



Strasbourg, 12 July 2010

Mr. President,

The Assembly of European Regions (AER) is closely following developments relating to the future financial framework for 2014-2020, especially the place that cohesion policy will hold in this framework.

We recently learned that the European Commission plans to remove the European Social Fund from the domain of cohesion policy in order to finance a new European Union strategy for employment. The speeches given on the 23rd and 24th of June by Mr. Andor, Commissioner for Employment, Social Affairs and Inclusion, seem to confirm this orientation, which only leaves us wondering.

Let us be clear: it is of course essential and particularly opportune to propose an efficient financial instrument dedicated to an asserted social policy. We welcome the efforts by the European Commission in this area and that respond to repeated demands by the AER and numerous other partners to set up a true employment policy.

Is it really necessary though to take away the substance and the financing of what today represents a large part of cohesion policy? The notions of territorial cohesion and integrated approach seemed to have unanimous support only a few months ago, and the current recession does not justify a return to short-term sectoral policies. Sectoralisation has shown its inefficiency in the harmonious development of regions and its difficulties in promoting the multi-level partnerships necessary for adequately addressing the socio-economic needs of territories. Do we also have to remind the Commission that regions are the privileged partners of the 22 million SMEs that represent the most dynamic source of employment across the European territory?

We beg to disagree, and on this matter concur with Ms. Hübner's point of view, expressed in a letter dated 29 June, that the role of the ESF within the cohesion policy extends much further than only employment. It is the key tool for achieving social cohesion – one of three Treaty objectives for the cohesion policy.

Through the synergy between the ERDF and the ESF, cohesion policy responds, through its integrated and long-term action, not only to structural issues but also to economic difficulties. The flaws of this policy, that we recognise, must not lead to its dismantlement but rather to the thorough re-examination of its functioning and its priorities, leading to an even more integrated approach, refocused priorities and modernised governance.

Finally, we are quite surprised that discussions of such importance made it to such an advanced stage without the slightest consultation with concerned stakeholders and institutional partners. This opacity is quite surprising for a European Commission with a priority to fill in a democratic deficit that has been denounced many times. According to the *ex-post* evaluation of programmes

from 2000-2006, the totality of ESF projects concerned almost 28 million European citizens: its functioning deserves better than decisions made behind closed doors.

In our mail from 23 October, we had announced that the AER would remain vigilant concerning threats of re-nationalisation and sectoralisation of the cohesion policy. Today, we find ourselves obliged to reiterate this message of concern. We had also deplored, as we do today, a striking lack of consultation.

We therefore ask you to communicate, to the other institutions as well as the general public, tangible elements on this fundamental question of the future functioning of the cohesion policy. Such elements will allow for informed and constructive debate with all concerned parties. The regions of Europe are ready to bring you their expertise based on their experience with the European Social Fund and the cohesion policy in general.

We remain at your disposal, Mr. President, and are eagerly awaiting your response.

Sincerely,



Michèle SABBAN
President