



Message to the Swedish Presidency of the European Union

Key issues for local and regional government

The Council of European Municipalities and Regions is the European umbrella organisation of local and regional governments, federated through its 51 member associations in 37 countries. The Swedish Association of Local Authorities and Regions (SALAR) represents local and regional government in our organisation. SALAR's President, Mr Anders Knape, is also first Vice-President of CEMR. We would like to invite the Swedish government to take into consideration the following points, when implementing the Presidency's programme.

1. RESPONDING TO THE ECONOMIC CRISIS: ECONOMY AND EMPLOYMENT

The serious economic crisis which confronts Europe has also a very major impact on the subnational levels: local and regional government face increasing pressure on their finances at the same time as they face more demands for services and help from their citizens who are the victims of the crisis.

Whilst vital steps have been taken at international and European level to stabilise the financial system and to promote economic recovery, the potential contribution of local and regional government in combating the economic crisis has not yet been fully understood or utilized by the European Union, or by most European states. Subnational governments are responsible, for example, for some two-thirds of public capital expenditure, but the European Economic Recovery Plan does not appear to take this into account.

We have therefore put forward the concept of a "**Local and Regional New Deal**" which would make use of local and regional authorities' experience and capacity to respond rapidly in a more coherent and integrated way. This can apply not only to future economic stimulus packages, should these prove necessary, but also to major programmes for capital spending to meet new priorities, e.g. energy measures. We also believe that the current crisis should be used to achieve a better balance between economic, environmental and social policies.

We also share the view that the EU must – at the same time as dealing with the immediate impact of the economic crisis – confront the major challenges of the next decade, including the need to enhance Europe's competitiveness and to respond to demographic change. Both as employers (as a sector, one of

Europe's largest) and as policy-makers and implementers, local and regional governments play an essential role in support of sustainable growth and jobs, and will undoubtedly contribute to the new post-Lisbon strategy. We agree with the need to address, in particular, gender equality as a key factor for economic growth, and also share the Presidency's emphasis on the importance of education and training, and on the need to do more for young people. Local and regional governments often play a leading role in these areas.

2. CLIMATE CHANGE

Local and regional governments have been in the forefront on climate change and are a vital link between international, European and national commitments and individual action. They are uniquely placed to take action on both climate change mitigation and adaptation.

We hope and expect that the intergovernmental Conference in Copenhagen in December will reach a binding agreement, which includes ambitious targets and commitments for all states for action to reduce the extent of future global warming and climate change. In particular we want this new post-Kyoto international agreement to recognize the role of local and regional governments as key partners in tackling climate change, and call on the Swedish Presidency to mobilise the members of the European Union to support this.

Local and regional governments also have a key role to play in relation to energy. We reaffirm our commitment to help to meet the EU's climate and energy targets and support initiatives such as the Covenant of Mayors, which aim to go beyond these targets. We support the Swedish Presidency's initiative to stimulate a discussion on the EU's political leadership to promote the transition to an eco-efficient economy and would like to stress the importance to get all stakeholders – including local and regional governments, the private sector and local people – actively involved.

3. JUSTICE AND HOME AFFAIRS

We share the Presidency's emphasis on the importance of freedom of movement as part of a genuine citizens' Europe; this freedom is indeed one that enables our citizens to live and experience the advantages of the European Union. However, the concept of European citizenship goes far beyond this - it should not be forgotten that other initiatives, such as town twinning and other exchanges are also of great importance in enabling citizens from across the continent to meet and understand each other better.

Increased inward migration in recent decades has brought changes to the demographic, social and ethnic profile of our cities and localities; this process can bring many benefits but can also pose challenges to us, in particular to achieve successful integration. We therefore support effective policies at all levels in relation to migration; these policies must also target illegal immigration, which can give rise to negative social consequences. Once again, we see in these areas the need for a genuine partnership between all levels of government if we are to tackle these issues successfully.

