

## **BARCA-REPORT**

### **Summary from the point of view of cross-border cooperation**

#### **1. Objective and main messages of the Barca-Report**

The Barca-Report is an independent scientific study prepared at the request of the European Commission, DG Regio (Mrs. Danuta Hübner). The main objective is to influence the political discussion within the EU Commission up to now concentrating nearly exclusively on sectoral economic priorities.

The Barca-Report is based on the following main question:

#### **Has the cohesion policy met the current challenges with his present architecture?**

The report states:

- Only 36,9% of the funds destined for regions are also administrated at regional level.
- Taken into account the financial resources of the cohesion funds designed for states, only 30,5% of the cohesion funds are administrated by regions. This differs considerably between member states because it is depending from the respective national constitution and the policy within the member states.
- Only in Germany, Spain and Italy with autonomous regions, regions lacking behind have taken the most benefit and administrate more resources than the states.
- The states should concentrate the EU-funds on measures for implementing the Lisbon-Agenda.
- There exist strong doubts with regard to the additionality of the EU-funds because the states guaranty co-financing for each category of an Operational Programme and not per project.

- Regions lacking behind are spending more than 45% of the funds for transport, environment and energy while regions without this status only spend 15% for this three sectors.
- The poorest regions even allocate 52% of the resources for transport and only 5 % for human capital.
- Regions lacking behind are allocation 13% of the funds to research and development while other regions are spending 22% (remark: an ESPON study states that 100 receiving most of the EU-funds only allocate 0,5% for research and development while the EU estimates 2-3% as necessary).
- Up to 2006 national mainstream programmes have taken less influence on the new challenges than EU initiatives outside this mainstream programmes (territorial cooperation, “Leader Urban” etc.) administrated directly by the European Commission.
- From 2007 on all EU initiatives with exception of territorial cooperation have been integrated in national mainstream programmes.

**Result: The present architecture and strategy of the cohesion policy is not suitable to meet the challenges. The EU-resources are used in the most efficient way where a high degree of integration between EU and national development strategies exists. States with a long tradition in regional policy have a tendency to work more in parallel. The cohesion policy is a suitable framework to implement a “place-based approach”.**

The Barca-Report recommends for the future a priority for a “place-based policy”, that means:

A long-term strategy to overcome problems of potentials not use up to date and for reducing sustainable social disadvantages in certain places through external intervention and multi-level governance. Place-based policy supports the supply with integrated goods and services tailored to respective circumstances and institutional situation (place-based). Starting up interventions she uses the local knowledge and actors. The territorial focus is more suitable than all other strategies which are

bypassing the territorial relations and believe that the state knows everything better. A territorial social agenda as part of the cohesion policy is required (social contract of the EU-citizens).

## **2. Territorial or „place-based“ dimension**

Within the cohesion policy there is not sufficient knowledge concerning what is influencing and accelerating economic change. The result is a wrong interpretation. There is a tendency to hinder the territorial character (place-based) and to put him in the corner “spatial planning”. He is considered separately from the economic and social perspective and not as a way to realise both dimensions. Such a perspective is only used in a limited way for programmes (in territorial cooperation, Leader, Urban).

## **3. Recommendations to improve the present regulations**

- Legally defined administrative NUTS-II regions are more suitable as reference level for policy than for the management of EU-programmes.
- The result is that the convergence of legal NUTS-II regions is considered to be an objective of the cohesion policy.
- Multi-level governance necessary for the local development policy has to combine conditionality and subsidiarity.
- National strategies and operational programmes up to now missed the point of an commitment of states (and their regions) in order to met EU-criteria.
- In most strategies and operational programmes is not described in a sufficient way how the objectives and results will be achieved and which instruments will be used for their implementation.
- In the same way data on quantitative outputs and results are weak.
- The N+2 mechanism requesting to spend money within a certain period of time is even perverting this mechanism: Spending money is more important than presuming objectives and strategies.

- For any change a political model is the starting point.

