

Regional strategies for industrial areas in the European Union

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The Committee on Regional Development adopted the own-initiative report by Jens GEIER (S&D, DE) on regional strategies for industrial areas in the European Union.

Firstly, the report recalls the industrial sector could play a leading role in the economy of the EU. However, between 2008 and 2011, industrial production fell from 20% to 16% of the EU's GDP and the number of jobs in the sector fell by 11%. The Commission seeks to **reverse the decline of industry in the EU**.

Cohesion policy can help address the structural challenges facing EU industry, and can contribute to achieving the ambitious objectives of the Europe 2020 Strategy. Industrial policy tends to focus on the specific day-to-day problems of industry, and its **strong impact on regions is therefore often overlooked**.

Furthermore, Member States, regions and cities in the EU are facing financial constraints. EU funding to aid reconversion and restructuring efforts is indispensable for supporting regional and cross-border policy approaches. New and innovative integrated approaches, also facilitated by **appropriate legislative policy frameworks and smart specialisation strategies**, are needed to help regions and cities fulfil their innovation potential and refocus their industrial assets in the direction of emerging industries and services and globalised markets.

The committee draws attention to the existing resources made available through cohesion policy and the Structural Funds, capitalising on the European Investment Bank's financial engineering schemes, as well as the national, regional and municipal economic development policies in support of the reconversion of old industrial areas. However, it regrets that **these options do not always address the real region-specific problems** and that the structural and investment funding made available is not fully taken up by Member States and regions at a time when industry is being hit hard by the crisis.

It points out that further aid measures to assist old industrialised regions need to be put into place. In this respect, Members call for more **integrated and systemic approaches** to industrial renewal and regional development, and for increased coherence between the different policies at EU, national, regional, interregional and crossborder level, in order to ensure that the potential of the European industrial sector is exploited. They stress the need to create **economic zones of regional importance** and hi-tech parks on a basis of public-private partnerships, and to contribute to improving the use of local and regional human and economic resources using the latest technologies.

The committee takes the view that **as a result of the enlargement process of the EU regional disparities have increased**, and thus attention and public awareness have shifted away from old industrialised regions which lack sufficient investment opportunities for concrete regional development strategies.

The Commission is called upon to assess the present situation in old industrialised regions, identify their main challenges, and **provide information and guidance** for those regions, in order to develop, by means of democratic procedures, **regional strategies based on broad partnerships** which can help improve those regions' sustainable development prospects by harnessing their endogenous potential.

The Commission is also called upon to **develop political concepts and instruments which combine the Cohesion Fund and the Structural Funds with industrial policy approaches**, in order to support the structural transformation from old industrialised regions to modern industrial regions.

Members believe that regional industrial strategies must:

- include, as a focal point, measures to **protect land, water and air quality**, to safeguard regional and local biodiversity and natural resources;
- include an integrated focus on possible forms of **sustainable transport** to and from those areas;
- be based on an **integrated approach**, including an employment, training, and education component, aimed at promoting growth sectors capable of creating sustainable local and regional jobs, especially for young people, e.g. in innovative SMEs, as part of the programme for the competitiveness of enterprises and SMEs (COSME).

Members highlight the **special role cities play** in developing regional strategies for industrial areas and believe in this framework that cities are central to achieving smart growth. The Commission is called upon to engage in **closer dialogue** with the cities concerned with a view to raising the profile of cities as direct partners of the EU.

The committee believes that **no specific blueprint for regional strategies for industrial areas for the EU as a whole exists**, and that a local and regional approach is most suitable for developing regional strategies.

In this respect, the Commission is called upon to :

- **support regional economic research** in the context of the initiative Horizon 2020, which enables the development of regionally adjusted strategies for additional old industrialised regions ;
- **create a database** of existing industry parks and regional activity areas, with a view to identifying the best models that could also be used in other regions and tailoring them to local and regional long-term development strategies, and to provide guidance on how to use funds for assisting in the reconversion process;

Lastly, Member States are called upon to :

- ensure that old industrialised regions can fully benefit from national and European funds, so that the EU can start off a ‘new industrial revolution’;
- avoid over-complex rules for beneficiaries;
- support their regions in participating in the ‘smart specialisation’ approach.