



2012-03-30 Europaforum Northern Sweden

Background of the forthcoming cohesion policy for 2014-2020

Intensive work is currently under way to form the future cohesion policy. The aim at EU level is to combine relevant policy areas into a governance structure that enables different strategies, legislative packages and financial aid to reinforce each other. In spring 2010, the new joint growth strategy for the EU was adopted – Europe 2020 – with the ambitious goal to create smart, sustainable and inclusive growth in Europe. In 2009, the EU adopted a strategy for the Baltic Sea region to deal with common challenges that the area faces, such as trade barriers, poor transport links, environmental deterioration.

The aim of the cohesion policy is to strengthen economic, social and territorial cohesion in the EU. The structural funds, the instrument for implementing cohesion policy, are fundamental to regional growth work and development by Europaforum Northern Sweden. It has therefore been natural for Europaforum to actively participate in the debate on how the cohesion policy should be formed after 2013.

Structural funds are to function as an instrument and facilitator, investment funding to achieve the goals of Regional development strategies and simultaneously achieve the Europe 2020 objectives. Without these structural funds, the focus at regional level on Europe 2020 would be lost. During 2011, the lobbying was intensified when the European Commission presented their proposal for the long-term EU budget 2014-2020, and proposals for structural fund regulations.

The European Commission proposes a budget amounting 1,025 billion euros for the period 2014-2020, which is an increase by approximately five per cent on the current budget period 2007-2013. Agricultural policy and regional policy are the largest items and together represent around 75 per cent of the budget. The draft proposal allocates 336 billion euros to the future cohesion policy, which is a reduction from today's 348 billion euros. An increase is proposed in aid for cross-border co-operation. A separate budget item (926 million euros) is proposed for the ultra-peripheral and sparsely populated regions. The amount is however smaller than today's extra allocation (so-called sparsity bonus) – a reduction in funds to the sparsely populated regions by about 40 per cent compared to the current budget according to preliminary calculations.



The proposed long-term budget gives research and innovation increased financial support and increase investments in cross-border infrastructure projects through the establishment of a new fund – the Connecting Europe Facility. Negotiations on the long-term budget are currently being held in the Council of Ministers and the European Parliament. Simultaneously, negotiations continues on the European Commission proposal for new Structural Funds regulations which the Commission presented in autumn 2011.

The Structural Funds regulations are a legislative package comprising six different regulation which regulate: the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, territorial cooperation, European Grouping of Territorial Cooperation, general and common regulations for the Regional Fund, Social Fund and Cohesion Fund. It is proposed that the cohesion fund should also include the Agricultural Fund for Rural Development and the Fisheries Fund.

The European Commission has presented the Common Strategic Framework. The purpose of the Common Strategic Framework is to transform Europe 2020 into concrete cohesion policy measures. Additionally, the Commission will soon present a notification on how the partnership agreements are to be designed and what their content should cover.

The multi-annual financial framework 2014-2020 and the structural funds regulations proposed by the European Commissions are currently being negotiated by the EU Member States and the European Parliament, with the aim to be completed by 2013.

Lobbying opportunities, questions and target groups

The target groups of lobbying by Europaforum Northern Sweden are:

- The European Commission
- The European Parliament
- The Swedish Government
- The Swedish Riksdag
- The media (for the general public)

Lobbying issues with respect to the different target groups (principally):

- What shall we invest in? (European Commission, The European Parliament, Sweden)



- How much funding do we have access to? (European Commission, The European Parliament, Sweden)
- How shall we organise it? (European Commission, The European Parliament, Sweden)
- Simplifying administration. (Sweden)
- How do we follow-up? (European Commission, Sweden)

Europaforum Northern Sweden - views

In the past years, Northern Sweden has expressed views in different networks, arenas and assemblies such as Europaforum Northern Sweden (EFNS), Northern Sparsely Populated Areas (NSPA), the hearings of the Ministry of Enterprise, national fora and so on. The signatories have been EFNS, NSPA and separate regions.

