

**Speech by Danuta Hübner,  
Commissioner for Regional Policy  
Launch of South-East Europe Co-operation programme  
Hungary, 27 March 2008**

Ladies and Gentlemen,

It is a pleasure to be here for the launch the South-East Europe Transnational Co-operation Programme and I would like to thank Minister Bajnai in particular for his invitation to attend today. My visit to Hungary today and tomorrow will allow me to see the impact that the EU's Regional Policy is having on the country – and it will also allow me to see the impact Hungary is having on the EU's Regional Policy. The pro-active approach Hungary has adopted in terms of transnational and cross-border co-operation and the fact that Hungary is managing 6 co-operation programmes in the new programming period is testament both to the very positive attitude taken by Hungary towards Territorial Co-operation, and also to the trust placed in Hungary by the neighbours.

I am especially happy to be able to attend your launch event today, as the South-East Europe programme is of particular importance for the Europe. I would like to take this opportunity of setting out for you just why this is so.

### Importance of Transnational Co-operation Programmes

Firstly, I must underline the importance of transnational co-operation concept as a whole. This co-operation across so-called “macro-regions” in Europe is still in its infancy – we have only one full programming period of transnational implementation thus far; and even that is not yet complete. However, we have already learned many lessons from our experiences, and I am sure that we still have more to glean.

It is clear that this co-operation offers us many possibilities. It provides the only programmed approach to broad, geographical co-operation and, as such, provides a valuable contribution to the EU’s Territorial Agenda, to the territorial cohesion of the Union, and to a more effective implementation of the EU’s Regional Policy.

This last point is worth underlining. While the transnational co-operation programmes are perhaps small - by Convergence programme standards - they are still significant and they offer

multiplier effects that can only come from co-operation. The South-East Europe programme is the one which gathers the biggest number of participating countries: 16 in total. As 8 of these are MS, 6 are IPA and 2 are ENPI countries, this is a highly complex programme which presents difficult challenges such as ensuring good mechanisms to contract partners who receive funding from different instruments: ERDF, IPA and potentially ENPI.

The 245 million euros available within the South-East Europe programme will be worth far more than that, if it can be used with real catalytic impact. To do this, we need to build closer links between the results coming from transnational projects, and the implementation of Convergence programmes across South-East Europe. By looking at the European impact of accessibility and innovation co-operation projects within the South-East Europe programme, we can help develop more effective national and regional projects that are better coordinated with European requirements. We can also encourage the regional and national level to look beyond their own boundaries and draw lessons and best practice from elsewhere in Europe.

## Importance of South-East Europe

What I have just said is of course true for all transnational co-operation programmes. But it is particularly true in the context of South-East Europe. There are challenges in this part of Europe which exist nowhere else on our continent and this makes it all the more important that you can work together effectively in this transnational programme.

South-East Europe provides a political dimension to transnational co-operation which is unique in Europe. With all the candidate and potential candidate countries for membership of the European Union in the region, there is a strong moral obligation to take co-operation forward, to build links between authorities and organisations, and to create projects and results which will deliver real benefits to all the people in the region. In this way, the South-East Europe programme becomes a bridge to the Union, a link to the EU's Cohesion Policy and a tool for disseminating good practice to the candidate countries.

Evidently, without the involvement of the countries of the Western Balkans in this programme, this exchange process would not be possible. Indeed, without their commitment, there would be no South-East Europe programme at all – a simple glance at the map underlines this point. It is therefore

particularly important to stress the active and positive contributions that all the non-Member States have brought to the programme preparation phase and I look forward to an equally positive involvement during programme implementation. If you will allow me, I would draw especial attention to the full and active commitment that Serbia has shown from day one of the programming process. I understand that Serbia is co-chairing the programme's Monitoring Committee this year, and that the next meeting of the Committee will be in Belgrade – demonstration indeed of this commitment. I would like to offer my particular thanks to Assistant Minister Gordana Lazarevic and all her team for their efforts in this regard.

### The Danube

If I can turn to the content of the South-East Europe programme, I would like to emphasise one element in particular which offers a number of possibilities for the region. That is the River Danube.

The Danube flows for almost 3000 kilometres through South-East Europe. It flows through 10 countries, and its drainage basin extends to a further 9 countries. It flows through old Member States, new Member States from 2004 enlargement,

new Member States from 2007 enlargement, candidate countries, potential candidate countries, and neighbourhood countries all without distinction. It is a European river *par excellence*, flowing through capital cities, and even forming the very border itself in a number of cases.

It is a perfect focus for transnational co-operation and indeed we have seen a number of projects supported in the previous programming period. The projects “D4D” and “DANewBE Data” have provided valuable advances in IT navigation along the river, but more work is needed. The Commission has seen the positive political co-operation that has developed along the Danube – for example, through the work of the Danube Commission and the Danube Co-operation Process – and we believe that it is now time to convert this political co-operation into practical results.

The South-East Europe programme offers the best opportunities of developing this practical co-operation, and the Commission is looking forward to seeing significant, result-based projects being generated by the programme. I understand, for example, that a large-scale flood prevention project is already being discussed among some partners.

