



International Conference
The Cohesion Policy from Lisbon Agenda to Europa 2020 Strategy: New Perspectives
April 30th, 2010
Bucharest, Intercontinental Hotel, Rapsodia Hall
– Summary –

Opening session

In her welcoming speech Mrs. **Gabriela Dragan**, Director General of the European Institute of Romania started by expressing her deep condolences as regarding the loss suffered by Poland. Nonetheless the current conferences has a deep significances as it's subject is one of great importance in the current economic crisis.

H.E. Mr. **Wojciech Zajackowski**, Ambassador of the Republic of Poland in Romania, expressed a similar opinion as the future of the cohesion policy is currently under scrutiny as the debate regarding the Europe 2020 strategy is under way.

Session I

Mrs. **Danuta Hubner**, professor, Chairwoman of the Committee on Regional Development in the European Parliament, also underlined the significance of this debate as the cohesion policy has not yet achieved the goals established. Not only that the expansion of the Euro Zone and the Eastward Enlargement would increase the disparities within the European Union but nowadays we function in the context of globalization, a process that affects us all. Therefore it is imperative that we have a functional cohesion policy that would help the EU regions to adapt to the globalization. What Europe should do is to invest in competitiveness, in sustainable jobs that do not disappear the next day following their creation. Accomplishing is more difficult that it seems. There are a series of factors that work against convergence, factors that are difficult to be dealt with: an increased job insecurity, a worsening European demography (fewer births, older and older people that need special attention) etc. The European Union has seen recently a decrease in its global influence as it must compare and compete not only with the United States but with other emerging economies that are strong and resilient and tend to overcome European positions in the world economy. The real success of the Lisbon Strategy was the increase importance of regions within the European Union architecture,



importance that will increase in the following year. Finally the character of the cohesion policy can be defined as the need for equilibrium between the financial incentives and the long term growth.

Mr. **Bogdan Mazuru**, State Secretary, Ministry of Foreign Affairs, stated the extreme importance of this topic as the European Union is today at a crossroad as it becomes more and more integrated due to the Lisbon Treaty. The cohesion policy represents a possible solution to the crisis and any reform proposal regarding it must take into consideration the main challenges to Europe (energy, demography etc.) while trying to maintain the current financing. Currently we should focus on simplifying the existing procedures while continuing the structural reforms.

Mr. **Ioan Andreica**, State Secretary, Ministry for Regional Development and Tourism, emphasized the need for an integrated approach that should take into account the specificities of the urban and rural areas and the need of intra- and interregional cooperation. As a result the Romanian Government is drafting a Strategy for Territorial Development due to be debated by April 2011.

Session II

In Session II, EU Structural Funds: Absorption Capacity and Effectiveness of their use, which was conceived from a pragmatic perspective, the moderator Mrs. **Alina Bârgăoanu**, professor at the National School of Political Studies and Administration underlined from the beginning that this session has a different approach to the European cohesion policy. Interested in case studies rather than theory and general considerations, and particularly in the present experience of their countries, the four keynote speakers made explicit the generic terms of capacity and effectiveness.

From a certain comparative perspective, though, one problem with structural fund absorption could be that most of it is a success for Poland, but at the same time an irrelevant activity for Romania.

If Mr. **Ştefan Ciobanu**, Director General, Authority for Coordination of Structural Instruments, Ministry of Public Finance, Romania (The Structural and Cohesion Funds Absorption Stage – by 23 April, 2010) showed the synthetic statistical data, Mr. **Dragoş Pişlaru**, General Manager, GEA Consulting Group, Romania (How to improve the Absorption of Structural Instruments – the importance of the Quality Side), for his part, pursues the deepest analysis of real problems encountered in the absorption of structural funds in Romania.

It could be said that **Dragoş Pişlaru** has tried to emphasize the power of each factor linked to the topic of effectiveness. His passionate rhetoric worked on the audience and won it for his



argumentation. The presentation transmitted something of extreme seriousness: spelling out all varieties of factors, from the institutional ones to the individual attitudes that constitute the traps of everyday life in making a project.

All authors argued, under the treaties [see the consolidated version of the Treaty on European Union, Article 3 (3)], that a main goal of the EU is to “promote economic, social and territorial cohesion, and solidarity among Member States”. As for the life and development of this central concept, it must be known that internal cohesion first occurred in a document concerning the accession to the European Communities of the Kingdom of Denmark, Ireland, the Kingdom of Norway and the United Kingdom of Great Britain and Northern Ireland (OJ L 73, 27.3.1972, p. 3).

In the light of this principle underlying the whole Community system since 1972, the cohesion policy being a real instrument and support for the entire EU policy, this contributions were expected to give an image of the nowadays reality in the EU area. **Ştefan Ciobanu** and **Dragoş Pişlaru** were in fact in a dialogue, precisely because the matters we have been made aware of by **Ciobanu’s** diagrams and figures were unfold in a methodical way by **Pişlaru**. There are actually five elements that are put efficaciously into play: a single approach, coordination, human resources, a regulatory framework and the quality of the projects. Those five questions are inextricably linked together.

