

Growth and jobs: cohesion policy in support, Community Strategic Guidelines 2007-2013

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PURPOSE: to present the EU's Cohesion Policy supporting growth and jobs for the period 2007-2013.

CONTENT: one of the main purposes of this Commission report is to present the guidelines for supporting growth and jobs within the EU. Based on the calls for sustainable and competitive jobs under the Lisbon Agenda the report examines in detail the role of this objective within the context of the Cohesion funds.

As the Communication notes in its opening paragraph, the EU's recent enlargement to 25 Member States (soon 27 following the accession of Bulgaria and Romania in 2007) has dramatically increased disparity levels across the EU. The Cohesion policy, supported by the Structural and Cohesion funds, seeks to smooth out these disparities by fostering convergence between the regions. The challenge now is to identify those actions which best support the promotion of sustainable growth, competitiveness and employment as set out in the Lisbon strategy. The Commission suggests that a number of policies are needed in order to create a climate conducive to investment. These include the effective implementation of the Single Market, administrative reforms, good governance, a business friendly climate and the availability of a highly skilled workforce.

This Commission proposal seeks improvements in two main fields of operation. Firstly, an improved integration of Community priorities into national and regional development programmes and secondly, improved ownership of cohesion policy initiatives on the ground. Such a move should be enacted through improved dialogue between the Commission, the Member States and the regions. At the same time the Communication proposes further decentralisation of responsibilities in areas such as financial management and control. The proposed changes should create a clearer division of responsibilities between the Commission, the Member States and Parliament.

As such the Community Strategic Guidelines sketched out in this report are characterised by the three overarching priorities:

- **Guideline I:** making Europe a more attractive place to invest and work: expanding and improving infrastructures; improving the environmental contribution to growth and jobs; addressing Europe's intensive use of traditional energy sources and supporting renewable and alternative technologies;
- **Guideline II:** knowledge and innovation for growth: increasing and improving investment in RTD; facilitating innovation and promoting entrepreneurship; developing an information society for all; facilitating access to finance;
- **Guideline III:** more and better jobs: Attracting and retaining more people in employment and modernising social protection systems; improving the adaptability of workers and enterprises and the flexibility of the labour market; increasing investment in human capital through better education and skills; enhancing administrative capacity, maintaining a healthy labour force.

The Guidelines also pay particular attention to territorial cohesion and cooperation. They recognize the contribution of cities to growth and jobs, support the economic diversification of rural areas and enhance cross-border, trans-national and interregional cooperation.

The Guidelines are not 'one-size-fits-all'. On the basis of the priorities outlined, each Member State or region has to find the suitable policy mix for its own development path in the light of its particular economic, social, institutional and cultural conditions.

The Guidelines will be decided by the Council on the basis of unanimity, after the adoption of the regulations (following an agreement on the Financial Perspectives 2007-2013) and on the basis of a Commission proposal. They will form the basis for preparing National Strategic Reference Frameworks and the resulting operational programmes to be adopted by the Commission.