# Newsletter

October 2014





#### **European Alliance Group**



Delivery key to success of the new Commission says Dr Uno Silberg, President of the European Alliance Group.

The European Alliance group is following with interest the priorities of the new Commissioners designate and their respective portfolios and welcomes the focus of clusters, a joined up approach and indeed delivery of real targets over a short period of time. We are firm believers that our regions and local authorities now need to see tangible results in jobs and growth, to ensure a real change to their citizens' lives. Delivery is key to the success of the new Commission and we hope that this is the focus of the European Parliament hearings.

On the matter of 'delivery' our group have consistently called for a more balanced urban – rural policy development which heretofore has not been the case. We welcome now the commitment by the European Investment Bank to leverage

funds under Pillar II of the Common Agriculture Policy. This should have real impact on our rural communities to overcome many of the problems across the EU especially the depopulation and the loss of services in those communities.

Our group is also holding a very interesting seminar during Open Days on *Developing EU policy and regional strategies towards sustainable living,* a subject which is vital if we are going to conserve energy, create better living conditions and indeed address the distribution of job creation between Urban and Rural communities.

Lastly we are going to organise our Primary Schools art competition with the focus this year on "My Region, My Future" and I look forward to seeing what paintings will be produced by our

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young children across Europe on this subject. It's a competition which we are very proud of as it allows for European interaction by children through art, a true European project.

#### Democracy is clear winner in Scottish Referendum



On September 18th, democracy was the clear winner in Scotland's referendum on independence as 85% of the population turned out to vote – the biggest turnout in British electoral history. Between 07:00 and 22:00 on polling day the Scottish people were totally sovereign, wielding the power to shape their nation's future by casting a single vote. This profound exercise

of democracy galvanised a grassroots movement inspiring millions of Scots to get involved. For the first time in Scotland, 16 and 17 year olds were included in the franchise and this undoubtedly contributed to the triumph for the democratic process and for participation in politics.

Whilst falling short of independence, Scotland's 'No' vote was not a vote for the status quo.

In the final week of the campaign Westminster leaders came together to pledge extensive new powers for the Scottish Parliament. These promised changes of significant devolution need to be implemented as a matter of urgency. Delay tactics as currently being eluded to will be unacceptable to the Scottish people and the time for change is now!

Scotland has sent a striking message across Europe. It reminds us that elections are for the people not just about the people. The greatest achievement of Scotland's referendum was reaching sections of society who are traditionally left out of the democratic process. The sense of empowerment built a campaign of unrivalled momentum for change. On September 18th, Scotland put its future in the hands of its people and with that simple message regained its democratic prowess. With this democratic re-awakening the challenge now lies in channelling that positive energy into the political process.





European Alliance group seminar: Developing EU policy and regional strategies towards sustainable living



On the occasion of the 2014 edition of the week of Regions and Cities Open Days during October the European Alliance group is organising a seminar on the *development of regional strategies towards sustainable living.* The seminar will examine issues including:

- Smaller, better quality and sustainable housing
- Better balance in job creation for example by focussing more on rural areas avoiding the increasing depopulation of those areas
- Energy efficiency as well as access of relevant services

It will also be an ideal time to take into consideration the European

Commission's recently adopted proposals on the circular economy and the sustainability of buildings. Sustainable development is a guiding principle in European Union action and subnational and local governments have an important role to play as they have a shared responsibility in creating a sustainable society. The quest for economic progress and a better quality of life cannot be separated from social and environmental considerations. Sustainable living is making this a reality and needs to be at the core of EU policies.

The seminar will take place on Tuesday 7 October; from 09:00-10:45 in the EU Committee of the Regions.

### CoR / European Alliance Group Secondary Schools' Competition winners attend Summer CoR Plenary session



On the 25th and 26th of June 2014, the European Alliance group welcomed 40 students and teachers to Brussels. The two-day event took place on the occasion of the annual secondary schools competition organised by the European Alliance group.

The competition was both an essay writing competition and also a multiple-choice quiz on the European Union. The winning students were from countries across the Europe Union including Poland, Slovakia, Romania, Estonia, Ireland, Lithuania and Scotland.

They absorbed the atmosphere of the European institutions, learned about the functioning of the EU and acquainted themselves with the European Alliance members representing their regions, cities and local authorities. In addition, the students were special guests at the 107th edition of the CoR Plenary Session, which was this year specifically dedicated to the 20th anniversary of the Committee of the Regions. Not only did the students have the opportunity to follow the Session live at the Hemicycle in the European Parliament, they were also invited to this photo session with

the outgoing CoR President Luis Ramón Valcárcel Siso.

European Alliance group President Dr Uno Silberg said that the EA / CoR group Secondary Schools competition is one of the best initiatives to engage young people in discussing the European Union not only in the classroom while undertaking the competition but also amongst each other in Brussels. We should always remember that the youth today are our leaders tomorrow and we should continue this open dialogue with our young students.

## European Alliance group bureau study visit focussed on the long-term financing of large/major infrastructure projects in the EU regions using different sources of funding



On the invitation of Mr Witold Krochmal\* the European Alliance Group bureau organised a study visit to Wrocław, on the 29th September to view the Odra River Basin Flood

Protection project in Lower Silesia (Poland).