Europaforum Northern Sweden hereby wishes to express their views regarding a number of proposals presented by the European Commission. The proposals are:

- The Multiannual financial Framework 2014-2020 (COM 2011 500 final and COM 2011 398 final)
- The Structural Funds regulations (COM 2011 615)
- The Common Strategic Framework (SWD 2012 61 final)
- A simplification agenda for the Multi Annual Framework 2014-2020 (COM 2012 42 final)
- Code of Conduct of partnership

1. What financial funds do we have at our disposal?

Europaforum points out that the European Union should have a budget that makes it possible to ensure effectiveness in cohesion policy and fulfil the ambitions of the Europe 2020 strategy.

Europaforum Northern Sweden welcomes the allocation of a large proportion of the EU budget for 2014-2020 to the cohesion policy. EU aid should at least be at the same levels as during the current programming period.

Europaforum is critical of the view of the Swedish government towards a reduced budget and reduced proportion for the cohesion policy



Europaforum welcomes that the Commission has given special attention to the conditions in sparsely populated areas through the budget item “Regions in the outermost periphery and sparsely populated regions”. However, a less welcome proposal in the Commission’s proposal for the long-term EU budget beyond 2014 is that the extra allocation, the so-called sparsity bonus, should be reduced from 35 euros per capita in the present period (2007-2013) to 20 euros per capita (2014-2020).

Europaforum welcomes a strong cohesion policy for 2014-2020 in the European Commission budget proposal (according to COM 2011 500)

Europaforum welcomes the budget item for sparsely populated areas, but considers that it should at least remain at the same level as in the current programming period (COM 2011 500)

2. What can /shall we invest in?

Europe 2020, the EU budget and the Structural Funds regulations have together shown how we in the European Union should work to achieve good growth. To Europaforum, it means among other things that we are given the opportunity to develop our regions through the European Regional Development Fund, the European Social Fund and the territorial cooperation programmes (Interreg) as well as other thematic programmes and research and innovation programmes.

To fulfil Europe 2020 in the EU, work at local and regional level is vital. The instrument that enables commitment and implementation of Europe 2020 is EU cohesion policy, which acts as an important driving force for focusing work at regional and local level on achieving the common goals.

The possibility of using EU’s structural funds together with national and regional investments is of vital importance. It is also important to see that specific regional circumstances mean that the Europe 2020 objectives must be focused and adapted to the regional level in question. To economies dependent on raw materials – as northern Sweden very much is – full employment due to demand in the raw material-based industries is not the same as sustainable social development in general, unless the labour market is differentiated enough to really attract young people, women, and well-educated people to stay in or move to the region. Therefore, the programme goals must be adapted regionally.



The regional level must work with the national level and the EU respectively, when designing the programmes. It is important that the cooperation truly permeates the drafting of the partnership agreements proposed by the Commission.

Europaforum welcomes the possibility of creating regional multi-fund programmes (according to proposal in COM 2012 615)

Europaforum also welcomes the possibility of creating regional multi-fund programmes which coordinate funds and thematic priorities. That in turn can create innovative solutions when thematic priorities and players within the area are brought together.

We note with satisfaction that the proposal under discussion allows for several funds being used within the same programme. It is important that this also should be practicable, so that possible synergies between different programmes can be maximised. By combining the European Regional Development Fund, the European Social Fund, the European Agricultural Fund for Rural Development and Horizon 2020 in research and innovation, initiatives for common goal fulfilment based on needs identified by regional development strategies can be maximised.

It would also be an additional advantage if a greater proportion of the ordinary Structural Funds could be used in joint projects. The current proposal from the Commission is that up to 10 per cent within a programming area in ERDF shall be available for use in another programming area. It would be advantageous in enabling northern Sweden, Finland and Norway to increase cooperation if the proportion could be increased and if that also applied to the European Social Fund.

Europaforum welcomes the increased allocation to the European social fund priorities, which is well in line with the desired investments to meet the regional challenges in northern Sweden.

Europaforum considers that the proposed thematic earmarking of funds for the different prioritised thematic areas is unnecessarily inflexible. The regional and local levels should have greater influence over how funds are to be divided between the thematic areas in relation to the needs of the area.