#### **4. Especially on territorial cooperation**

##### *4 a) General*

The Barca-Report underlines:

- Identification of results is even more difficult than in other programmes because of the complexity of territorial cooperation, especially because of the mixture of objectives and lack of monitoring and data.
- There are nearly any measurable outputs.
- The results up to now reveal on the other hand that territorial cooperation is encouraging partners to continue with projects, that otherwise would have never been implemented.
- There are more qualitative than quantitative effects.

Remark of the AEER: The Barca-Bericht is referring to the period up to 2006. For this period an INTERREG III evaluation is not yet available. But there are a lot of projects known with quantitative outputs.

##### *4b) First preliminarily conclusions of the Barca-Report on territorial cooperation*

- Cross-border and transnational cooperation help to overcome institutional barriers, mobilise finances, support economic, social and cultural exchange and new relations.
- The intensity is varying very strong. The best results are achieved where integration and cooperation are already well developed and take place in the framework of existing political and strategic framework conditions.
- New concepts of regions and regional identity have been developed as well as institutions and administrative systems.
- Regional actors have been more operating in fields up to now exclusively denominated by the states.

- It is not yet clear whether beside positive and negative effects also economic efficiency and geopolitical stability could be reached.
- Up to now the transformation of territorial cooperation in tangible results is limited because of different factors:
  - Lack of coordination between EU and national policies as well as commitment of the states.
  - Possibilities of programmes are used inadequately. That can be found back in the fact that territorial cooperation hardly is mentioned in national mainstream programmes.
  - There is a lack of clarity in the political objectives. Most of the programmes are too large and too vague.
  - The territorial programmes are lacking of organisational commitment which is necessary to reach practical results.
  - Territorial cooperation is very complex. The projects are dominated by a multitude of different languages, cultural differences and the challenge to overcome sectoral barriers.
  - For the period 2007-2013 information is not yet available which could allow conclusions on the possible results.

#### *4c) Role of the regions*

- Since 1998 the influence of the regions on EU-programmes has considerably improved, for instance in elements like elaboration and implementation of programmes as well as selection of projects (in Italy and the Great Britain) and through decentralised offices (in Sweden and Finland).
- New regional levels have been created in many states or the capacity of the regions has been strengthened (e.g. Finland, Ireland, Italy, Netherlands and Sweden).
- In parts of South-, Central and Eastern Europe considerable deficits can be stated.
- Since 2000 a re-centralisation can be stated from the regional to the national level (in the Netherlands and Sweden) or from the local to the regional level (in Flanders and Scotland).

- The influence of the cohesion policy on regionalisation is difficult to prove unless in the EU-regulation a stronger commitment of regions is explicitly requested (the EU is the natural ally of the regions).
- Only in some special cases region-specific programmes and selection of projects on regional level (with the most successful results) exist.
- There is a discrepancy between decentralisation from the states to the regions and from the regions to the local level.
- Especially regions with legal competences do not have the attitude to realise a place-based approach on local level.

#### *4d) Capacity of the local level and mobilising the actors*

- The objective is to improve the decentralised knowledge with regard to the priority and capacity to realise projects on regional and local level = that is place-based approach in partnership.
- The principle of partnership has strongly influenced changes in the territorial relationships between organisations and within all administrations.
- Where this mobilisation was successful a better knowledge and a stronger involvement of actors can be stated.
- Where this is not the case, a more static situation can be found.
- Unorganised actors within a region are not capable to fulfil their role (Counterexample: organised Euroregions).
- Better results are achieved within EU-initiatives directly administered by the European Commission.
- Separated from the national mainstream programme, these initiatives are a contribution to new ideas, political integration, mobilisation etc. (territorial cooperation, Leader, Urban).

#### *4e) Financial instruments and controlling*

- Most suitable results have been achieved where costs and administrative burdens have been the lowest.

- The system of the EU-cohesion funds is far from this.
- The discussion on EU-level is concentrating in the first place on controlling related to financial irregularities and not on contents.
- Integrated development has lost substance, initially in the states and than in the EU-Commission.
- Negotiations between EU and member states are first focussed on money and than on objectives. This is irrational if you want to reach previously formulated political goals.

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