This would seem to be a very logical, positive action to be undertaken early in the programme's implementation, and I would encourage everyone to take all possible steps to maximise the possibilities of Danube co-operation.

### European Grouping of Territorial Co-operation

One element that has not yet been discussed so much in a transnational context, but of which the Commission has high hopes, is the European Grouping of Territorial Co-operation. As its name suggests, the EGTC Regulation covers the whole of the Territorial Co-operation Objective. It is a new assistance tool for co-operation projects and programmes, which could provide significant simplification to implementing co-operation. It is therefore an option in the transnational programmes as well. While it is perhaps less likely that we will see the EGTC approach used for transnational programme management, there is a distinct possibility that it could be used for running individual transnational projects. It offers many advantages in this regard compared to the traditional partnership approach. The EGTC operates as a legal entity, binding the partnership together. It also provides a straightforward way of employing project staff, of contracting across borders, and of simplifying project finances. While this area of EGTC activity is in its very

initial stages, the Commission believes that this multi-partner, project-level EGTC approach could become one of the main areas of EGTC exploitation in the years to come. We will discuss these EGTC issues on the 19th June 2008 Interinstitutional Conference in Brussels. You are warmly invited to participate!

### Future of Cohesion Policy and Co-operation

Ladies and Gentlemen,

We stand at the start of a critical period for transnational co-operation – indeed, it is an essential period for Cohesion Policy as a whole. Over the coming months, we will have an in-depth debate on the future shape of Cohesion Policy, and Co-operation will play a key part in this debate.

In the past, especially in the 1990s, the main frame of reference for the development of our regions was of an intra-European nature, tending to leave external challenges to national governments and other Community policies, such as trade policy. Today, we look at the cross-boarder cooperation from a different perspective than a decade ago. European regions cannot anymore position themselves and measure their competitiveness only against the European economy.

It is increasingly the case that the most successful regions are those which have managed to internationalize their economies. Any comprehensive investment strategy lacking global perspective is doomed to bring (in the longer term) marginalization and loss of competitiveness. In this global context, the contribution of regions to European integration reveals the role of cross-border cooperation particularly important.

This alters the very meaning of catching up. Cohesion policy is no longer a tool to help regions catch up with the Union's average and reaffirm themselves within their own territory. The aim must be to assist regions in finding their place in global markets, acting as a development policy whose main objective is to foster endogenous growth and ensure equality of opportunity throughout the Union's territories. Regional policy is acting as a policy which addresses opportunities for the future, by mobilising underexploited potential, rather than compensates for the problems of the past.

Therefore, your work is becoming more and more important in our policy. Territorial co-operation programmes have been upgraded, and since 2007 have the status of being a full Objective of EU Regional Policy. This shows the political

importance the European Parliament, the Member States and the European Commission now attach to cross-border, trans-national and interregional co-operation. Funding has been boosted too, by 50 per cent and we now have a budget of 8.3 billion EUR for the three types of cooperation. But there are also many more internal EU borders as well as new external ones. This makes the challenges and the opportunities even bigger.

So far, we have made good progress in launching the 2007-2013 period. Of the 80 territorial cooperation programmes we have, 60 have already been adopted and have started being implemented and another 15 will be signed by me before the end of March.

It seems that Co-operation programmes benefit from a very positive assessment at the European level. This has been shown most recently in the responses to the Commission's public consultation on the 4<sup>th</sup> Cohesion Report that I presented a month ago:

- regional policy should cover all regions and responds to economic challenges: competition, demography (ageing), climate change;

- the need to a stronger involvement of local/regional authorities and simplification of the procedures;
- a true benefit and a call for a financial reinforcement of the territorial cooperation programmes

However, that is not a signal that we should rest easy. There is more work to be done on audit and control issues, as I have indicated. Equally, we need to consider carefully the question of indicators and performance assessment in co-operation programmes and how we can demonstrate that what we are doing is both successful and relevant for regional development. There is sometimes a tendency for those involved in co-operation to assume that the added value of co-operation programmes and projects is so self-evident, that little need be done to “sell” the results.

I do not agree with this view. A major effort is required from Co-operation programmes to disseminate their results to key actors and decision-makers across Europe. This focus on the information and publicity aspects of the co-operation programmes explains why the Commission is placing so much emphasis on the Communication Action Plans of the new programmes – and why I am so pleased to see so many people

here today attending this Launch Event. Evidently, the South-East Europe programme has already started taking communication seriously.

### Conclusion

Ladies and Gentlemen,

South-East Europe has undergone remarkable changes in the last decade, not least through the enlargement process. In an economic and social development context, there are more changes to come. The South-East Europe Programme offers a number of key opportunities to help shape those changes through genuine co-operation across all sixteen participating countries.

South-East Europe is one of the most vibrant and exciting parts of our continent. I look forward to seeing equally vibrant and exciting projects coming from your South-East Europe Transnational Co-operation Programme.

Thank you very much.