Europaforum welcomes an increased focus on the European Social Fund, but the budget distribution between the Social Fund and the Regional Fund must be decided in dialogue between the national and regional levels

Thematic priorities

Europaforum Northern Sweden certainly wants to comment the structural funds, the regional fund, the social fund and the thematic priorities, interregional programmes and regarding the extra funding allocated via the EU budget to the sparsely populated areas in northern Europe.

Europaforum welcomes the increased coordination through a common strategic framework where a link is made between Europe 2020 and key activities within the thematic priorities of the structural funds.

Europaforum generally welcomes the clear aim towards a limited number of priorities and actions within cohesion policy since this can prove beneficial by creating a greater concentration of actions. However, Europaforum considers it to be important that possibilities to adapt programmes and initiatives to the regional and local context must not be lost.

Europaforum is positive to investments by the European Commission in more effective use of energy and in increasing renewable energy as important thematic areas in the future ERDF with earmarked segments, and urges the EU to continue to set ambitious goals, since they act as a driving force for continued research and development, both for industry and for Member States and regions.

Europaforum would like to point out that there is a need to improve regional infrastructure and distribution channels both fundamentally, within the framework of TEN-T, and at complementary level within the framework of cohesion policy.

Europaforum would like to mention the major potential of northern Sweden regarding the production of renewable energy, but reiterates that fundamental and complementary infrastructure and distribution



channels must be improved to enable effective export of surplus energy from renewable resources and contribute to energy reorientation in other parts of Europe. This factor also applies to many other regions in Europe.

This reinforces the regions' potential for local and regional solutions, including infrastructure planning that contributes towards local supplies of power, employment and long-term sustainable development for both women and men.

The dominant core industries in northern Sweden, based on the region's natural resources – mining, forestry and hydropower – continue to be important and globally leading industries generating strength and, in a global respect, wealth. Northern Sweden provides practically all the iron ore production in Europe, as well as a large proportion of the production of precious metals. Additionally, northern Sweden produces a large proportion of Sweden's total production of renewable energy. The region's available natural resources contribute to enabling the EU to reduce its import of natural resources. However, the core industries generate little added value in northern Sweden.

Environmental engineering is a strong area in northern Sweden, not least thanks to the abundance of hydropower and forest. The hydropower investments in the region add expertise in increasing security and efficiency and mean greater potential for diversifying the industry through the development of new technologies, new companies and new jobs.

Investments that promote secure, cost-effective and sustainable use of energy and supply of energy based on renewable energy are a precondition for increased regional competitiveness.

It is important for northern Sweden to pool its resources on innovative environments which can compete on a global arena. It is important that skills areas within our collective research and educational environments are given a priority status in decision-making regarding the development of innovative environments in northern Sweden. Northern Sweden contributes considerably to the production of innovative products and services. Research and innovation in the public sector, for example in e-health, is of major importance to the inhabitants of northern Sweden. These are services and products that can also benefit all the inhabitants of the EU.



In Innovation Union, smart specialisation is cited as an important political logic and a concept for innovation policy. Strategies for smart specialisation can secure more effective use of public funding and stimulate private investments. They can help the region put its efforts into a limited number of important priorities rather than spreading out investments among different areas and sectors. It is also based on a strong partnership between companies, public bodies and institutions. Smart specialisation should not however mean a limitation of complementary key areas.

Research has shown that when a skills area or industry is crossed with another skills area, innovations arise in the intersection between the two areas or industries. For example, digital communication is of major significance in developing an attractive municipality or region. Other intersections will be able to supply innovations in the future. We see for example that the development of technologies and services in industry continues to build on applications and ICT solutions developed in the cultural and creative industries.

The fund for an interconnected Europe will finance infrastructure intended to connect the entire European Union. However, it should also be permissible to use the Regional Fund for complementary investments which cannot be funded in the programme for an interconnected Europe.

Europaforum considers that for the development and innovation efforts of small companies, it must be made clear that accessibility actions are needed in ICT and infrastructure to contribute to competitiveness and links with the rest of the world. In view of the special geographical challenges of the northern sparsely populated areas, with long distances both internally and to the major markets, it is important to support investments in infrastructure for basic services for citizens in the field of environment, transport and information and communication technology (ICT).

