time (www.edps.europa.eu). Please note that the questionnaire with your contribution and your contact details will be published online. Your questionnaire might be transmitted to CoR Rapporteurs and other EU institutions for information. If you do not wish so, please inform us accordingly.

QUESTIONS

1. The Staff Working Document states that: *"the guidance provided here also responds to a request from the Member States, expressed in the debate following the 2008 Green Paper on Territorial Cohesion and under the Polish EU Presidency in 2011 as part of the Territorial Agenda process"*.

a) Do you consider that the document published by the European Commission meets the expectations and the ideas expressed in the political debate raised after the publication of the Green Paper on Territorial Cohesion in 2008? Do you believe there is a need for greater follow-up to this debate on territorial cohesion and if yes, could you give some concrete examples?

Along with the other Outermost Regions (OR), the government of the Canary Islands (GOBCAN), has closely followed the debate on territorial cohesion, because it is both crucial and intimately linked to the concept of remoteness itself. GOBCAN took part in the multi-stakeholder meeting organised by the European Commission (EC) on April 15 2008, prior to the publication of the Green Paper and in the seminar held on 25 September 2009 on "Territorial cooperation and territorial cohesion", in which the debate on these issues continued.

Together with the other Outermost Regions, GOBCAN submitted a joint contribution to the Green Paper on Territorial Cohesion. It raised the special case of the Outermost Regions, which is a "test case", since the European strategy for the ORs that has been developing for over 10 years has been precisely to incorporate the territorial dimension into Cohesion Policy and other EU policies.

The aim is to adapt, adjust and even repeal the implementation of European policies in a given region's specific situation, in order, firstly, to overcome the difficulties arising from their unique position and, secondly, to allow these regions to develop their full potential, which represents an asset and added value for the EU.

The intention is not, therefore, to "prioritise" certain regions over others, but to apply the principle of equality and solidarity, ensuring a level playing field for all regions participating in an increasingly globalised Europe without borders. Individuals and businesses in the OR not only find it harder to benefit from the advantages offered by the EU, but are also more vulnerable to the new global challenges.

Specific characteristics can be viewed as constraints for the different regions, but also as potential advantages. Where the OR are concerned, there are many such potential advantages, representing added value for the EU:

- a) their geostrategic position in three different areas of influence (the Caribbean, Atlantic and Indian oceans);
- b) their global maritime dimension;
- c) the wealth of their marine and terrestrial biodiversity (the OR are true natural laboratories)
- d) their huge and unique potential for R&D (renewable energy and the marine environment, etc.).

Territorial cohesion therefore needs to be more closely monitored, because it is central to the issue of implementing European policies in the OR. As stated in the ORs' joint contribution to the Green Paper referred to above, "the concept of territorial cohesion requires a new approach that involves analysing the territorial implications of the different policies from the design stage onwards ... " and this must be done systematically, to ensure that we should not wait for the issue of territorial cohesion to be raised in a specific debate; it must always form an integral part of EU concerns when it comes to tailoring policies, measures and instruments to the specific situation of the places where they are to be applied, to ensure they are effective and deliver results. Otherwise, we will find, as has already occurred, that certain policies and measures cannot be implemented, due to their unsuitability to the specific circumstances of certain regions and even (as has also occurred), that adverse effects ensue, and even effects that run counter to the stated policy aims.

Brief explanation of the unique situation of the OR:

The Outermost Regions consist of a group of islands and archipelagos, as well as a mainland region surrounded by the Amazon jungle. Although they do not form a single geomorphological entity, they share a number of unique and specific characteristics within EU territory.

The specific situation of the OR is the cumulative presence of a set of characteristics that hamper their economic and social development, namely: their remoteness, insularity, small size, difficult topography, etc. This situation is also characterised by these regions being located in their own geographical areas near underdeveloped third countries that face considerable demographic, economic, social and environmental challenges.

Article 349 TFEU specifically recognises this situation, while providing for the need to adapt European policies by means of specific measures, where necessary, to enable these regions to develop. This legal basis has been developed through a series of Commission communications (2000, 2004, 2007, 2008 and 2012), in close cooperation between the OR and their Conference of Presidents, their Member States and the European Commission.

Through these communications, the European Commission has put together a EU strategy for the outermost regions based on four pillars: a) improving the internal and external accessibility of these regions (within them, between them and in relation to the EU), b) promoting the competitiveness of their production base, c) improving their integration in the

surrounding geographical areas d) strengthening the social dimension.

2. In order to better coordinate the territorial impact of sectoral EU policies, there needs to be a better understanding and measurement of those impacts. The Green Paper on Territorial Cohesion already focused on this point, stating that "improving territorial cohesion implies better coordination between sectoral and territorial policies and improved coherence between territorial interventions".

b) Do you believe that the European Commission's proposal can be an effective instrument able to improve coordination between EU sectoral policies having territorial impacts? In your view what else should/could be done?

The fact that the EC is attempting to provide answers that will make it possible to gauge the territorial impact of policies certainly represents progress and its proposals are therefore to be welcomed.

GOBCAN wishes to emphasise that, due either to the lack of statistical data or to problems in adapting the analytical tools used so far (usually economic models), the analyses are rarely sufficiently disaggregated in sectoral and regional terms. This aggregation usually hides the damaging effects on a particular geographical area, due to the implementation of policies that, when viewed in general terms, can be highly beneficial for the EU as a whole. One example of this is European climate change policy: at EU level, this comes at a reasonable short-term cost and has clear long-term benefits. However, the way it is designed means that it will have a detrimental economic impact for OR when compared with the rest of Europe. This will result in a disproportionate increase in costs, with the attendant consequences in terms of loss of business and jobs, if the relevant adjustments, exceptions or compensatory measures are not adopted.

