



**European Committee
of the Regions**

The State of the European Union: the View of Regions and Cities

Address by Karl-Heinz Lambertz
President of the European Committee of the Regions

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#SOTREG

Introduction

Karl-Heinz Lambertz, President of the European Committee of the Regions, delivered the first-ever address on the **“State of the European Union: the View of Regions and Cities”** on 10 October in Brussels. The address was followed by a debate with local and regional leaders from all EU Member States.

President Lambertz’s address contributes to setting the EU’s future agenda by taking stock of the current situation of and regions and cities in the Union. It looks ahead to the challenges for local governments in the coming years.



Karl-Heinz Lambertz

President of the European Committee of the Regions

“Ladies and gentlemen,

Dear Colleagues,

Seeing Europe from the local perspective: that is our message.

On behalf of all of you, I should like to begin by warmly thanking the President of the European Council for attending this first address on the State of the Union as seen from the perspective of the cities and regions of Europe.

Mr President, your presence here today demonstrates your desire to work together, in a spirit of trust and loyal cooperation, as set out in the Declaration of Rome adopted on the 60th anniversary of the Treaty¹. At a time which is so crucial for the future of every European, it is essential that we pool our resources.

By the very nature of your role, you embody Europe. You are attached to the values and principles which unite Europeans: solidarity, human dignity, freedom, equality, and respect for democracy and the rule of law. These values and principles allow Europeans to think, express themselves and live in freedom. These values and principles must be respected by everyone - all over Europe.

Last year when you addressed our assembly, you declared that you have been advocating regionalism in Europe for a long time, and that you were a native of Gdańsk, a Kashubian, a Pole and also a European. In these simple terms, you pointed out that proclaiming one's European, national, regional and local identity does not in any way mean renouncing one or

another of them. On the contrary. Our identities must communicate peacefully and must constantly be open to the outside rather than closed in on themselves. It is in this way that they will strengthen one another.

Dear President,

Dear Colleagues,

Why are we having our own State of the European Union address? With the White Paper on the Future of Europe and his excellent speech on the State of the Union, the President of the Commission relaunched the debate we need on the future of our Union. It is important for everyone to take part and for all contributions to be taken into account.

At the European Committee of the Regions, we consider the Union from the ground up, from the perspective of ordinary people, through the eyes of our 350 local and regional elected representatives. This is the perspective which we would like to communicate.

Through you, Mr Tusk, we are addressing the heads of state or government, with a view to the December European Council meeting, which will be devoted to the future of Europe.

Regions, cities and municipalities are primarily the places where 510 million Europeans live.

These are the regions which form Europe. They comprise a great diversity of cultures, histories, environments and socio-economic conditions. Such diversity has to be promoted at the European level,

as will be done through the European Year of Cultural Heritage.

These regions cut across Europe. Some even cover several countries, such as the Danube, the Baltic Sea, the Adriatic and Ionian as well as the Alpine macro-regions, which means that specific strategies have to be devised to improve cooperation and coordination.

Europeans cross these regions. More than one third of Europeans live and work in border regions. This highlights the importance of cross-border cooperation and more broadly territorial cooperation, whose contribution to the European venture goes far beyond the budget allocated to it - just 2.6% of regional policy. And I am not forgetting older forms of cooperation such as twinning, which also enable Europeans to get to know each other and to discover Europe.

By establishing links among each other, the regions are setting up social, economic and cultural ties which unite Europeans.

Local and regional authorities are also very often incubators of innovation - a fundamental issue that our Committee is particularly focused on and which is highlighted by the Estonian presidency.

Cities and regions have major responsibilities. They provide the framework in which Europeans live their lives and can be given support.

Dear President,

Dear Colleagues,

Europe has an increasingly important place in the activities of local and regional elected representatives.

They implement most EU legislation.

They build, co-finance and manage European projects, with the support of their administrations.

Depending on how their national systems are organised, they are sometimes involved in devising national reform programmes as well as stability or convergence programmes in the framework of the European semester.

They debate on Europe in their assemblies and with their fellow citizens.

They also have regional offices representing their interests with the European institutions. Moreover, our Committee will further strengthen cooperation with the three hundred-odd regional offices located in Brussels.

The commitment of local and regional elected representatives is rewarded by public confidence in local and regional authorities, which is more important than the one given to the EU and its Member States in general.

This is a source of considerable pride, because it means that our cities and regions constitute an element of trust in a Union which is sometimes riddled with doubt.

It is also a great responsibility, because it makes local and regional elected representatives key players in European democracy.

Cities and regions are Europe. We are Europe.

Just as the European level influences the local and regional levels, local and regional levels should now be able to exert their full influence at European level. For there to be mutual benefit, there must be complete interaction.

The voices of cities and regions must be heard.

It is for this reason that I am proposing that we hold the next European Union Summit of Regions and Cities in the first quarter of 2019 and send clear, specific messages to the heads of state or government and to the leaders of the Union, who will be meeting in Sibiu, Romania, at the end of March 2019.