Europaforum stresses that cohesion policy must enable investments for increased accessibility in northern Sweden (COM 2011 615)

Europaforum appreciate the passages regarding the importance of investing in women's enterprise. The underlying demographic challenge in northern Sweden with high emigration of young women calls for investments and projects that increase women's opportunities to find an interesting livelihood.



Europaforum notes with satisfaction that investments that generates increased enterprise among women are to be supported from the Regional Fund (COM 2012 6, 3.3)

Europaforum stresses that the cohesion policy must enable investments in increased accessibility in northern Sweden. Continued build-out of the IT infrastructure and strengthening of the transport infrastructure are of the utmost importance for strengthening the competitiveness of northern Sweden.

Extra allocation to the sparsely populated areas

Europaforum welcomes the so-called sparsity bonus which is proposed for allocation to the sparsely populated areas in northern Europe. The extra allocation should naturally contribute to northern Sweden participating in fulfilling Europe 2020. However, this funding should go towards meeting the challenges that exist in sparsely populated areas. Hence it is important that the basis for this funding is that the local and regional levels participate in decision-making on how this funding is to be invested in the area. This is because knowledge of the changes in the area is greatest there. A further reason to do this is to enable a broadening of the group of project owners.

Europaforum notes with satisfaction that the extra allocation is retained, but is critical to the fact that the proposal means a considerable reduction in this allocation (COM 2011 500)

Europaforum notes with satisfaction that the extra allocation survives in the coming programming period, in the form of extra allocation for extremely sparsely populated areas. However, Europaforum cannot concur with the proposed considerable reduction in this allocation. It would contradict the emphatic wording in the EU Treaty on especially supporting areas with permanent handicaps such as sparsity. It would also to a high degree terminate many of the positive processes which are now in their infancy for fulfilling the Europe 2020 objectives in the sparsely populated areas in northern Norway, Sweden and Finland.

It is also vital that the extra funding indicated for the extremely sparsely populated areas in northern Sweden and Finland should also go to investments and to meeting the specific challenges that our areas face. This applies specifically to the extra allocated funds. The Commission spotlights the need



of extra Structural funds for our areas, but it is not made sufficiently clear that this is also where the extra allocation is destined.

To meet the extreme demographic challenges the northern parts of Europe face, there is a need for a broader effort to create attractive living environments than the thematic concentration proposed to apply generally to Structural Funds monies in the entire EU. This applies in particular to the possibility of removing bottlenecks in communications and creating better access to ICT, for example high-speed broadband, and to reduce the competitive disadvantages under which peripheral and extremely sparsely populated areas labour with respect to other areas closer to the major markets that have a sufficient population base to enable separately functioning internal markets.

Europaforum considers that the extra allocation must be invested in the special development needs that exist in our northerly and sparsely populated area

There is therefore a need for a clear link between the extra allocation and the development needs of the northern area, as a basis for the coming dialogue and negotiations between regional and national levels and the EU in the concrete design of the programmes for the northern sparsely populated areas.

It is of vital importance for northern Sweden to be able in the same way as for the extra allocation to work more actively to link opportunities to create communications within the region and with surrounding markets.

It should therefore be made clear that non-earmarked funds can be used for this and also within the framework of innovation, SME growth, and carbon dioxide reduction and a more energy-efficient economy, investments in infrastructure and ICT, both regarding actions for user ability and functionality such as simple broadband routing, are possible tools to enable achieving the goals. This would ensure that it can also be a subject for negotiation between regional, national and EU levels in designing the forthcoming programmes.

It is important that the flexibility and regional adaptation which the European Commission discusses in its proposal are also set out in a purely concrete sense in the decisions from the Parliament and the Council of Ministers. This is a necessity for success in the work to achieve the Europe 2020 objectives in extremely sparsely populated, peripheral Arctic areas. The monies proposed for the fund for an



interconnected Europe do not cover this and are linked solely to major physical investments in main networks that do not reach beyond it when it comes to possibilities for peripheral, sparsely populated areas to build attractive communities.