GOBCAN also considers that there is a general need for an ex ante impact assessment of all policies and measures as regards their application to the OR. Such an ex ante assessment would, however, require a more systematic and coordinated approach within the EC. Even today, more than ten years after the EC expressed its desire for this to happen, there are still instances and situations in which this assessment has either not taken place, or has been carried out in a superficial way. A case in point concerns, as stated above, implementation of the policy to reduce greenhouse gas emissions and its effects on air and sea transport in these regions. This ex ante assessment should use appropriate remoteness indicators and should be supplemented with mid-term and ex post assessments, making it possible to evaluate the interactions between sectoral policies and their regional impact.

With regard to the above comment on remoteness indicators, we believe that the EC should make better use of the available indicators and obtain new indicators for OR, as there is a lack of statistical information on these regions in comparison with others in Europe. Specifically, the EC working document accompanying the Green Paper on territorial cohesion

provides a definition of the regions and a definition of the indicators that are used. In practice, these totally omit the OR from the analysis. The result is that the maps contained in the working paper referred to above often lack data on the OR, and it is therefore crucial to remedy this issue. The ESPON programme could provide an appropriate framework for this task.

3. The Staff Working Document provides operational and methodological guidance on how to answer a range of questions regarding the potential territorial impact of a given proposal. Nevertheless, it underlines that assessing territorial impacts is not mandatory, and states that it is just a tool that can be helpful to enhance the policy coherence of some policy proposals.

c) Do you consider that territorial impact assessments should be made compulsory for those sectoral policies having a territorial impact? If yes, in your opinion for which sectoral policies should the assessment of territorial impacts be made mandatory?

Clearly, all policies have a regional impact. Policies have an economic impact that is not distributed evenly across the European territory.

The current European strategy for the OR is based on the application of Article 349 TFEU, which adopts a comprehensive and coherent approach aimed at incorporating the strategy's four pillars (see answer to part a)) into all European policies. Policy coherence and the coordination of cohesion policy and other sectoral policies when taking account of the specific characteristics of OR are essential. It is therefore crucial that the EC systematically assess the territorial impact of its proposals. Some sectoral policies that should incorporate a territorial impact assessment are: the CAP, transport policy, energy policy, telecommunications, Research, Development and Innovation, the environment, climate change, integrated maritime policy, competition/state aid, taxation, foreign and security policy and employment. This would also apply to other policies such as customs, trade, justice, freedom and security, fisheries, the information society, the internal market, development, public health and consumer protection, etc.

4. The Staff Working Document states that a territorial impact assessment should be carried out when the proposal explicitly focuses on specific territories or when the proposal risks of having a large asymmetric territorial impact (outlier impact). It also highlights different methods that can be used to assess territorial impacts. In particular, it mentions qualitative and quantitative analysis. These tools and methodologies should be used by the different Directorates-General at the European Commission when preparing territorial impact assessments for proposals they are responsible for.

d) Do you consider the data, methodology and tools proposed for supporting territorial impact assessments (such as ESPON ARTS¹ or QUICKScan) are sufficient to measure the

¹ http://www.espon.eu/main/Menu_Projects/Menu_AppliedResearch/arts.html

potential territorial impacts a given proposal could have in your region? Would you propose any other type of tools/methodology?

e) Do you believe the complexity of territorial impact assessments require them to be carried out by a single specialised entity (one-stop shop) or do you prefer the idea of a decentralised system as proposed in the Staff Working Document?

d) They would not be sufficient. See response to section b).

5. Multilevel Governance and partnerships are key factors in the implementation of territorial cohesion, focussing on strengthening a place-based approach. The Committee of the Regions has already asked for the assessment of specific territorial impacts and recalls the potential role² of the CoR in assisting the European Commission in the process of Impact Assessment as well as to be associated to some of the EC's initiatives towards improvements in the capacity building of regional and local authorities³.

f) What should the specific measures providing for the involvement of local and regional authorities be in these exercises?

g) What role do you see for the Committee of the Regions in this context?

g) The CoR can play an important role in reminding the Commission of the obligations imposed on it by the Treaty of Lisbon to respect the principle of territorial cohesion. We therefore welcome any CoR statement aimed at promoting the debate on territorial cohesion and proposing solutions from local and regional authorities..

6. The Committee of the Regions has already asked for territorial cohesion to be strengthened in relation to the EU2020 Strategy. One possibility for this could be not to confine the assessment of territorial impacts to legislative proposals and to extend them to other documents, such as key planning documents, such as the Annual Growth Survey.

h) Do you think there should be a territorial dimension of the EU2020 policy cycle?

i) Do you consider the Annual Growth Survey (as a key planning document for the launch of the annual EU2020 policy cycle) should contain a territorial impact assessment?

² See section 5.5 of the EC's Staff Working Document: "Under the Protocol on Cooperation between the Commission and the Committee of the Regions (2012) the Commission services may ask for support from the Committee in preparing its assessment.

³ CdR 353/2010, CoR Opinion on Smart Regulation.

j) In your opinion, should Territorial Impact Assessments also be carried out at Member State level?

h) This issue was addressed in detail in the above-mentioned joint OR contribution to the Commission working document entitled Public consultation on the Europe 2020 strategy, of November 24, 2009, with the ORs answering 'yes' to this question. The ORs agree with the approach of the Europe 2020 strategy, provided that the situation in these regions is taken into account and, where necessary, adjustments are made enabling them to participate fully in the strategy. For this reason and to avoid inconsistencies, it is essential that consideration be given to the territorial dimension of this strategy. To this end, the impact assessment is a key tool that should be used whenever one of the strategy's measure concerns the OR. This will ensure equal opportunities and results that are much more positive than those obtained under the Lisbon strategy (which barely took account of this territorial aspect).