Dear President,

Dear Colleagues,

Division must give way to union.

After nine years of crisis, the European economy is beginning to show the first signs of growth. Unemployment is at its lowest for nine years. This should motivate us to do better and to help Europe together with all its regions to overcome their problems, for not all regions have regained their pre-crisis situation. We need to create the right conditions for shared, sustainable growth between regions and between Europeans, especially young people.

We must not bury our heads in the sand. Recent times have been marked by serious crises which have shown to what extent Europe needs unity and solidarity.

I would like to mention the handling of the migrant crisis and of Brexit, which our Committee has debated on several occasions.

The migrant crisis represents the failure of a Union that risks turning its back on its values. Since the agreement on an emergency plan on the distribution

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of refugees in Member States in September 2015, less than 20% of those due for relocation according to the initial objective have actually been relocated. This is a regrettable failure which does not live up to the values of solidarity underpinning our Union.

Europe's cities and regions have had to cope with the consequences. In Catania, in Athens, on the Greek islands and in many other places and countries, local and regional officials have organised the reception of thousands of migrants in very difficult circumstances. Just as I commend those countries which shouldered their responsibilities, I would like to pay tribute to all the local and regional elected representatives and to the local populations in their areas who, through their courage and their solidarity, have done the European spirit proud.

And now to Brexit. For me, Brexit is also the failure of a Union based on systems of derogations. We cannot maintain a Union when it has members which opt out of some of the obligations incumbent on them. The Brexit decision will have serious consequences for British and European local communities.

On another note, the current crisis in Spain in connection with the events in Catalonia risks impacting the Union. That is why we will be holding an initial debate specifically on this topic immediately after this discussion on the state of the Union.

The Union is the only course which will allow Europe to tackle the challenges of the 21st century that affect the lives of the local populations in our cities and regions. We must all move forward together, ideally at the same pace, or at different speeds if necessary, but always in the same direction.

Dear President,

Dear Colleagues,

Our approach is simple: to build Europe from the bottom up, with the involvement of European citizens

Europe cannot be built without its citizens: we must work with them to make Europe's future, because Europe is their future.

Our efforts must be guided by two principles: action at the right level and dialogue with European citizens.

Our Committee must embody expertise on local and regional democracy, whether this means decentralisation, multilevel governance or implementing the subsidiarity principle.

The first principle which must guide our efforts is taking good decisions at the right level of government.

Compliance with the subsidiarity principle allows power to be exercised at the closest level to ordinary people. The Committee acts as the guarantor of this principle and is very active in that role. Ten years ago we set up the Subsidiarity Monitoring Network, which includes a large number of the regional parliaments of the European Union. And on 4 December of this year we are co-organising the 8th Subsidiarity Conference with the Austrian Federal Council.

The role and expertise of local authorities are invaluable and must be harnessed. This is why I have asked the president and first vice-president of the European Commission to make the European Committee of the Regions a member of the Subsidiarity and Proportionality Task Force being set up by the Commission.

The second principle that must guide our work is dialogue with European citizens. Since March 2016, we have organised more than 140 public debates in 95 EU regions, and our members have played an active part in these debates.

We must also increase the debates in our local and regional assemblies, since the opinion of elected representatives represents a crucial contribution to Europe's future.

It is a very good thing that especially the European Commission, Parliament and Economic and Social Committee are also engaging in local debates. Whether we call these "citizens' dialogues" or "public conventions", we must work together to ensure that the Union is in direct contact with its citizens.

I firmly believe that it is by addressing citizens' expectations that suspicion of Europe will be replaced by a desire for Europe.

Dear President,

Dear Colleagues,

We must guarantee the physical, social and environmental security of Europeans.

Europe must protect its citizens.

Physical security is essential for Europeans' well-being. The tragic events that have taken place in many European cities and countries are a stark reminder of this.

Security must also mean social security. There are still vast economic and social disparities between Europeans. One in five Europeans lives in a household below the poverty line or in a situation of social exclusion.

Europeans need a strong social model which protects everyone. Let us never forget that Europe is rooted in the prospect of better social protection. This is precisely the point of the Social Summit being held in Gothenburg, Sweden, on 17 November, in which our Committee will be involved. Tomorrow, we will adopt an opinion that gives our vision of a social Europe, to provide a response to the Commission and send a message to those attending this Summit.

The security of European citizens also depends on protecting the environment and biodiversity. Here too, regional and local authorities are front-line players, as are the American states and towns that have bravely decided to implement the objectives of the Paris Agreement - despite the irresponsible stance of President Trump. The fight against climate change is also a priority for us. We have just entered into partnerships with the European Climate Alliance network and with the ICLEI international network. We will be represented at the COP23 in Bonn and will take part in the Global Covenant of Mayors for Climate and Energy.

Europe really is stronger when it protects its citizens.

It is also the case when we face natural disasters. This was once again brought home to the Committee this year in regions affected by the earthquakes in central Italy, Umbria, Lazio, Abruzzo and Marche, for which the EU has approved emergency relief funding.