Towns and locally-led development

Europaforum considers that efforts with regard to towns and urban development are important. However, Europaforum would like to underscore that these efforts must not be too excluding, but must regard towns as development drivers also in the relations between towns and surrounding rural areas. Any selection of towns able to participate in these instruments should not be made based on the size of the towns, but by the role the towns play in the region's geography, that is to say as growth drivers and regional centres.

The discussion in the draft that even smaller towns can function as regional development drivers is generally welcome, as well as the mention that the solution to social problems in large cities does not lie in considering the cities in isolation, but in also seeing them in their regional context. In such a perspective, even smaller towns can be drivers creating conditions for growth for their surrounding regions at the same time as the region can assist in mitigating the problems associated with urban growth. This is of particular importance in a sparsely populated country with small towns, which Sweden is.

Europaforum welcomes initiatives for towns and locally-led development (COM 2011 615) and would like to underline the importance of supporting towns that function as special growth drivers in regions, regardless of the towns' size

In the Commission proposal, there is discussion of a number of towns per Member State and a maximum number for the entire EU which may benefit from the five per cent of the fund for urban development. It should not be the size of the towns that decides whether they can access this funding. In the opinion of Europaforum, it is not the number and size of the towns that is the most important factor to be considered, but that one is permitted to work regionally in an urban perspective as a regional growth driver even in areas where the very largest towns are still small by international standards and by medium-sized by Swedish standards.

Rural development (Leader and integrated territorial investments)



According to the proposal, rural development shall be based on six priorities common to the whole Union. The standpoint of Europaforum is that rural development in Sweden is grappling with other problems than those in many other regions of Europe. It is therefore important that far-reaching freedom is given for regional prioritising of the aid actions for rural development. It is important that the aid be based on regional experiences and priorities, in particular for citizens' acceptance of the support and their participation in rural development.

Europaforum welcomes the fact that rural policy is to be separated from agricultural policy and connected with the Development Fund and the Social Fund through the Structural Funds regulations (COM 2011 615)

Europaforum welcomes the proposal that all EU funds may be used to finance Leader. How the administration of the Leader programme is to function when several funds are contributory must however be made clear and formulated in simple terms when the programming period begins. This is very important, in order for the Leader group to be able to work efficiently with rural development rather than with administration.

Interregional funds for territorial cooperation

Europaforum welcomes the emphasis on the importance of transnational collaboration within the European Regional Development Fund and European Social Fund, and that conditions for this should be created. Territorial cooperation/ Interreg are important to our regions with a long tradition of cross-border exchanges and close collaboration with Finland and Norway, as well as part of the Baltic Sea region at macro-regional level. It is therefore welcome that the Commission proposal also means a considerably increased budget for territorial cooperation. It is our firm opinion that this must be retained through negotiations in Parliament and the Council of Ministers as a cornerstone in the construction of a common Europe.

Europaforum welcomes continued strong support within territorial programmes (according to COM 2011 500) and that they are linked to macro-regional strategies

Europaforum welcomes the proposal that the territorial programmes be given a clear thematic focus. However, it is important to further clarify the difference between the different programmes as regards purpose, objectives, and type of co-operation. In the opinion of Europaforum, in order to achieve this,



the regions must be given greater influence over the thematic focus of the programmes and publication texts.

Europaforum wants the regions to be given greater influence over the programmes' thematic focus and publication texts

The northern regions of Norway, Sweden and Finland are, and can become to a greater degree, exemplars at working towards common goals in Interreg and other programmes in order to meet common challenges. From earlier Objective 1 programmes, northern Sweden has good experience on which we can build on and from which we can learn. Cooperation is necessary in areas with a small population in a large geographical area. In addition, Sápmi, inhabited by the Sámi people, the only recognised indigenous population in the EU, constitutes a cross-border community in the northern areas.