This presentation, which could be seen as a proposal for a “theory of the structural funds absorption”, is actually a key element of this new “philosophy” that must help to change the current approach. It is about the “good angel” and the “customer service”.

Nevertheless, the case studies from Poland’s experience draw the attention of the audience: Mr. **Jakub Szymański**, Deputy Director, Department for Regional Policy, The Marshal’s Office of the Małopolska Voivodeship and Mr. **Zbigniew Palenica**, Vicepresident, MPK Kraków – Public Transportation Company in Krakow. As we follow the two reports, it is obvious that **Jakub Szymański’s** series of answers and list of projects at a regional level (EU Structural Funds: Absorption Capacity and Effectiveness of their Use - Polish regional perspective -) have been completed by **Zbigniew Palenica’s** reading about the main points of a single project (The role of UE funding in upgrading public transportation in the city of Krakow).

The second session was very useful, as well as equilibrated in structure and information, the papers being delivered from four different perspectives. The four authors attempted to create vivid and complementary presentations in order to stimulate comments and questions, and in the end they succeeded to keep their promise.



Session III

The third session of the conference was moderated by Mr. **Dragoş Pâslaru**, who made reference to the general opportunities and challenges involved by the Cohesion Policy.

Mr. **Grzegorz Gorzelak** discussed in his intervention the main challenges that the Cohesion Policy involves for Central and Eastern Europe. One of the points highlighted by the speaker was that Central and Eastern Europe attracts mainly direct investment and to a lesser extent productive or creative investments. These factors place the region at a disadvantage, in the context of successive enlargement waves, a phenomenon which has led to some countries' losses in terms of European funds in favour of new members.

At the same time, Mr. **Gorzelak** insisted on the crucial role which should be paid to innovation, pointing out that European states should think of instruments to innovate, also for the period after the economic and financial crisis. As the speaker pointed out, only innovative countries can achieve wealth. When comparing various European countries and the role played by research in their development, Finland, Sweden and Denmark were mentioned as states which are already oriented towards innovation. One particularly significant observation made by the Polish guest was that the benefits of being part of the EU are much larger than the discussion about money.

Mrs. **Danuta Hubner**, when speaking about the "Europe 2020" Strategy, pointed out this would have an impact on the European Union' budget and structural policies. Apart from this, the Lisbon Treaty does not provide ways to further work with the above- mentioned Strategy. Other points tackled by Mrs. **Hubner** concerned the role of emerging economies such as India and China, which are playing increasingly important roles on the international scene, from a political and economic point of view. The challenge for Europe is not only to cope with these globally changing evolutions, but also stay at the top of these complex processes. One important point made by the speaker was the fact that Europe still needs to work on its unity issues, given the fact that differences among various European regions still exist.

The Lisbon strategy was largely based on the concept of local centres of innovation and development but the real challenge is how to connect these different centres of research. More than that, cohesion must not be thought of only in terms of money and costs. What is really needed when discussing the cohesion policy is to integrate local and regional perspectives into the general vision.



Mrs. Hubner pointed out three major policy instruments which should be taken into consideration when discussing the cohesion policy:

- the internal market
- capital investment
- public-private partnerships.

Mr. Leonard Orban saluted the initiative of the Polish Embassy in Bucharest and the European Institute of Romania to organize a conference tackling the topic of cohesion policy, which represents, in his view, one of the most important policies of the European project. In the speaker's opinion, two components are fundamental when discussing about the cohesion policy: solidarity and competitiveness. The debate concerning the allocation of funds for European regions is a complex one, the real challenge being how to connect different regions and the various projects which are ongoing. Initiatives such as that at the Baltic Sea and the Danube Strategy should be conceived taking into consideration the modernization of the Cohesion Policy.

Mrs. Anna Gmyrek made several comments concerning Poland's support for the Cohesion Policy and the necessity to connect it to the "Europe 2020" Strategy. The speaker remarked that in 2009, Poland was the only EU country to have positive GDP growth rate, part of it being attributed to structural funds. EU funds received in the period 2007- 2008 have played an important part in raising the rate of GDP per capita growth. Other points tackled by Mrs. Gmyrek referred to the trends noticed on the European labour market, Poland having the second employment growth rate in the EU-27. Poland has noted positive trends in this field over the period 2004 – 2008, as the unemployment rate decreased significantly.

The session and the conference ended with a series of comments and questions addressed by the audience on topics such as the Polish experience on the territorial administrative division and possible lessons for Romania's case, the connection between the territorial and administrative reform and financial- budgetary reform, as well as the relationship between decentralization and the necessity to increase the role of local authorities.

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