Dear President,

Dear Colleagues,

Europe needs ambition. Europe needs resources.

In the coming months, the European institutions will be negotiating the future multiannual financial framework, and will decide on the resources available to the Union which are, at present, totally inadequate to support 510 million Europeans. The ambition for Europe must be backed by significant resources in order to be credible, particularly by freeing up new own resources, as recommended in the report of the High-Level Group on Own Resources.

We are particularly concerned about the future of cohesion policy, which will be discussed by the Council on 15 November. As mentioned in the opinion of our colleague Michael Schneider adopted in May, cohesion

policy makes an essential solidarity-based contribution to consolidating the European Union and is the necessary counterpart to the internal market rules. Its future and Europe's are linked.

As the Commission pointed out just yesterday, during the 2014-2020 budget period, this policy will help 7.4 million unemployed people find jobs, enable 8.9 million Europeans to acquire a qualification, ease access to drinking water and the internet for millions of households, support 1.1 million SMEs, fund research projects, improve thousands of kilometres of roads and railway lines, and accomplish much more. It is inconceivable that a policy that provides such effective support to the people of Europe should be abandoned.

The European public is clear about this. At least three out of four Europeans who know about regional policy believe that the EU's regional investment has positive effects for their city or region. Cohesion policy builds confidence in Europe.

Unfortunately the possibility cannot be excluded of a disrupted or diminished cohesion policy in the next EU budgetary framework. There are worrying signs: the impact of Brexit on EU budget resources, the notion of imposing all sorts of conditions on cohesion, and the trend towards questioning the merits of solidarity between countries and regions.

We have joined five European local and regional associations in the Cohesion Alliance to defend the future of cohesion policy. Our request to the Council is twofold: ensure a strong cohesion policy involving all regions and guarantee that this policy will receive funding of at least one third of the EU's budget, as it does now.

I would also like to turn to another matter that is dear to our hearts: the ability of regional and local authorities to take action and to invest.

The attitude of our leaders at national and EU level has been moving in the right direction. Today we talk increasingly about the need to find ways of achieving budgetary flexibility, about defending our social model, especially in trade negotiations, and about the importance of investment, including public investment. We now need to move from words to deeds.

The European Union suffers from a lack of competitiveness due to obsolescent infrastructure and inadequate investment. Investment fell by 15% as a direct result of the economic and financial crisis.

Local and regional authorities are doing their utmost to avoid a collapse in public investment, over half of which they finance. But, as pointed out in a recent Committee

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opinion drawn up by our colleague Markku Markkula , it is often still difficult, in fact almost impossible, to fully revitalise public investment under the constraints imposed by European budget and accounting rules.

It is therefore high time to also free up public investment capacity at local and regional level, just as was done to promote investment in the private sector.

Dear Colleagues,

By way of conclusion I would like, once again, on everyone's behalf to thank the President of the Council to treat our cities and regions as key European players. We will present you next year with the opinion on the future of Europe that you have requested. All the work that we have done under the Reflecting on Europe initiative will also feed into our upcoming debate on

the State of the Union. This will be an important stage in our work on the future of the Union, in anticipation of the 2019 Summit of Regions and Cities.

Dear President,

Dear Colleagues,

We must roll up our sleeves so as to confidently continue to shape our common destiny. Now it is time to act.

Mr President, Europe's local authorities will be at your side and we will, together, defend the achievements of the European Union increasing its capacity for action and shape the future for Europe's citizens.

Thank you for your attention."

Endnotes

- 1 <http://www.consilium.europa.eu/en/press/press-releases/2017/03/25-rome-declaration/>
- 2 <http://www.consilium.europa.eu/en/press/press-releases/2016/02/10-tusk-address-cor/>
- 3 <http://cor.europa.eu/en/activities/opinions/Pages/opinion-factsheet.aspx?OpinionNumber=CDR 1814/2016>
- 4 Seventh Report on Economic, Social and Territorial Cohesion, European Commission, 9 October 2017.
- 5 http://ec.europa.eu/regional_policy/en/newsroom/news/2017/06/29-06-2017-citizens-perception-of-eu-regional-policy-on-the-rise-latest-eurobarometer-shows
- 6 <http://cor.europa.eu/en/news/Pages/EU-cities-and-regions-determined-to-tackle-the-investment-challenge.aspx>



European Committee of the Regions

Created in 1994 following the signing of the Maastricht Treaty, the European Committee of the Regions is the EU's assembly of 350 regional and local representatives from all 28 Member States, representing over 507 million Europeans. Its mission is to involve regional and local authorities and the communities they represent in the EU's decision-making process and to inform them about EU policies. The European Commission, the European Parliament and the Council are obliged to consult the Committee in policy areas affecting regions and cities. It can appeal to the Court of Justice of the European Union if its rights are infringed or it believes that EU law infringes the subsidiarity principle or fails to respect regional or local powers.

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