Europaforum think it is important that the northern parts of the Baltic Sea area are highlighted in the territorial programmes linked to the Baltic Sea strategy

For the overall success of the Baltic Sea strategy, more opportunities must be given for macro-regional programme activities within both Interreg and other programmes. Northern Sweden, Norway and Finland can constitute the northern programming area of the Baltic Sea strategy. Generally however, there is a need for the Council of Ministers and the European Parliament in their decision-making to clearly determine the responsibility of each Baltic Sea state in interaction with its regions, and in joint negotiations with all involved states and regions to include Baltic Sea priorities in partnership agreements, in order to make the Baltic Sea strategy visible, distinct and efficacious as a tool for macro-regional sustainable growth in the Baltic Sea region during the coming programming period.

3. How do we organise it?

Europaforum Northern Sweden welcomes the ambition of giving multilevel governance a central role in the implementation of cohesion policy and that the regional and local levels have been given a clearer role. The participation of the regional and local levels is crucial to fulfilling EU priorities. It is however important that the regional and local levels are given genuine influence over the process, and that the regions have the possibility to influence the composition of partnerships, and are given genuine influence over the priorities to be made.



Europaforum would like to remind the Commission and our own nation to respect the principle of subsidiarity in accordance with the treaties. However, the proposed thematic concentration that is to be made in accordance with Article 4 – in compliance with the principle of subsidiarity – must be limited to the partnership processes between Member States, the regions and the Commission and must not be unilaterally dictated by the EU.

For example, as regards areas with disadvantages connected to nature and demography, it should be possible in the cooperative programmes to a greater degree to take into consideration the challenges which the demographic changes bring. If the population is decreasing, where young and highly qualified people migrate, and if the average age continues to rise, then the demographic development will be a serious and lasting disadvantage which in accordance with Article 174 of the Treaty of Lisbon must be given special attention in cohesion policy. This should be borne in mind when considering possibilities for using the Regional Development Fund. Thematic concentration and investment priorities should allow sufficient leeway to enable innovative solutions to be produced and implemented.

Europaforum thinks that the new governance model Europe 2020 (design, implementation, follow-up and debate) will have a positive effect on commitment to development issues in Europe on a broad front involving horizontal and vertical dialogues of multilevel governance.

Regarding partnerships, Europaforum considers it incorrect to equate regional and local authorities with players in the financial sector and the community – since the regional authorities are representatives for public interests within their fields, and they take part in the management and financing of the Structural Funds.

It is stated in the regulations that the problems faced by sparsely populated areas shall be given special attention, among other things in partnership agreements and the cooperative programmes which applied to these types of area. Europaforum considers that investments and the allocation of these funds to address these problems must be decided at regional level.

Europaforum supports the proposal of the Commission to coordinate funds to gain an overview of investments for local and regional development (SWD 2012 61 final). The



increased coordination must be secured with regional influence in the decision-making process, from programme design to priorities

If it is to be realistically implementable to have several funds in the same programme, there is a need for increased coordination and the creation of common management bodies with a large measure of regional influence in the decision-making process, to really deal with programme design and project appraisal based on the specific conditions and needs of each region. For example, the Social Fund, the Regional Fund and the Rural Programme need to be dealt with in a coordinated way to fulfil the demand for an increased proportion of Social Fund monies in interaction with other funds within the framework of a unified Regional Development Strategy. This is a pre-condition to make realisable the proposal to increase the proportion to at least 52 per cent of the Social Fund funds. The Regional Development Strategy is to govern the Social Fund too, that is to say the regional dimension/ priorities must be strengthened by investment measures from the Social Fund.

Increased flexibility, both in programme design and implementation, is required for the policy to be practicable and give the desired effect in the event of both future changes in the economic climate and other major phenomena that affect growth in the region. The situation when the programme is drafted is often quite different than at the end of the programming period, and therefore there should be opportunities to easily adjust the use of funds when needs change.

The division of roles between managing authorities and decision-making assemblies, i.e. the Structural Funds partnership, must be clear. The task of the partnership is, besides prioritising applications, also to formulate grounds for prioritising and the content of publications, and to take responsibility for the strategic aims of programme implementation. Europaforum considers that a common managing authority for the Social Fund and the Regional Fund should be set up. Democratically elected representatives shall be decision-making in the Structural Funds partnership. The elected representatives shall make priorities and take responsibility.