The meeting focussed on discussion on the long-term financing of major

infrastructure projects in the EU regions using different sources of funding co-financed by the World Bank. The main development objective of the Project is to protect the population in the Odra River Basin against loss of life and damage to property caused by severe flooding by modernization and reconstruction of Odra-Widawa flood channels and embankments.

Dr Uno Silberg highlighted the importance of projects leveraging EU funds using loans from sources such as the EIB or in this case the World Bank. Mr Witold Krochmal said that this project not only alleviate flooding but will increase the quality of life for many citizens. It is important that funding for such projects is available across Europe.

\* Witold Krochmal is Director of Project Coordination Unit of Odra River Basin Flood Protection; Member of the City and Municipal Council of Wołów & EA rapporteur on Long-Term financing of the European Economy

## Žagunis calls for the introduction of additional criteria for the national allocations of the school milk and fruit scheme



On 7-8 October 2014, the opinion of Mr Povilas Žagunis, Member of Panevėžys District Municipal Council and Mayor will be discussed during the 108th plenary session of the Committee of the Regions.

The European Alliance rapporteur's opinion considers the topic of aid

schemes for the supply of fruit and vegetables, bananas and milk in educational establishments.

The schemes, established to promote the consumption of fruit and vegetable and milk products are highly important for the economy and public health. last year, a lot was done to promote the schemes, but unfortunately, declining trends continue.

Mr Žagunis is critical of the European Commission's proposal under the new scheme to limit milk distribution and considers that minimally-processed milk products without harmful additives (natural unsweetened milk products) such as yoghurt or fresh cheeses should be also eligible for aid.

Mr Žagunis recognises the risk in compromising food quality by fixing the amount of EU aid per portion however he hopes that all interested parties will continue to take measures to guarantee all agricultural products delivered to schools are of sufficiently high quality.

The rapporteur also calls on the Commission and the Member States to launch more comprehensive debate among experts and policy-makers on legal options for favouring fruit, vegetables and milk products sourced regionally including possible exemptions from public procurement laws and any amendments to them.

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This October CoR plenary is due to discuss and adopt an opinion of EA Member and Councillor of Wołów City and Commune, Mr Krochmal on Long-Term Financing of the European Economy.

The European Union is currently going through a period of profound economic change. What in the 1980s turned out to be a temporary crisis involving the adjustment of European economies, now happens on a permanent basis; a recurrent theme of economic and social life. The public sector is a key contributor to

# Mr Krochmal calls for long-term financing sources to be targeted at economic projects, at the same time as reflecting the climate and energy package for 2030.

gross capital formation in the form of tangible and intangible investment.

Efforts are needed to ensure more transparent and efficient use of public funds, to maximise the return on public investment, its contribution to growth and its ability to leverage private investment. As part of efforts to diversify financing sources for the European economy, the best possible conditions must be put in place for the development of European capital markets, with financial instruments structured so as to enable investment in listed SMEs. Heavy dependence on bank intermediation, combined with bank deleveraging and reduced investor confidence, has reduced funding to all sectors of the economy.

"I am confident that suitable legal regulation of the European economy's long-term economic financing system will overcome risk aversion among potential investors. Long-term financing sources should be targeted at economic projects, at the same time as reflecting the climate and energy package for 2030 " said Mr Krochmal. "In this opinion I advocate for conditions to enable long-term financing of the economy by insurance companies. This could involve investments in infrastructure, SMEs and social enterprises."- he added.

The European Union has acted with determination to reverse these trends and restore the conditions for sustainable growth and investment. The ability of the financial system to channel funds to long-term investments will be essential in securing Europe's position on a sustainable growth path.

## EA members to discuss the future prospects of the Eastern partnership in Tbilisi



Despite the current turmoil in Ukraine and the increasing tensions at the EU Eastern borders, the Committee of the Regions intends to pursue its work to strengthen the ties with local and regional authorities in the Eastern Partnership (EaP).

The Annual meeting of the Assembly of local and regional authorities of the

Eastern Partnership (CORLEAP) taking place in Tbilisi on 29 September will provide the occasion to discuss the latest development and challenges in the region and the progress achieved in the definition of association agreements and in the development of free trade areas. The participants will adopt a set of recommendations to the Head of States and Governments ahead of the Riga summit to be held in May 2015.

CORLEAP endeavours to promote local democracy, efficient decentralisation and strong local and regional self-government. Moreover, CORLEAP allows for the dissemination of good practices, governance standards and methods that can help the EAP local authorities improve their administrative capacity, especially with regard to the use of EU funding. In this respect at the margin of the meeting, a conference will be organised in cooperation with the European Investment Bank on the

financial opportunities to support the reform process in the EaP.

The EA group that will be represented at the meeting by its members Mr Jan Brons, Mayor of Olesnica (Poland) and Mr Povilas Žagunis, Member of Panevėžys District Municipal Council (Lithuania) regret the poor score of EaP countries on local (and fiscal) autonomy due to highly centralised systems and urges the EU to make funding available directly to local authorities to respond to the most pressing needs at local level. This would help raise awareness among the citizens and be regarded as a tangible sign of the EU strong support. Mr Bronś also added that it is fundamental to ensure that greater financial support is accompanied by constitutional reforms and legislation empowering civil society and strengthening participatory democracy.