Speech by Robert Uitto

"A strong renewed regional policy for all regions post 2020" Committee of the Regions, Brussels, 28 September 2016

Honored Presidents, General Directors and regional representatives,

From the Swedish regions, I would like to talk about the relationship between the member state governments and its regions and the issues we have to consider already now.

The timing of the political processes of the European Union is not always adapted to the processes in the member states and especially at the regional level. When there is nothing concrete put at the table, no decisions or proposals, it is difficult for many of us to respond to input needed in order to form a good and well balanced eventual proposal from the EU. This is especially true when it comes to the Cohesion Policy. This is unfortunate as we all know what is at stake, and even more unfortunate as the national level in many of the member states seem unwilling to form a position before there is a proposal to relate to!

The rather clear signals we hear about a fundamental reforms of the Cohesion Policy are indeed worrying. The regions, being close to the citizens, seem to be convinced of the significance of the policy for reasons we have heard of today. Obviously there is a gap between those who are now forming the future proposal for the Cohesion Policy and those who are applying the policy! How could the regional level make sure they do not get stuck in a "vacuum" where they cannot respond to their own future?

Apart from supporting the European regions with the absolute greatest needs, the traditional position of Swedish governments (regardless of political belonging) has been sceptic towards the benefits of the Cohesion Policy. So far no other signals have been heard and a national position is not yet prioritized. While Swedish regions acknowledge the importance of keeping today's allocation of the funds being directed towards less developed regions, we also conclude that we have been given more and more responsibilities regarding regional development projects and that the need for interregional and cross boarder cooperation that do not follow member state boarders have increased drastically. Not only would it be hard to pursue these responsibilities without the Cohesion Policy funding, but it would also endanger the principle of multilevel governance. By not reacting to the worrying signals about the Cohesion Policy, Sweden and other member states run the risk of having to respond to an already set framework that does not consider the consequences for our regions. Rather than reflecting the wisdom of patience, this resembles the strategy of an ostrich. However, to avoid a situation where regions are uncertain about long term objectives and where they hesitate to make crucial investments – we need national positions, which are elaborated in close cooperation with the regional level. We simply cannot afford to wait!

Without knowing, let us assume the Swedish regions would be compensated by national funding for the loss of Cohesion funding to perform their duties. How do we then make sure that the efforts of regions are streamlined towards common European objectives? How do we make sure that we have the incitements to regard and support the actions of other regions if we do not receive the necessary common funding for it? Or, if we do increase our share of European thematic funding decided from Brussels, are we aware that regions by that decrease their connection to respective national objectives – that we might have chosen a path towards increased federalism in Europe? It is an absolute necessity for our member states to be aware of these scenarios alongside the focus of only seeing the Cohesion Policy as a tool for the less developed regions!

Furthermore we have to ask ourselves as well as our respective governments other difficult questions:

- We hear signals of the importance of proven "impact". As Swedish regions likely would be among those regions benefitting from tougher conditions, we welcome focus on impact. As soon as we discuss true impact though, we most likely discuss demands for structural reforms in line with European demands; is Europe then ready for more supranationalism and less subsidiarity especially as that would make the member states more dependent of current political views? Do we feel comfortable with that considering the momentum of populistic movements in Europe?
- We also hear signals of increased importance for the use of Smart Specialization Strategies, especially in the context of reaching "impact". Swedish regions welcome further elaboration of the smart specialization strategies and their connection to the Cohesion Policy. However, several Swedish regions are concerned that formal and functional regions differ in many European countries thus complicating a rational usage of Smart Specialization Strategies. They also point out that these strategies tend to be more relevant when the critical mass is concentrated to a geographically limited area.

Finally Swedish regions holds a door open for the idea of reshaping the Cohesion Policy, or parts of it, to a tool for handling crises. This is relevant for areas as the migration situation where there are regions that carry a heavier burden than others.

In conclusion, we urge all regions to push for member state positions as soon as possible in order to give us regions long term guidelines as a security towards short term populistic political winds. Furthermore I ask you to consider what will happen with European cooperation and cohesion if we do not have Cohesion funding for ALL regions.

Thank you!

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