Europaforum considers it important to achieve a clearer division of roles and more flexible administration between the management authority the Swedish Agency for Economic and Regional Growth, the Structural Funds and regional growth officers



Europaforum considers it important to achieve a clearer division of roles and more flexible handling between the managing authority the Swedish Agency for Economic and Regional Growth (legality appraisal), the Structural Funds partnership (prioritising) and regional growth officers (prioritising based on regional development strategies). More flexible management at an early stage, where dialogue with growth officers for regional development strategies shall take place on co-funding, and possibly which projects may be considered for prioritising.

Before the current programming period, the Swedish government decided to coordinate all governance and to commission the Swedish Agency for Economic and Regional Growth as managing authority. This meant that regional public sector players could no longer be delegated with responsibility for programmes with the right to decide on aid for local projects.

In an established multilevel governance system, each new level should be given the opportunity to organise and run growth work in a holistic perspective. The European Commission proposes strategic frameworks with partnership agreements where the Member States define the thematic priorities, based on the Europe 2020 strategy and on a broad dialogue with the regional and local levels. Such a structure, where the local level is identified as the operative executor, is expected to lead to an increased degree of goal fulfilment.

To further reinforce multilevel governance it is of vital importance that the regions are given the possibility to define and drive the regional growth work based on the Europe 2020 strategy and national and regional strategies. In the proposal for new Structural Funds regulations (COM 2011 615 final) the European Commission therefore proposes that Member States shall be able to appoint national, regional or local public authorities/ bodies as managing authorities (Article 113:1). Furthermore it proposes that the managing authority shall be able to delegate tasks to bodies under private law or public law (Article 33). The European Commission thereby indicates the road to developed multilevel governance.

Europaforum Northern Sweden therefore wishes to focus on the issue that the Swedish legislative package should be adapted so that regional players are given the possibility to organise, own and run thematic framework programmes in the forthcoming Structural Funds period.



Europaforum considers that Sweden should approve private co-funding from the business sector to match EU funds.

All programmes should pay in advance to a certain percentage so that projects can be started without liquidity constraints, so that all regions can develop and in order to avoid having to rely on “borrowed” initial capital.

To increase the direct involvement of the business sector in the project, it is crucial to succeed in increasing the level of engagement of business. It would be therefore be advantageous to investigate whether private co-funding could be used to complement EU funds. A further reason for doing this is to broaden project owner groups.

Europaforum supports proposals that increase the participation of business, where the private sector and non-profit charitable sector should be able to co-fund projects, although without this being a requirement

Companies and the non-profit sector should be able to co-fund, but it is not to be a requirement. Co-funding shall be possible both in cash and indirectly. With the committed participation of companies and the non-profit sector in the project, unique conditions can perhaps be created for implementation and compliance with the actual results.

It is important to review the regulations as a whole and specifically the regulations for state aid and their application, not least nationally. Correct use of state aid regulations gives us the potential to a greater degree to involve business in cohesion policy and thereby increase the economic sustainability of initiatives. Competitiveness appraisal of public infrastructure investments, especially where business wants a clear role, must not complicate investment projects through long drawn-out examination procedures.

Simplifying administration

Europaforum Northern Sweden welcomes the proposal of the European Commission on a simplification plan for the budget framework for the years 2014-2020 (COM 2012 final). The idea of renewing and improving the implementation of EU expenditure programmes is excellent, with objectives that include reducing the administrative burden on beneficiaries.



In general, the proposal for simplification at Commission level and combination of certain programmes is good, but it should not be limiting to the degree that certain projects cannot be carried out, identified or encompassed in the new funds. For example it can be difficult to develop small or large infrastructure investments that are not indicated in the Connecting Europe Facility or the proposed Common Strategic Framework (CS F). Harmonising the regulations for the different funds should be done at EU level so they that can be better synchronised between programmes and states.

Actions which will facilitate participation in networks, affiliations or other common enterprises are very good. Today it is necessary to register participants as external costs if they do not belong to the applying company/organisation.