4. THE EU STRATEGY FOR THE BALTIC SEA

The Swedish Presidency gives a special focus to the EU Baltic Sea Strategy, and underlines its potential relevance for further EU macro-regional cooperation. This strategy is a new approach in the EU territorial policy, looking at functional areas in a broader and cross-border sense, crossing sectors and departing from the development potential of the area. We support this new approach and are interested to see its further development and will follow the implementation in the years to come. We are confident that local and regional government can and must play a vital role in taking the strategy forward.

5. THE EU, ITS NEIGHBOURHOOD AND THE WORLD

It is in all of our interests for the European Union to have a good partnership with all of its neighbouring countries. We believe that Europe's local and regional governments can and should play a more important role in the EU Neighbourhood Policy, through twinnings, partnerships and joint activities.

Together with our world organisation United Cities and Local Governments (UCLG), we try to develop closer relations with the local and regional authorities of the eastern and southern banks of the Mediterranean, and beyond.

Concerning the continued enlargement process, we wish to highlight that we have been engaged in the past to help local and regional authorities with preparations for future EU accession and we continue doing so in cooperation with the associations of the countries of the Western Balkans.

We are strongly committed to strengthen the role of local governments in international development co-operation and are pleased that the European Commission and Parliament have recognized this important role, in particular through the creation of a specific programme, Non-State Actors and Local Authorities. CEMR has created a European Platform for local and regional authorities in development co-operation, which brings together a wide spectrum of local and regional actors, to enhance our working with the European institutions and the effectiveness of our contribution.

Local authorities have an important role to play in partnership in helping to implement the Millennium Development Goals, to strengthen effective processes of decentralisation and democratisation, and generally to support local economic and institutional development in low income countries. We also support the proposal to strengthen support for democracy-building, which we believe needs to focus on the local as well as national level.

Finally, we welcome the recognition of the importance of focusing on the role of cities in sustainable global development – co-operation between European cities and local governments with their peers in other parts of the world can play a valuable role in promoting a positive urban development.

6. NEW PARLIAMENT, COMMISSION AND TREATY OF LISBON

With a new European Parliament and Commission and the prospect of the Lisbon Treaty coming into operation, the working environment for the EU will be different in autumn. Amongst the changes made by the Treaty of Lisbon, there are several which impact on the role of local and regional governments and which are of special importance to us. Local and regional government wish to express their expectation that the European institutions will fully respect the relevant points of the Lisbon Treaty when preparing new proposals for policy or legislation.

We hope that the explicit recognition of local and regional self-government and the extension of the subsidiarity principle to local and regional government will show its effects in the drafting and decision-making process. Early and constant involvement of the relevant stakeholders and their representative organisations can help to achieve good results and to increase acceptance at the local and regional level.

Furthermore, we call for a positive interpretation of protocol no 26 of the Treaty on services of general interest, which underlines the essential role and wide discretion of national, regional and local authorities in providing, commissioning and organising services of general economic interest as closely as possible to the needs of the users. This wide discretion has not always been well respected in recent years.

7. HORIZONTAL ISSUES FOR A BETTER EU: MORE FOR THE MONEY

The debate on the future of the EU budget will start in autumn with the Commission's report on the budget review. In parallel and closely linked to the budget will the debate on the future of the European cohesion policy enter in a decisive phase, since the European Commission will also present first proposals.

We reaffirm our commitment to an ambitious, well-resourced European cohesion policy, adapted to the new challenges facing Europe. Such a policy – whilst continuing to give a special support to regions whose development is "lagging" – should be open to all of Europe's regions and local authorities, helping to foster their sustainable development and harness their economic and social potential. We underline that the Treaty of Lisbon gives new importance to the concept and objective of territorial cohesion, and are convinced that a Europe-wide policy and financing framework is essential. Cohesion policy is also a vital way of demonstrating the positive role of the EU in all of our lives.

We consider however that the rules on cohesion funding need to be less prescriptive and better aligned with regional and local development strategies. We strongly advocate the application of the partnership principle and the involvement of local and regional authorities at all stages.