One important conclusion in the Commission proposal is that “simplification work at EU level is not fully effective until it has been accompanied by parallel efforts at national and lower levels”. It is important that the Commission proposal should have impact in the national managing authorities that handle the regional, national and cross-border programmes, since many beneficiaries consider that that is where the perceived administrative problems are to be found. Sweden often has more far-reaching interpretations of how the implementation of cohesion policy is to be done. Europaforum considers that Sweden's own often more far-reaching interpretations of the regulations are not correct and should be reviewed. However, the question is how the managing authorities at EU, national and regional level handle the legislation in general. There is a risk of them introducing their own more limiting and complicated regulations.

Europaforum welcomes the fact that the Commission proposes continued development towards more e-management, which is beneficial in reducing the administrative burden on beneficiaries. It would be an improvement if handling applications, documentation and reporting were electronic. Best of all would be a single, common digital management system instead of one per programme.

It would be beneficial if all programmes could use company coordinates in a database: today these are often submitted with each application and negotiation, which means a great deal of unnecessary extra work. In today's 7th Framework Programme and the planned Horizon 2020, an electronic database – Participant Portal – is used for these tasks. What is entered in a database is approved by a



representative appointed for the organisation/ company – a Legal Entity Appointed Representative (LEAR), who is also responsible for updates in it. It would be good if all EU projects used this portal.

Europaforum welcomes the fact that the European Commission is open to fixed amounts in accounting, but there is some anxiety. Since distances vary depending on whether one lives in central parts of Europe or in more peripheral parts such as northern Sweden, the regulations should be consequently adapted so that these fixed amounts take account of those having long journeys within the EU that involve at least one extra overnight stay, and at least one extra flight per outbound and homeward journey respectively as well as extra subsistence costs. Additionally, expenses are higher in Sweden. Payroll costs vary between states, which makes it more difficult to use a fixed amount for them. A fixed amount for indirect costs would be an improvement, for example 30 per cent of the approved costs.

The alternative of a customised method for each beneficiary to determine costs for the simplified process based on historical data about the individual beneficiary is good, especially if this only needs to be done once in a programming period, with indexed fixed amount.

Europaforum considers that in connection with an applicant receiving a positive decision on a project, an advance sum should be paid to the beneficiary (for example 30 per cent of the aid). An advance payment would affect the liquidity situation of the beneficiary and contribute to better implementation of the project.

How should we measure the results?

Europaforum Northern Sweden considers that as regards follow-up, there should be clarity and demands for results and the indicators be developed. Growth analysis should be able to give regional indicators which can be used for regions in Sweden. The opportunity for continued action research is important to enable measuring, analysing and understanding the outcome brought by investments. A clearer focus on results is basically good, but it is important at the same time to ensure that the indicators used do not favour short-term quantitative result fulfilment to the detriment of a long-term regional development perspective.



Europaforum considers that a clearer focus on results is basically good, but it is important at the same time to ensure that indicators used do not favour short-term quantitative result fulfilment to the detriment of a long-term regional development perspective

The indicators we use today when evaluating a successful project are too focused on quantity and not quality. It is important that indicators also capture quantitative and more long-term changes that have taken place, such as for example new, more efficient work methods or important structural changes.

The economic and financial crisis contributes to draw attention to the need to use other indicators as a complement to GNP in order more correctly to appraise the two development level in the European regions, and thereby contribute to a fairer distribution of funds among Member States.

The increased focus on follow-up and results can contribute to better goal fulfilment. It is however of vital importance that the regional and local levels participate in the design of result frameworks, milestones and similar, in line with the ambition of partnership agreements to secure multilevel governance. It is important not to use an excessive quantity of indicators at EU level, but to allow sufficient leeway for regional and national indicators. Too many indicators designed to apply to the whole EU risk limiting the national and regional possibilities to adapt programmes and projects to their own conditions, since indicators acquire a major indirect significance to how implementation and projects are designed.

In evaluating projects, the role of evaluators should be reviewed. A possible alternative would be to introduce external evaluators of applications and during the project period itself, and where action research is placed outside the project period.

The ambition of simplifying implementation, above all for beneficiaries, within among other things management and regulations, is favourable. There is however a danger that the increased focus on results and conditions will lead to increased bureaucracy, which will ultimately hamper the work.

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